

Book Review

Agarwala, Rina (2013) *Informal Labor, Formal Politics, and Dignified Discontent in India*. New York: Cambridge University Press. ISBN: 9781107663084

*REVIEWED BY Edward Webster, University of Witwatersrand,
Johannesburg, South Africa*

It is widely argued that the growing informalisation of work under neo-liberal globalisation is eroding the regulatory framework and undermining the standard employment relationship that defined the role of trade unionism in the second half of the twentieth century. Unions, it is argued, have lost the key foundational categories of their power – structural and associational/organisational power – and their institutional power is precarious. Indeed Guy Standing speaks of the end of labourism and the rise of a precariat, ‘flitting between jobs, unsure of their occupational title, with little labour security, few enterprise benefits and tenuous access to state benefits’ (Standing 2009: 110).

Rina Agarwala, in this path-breaking study of informal workers in India, challenges this conventional view that informalisation is the ‘final nail in the labour movement’s coffin’. Informal workers, she demonstrates, are creating new institutions and forging a new social contract between the state and labour. Drawing on in-depth interviews with 200 government officials, employers and labour leaders of formal and informal workers’ organisations, and 140 women contract workers in construction and bidi work (cigarette making) in three Indian states, Agarwala identifies the strategies this new movement uses and the sources of their power.

This innovative new movement, she argues, is re-embedding workers through claiming their rights as citizens. It aims to protect workers within their informal employment status, rather than trying to transform informal workers into formal sector workers. It identifies and recruits members by going through slums rather than worksites. To make these changes, informal workers have organised a unique class-for-itself, shifting its target and demands. Instead of making demands only on employers, demands are made on the state for benefits such as education scholarships, health care, social security, and subsidies for housing, funerals and weddings. Appeals to the state for these welfare benefits have been operationalized in the form of industry-specific Welfare Boards.

What then are the sources of power of this new movement? The empirical heart of the book is a three state comparison wherein Agarwala demonstrates that these informal worker movements are most successful when operating within electoral contexts where parties must compete for mass votes from the poor. Liberalisation alone, she argues, cannot hurt informal workers’ movements. In fact, as she shows in the case of the state of Tamil Nadu, it gives these organisations an opportunity to frame themselves as key pegs in the states’ agenda of flexible production.

In Tamil Nadu the fact that political parties compete for votes from the poor, what she calls competitive populism, has given informal workers' organisations unique opportunities to attain state-supported welfare benefits for their membership. Importantly, they are not attached to a particular party nor do they espouse a specific political or economic ideology. 'Rather, it appeals to every politician's desire to retain or attain power' (p72). Informal workers are, Agarwala suggests, a 'vote bank' who are encouraged to vote according to their neighbourhood.

Agarwala contrasts Tamil Nadu with West Bengal where the Communist Party of India (Marxist), CPM, ruled for three decades. In spite of the CPM's radical working class rhetoric, informal workers have not succeeded in receiving material benefits from the state. The CPM has failed to create an informal workers' movement because it does not identify urban informal workers as a target group. Instead they see them as a 'reserve army of labour' that would eventually be formally employed. CPM offers workers a European-style class compromise. The CPM does not acknowledge the informal workers distinct class location and their specific interests. Such an acknowledgement has been viewed as legitimating unregulated work, which is considered antithetical to CPM's expressed commitment to formal workers' rights.

In the third case, the state of Maharashtra, informal workers have had limited success in eliciting benefits from the state. What gains have been made have been driven by unions as there is limited pro-poor electoral competition. Agarwala describes Maharashtra as somewhere between Tamil Nadu and West Bengal where informal workers have made minimal gains.

Agarwala concludes that a new model of development based on informal labour has emerged in the global marketplace. 'To remain competitive', she argues, 'firms argue they must reduce labour costs by hiring informal workers who, by definition, are not protected by state law' (p189). But neo-liberalism is, she suggests, a contradictory path as it is 'the ideal breeding ground for mass-based populism' (p201). On the one hand, populist leaders may become the only hope for survival and security. This new movement of informal workers, as the title suggests, 'dignifies their discontent'. On the other hand, these populist leaders will not challenge the ideology of neo-liberalism or the structures that make the status of informal workers marginal and insecure.

Informal Labor, Formal Politics, and Dignified Discontent in India is one of the most thought provoking books produced on the future of labour in recent years. It challenges us to radically rethink how we see labour after globalisation but not in a pessimistic way. Instead Agarwala restores agency to ordinary workers struggling to survive in the age of insecurity and identifies their innovative organisational responses in a compelling way. It provides a point of departure for a more grounded debate on the future of labour.

Are informal workers a separate class in the making, as Agarwala suggests? If so, how do we define this class in relation to the traditional working class? Is it conscious of itself as a distinct class? Or are informal workers better seen as a vulnerable segment of the working class? Is a broad-based movement of formal workers and informal workers possible? Are these informal worker organisations abandoning any notion of workers as a transformative agent?

An innovation in the research methodology on informal work is the use of statistical data in combination with qualitative data, both in-depth interviews and photographs. Many developing countries are characterized by large informal economies and have insufficient data collection systems. This seriously limits the kind of econometric analysis usually applied in the research of social protection systems. In addition, the use of such quantitative approaches limits the potential to incorporate complex social and cultural processes and contexts.

Agarwala has shown the value of qualitative data in research on informal work. While she has a wonderful collection of photographs of informal work, it is a pity that they are confined to an appendix, almost as an add-on. Photographs, or what could be called visual ethnography, is a source of evidence in its own right and should be fully integrated into the research instruments in studying informal work.

A crucial point raised in the book is that some traditional left unions are acknowledging the connections between the formal and informal and incorporating informal workers into a broader workers' movement. The Congress of Indian Trade unions (CITU), affiliated to the CPM is starting to organise the total workforce. As one organiser observed, 'The informal sector is entering into the previously formal sector, and the formal sector is being cut in size...We cannot differentiate between formal and informal workers, because politicians only care about getting the most votes' (p98).

But in spite of this trend Agarwala argues that members of this new movement see their strategy as the only alternative, namely, to negotiate directly with the state (see figure 5, p58). A careful reading of her own data suggests a more open-ended set of options. For example, the secretary of the Tamil Nadu's Bidi Union sees the focus on Welfare Boards as a retreat: 'What workers need is a minimum wage and secure employment, not these games', he remarked in an interview with Agarwala (p56). Certainly this organiser feels that the welfare-oriented struggles and lack of willingness to fight the employer is a tacit approval of employer exploitation.

The growing willingness of traditional trade unions to organise informal workers in India suggests that we may be seeing the beginnings of a counter movement from below in response to the state's ambitious social security programme for unorganised workers. Whether it is possible for the different organising traditions identified in this book to come together in a broad alliance of formal labour and informal workers remains to be seen.

What is clear is that traditional unions are now prioritising the organisation, mobilisation and representation of informal workers. Importantly, they are showing a greater willingness to engage in tactics of confrontation and resistance (pickets, road closures, arrests) to accentuate their political demands (Gillan 2010: 22). In the process they are discovering new sources of power and new forms of support for, and with, informal workers. This includes the mobilisation of major union federations around the introduction of national social security legislation, in particular the Unorganised Sector Workers Social Security Bill passed into law in December 2008 (Harriss-White 2010).

Criticisms of these state initiatives from the left have been widespread; it has been argued that there is a lack of awareness of the social security schemes and severe limitations in their coverage (Dev 2008: 328-333); that welfare schemes for unorganised sector workers have been introduced without making any financial commitment or

setting out any time frame (Harriss-White 2010: 120); that it is not compulsory to register making the regulation of employment impossible (Hensman 2010: 120). But, in spite of these criticisms, Harriss argues, 'the sheer fact of so much official policy interest in the unorganised sector is remarkable, and seems to show how far the Indian state has been pushed away from the neo-liberal model' (Harriss 2010: 8). India, he concludes, is experiencing a counter movement from above, a series of state interventions designed to protect society (Harriss 2010: 9-10).

The question raised by Agarwala's thoroughly researched and important book is whether, as James Ferguson provocatively puts it: 'the neoliberal "arts of government" that have transformed the way that states work in so many places around the world inherently and necessarily conservative, or can they be put to different uses? To ask such questions requires us to be willing at least to imagine the possibility of a truly progressive politics that would also draw on governmental mechanisms that we have become used to terming "neoliberal"' (Ferguson 2009: 1730).

This is the challenge posed by *Informal Labor, Formal Politics, and Dignified Discontent in India*. Whether informal workers are organised in distinct organisations, or whether they become part of a process of transformation of the traditional labour movement remains to be seen. What is clearly demonstrated in this book is that informal workers can be successfully organised into trade unions in the age of neoliberal globalisation.

REFERENCES

- Dev, M. (2008) *Inclusive Growth in India. Agriculture, Poverty and Human Development*. Delhi: Oxford University Press.
- Ferguson, J. (2010) 'The Uses of Neoliberalism', *Antipode* 41(supl 1): 166-84.
- Gillan, M. (2010) 'Trade Unions and the Political Representation of Unorganised Workers in India', draft paper presented at Labour Movements Research Committee (RC44), International Sociological Association (ISA), 17th World Congress of Sociology, Gothenburg, Sweden, 11-17 July.
- Harriss, J. (2010) 'Globalization(s) and Labour in China and India: Introductory Reflections', *Global Labour Journal*, 1(1): 3-11.
- Harriss-White, B. (2010) 'Globalization, the Financial Crisis and Petty Production in India's Socially Regulated Informal Economy', *Global Labour Journal* 1(1): 155-160.
- Hensman, R. (2010) 'Labour and Globalisation: Union Responses in India', *Global Labour Journal* 1(1): 112-131.

Standing, G. (2009) *Work after Globalization: Building Occupational Citizenship*.
Cheltenham, UK and Northampton, MA: Edward Elgar.

Edward Webster is Professor of Sociology and Research Professor with the Society, Work and Development Institute at the University of the Witwatersrand in Johannesburg, South Africa.