

Engendering The Informal Economy – A Case Of Double Informality?

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Abstract

The informal or the unorganised economy has many labels. It is vast, overwhelming and extremely difficult to define. The following paper tries to unpack the engendering of the informal economy and look at the way women workers engage, negotiate and experience their life in the informal economy setup that they are a part of. It primarily centres on looking at how the discourses of flexible specialisation and the informalization of employment relations, when looked through the lens of feminisation and space, led to the creation of a condition that borrows heavily from the concept of double deprivation.

The focus is to study and understand the perceptions of women workers and the way they negotiate their way with the spaces that they are being constrained to, broadly the home space and the work space. The experience of informality and the way in which it manifests in their daily lives has paved the way for a conceptualisation that describes informality as a tendency. The paper has tried to address the questions of how women workers perceive the work that they do, the economic roles that they play, the factors that drive them to work, the factors that impede their choice of profession (for the purpose of this study, the choice is limited between factory work and home-based work), the perception about the place and space in which their profession is contained, and the changing conception of the home space and the challenges that come with it.

Drawing from field experience conducted at intervals spaced out between May, 2015 and April, 2015; the paper will attempt to understand the perceptions of two groups of women workers – factory workers and home-based workers or outworkers in the Ghazipur settlement located in East Delhi. The methodological enquiry was primarily based on semi-structured interviews that drew heavily on the ‘Oral Testimony’ method of interviewing, allowing for a free flow of conversation while making sure that the themes on a checklist were included. The sample size was small – ten women home-based workers and ten women factory workers; making it a total of twenty women workers. They were recognised through a mixture of purposive and snowball sampling.

The paper concludes with making a case for the condition of double informality as a pervasive condition that affects the lives of women workers, irrespective of the fact that she works in the factory space or from the home space. Belonging to the informal sector has already stripped the individual of certain legal and social benefits, which is the first level of informality. However, the intersection of space and gender reduces her to an even lower level of informality because of the low valuation accorded to her work in either space – measured differently; in terms of low valuation reflected in lower wages as compared to their male counterparts in the former and the ambiguity that gets created in the co-existence of the home space and the work space.

Keywords: *informality, gender, space.*

Introduction

The following paper tries to unpack the engendering of the informal economy and look at the way women workers engage, negotiate and experience their life in the informal economy setup that they are a part of. Drawing from field experience conducted in the industrial settlement of Ghazipur in East Delhi, the study will attempt to understand the perceptions of two groups of women workers – factory workers and home-based workers or outworkers. The focus would be on looking at how industrial reorganisation following the Fordist crisis and the informalization of employment relations that followed, when looked through the lens of gender and space, pushes them to a higher degree of informality. The macroeconomic contexts of industrial reorganisation and flexibility in labour relations would provide the larger background for the study and the contexts of spatiality and the way spaces are constructed and reconstructed because of everyday practices and interactions would be probed into.

Setting The Scene

Since its inception, after being coined by the German anthropologist, Keith Hart (1973) in his pioneering work on the low-income section of the labour force in Accra, Ghana; the term ‘informal sector’ has undergone many definitional and discursive shifts. These shifts oscillate and occupy myriad positions between a romanticized notion where writers like De Soto called it “...an untapped reservoir of entrepreneurial energy, held back by government regulations” (p. 109) to a being a parasite that is an impediment to the development of the formal sector (Farrell 2004). There is no one fixed idea or definition that can claim to capture

the entire spectrum of what encompasses this sector. The plurality of meanings and terms that accompany the term 'informal sector' – non-observed, parallel, irregular, unofficial, second, hidden, shadow, subterranean, unmeasured, unrecorded, untaxed, unregulated and unorganized; along with the lack of a unique statistical aggregate that might explain the entire informal sector instead of quantifying and aggregating its sub-sectors, such as the type of enterprises or employment that fulfil certain criteria; creates a lot of ambiguities and problems when it comes to policy making and interventions at various levels in the sector. There is no single approach to defining informality and its definitions used in theoretical and empirical research often lacks consistency from one study to another.

The literature on the informal sector as a whole seems to be like a kaleidoscope – there are different shapes, patterns and designs, each giving a new and alternate conceptualisation of the sector. Due to the overwhelming and interlinked definitions available, further exacerbated by the recognition that the demarcation between formal and informal is not concrete, but blurred; the concept's validity is always under question. As is rightly pointed out, "Given the prominence of the informal-formal dichotomy in the development discourse one might expect to see a clear definition of concepts, consistently applied across a whole range of theoretical, empirical, and policy analysis...it turns out that formal and informal are better thought of as metaphors that conjure up a mental picture of whatever the user has in mind at that time." (Guha-Khasnobis, Kanbur and Ostrom 2006 p. 2-3).

Flexible Specialisation And Informalization Of Employment Relations

Originally only seen as a feature of the developing economies, the 1970-80s caused a paradigm shift in the discourse around the informal economy. The advanced capitalist economies of North America and Europe were increasingly de-centralising the production process into small-scale and flexible economic units. Mass production was being replaced by flexible specialisation, as seen in the leather and shoe industry of the Emilia-Romagna region of Italy, where employment relations were becoming increasingly informalized. Standard, regular jobs were being transformed into non-standard jobs, with hourly payments or those based on the number of pieces produced (piece rate) and the production process was being outsourced and subcontracted to small-scale informal units. The informal sector thus, became an integral and inseparable part of the formal, capitalist development model. This argument was representative of the structuralist school of thought that saw the informal economy as serving the needs of the large capitalist enterprises by increasing their competitiveness

through reducing labour and input costs (Castells and Portes 1989). Barbara Harris-White (2003) also elaborates on this notion of the informal sector by saying that the "... [Informal sector] is certainly not outside the ambit of market exchange or capitalist accumulation; it is an intrinsic part of both" (p. 28). The economic crisis of Latin America, the Asian economic crisis of the 1990s as well as the structural adjustment programme and the disintegration of the Soviet Union; provided alternate explanations for the increasing levels of employment in the informal sector. With the shutting down of firms and down-sizing, the inability to find alternate formal sector jobs led to a substantial part of the labour force to seek employment in the informal enterprises.

These changes in the systems of international production resonated in reconfigurations to the organisation of work, the workplace and the workforce. Tonkiss (2006), in a cursory review of the fundamental defining features of post-Fordism, delineates that the post-Fordist era is marked by changes in the production and labour processes, and in the spatial organisation of economic activity (pp. 96- 99). Together, these aspects have significant implications for developing a contextual understanding of changes in the world of work. The shift from Fordism to post-Fordism and the 'informalization' and 'flexibilisation' of the labour process was accompanied by two complementary processes – the restructuring of the labour process and the spatial reorganisation of economic activity through diverse and multiple means of organising labour - casual labour, contract labour, home-based workers, and outworkers, among others – a phenomenon that became more acute with the decentralisation of the production process across the geographical boundaries of countries, courtesy of globalisation in the 1990s.

The Construction Of Gendered Spaces

According to Henri Lefebvre (1974), space is something that is not 'apriori' or 'empty', moving from a largely 'Euclidean' conception of space as an empty container to something that is produced socially and has multi-faceted spatial constructs. Lefebvre's conception of space opened up the possibility of viewing space as a complex process that is always in flux, dynamic and changing.

Spaces are not homogenous constructs but are being increasingly viewed as relational, processual ordered systems. According to Doreen Massey (1994), the term space can best identify the spheres of juxtaposition and co-existence. Space epitomizes simultaneities. In this sense, spaces are first, an expression of pluralities; second, pointing to the possibility of

reciprocal relations and overlapping relations; and third, they are always open and indefinite with respect to future formations.

Spaces are also conceptualized in terms of how they are experienced or lived by individuals as social beings by virtue of their race, caste, class gender, sexuality and other differences. Individual feeling and emotions become instrumental to understand the spaces from the subjects' point of view (Ranade 2006). People do not produce spaces through their actions thoughtlessly. They try to make sense of spaces when they enter them, literally, and acting in response to a particular setting through their actions based on their perception of it. The process of making sense of various social and material settings is not independent of subjects' own social position. Another way of saying the above is that spaces become what they are due to the social interactions and relations which come into existence depending on the manner that the subjects living in them perceive them.

When one talks about the work space, it has to deal with the organisation in question. The work space is highly dependent on the way the production process has been organised. Looking at the different stages in economic evolution – from tribal to slave-based to feudal to Asiatic mode of production to primitive accumulation that forms the basis for capitalism, the sight on which the economic enterprise is based has changed. It shifted from the entire community or collective holding the economic value under the tribal to the number of slaves that one holds which determines the economic value under slave-based to the relationship between the lord and his serf under feudal to the family and/or the extended family based labour networks under the Asiatic mode of production to labour as the source of economic value under capitalism. This linear form of economic organisation is not visible in the field. These forms of economic organisation and evolution co-exist.

What I would like to draw attention here is that the work space and place in Ghazipur is a male-dominated, masculine space with the factory floor largely comprising of men. The simplest explanation for such an occurrence can be attributed to the blatant gender discrimination that occurs in the labour markets all around the world – men being assigned certain jobs because of their 'masculine' attributes such as strength and ability to work for long hours at a stretch and women being employed in certain 'less-heavy work' because it conforms with the widely held and parroted social and societal constructions of gender and work. This was quite visible in the informal setting of Ghazipur as well, with the men being employed on the so-called 'heavy machines' in the jeans-dyeing units of, whereas women

were being employed in the relatively 'easier jobs' of drying them and packing them. Apart from this, women factory workers are employed heavily in the packaging of ground spices, Bisleri bottles and medical equipment. Women home-based workers generally get what in their words '*safai ka kaam*' is, which basically involves trimming the extra, unwanted components from an almost-finished product – the product could be a pair of jeans requiring a trim of the extra threads; cleaning and trimming the extra plastic parts from the spokes of the wheel of toy cars; stitching elastic bands onto leggings.

Spatial arrangements, throughout history and across various cultures, have influenced and reinforced the status differences between men and women. Marx was of the view that status is unequally distributed amongst members of a society and men as a group are universally accorded higher status than women as a group, as is determined by the relationship to the means of production (Collins 1971; Huber 1990 as cited in Spain 1990). Spatial arrangements between the sexes are socially created and this organisation of space may and does perpetuate gender differences.

According to Spain (1992 p.6), "the initial status difference between women and men creates certain types of gendered spaces. It would be too simplistic to say that spatial segregation causes gender stratification, but it would be equally simplistic to ignore the possibility that spatial segregation reinforces gender stratification and thus that, modifying spatial arrangements, by definition, alters social processes."

Women are trapped in a space 'between' due to the dual constraints imposed by domestic responsibilities and an inferior position in the realm of wage labour (Hanson and Pratt 1995). Capital has an overarching logic of accumulation in general and yet the economic rationale, intercepted by national and local configurations of social power, makes capital unfold differentially in different spaces. The labour market provides an ideal site to interrogate such processes. In India, regional specificities are stark when it comes to the presence of women workers in the public domain, which get significantly obliterated if they are in home-based work. This is because home-based work hinges upon responsibilities of social reproduction and more importantly upon all-pervasive social norms that continue to embed women in traditional constructs of domesticity (Raju, 2013).

Such a framing serves a dual purpose: the socially sanctioned norms for women primarily anchored within the homes remain uncontested and, therefore, stay within the comfort zones

of patriarchal structures and the capitalist logic of cost-cutting of the labour for optimal profit can also be achieved. This is to argue that in a situation where the market has to become extremely competitive and cost effective, it serves the interests of the capital to explicate the prevailing social and gendered constructs which are almost all encompassing. The social creation of boundaries in an artificial and arbitrary manner has been used extensively and done to death in the work-family literature. Activities formally designated as ‘work’ and the activities associated with domestic matters often take place in separate places. However, when the work takes place inside the informal space of home, the geographical and conceptual boundaries distinguishing the two overlap and the ways in which home-based workers are identified “..in the official discourses provide some fuel to theoretically problematise the assumed conception of home and home-based workers.” (Raju 2013 p. 60).

The ‘living room as a factory’ system (Hsuing 1996 as cited in Neethi 2014 p. 89) and opening up of new workspaces for women can be linked to the larger global process of decentralisation of the production process. By bringing paid work into their homes, even though women eliminate the journey from home to work and back, it creates entirely new issues and problems corresponding to this stage in life. The transformation of the home as a non-economic realm of productive enterprise facilitates the gender argument that home-based workers do not get their due share. The reason for that is that because one does not have a clear-cut distinction or delineation between the economic and the non-economic, one arrives at a system where this blurriness is a norm. With the duality of the existence of the home space and the work space, there are essentially two levels of blurriness – blurriness of the household space and blurriness of the role of the woman i.e. her economic role as a labourer and the non-economic role as a housewife.

Making The case For Double Informality

The use of narratives and testimonies by the two groups of workers – ten women factory workers and ten women home-based workers, will be used to bring forth the argument that irrespective of the spaces in which these women are constrained to, in our case, the home space and the factory space, their experiences of belonging in the informal sector and the way in which they are dealing with the tendency of informality; paves the way for the creation of a condition – double informality. The conditions and the criteria of experiencing double informality are albeit different for the two groups considered, because of the differences in

the spaces that they find themselves embedded in; but irrespective of that they are all potentially doubly informal. The first level or degree of informality comes from the fact that the sample pool belongs to the informal sector. Belonging to the informal sector has already made them vulnerable and deprived of a number of things – social security benefits, minimum wage payments, a lack of collective bargaining, regular jobs, and a standard, written labour contract. The second level of informality is explored in this section.

Coming to the city, to the urban is mostly understood as providing certain freedoms from old social bondages that they face back in the village. However, this transition while allowing for freedom from certain social bondages also plagues them with another set of bondages that marginalise them, but in different ways. This section is about those *marginalisations* rather than those *liberations*.

The entire discourse about the construction of the factory space or the shop floor as an inherently masculine space, creating an impediment for the woman to move out from the home space into an unknown, outside domain as well as the fear that is being inculcated in her mind about the dangers of the ‘outside’ as well as the ‘dirty gaze’ to which she might be potentially subjected to rings true from the narratives and testimonies of the women workers in the sample. The very social (re)construction of viewing the factory space as inherently masculine and thus, unsafe for women because it will raise questions about their morality and respectability is not just something that is enforced on them from above; it is also something that women have come to internalise for themselves. The sexualisation of the female worker and the construction of her image of being sexually and morally loose and promiscuous is one of the major tools being employed in the patriarchal system to restrict and control the woman from stepping out and work in spaces that are deemed unfit for her – a theme that comes across powerfully from the narratives – adds another layer of informality to her already informal position in the informal economy.

For a woman home-based worker, the preference for choosing to work from the domestic space emanates out of the ease that it allows the worker to navigate her way in fulfilling her domestic responsibilities and wifely-altruistic duties along with earning some money; a second resort to working in a factory as the husband is not comfortable in ‘allowing’ his wife to go out to work; and, an activity that helps a woman pass her time. Whatever be the ‘why’, commonality remains – the minute the husband or the child walks through the door, the work

is shunned completely. Home-based work happens in the absence of the husband or the child; in their presence the priority is accorded to their needs.

If one considers the factory space, the worker, irrespective of the fact that it is a male or a female, has to put in the stipulated time of eight hours which the shift requires (sometimes an extra two hours overtime also, but that is contingent on the amount that has to be made and delivered). The woman factory worker will not stop working or give up what she is doing and go to feed her husband or cater to his needs if he happens to walk into the factory. She would still accord priority to her work or risk getting admonished by the supervisor. The double informality plaguing the home-based worker comes from less priority and valuation that is accorded to their work – both in the husband's eyes as well as their own eyes. In the factory space, the doubly informal status is of another kind, hinged also on the lesser valuation of work vis-a-vis their male counterpart. The problem of them being talked about in a particular way, seen in a particular way doesn't reduce the importance of the work in *their own* eyes.

However, once you enter into the home space, the woman sees it as *right* and her *duty* to go feed her husband or take care of his needs if he happens to walk in the house while she is busy making pieces. She cannot tell him to wait for her to finish. This is a higher degree of informalization. The subjectivity of informality is higher there.

For a woman home-based worker, who is already bereft of the factory space due to familial pressure or her own choice, the fact that she works inside her home, which now does not only remain her home space but also becomes her work space. This duality of space that exists because of the co-existence of the work space and the home space makes her confused with regards to the space that she has to prioritise. As the work is spaced in a location where she is already subservient or subordinate to the dominant member, who is the husband in most cases, makes her feel that she is not doing enough for the household income. Because the work is located in the home of the home-based worker accounts of these home-based workers show that their work takes a back seat when their husbands come back or the children return from school, and the work is de-prioritised the minute she has to choose between her family responsibilities and wifely-altruistic duties, makes her doubly informal.

The basis and criteria for defining double informality changes as one move from the home space to the work space. The common aspect of this double informality across the home and the work space is the valuation of the work being done by the women – the valuation the

woman herself accords to the work as well as the valuation that others accord to that work. In the home space, the valuation of domestic service is higher than that accorded to home-based work. In the factory space, the valuation of her skills is lesser than that of her male counterparts in the factory and her husband back home. What is being valued is different. But in both spaces, her valuation is on a lower footing than that of her male counterpart. The informal sector is already on a lower footing and the woman, by virtue of her gender, irrespective of whether she is in the home space or the factory space, finds herself placed at another, lower level of informality because of the low valuation accorded to her work. With gender, the condition of double informality is all pervasive. The woman might be working in a factory, she could be working from the home and she could also be working from the home and doubling up as a contractor by subletting out the pieces to other women in the locality. The fact of the matter remains that the condition of double informality pervades all three categories.

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