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# India's street vendors and the struggle to sustain their livelihoods and informal enterprises: Unionization, political action and sustainable development

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## Abstract

This paper explores the experiences of street vendors in the Indian capital city of Delhi. The paper first sought to gain an understanding of street vendor livelihoods in the city with particular focus on challenges to livelihood security. Here the paper uncovers a situation where vendors face persistent challenges including forced removals, exploitation and extortion. The second purpose of the paper is to understand the ways in which vendors are able to organize in order to face these challenges collectively. The paper argues that although diverse forms of labour organisation exist it is often reactive and limited to areas with a well established vending community. It is proposed that more attention should be given to labour in the informal sector and that those in such occupations should be recognized and protected by national and state laws as workers with labour rights.

**Keywords:** Street vendors; Informal enterprises; Political action; Sustainable development

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## 1. Introduction

Street Vending forms one of the most visible areas of the informal economy (Cross, 1999). Since Hart (1970) first applied the word 'informal' to certain areas of economic activity, it has been debated within various disciplines (Rakowski, 1994). The Informal sector has often been identified as an obstacle to development (see: Pucher et al., 2005; McKinsey Quarterly, 2004), yet in recent years some have argued that informal activity can be poverty and development solution. This concept was initially formulated by De Soto (1989) whose study in Peru concluded that, although not free from problems, the informal economy in fact,

*“demonstrates amazing energy and ingenuity”* and that *“the real problem is not so much informality as formality”* (p. 255).

De Soto (1989) sees the informal economy as tethered by too much formality which holds back entrepreneurial drive. The prescription, De Soto suggests, should be to legitimize informal activity; in so doing a more effective free market economy can develop. This concept has been followed up by others who see a potential development solution in the unleashing of the sector (see: Shah and Mandava, 2005; Tipple 2004). However there are concerns raised regarding this approach. Workers globally have long been involved in struggles for better conditions and wages. Some argue that informal sector growth doesn't just as undercutting this (Birbeck, 1978) but also that informal workers, who have little protection from labour organizations, are open to exploitation. (See: Upadhyaya, 2003; Harriss-White and Sinha, 2007; Gallin, 2001).

With this potential for exploitation and weakening of worker's rights, the rise of the informal sector is seen by Castells, Portes and Benton (1989) as potentially providing advantage for the dominant class. The authors conclude:

*“If the process of informalisation is here to stay, and if its principal practical consequence is to alter the character of class structures and struggles, the obvious final question is how to confront this reality.” ... “The process in capitalist economies serves to strengthen the hand of the dominant class and weaken labour's organizations. The challenge then is how to develop new organizational forms as flexible as the new arrangements and which respond to the emerging needs and interests of participants”,* (Castells et al., 1989, p.309)

However, unlike workers in many other informal occupations, vendors are primarily independent operators running their own businesses on a 'self employed' basis (Baruah, 2004). This status makes vendors particularly interesting when it comes to understanding political organization in the informal sector.

Despite the debate regarding informal economic enterprises and street vending, there remains relatively little material regarding political organization amongst vendors as a sustainability strategy. Whilst Cross (1998) identified this as an issue from his study in Mexico City, this paper however provides an Asian context using the case of Delhi, India.

Street vending may not be associated with exploitation as much as some other informal sectors employment, (see: Masood, 2008, Unni, 2006; Sethuraman, 1992), the focus on vendors in a developing

country provides a unique and valuable example. This, coupled with vendors' relative independence compared to other informal sector workers, places them at the front line of informal-formal conflicts. This paper addresses this fascinating and often under explored area through a fieldwork approach that engages with vendors on the streets of Delhi. Through interactions with both vendors and other parties, such as NGOs and unions, it aims to produce an understanding of the degree to which political action is enabling vendors to protect their livelihoods and improve their enterprises.

This paper aims to gain understanding of vendors' livelihoods strategies and the problems they confront on a daily basis as they operate their enterprises. It examines power relationships surrounding vendors, their representative bodies and local government. The paper also aims to place the position of Delhi's street traders into broader debates surrounding informal economic activity, urban politics and development.

The paper is segmented into five sections. The second section provides an analysis, from current literature of the informal economy as a whole, and street vending as a specific activity. It also discusses issues of definition, conceptualization and measurement as well as the more specific areas of informal livelihoods, gender and migration. The third section provides a background of both Delhi as a city and street vending as well as lays out the strategies applied in the gathering of both primary and secondary data. The fourth section discusses the results of the study. Finally, in the concluding section with policy recommendations are presented in section five.

## 2. The informal economy and street vending

By its nature the informal economy exists on the fringes of legality (Shinder, 1998). So can a street hawker selling legal products illegally, be cast in the same mould as a drug dealer, selling illegal products illegally? Likewise, does the self-employed electrician who sub contracts to a company slot into the same bracket as the worker who solders circuit boards in his home? This greying of definition makes clarity difficult to achieve, indeed Devey, Skinner and Valodia (2003) suggest that it has to be accepted that the boundaries of the informal economy are always likely to be hazy at best.

While acknowledging this, it is still appropriate to attempt to put some markers in place. A suitable starting point is to attempt to define what is meant by the 'formal' sector. Daniels (2004) describes this as

*"waged labour within a framework of rules and regulations, usually devised and implemented by the state, on working hours, minimum wages, health and safety of the social obligations of employers and employees", (p.502).* The informal sector therefore exists outside of this framework.

At the other end of the spectrum there are limits to the level of illegality in the informal economy. Fernandez-Kelly and Shefner (2006) point out ,

*“illegal enterprise involves the production and commercialization of goods that are defined in a specific society as illicit, while informal enterprise deals, for the most part, with licit goods”* (p. 26).

Street vending itself can consist of a multitude of activities from services such as barbering and ear cleaning to selling souvenirs, household goods, food and snacks (Tinker, 1997; Shah and Mandava, 2005).

## 2.1. Measuring the informal economy and street vending activity

It is of little surprise that the informal economy throws up as many problems with gauging its size as it does with regard to its definition. Again the nature of its existence makes for great difficulty in undertaking quantitative analysis (Lal and Raj, 2006). Vendors tucked away in the side streets and alleyways of cities and hidden home throw up impossible questions of scale and variability. Yet recent years have seen attempts to provide some quantifiable data as to the size of the informal economy. These attempts have largely focused on the application of macro indicators (Alderslade et al., 2006).

Estimates have been made as to the size of the informal economy and Schneider (2002) suggests that sufficient data exists for “cautious” policy making. Although global estimates are limited there is data available for some nations such as India. Baruah (2004) estimates that, including the agricultural sector, around 93% of India’s population are involved in informal employment, the sector generating some 64% of GDP. With regard to street vending the Indian government’s National Policy on Urban Street Vendors (2006) estimates some 200,000 vendors in Delhi alone, although others estimate this to be as high as 500,000 (Bahuguna, 2006). Methods of measurement, however, often lack standardization and incorporate a variety of forms. Many approaches also lack applicability in developing countries where the data sets required may not be available (Chen, 2007). This inevitably suggests estimates can be seen as questionable at best.

## 2.2. Understanding informal economic activity

With the informal status of street vending it is essential to understand the various debates surrounding the informal economy generally. Broadly speaking it is possible to identify four main standpoints on the informal economy; these can be described as the structuralist - modernization approach, the Neo-Marxist world systems approach, the entrepreneurial approach and the micro-enterprise approach (Cross, 1998).

The structuralist - modernization approach (also referred to as dualist) sees the informal and formal economies as distinct sectors operating independently of each other (WIEGO, 2008). The informal sector is seen as an obstacle to development, something to be overcome.

*“Ultimately, the objective [is] for the integration of the informal sector into the modernization process”* (Tokman, 2006 p.12).

The justifications for this include lack of tax contributions which, it is argued, reduce revenue that would otherwise contribute to economic growth (Constantine et al., 2007). Another concern lies with the

undercutting of the formal sector by informal operations which operate with small overheads and a lower level of productivity (Mckinsey Quarterly, 2004). Street vending is often identified as a refuge occupation and the result of lack of access to formal jobs (Bhomik, 2005).

This approach is criticized for not acknowledging links between the formal and informal economies (Daniels, 2004). It also comes under fire for failing to see the informal economy in entrepreneurial terms, or as a developmental force in its own right (Tipple, 2004). Further criticism from the Neo-Marxists who suggests the informal economy is provides a reserve army of labour enabling wage suppression (Gapasin and Yates, 2006). In addition Neo-Marxists argue that the informal sector is used by the capitalist class as a means of circumventing labour laws and worker's rights, thereby improving profit margins (Castells et al., 1989). It is also argued that the low cost of products provided by informal workers, such as street vendors, keeps the cost of living down, this in turn reduces wage demands among formal sector workers, allowing companies to keep wages low (AAG, 2003).

The Neo-Marxist approach finds itself criticized for failing to see potential benefits of the informal economy and for an over focus on the need for institutionalization (Peattie, 1987). The idea of informal activity as an entrepreneurial force was first cited by De Soto (1989); Shah and Mandava (2005) identify a 'permit raj' operating in India which stops street vending from growing their businesses. This idea has become increasingly popular with many NGOs who combine the principles of De Soto's entrepreneurialism with bottom up development strategies which encourage informal enterprise by providing micro-finance (Cross, 1998).

### 2.3. Street vending as a livelihood

Using a DFID (1999) report Murray (2002) defines a livelihood as

*"Comprising the capabilities, assets (including both material and social resources) and activities required for a means of living", (p.154).*

This paper is concerned with one specific livelihood in an urban setting. Rakodi (2002) identifies urban livelihoods being particularly complex with poorer people being

*"More dependent on cash incomes and often [lacking] access to common property resources, such as water and fuel, that are found in rural areas", (p. 37).*

Rakodi also finds that the relationship between livelihoods and context is

*"Mediated by policies, institutional and or organizational structures", (p. 37).*

A variety of livelihood studies exist that shed light on street vendors. Irene Tinker's (1997) street foods study covers seven towns in Asia and Africa and finds an enormous number of people involved in the industry, with many businesses being operated by more than one person. Tinker also finds that earnings

among vendors, although hardly substantial, are often higher than the minimum wage or average agricultural earnings (see also: Winarno and Allain, 1991).

In spite of this vendors face a variety of problems and often find themselves the victims of harassment, intimidation and exploitation (StreetNet International, 2007). This tends to come from three main sources: enforcement agencies, criminal organizations, and from formal businesses organizations and residents associations. So in Delhi for example (Shah and Mandava, 2005) find vendors paying bribes to police of between 200-500 rupees per month with additional payments to municipal officials. In addition Kishwar (2001) suggests that many vending unions in Delhi are in fact mafia style rackets extorting of money from vendors. In Mumbai, Anjaria (2006) finds 'elite NGOs', often residents associations, pressing for vendor removal in various areas.

#### 2.4. Street vendors, gender and migration

Informal activity such as vending is often associated with rural to urban migration. The Todaro migration model suggests that many informal workers have originated from rural areas and operate in this sector only until work is found in formal occupations (Todaro, 1969). Although this model can be criticized as being too simplistic, studies such as that of Wang et al. (2000) in China, have shown the majority of informal workers to be migrants from rural areas. Bhomick (2005) suggests that the majority of vendors in Asia migrate from rural areas and is forced into vending activity as many have low educational levels and therefore find it difficult to obtain formal sector employment (Assan 2008). In contrast, however Tinker (1997) notes that in the Indian city of Pune 64% of the street vendors had been born locally.

This is an area of particular importance and must not be overlooked. Women work as street vendors all over the world. However their stories are many and variable. Initially striking are the differences in the number of female street vendors in different countries and regions. Tinker (1997) identifies the reasons for these variations as being cultural and religious. Several papers discuss additional problems faced by female vendors. WIEGO (2008) identifies female vendors globally as

*“more likely to operate in insecure or illegal spaces, trade in less lucrative goods, generate a lower volume of trade, and work as commission agents or employees of other vendors”.*

Some countries have very high numbers of female vendors; Levin et al. (1999) found almost 100% of vendors in Accra were female, with men dominating formal sector employment.

India ranks among those nations with relatively few female street vendors. This minority status makes female vendors particularly prone to further problems. NASVI (2008) identifies these issues as including exclusion from vendors unions, higher vulnerability to criminal exploitation, sexual harassment and abuse. Although women form the minority they are very active in other areas of the informal economy in India, such as home based manufacturing (Kantor 2008). Although several studies and NGOs advocate encouraging this sort of informal work as a way of empowering women, Kantor (2008) raises concern while examining female home-workers in the Indian city of Luck now,



*“work from the home, for those employment status groups with larger shares in this work place, generally means lower quality work conditions and poorer outcomes” (p.17).*

Although this paper is not a gender based study, it is nonetheless crucial that these factors are considered and explored when engaging with female vendors.

## 2.5. Street vending, urban space and political organization

Control of urban space has long been an issue in the world’s cities, whether this is competition between pedestrian and car user, or street vendor and city authorities. Anjaria (2006) describes conflict between vendors and the authorities in Mumbai. However Anjaria sees vendors as beneficial, not just for providing services, but for keeping watch on public space hence creating a sense of security. Others argue that vending is an infringement on public space and that effects such as traffic congestion, pollution and overcrowding are all symptoms of vending (see: Pucher et al., 2005; McKinsey and Company, 2004).

Issues between vendors and authorities are not surprising but less discussed are issues of contestation of space between vendors themselves. Indeed many street vending unions operate, in part, as regulators for new vendors entering the vicinity (Cross, 1998). More established vendor’s markets may have agreements for a maximum number of stalls to operate in the area. These may be seen by vendors as beneficial although problems in obtaining licenses can see long waiting lists (Ponce de León, 2003). Anjaria (2006) sees this contestation over public space as taking place between three main parties; vendors, the municipal authorities and what Anjaria terms ‘elite NGO’s, often residents associations representing the interests of wealthier people in an area.

Searches of global media do not take long to uncover protest and political activity by informal workers and street vendors. Although many are reactionary protests there are also longer term political activities and organization among vendors. In Mexico City, Pena (1999) found vendor’s unions carrying out a variety of functions. These didn’t just include negotiations with government and protection of vendors from harassment but also regulation of inter-vendor politics such as pitch allocation and conflict resolution. Various civil society organizations have sprung up with the aim of representing vendors and other informal workers. These have sometimes grown out of informal vendor’s organizations, usually with union roots, or consist of NGOs, broader spectrum unions and even international institutions.

In spite of this activity, many academics, commentators and the organizations themselves see a serious shortfall in representation and organization of informal workers. There are of course serious difficulties linked to the organization of the informal sector. However Gallin (2001) believes this process is underway and that the

*“experience, activities and organizational structures created in this way are valuable resources and points of leverage for the entire trade union movement, at the national and international levels” (p.236).*

The results of this paper will, in part, aim to shed some light on whether this is the case.

### **3. Background and methodology**

India is a country of 1.08bn (BBC, 2008) people with a variety of landscapes, cultures, customs and religions. As one of the world's fastest growing economies, India has seen rapid growth since economic liberalization of the early 1990s. As India's capital and the seat of government, Delhi is very much at the heart political life. India operates a federal system and therefore the nation's states hold a relative degree of autonomy, Delhi is also a state in its own right with its own government and municipal authorities. Modern Delhi is a sprawling metropolis of some 12.9 million people (PRB, 2007).

Take a walk down any main street in Delhi and you are likely to come across vendors selling anything from snacks to cheap Chinese toys, second hand clothing and even barbering, plumbing and labouring services. The street food scene in the city is very much a part of its cultural makeup and some vendors have been established family businesses for generations, their fame and tasty dishes attracting people of all social backgrounds from across the city. Vendors, however, are increasingly being targeted as a problem area by the municipal council and city government, who see vending as an obstruction to development within the city. Issues of hygiene and litter, as well as the blocking of footpaths and roads are cited as reasons to restrict the practice. Various cities have had long debates regarding street vending.

#### **3.1. Fieldwork strategy: Sampling procedure and data collection**

The fieldwork applied mixed or multiple methodological approaches. The intent here was to generate research that applied the principles of triangulation (Hoggart et al., 2002). Although some have argued against mixed approaches (see: Sale et al., 2002), the nature of the fieldwork was such that it required varied methods for different sections of the study. Johnson and Onwuegbuzie (2004) suggest that a mixed methodological approach can provide data with greater depth than quantitative information alone.

Sampling provided some challenges. With the number of vendors within Delhi estimated at some 250,000 (NASVI, 2008) probability sampling was not practical. Additionally, due to the informal nature of vending activity, existing data on vendor location, population and demographic makeup were either very limited or nonexistent. As a result of this the ability to apply any kind of stratified or quota based approach was highly problematic. Where appropriate quota sampling was used to a limited degree, for example street vendors were taken from four areas of the city and a gender quota was applied. All questionnaires (both structured and unstructured) were conducted face to face allowing enabling improved respondent participation (see: McGuirk and O'Niell, 2000).

The geographical distribution applied ran along a north south axis, with four areas of the city selected, each with differing characteristics. These areas were chosen both, for their varied environments and because all four are known for vendor activity. These areas were selected based on the personal experience of myself and the research assistant, as secondary data was unavailable. A total of eighty questionnaires were conducted, twenty in each area. This was intended to conform to the minimum requirements of normal distribution (Kitchin and Tate, 2000), whilst remaining a practicable size for the limited resources available.



To enable a mixed methodological approach the research was split into four stages. The first was based on informal, in depth interviews with vendors. These were designed to give an understanding of livelihoods, to understand problems faced and to empower vendors to set the agenda of the primary research segment. Further qualitative information was gathered through the application of semi structured interviews amongst vendors unions and NGOs. The primary research segment used largely quantitative questionnaires, although this too contained a degree of qualitative questioning. Here the Commonwealth Games are used as an example to enable engagement with vendors on issues of empowerment. The research is further supported by existing secondary data, where this is available.

Due to the nature of the subject matter secondary data from official sources, such as government statistics, is difficult to obtain. However there are several existing studies that provide data on vendors. Some NGOs and vendors unions publish limited data on street vending in the city (referred to where appropriate). Government data are used to provide broader statistics on the city and street vending. The media also provides a source for secondary data and some reports are referred to within the paper.

With all secondary sources awareness of data reliability and cultural perspective (see: Clark, 2005) was maintained wherever possible. Differences could be expected between the data gathered by government and (for example) agencies lobbying on behalf of vendors. Both have their own political agenda and inevitably this was liable to create some bias. Likewise, data from press articles is avoided where possible (unless this has used a formally cited source).

## **4. Discussion of results**

The results of this paper are presented in two main sections. The first focuses on gaining an understanding of day to day vending livelihoods and the issues threatening these livelihoods. The second section looks at the responses to these issues; it aims to understand both vendors' and their support organizations' desire and capacity to rebuff threats to their livelihoods via political means or through protest, with the CWG being used as an example.

### **4.1. Livelihoods sustainability strategies in street enterprises**

Although the focus is on generating an understanding of the challenges facing vendors it is useful initially to engage in some discussion regarding broader findings. Vendors were observed to be operating a huge variety of businesses selling a variety of goods and services. The vast majority of street vendors in Delhi were male. This accounts for the small female quota (14%). Although this may appear unrepresentative, Tinker (1997) finds only 13% of vendors in Pune to be female and the Connaught Place Patri Whalla Union's report places 6% of units in their area as female operated.

All vendors were asked about the mobility of their business. Although vendors who operated a fully mobile business were heavily limited with regard to size, they were able to avoid payments to authorities as they could pick up their business and go. During fieldwork it was observed that channa (Chick pea based

dish) sellers in Old Delhi operated in groups. This appeared strange as it could be assumed this would increase competition for customers. However during one interview the reason became clear, the group provided many eyes, and another vendor warned the respondent of an approaching police officer enabling him to put his tray on his head and disappear into the crowds.



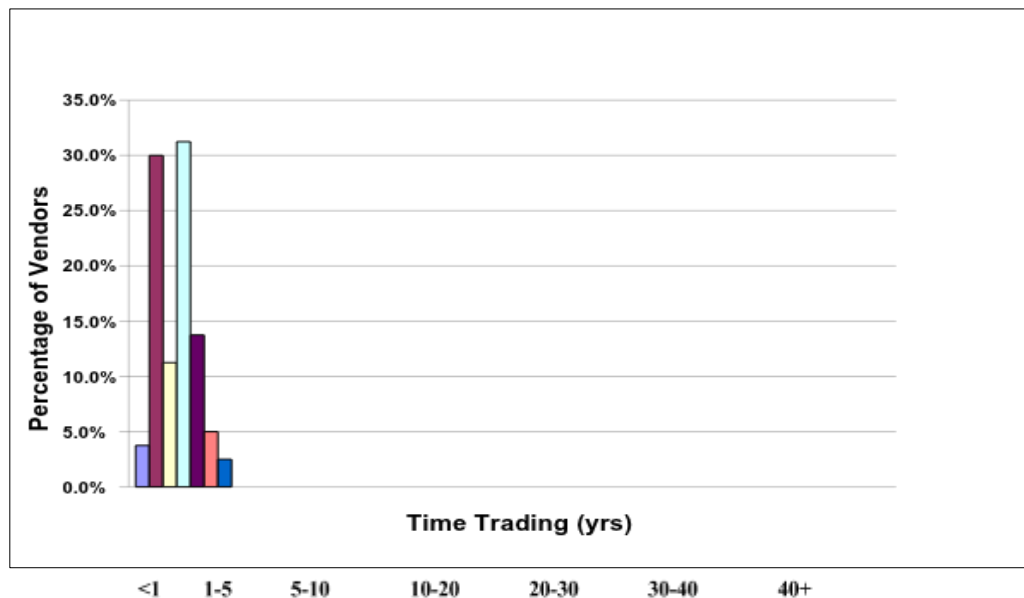
**Figure 1.** Examples of small scale 'pick up and go' vendors

**Table 1.** Structure of Respondents Vending Businesses

% of Respondents	Participants in Business
62.5%	Vendor Works Alone
27.5%	Family Involved
10%	Staff Employed

Most respondents worked alone (Table 1) but a few were assisted by family members and some even employed staff. Figure 2 warrants additional mention; it is interesting to note that the highest periods for length of business operation are between 1-5 and 10-20yrs. This may not be coincidental; Tinker (1997) notes a high failure rate of food vendors, which would contribute to the number of vendors operating for a short time.

Kapashera particularly contributed to this with several vendors mentioning that they had only recently arrived from rural areas. The second grouping of 10-20 years coincides with the period during which India undertook a series of structural adjustments to liberalize and open up its economy. Although further study would be required to suggest a concrete connection, Pena (1999) identifies an increased vending activity following structural adjustment in Mexico. Harris-White and Sinha (2007) also propose a link between increasing informal activity and economic liberalization in India.



**Figure 2.** Time Respondent Vendors have been trading

Often vendors are seen as moving into their trade as a refuge livelihood strategy, this decision being born out of necessity (Bhomik, 2005). Yet the research suggests that this is not necessarily the case. Dayal, one of the respondent, had previously worked as an employee salesman in Palika Bazaar but had made the decision to set up his own business in order to seek a better life. Likewise Vijay, another respondent, had worked in a motor parts company, when he first arrived from Bihar 11 years ago, before starting his own roadside haircutting business. It is the case that many had migrated to Delhi seeking work; however vending was not always simply a refuge activity.

All five of the in depth respondents to the in-depth interview described their biggest problem as being harassment by the Municipal Council of Delhi (MCD) or New Delhi Municipal Council (NDMC). This involved having to pay bribes, raids and the confiscation of goods. Ravi said

*“After they [MCD] take the stuff they hold an auction we have to buy our stuff back from them”.*

There were also complaints about the amount of time they were unable to trade. This was a particular problem in Conaught Place where Dayal said,

*“Today I could not start [trading] until 2pm as some big officer or director was coming. This is a VIP area, a lot of people are coming, so sometimes we have to go and disappear from here”.*

Ajay, another respondent, described how he had previously traded in Chandni Chowk but had been forced to move out to the border area due to harassment by the MCD. All except Ajay stated that they had to pay the MCD, NDMC and/or police bribes of varying amounts, Dayal, for example, pays 1000rs per month and Vijay said that after they seized his stuff he had to pay 500-1000rs to get it back.





**Figure 3.** vendors at Old Delhi station return to their trading location after a MCD clearance

Exploitation and corruption featured several times in interviews and discussions with union and NGO representatives. Mr Tyagi (Connaught Place Patri Whalla Union) for example complained that “*all these local people in Connaught Place [can only stay] by paying heavy bribes to NDMC*” ... “*this money goes not to government but in the pockets of the NDMC people*”. Mandu Kishwar another respondent to the interview accused top level politicians of being guilty of developing this exploitation and racketeering. She also described how vendors were being used as scapegoats for various problems, from traffic congestion to dirt, rubbish and even terrorism.



**Figure 4.** Vendors are often accused of contributing to traffic congestion and creating litter (Source: Authors field work photos)

Both Rajish Kumar (SEWA) and Mandu Kishwar added that it was not just municipal authorities but that many ‘unions’ were also involved in racketeering. Mandu Kishwar spoke at length about violence against vendors by police who were “*using real criminal elements to keep vendors under*” making Manushi’s activity “*very dangerous work*”. Dr Parth Shah (Centre for Civil Society) was concerned that although the ‘quota raj’

system had been removed for the formal sector, the informal sector had not seen the benefits of this liberalisation.

Obtaining a job in the formal sector was not seen as a good option with most vendors stating that they preferred their own business, *“my heart will not allow me to do that work [again]. Apna Kam Apna Kam Hota Hai, [your work is your own work]. Working for someone else is not much fun”* (Dayal). Expansion of their business was a desire among the in depth respondents, *“if I get a place from the government then I hope I can make my own showroom in which to run my own business. I am trying to stop this business and establish my own shop”* (Ajay). Although the difficulties in achieving this were often recognised with Ajay going on to say that he would need a loan of just 15,000 to 20,000rs to get started but no one would give this to him.

#### 4.2. Politicisation

Vendors were asked about union membership and awareness of support organizations. Most described themselves as not being a member of a union (74%) with only 26% stating union membership; however, Connaught Place was very much the exception where 60% of respondents stated that they were members. When asked if they were aware of any other organization (beyond a union) only around 9% knew of one, these included NGOs and political parties. There was also a slight difference between the genders here with female with union membership at 17% against 25% for males. However female vendors expressed themselves as being as likely to protest challenges to their livelihoods, with 50% saying they would be very likely or quite likely to protest, against 50% of males.

**Table 2.** Union Membership by Area

Non Member	Member	Location
40%	60%	Connaught Place
90%	10%	Old Delhi
85%	15%	South Delhi
90%	10%	Kapashera Boarder

Although many vendors stated that if the government were to attempt to stop them from operating they would actively seek out some form of political action or protest, there were only 12.5% who were aware of any previous or current protest and only one vendor was aware of any action directly regarding the CWG.

Vendors who were aware of other political action taking place mentioned protests at MCD offices, an action in 1993 at the parliament and most recently a hunger strike by vendors in Connaught Place organized by a local union. Indeed union membership did seem to make some difference with regard the empowerment of vendors. Table 3 shows 63% of vendors, who are union members, as being either very likely or quite likely to protest if they are stopped from operating against 49% of those without membership.

**Table 3.** Likelihood of Vendors actively seeking political or protest action if their business is threatened

% of Respondents	Likelihood of seeking political action
31%	Very likely
21%	Quite likely
10%	Not very likely
26%	Not at all likely
11%	Don't know

**Table 4.** Likelihood of Vendor seeking political or protest action if stopped from operating (by union membership)

Non Union Members	Union Members	
26%	47%	Very likely
23%	16%	Quite likely
11%	5%	Not very likely
28%	21%	Definitely not
11%	11%	Don't know

Respondents were asked for their comment to those in the government who suggested their street vending should be stopped and such commercial enterprises closed down. Many talked about their right to a livelihood and that this would just push up unemployment. Some stated that they would move if the government provided them with some other place or a shop to move to. One vendor in Old Delhi felt that there was a place for vendors in a developing city stating that he had already been moved once due to the metro and that

*“if they do this people will be forced to turn to crime”* and another asked *“they want to make Delhi the Paris of Asia but where does that leave us vendors”?*

For others the feeling towards the government was not so bad. Some had been established for a long enough time to obtain a permit or just felt that their length of tenure would protect them

*“new people have issues, but for businesses that have been running as long as mine they [the government] will not close us down”* (a snack vendor near Chandni Chowk).

For others the fact that they may lose their business was not considered such a big deal

*“if I cannot do this work I will just move back to my village, it's no problem. I have only a small business and have made no investment, so it is no loss if I get closed down”* (a pakora seller in Old Delhi).



Interviews with representative organizations also revealed the ability to challenge issues as being pretty limited. Lack of representation was often mentioned as a major problem but Dr. Parth Shah pointed out that the vending community is *“very internally divided across political party lines”* thus restricting their ability to organise challenges. Mandu Kishwar made an important point regarding powerlessness:

*“You only protest if you have rights that are taken away from you, if you have no rights to begin with then there is no desire to protest”.*

This sense of powerlessness was also expressed by several vendors,

*“no one will listen to us. The government does not care about small vendors, I don’t know anyone who can help us but I am very worried”* (a vendor in Old Delhi).

Yet there was some evidence of political mobilization. In INA Market the union had been fighting local shop keepers, who wanted them removed, in the Supreme Court and had won the case twice. In Connaught Place the New Delhi Patri Whalla union had been attempting to get the NDMC to set up a vendors’ committee,

*“we kept going and they kept saying they were doing this but they were not and when we realized their promises were empty we sat on a hunger strike (Mr Tyagi)”.*

SEWA too had managed to organize a group of women vendors who had approached them following eviction, after a three year struggle they got a new area allocated. The organization was also involved in an action to save the Darya Ganj book market and had successfully used the media to garner public opinion in their favour, resulting in the re-establishment of the market.

Several issues were raised regarding organizing of vendors at a political level. Aside from the issue of internal division there were also problems with enabling vendors to have direct access to support organizations. Mandu Kishwar mentioned that Manushi used to issue memberships to vendors, but this resulted in vendors assuming that this was a ticket that could solve all their problems, which Manushi was unable to address on an individual basis. Also they discovered that cards were being copied by criminals who sold Manushi ‘membership’ to vendors for a fee. These problems forced Manushi to stop issuing membership to vendors and instead focused on policy reform.

## 5. Conclusion

Delhi is growing and changing and the interaction between this development and street vendors is paradoxical to say the least. Vendors are living precarious existences with their livelihoods often under threat and uncertain. Undoubtedly conflict exists within this relationship and vendors often felt themselves on the losing end. On the other hand there are examples of this development providing new opportunities for street vendors. The interaction between vendors and development is not then one-sided but rather the situation is one that provides vendors with opportunities as well as threats.

Vendors face a variety of challenges with exploitation, extortion and intimidation found to be rife. Although there were not much difference in union membership or desire to protest between women and

men, female vendors perceived a greater vulnerability. At the forefront of most discussions with vendors was the issue of the exploitative relationship with the municipal authorities. It is expedient that a review of the situation is undertaken and protection for vendors given greater priority both by law and the enforcement processes employed by the city authorities.

Although political action is taking place this is often only in response threats and only among more established vending communities. Unions are in existence, although overall membership is relatively low and where membership exists this can be an exploitative relationship. However the data does indicate at least some improved feeling of empowerment among those vendors represented by a union although they tend to be primarily reactive rather than proactive in nature. This highlights concerns that the sort of institutions deemed necessary, to protect workers operating in the informal sector by Castells, Portes and Benton (1989) do not appear sufficiently developed.

This paper concludes that the types of 'new organizational forms' suggested by Castells et al. (1989), are not sufficiently developed in Delhi to provide any serious degree of representation or protection for vendors. This paper offers a cautionary note for its application as a driver of development and poverty reduction. There may indeed be advantages to encouraging informal sector activity. However if it is to be used in this manner then much greater consideration must be given to suitable provision for the protection and representation of workers, such as street vendors. The institutions required for this do not appear to be evolving sufficiently to keep pace with either the degree of activity or the range of issues faced by the proprietors of such informal enterprises.

Shah and Mandava (2005) suggest that the main issue facing vendors in Delhi is over regulation. Although there may be issue with the degree of restriction placed on vending activity this was found not to be the biggest problem, rather the issue is one of a lack of organizational structure and formal representation for informal vendors. Without encouraging greater representation using the informal sector as a development solution is likely only to diminish the rights of the poor and leave many disempowered. This presents enormous challenges to labour groups but the need to focus on organization in the informal sector cannot be overemphasized.

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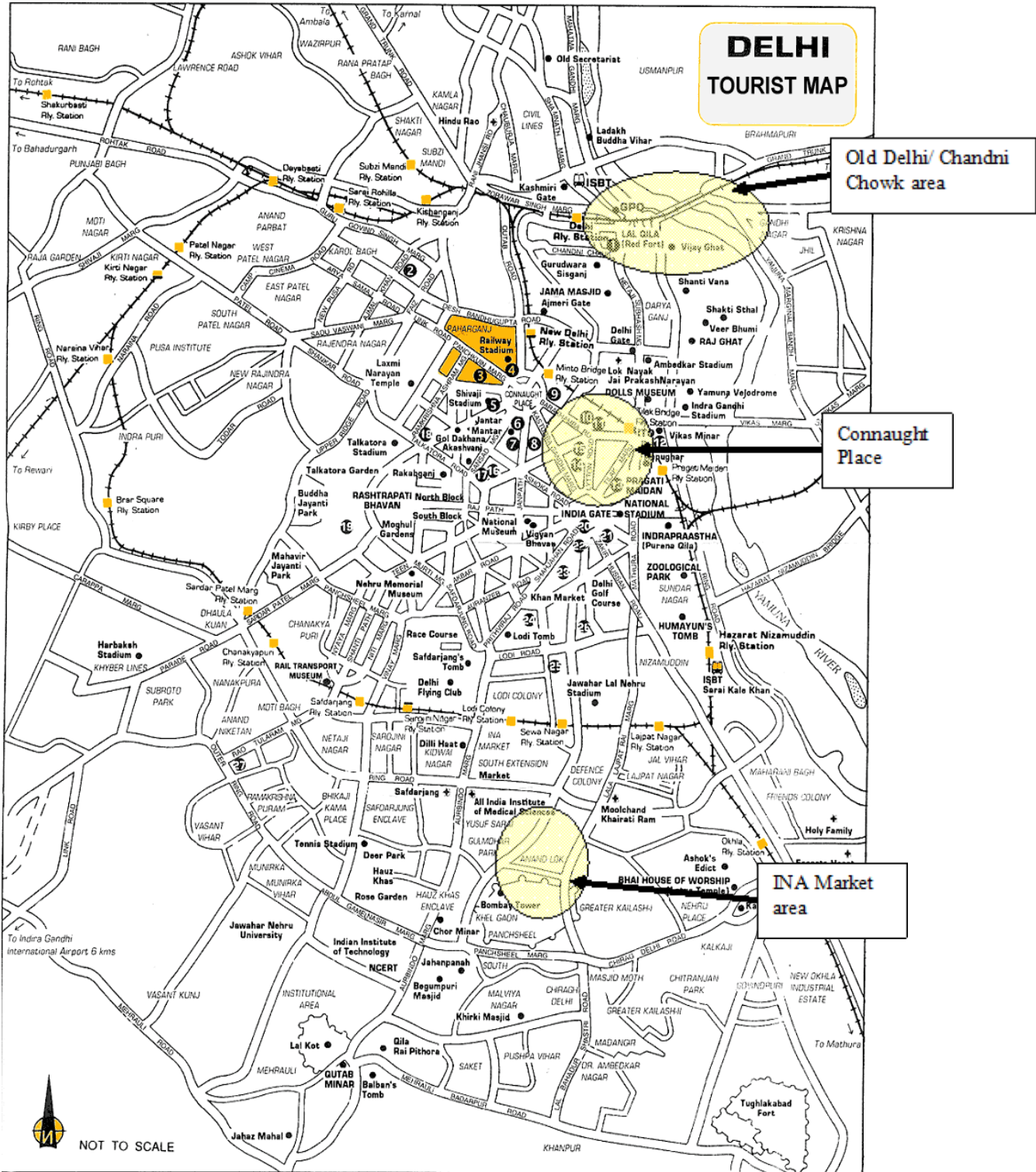
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## **Appendix**

Map of Study Area within New Delhi, India (Next Page)



Source: <http://www.columbia.edu/itc/mealac/pritchett/00maplinks/modern/delhimaps/delhimaps.html>

Note: Kapashera Border does not appear on Delhi Maps but is located about 1 1/2 miles beyond Indira Gandhi Airport