

TRADE UNIONS AND WORKERS IN THE PERIPHERY: FORGING NEW FORMS OF SOLIDARITY?

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ABSTRACT

Neoliberal globalization has resulted in the erosion of work in the core of the formal economy and the subsequent exponential rise of the informal economy in many developing countries. This is associated with a fragmented and heterogeneous workforce. This has challenged workers' collective solidarity. This article draws cases from Zimbabwe and South Africa to explore how trade unions have made attempts to forge new forms of solidarity with workers in the informal economy. It examines how trade unions have responded to the proliferation of the informal economy. The results highlight trade unions' ambivalent position toward informal economy workers. The trade unions passed resolutions and adopted strategies to organize workers in the formal economy. However, many of these strategies ignore the voices of the workers in the informal economy and are not designed to adapt to but to transform the informal economy. Hence, they have not been successful. However, there is potential in the conceptualization of new forms of solidarity between trade unions and workers in the informal economy, but this conceptualization demands the organizational and structural transformation of trade unions.

INTRODUCTION

The rise of neoliberal globalization in the last four decades is linked to the tremendous growth of the informal economy in many developing countries. The structural changes in the global production and marketing supply chains have

resulted in the severe decline and fragmentation of trade unions globally (Chun, 2005; Silver, 2003). The erosion of the core, which is found within the formal economy, has pushed many workers into the periphery (the informal economy) where the work is precarious and not easily accessible to trade unions (Webster & von Holdt, 2005). The number of workers pushed into the informal economy has been unprecedented in the current dispensation.

In Southern Africa, the trade union movement has followed a similar trajectory. Trade union membership has severely declined. This has adversely affected union power and influence at national and supranational levels. This has raised debate on the possibility of the trade unions effectively engaging workers in the informal economy to offset the loss of union power and influence.

This article explores the potential for trade unions to forge new forms of solidarity with workers outside the formal economy. It examines the response of trade unions in Zimbabwe and South Africa to the proliferation of the informal economy. The article draws from Chun's work on how to build power for marginalized workers. Chun (2009) argues that it is possible to build power for marginalized workers by gaining leverage from new sources of power. Chun (2009) focuses on irregular workers employed outside the boundaries of regular work. This article, however, focuses both on irregular workers and on the self-employed in the informal economy. It asks whether the response by the trade unions in any way constitutes a new form of activism aimed at forging new forms of solidarity.

THE INFORMAL ECONOMY

In Africa and many other parts of the world, the predominance of the informal economy is not a new phenomenon. The earliest inquiry into the informal economy was informed by the famous work by Hart (1973) on a series of studies of the urban labor market in Ghana and the ILO's (1972) report on Kenya. Hart "discovered" a distinction and disaggregated the economy into the formal and the informal. The distinction is complex and often contested (Preston-Whyte & Rogerson, 1991). Despite growth in scholarship, we still grapple with understanding this phenomenon as the dichotomy between the two economies is blurred.

However, three main perspectives have conceptualized how we should understand the informal economy since its "discovery." The first is that of the dualist school, which views the two economies as distinct (Chen, 2004; Hart, 1973; ILO, 1972). The informal economy is seen as a response to a lack of opportunity in the formal economy. The structuralist school, on the other hand, focuses on the nature of the relationship between the two economies and proposes that there is a strong linkage characterized by dominance and subordination (Castells & Portes, 1989). The third perspective postulates a legalistic view. It argues that the informal economy has the capacity to grow but is hampered by a

lack of capital and by restrictive regulations that have to be complied with (De Soto, 1989).

A variant of the dualist perspective views the informal economy as survivalist in nature. Many people are forced into the informal economy as a last resort. However, Castells and Portes (1989) challenged this and argued that it is not simply about survival strategies but is concerned with the nature of production. Furthermore, there is no distinction between the informal and formal economies in real terms. The two form a continuum and are interdependent. For example, the stakeholders in the informal economy buy from and sell to those in the formal economy (Osarenkhoe, 2009; Webster et al., 2008).

The most recent authoritative definitions developed by the ILO (2011) refer to the informal economy “as all economic activity by workers and economic units that are in law or in practice not covered, or insufficiently covered, by formal arrangements”. This embraces informal businesses and work in the formal and informal economies. However, this distinction may not be so clearly defined.

Similarly, Castells and Portes (1989:12) conceptualized the informal economy as “part of the economy that is unregulated by institutions of society, in a legal and social environment in which similar activities are regulated.” Underlying this is the argument that the boundaries of the formal and informal sectors vary substantially in different geographical contexts and historical circumstances (Preston-Whyte & Rogerson, 1991). The state is responsible for marking the boundaries between the formal and informal economies. This, for example, implies that the informal economy in India and the informal economy in South Africa may not be the same but take different boundaries as determined by each state.

Drawing from the African experience, Mhone (1996) explained the significance of the informal economy and the reasons why it should not be viewed as a transient phenomenon. He draws from his famous thesis on enclave development in peripheral capitalism. He argues that the formal economies of African countries are based on exogenous growth. As a result, they only have the capacity to absorb a few people. The majority is thus forced to be creative and fight exclusion by joining the informal economy. Mhone views the emergence of the informal economy as a result of a creative response to vulnerability and exclusion. He argues that it is a permanent feature associated with developing African countries.

Marie Kirsten (1991) defines the informal sector by drawing from the work of Abedian and Desmidt. She acknowledges that defining the informal sector is a “complex and value ridden process” (Kirsten, 1991: 149). She argues that this is mainly influenced by the goals and expected outcomes of a particular study. In defining the informal and formal economies, what is significant is to know the purpose of the distinction. The working definition of the informal economy, for the purpose of this article, is that it refers to all economic activities characterized by precariousness, unfavorable conditions, lack of or ignorance about social security and health care, and the absence of any collective labor

organizations. This definition embraces, on account (self-employed), or in formal or informal enterprises.

The three perspectives are important for trade unions as they inform the way in which the unions conceptualize the informal economy. It is important from the start to note that the way trade unions conceptualize the formal and informal economies informs the way they respond. This determines the strategy that the unions can adopt.

THE LABOR MOVEMENT IN THE INFORMAL ECONOMY

Traditionally, trade unions are associated with workers in formal employment. They represent a collective voice of workers in the core. Neoliberal globalization has resulted in the decline of work in the formal economy and increased workforce heterogeneity. This has challenged the traditional collective sense of solidarity of workers. Furthermore, it has been linked to the decline of trade unions globally. However, this does not eliminate the conception of other forms of workers' solidarity (Wills & Simms, 2004). Wills and Simms (2004) argue that the changes in the world of work may result in workers seeking new forms of representation.

Trade unions in many countries have been forced to rethink their priorities and look into the informal economy as a space in which to offset their lost ground. However, the question of how to associate with workers in the informal economy is contested within the trade union movement.

There is a strongly held perspective that workers in the informal economy are not in a real sense workers, as they have no employment relationship. Hence, they cannot be organized by trade unions. Furthermore, linked to this perspective is the view that the informal economy is a transient phenomenon that will dissipate with the growth of the economy. According to this perspective, there is thus no need for trade unions and the state to respond to the growth of the informal economy (Gallin, 2001). They are expected just to pay lip service to it.

There are many other barriers associated with organizing workers in the informal economy. Workers in the informal economy are heterogeneous, and organizing them effectively usually demands more resources than the traditional union organizing initiative. Existing legislation may make it difficult by excluding the coverage of workers in the informal economy. In Malawi, for example, a trade union for informal economy workers was barred from registration because its members had no bargaining partner.

Work in the informal economy is highly heterogeneous and demands creativity and easy adaptation to different environments. On the other hand, trade unions are generally conservative. It is thus common for them to replicate the same strategies they are accustomed to in the formal economy. They in most cases have limited perceptions of what it means to work in the informal economy. For example, the Self Employed Women's Union of South Africa (SEWU), a

quasi-trade union in the informal economy in South Africa, employed former trade union shop stewards to organize street traders. This strategy failed dismally as the new organizers did not have any insight into what working in the informal economy entails.

Gallin (2001) argues that work in the informal economy in Africa cannot be viewed as atypical. According to the ILO (as cited in Gallin, 2001), over 60% of Africa's working population is employed in the informal sector. Given the resilience and dominance of the informal economy in developing countries, trade unions cannot afford to pay only lip service to workers in the informal economy. Traditionally, trade unions are the voices of the poor and the marginalized. However, they cannot claim to represent the majority of the workers if they elect to pay only lip service to workers in the informal economy.

The exponential rise of the informal economy in Southern Africa can be viewed both as a challenge and as an opportunity for trade union revival. This ambivalence is reflected in how the trade unions have responded to the informal economy. Gallin (2001) argues that it is only by organizing workers in the informal economy that trade unions can maintain sufficient membership and representativity to remain a strong social and political force. Many trade unions globally have been forced to adopt strategies embracing workers in the informal economy.

The organization of workers in the informal economy is not homogeneous. Workers in the informal sectors have been organized in the past and different forms of organizing have emerged. Thus, informal economy workers have different forms of relationships with trade unions in different parts of the world. They are organized in a variety of ways: in trade unions, associations, cooperatives, and other, hybrid, organizations. In India and Latin America, workers in the informal economy have organizations independent of trade unions, for example, SEWA of India. The ways in which such workers are organized are influenced by differences in political context, organizational culture, and the status of the economy.

Many scholars have argued for the need for and the potential of linking up the struggles of workers in the formal and informal economies. The 78th session (of the ILO) in 1999 emphasized the need to link the workers in the formal and informal economies by giving the workers in the informal economy an organizational and institutional framework to allow them to actively participate as social dialogue partners. Trade unions are viewed as institutions with the capacity to provide workers in the informal economy with such an opportunity.

METHODOLOGY

The empirical research on which this article is based was conducted between August 2010 and February 2011 as part of a large project exploring the state of the trade union movement in Southern Africa.

This article is based on qualitative research that draws from a triangulation of methods. These included archival and documentary analysis, interviews with key informants, and direct observations at meetings, workshops, and conferences. In all, 20 in-depth interviews were conducted. The documents analyzed included trade union congress resolutions, minutes of meetings, memoranda of understanding, and so forth. Key informants interviewed were selected from trade unions and informal economy organizations in South Africa and Zimbabwe. These included trade unions' general secretaries, presidents, and other officials from the unions and the informal economy organizations. The study explored the relationship between workers in the informal and formal economies by drawing cases from Zimbabwe and South Africa. The socioeconomic indicators of the two countries highlight important similarities and differences from which we can draw and analyze the response of trade unions.

THE INFORMAL ECONOMY AND TRADE UNIONS IN SOUTHERN AFRICA

Southern Africa is characterized by uneven economic growth and development. Some scholars view the regional economy as dual (formal and informal), characterized by high levels of poverty and unemployment and a diminishing formal economy that is incapable of absorbing the economically active population (Jauch, 2003).

The asymmetrical nature of economic development in the region is reflected in the variation in the levels of significance of the informal economy in different countries. South Africa has the most dominant, sophisticated, and diversified economy in the region. Hence, the informal economy, in terms of contribution to GDP, is least important in South Africa but more significant in Zimbabwe, Malawi, Mozambique, and Zambia. The informal economy contributes between 25% and 30% of the GDP in South Africa, while in Zambia, Zimbabwe, Malawi, and Mozambique it can be as much as over 80% (Jauch, 2004). Unemployment in the region is estimated to average between 30% and 40%. However, the regional average obscures cross-national variations.

Trade unions in Africa, unlike those in advanced economies, are more than just workers' organizations entrusted with regulating the employment relationship. They emerged, as argued by Buhlungu (2010:1), not only as "institutions to resist economic exploitation". They engaged in the struggles for "liberation and democracy, promotion of economic development and social reconstruction." In Africa, trade unions have always been aligned with the socioeconomic and political struggles despite low levels of trade union density. As social movements, they have always been at the center of social change and transformation beyond the workplace (von Holdt, 2002).

The first workers' organizations that emerged in Southern Africa and later evolved into trade unions emerged from workers' struggles against socioeconomic

and political injustices in both the informal and the formal economies. The Industrial and Commercial Union (ICU), which emerged in South Africa in 1919 and later spread its wings to other parts of Southern Africa, was very successful in organizing workers in the informal and formal economies on issues beyond the workplace both in urban and rural settlements (Wickins, 1978). Workers in the formal and informal economies forged alliances to offset their inherent powerlessness. The challenges they faced demanded a mass-based strategy that embraced workers across the traditional boundaries. Although the ICU later collapsed as capitalism advanced, it nevertheless highlighted the significance of unity among workers across the traditional boundaries.

During the despotic colonial era, trade unions in Southern Africa thus developed a special interest in the struggle for liberation and democracy. They retained this characteristic beyond colonialism and apartheid. The Congress of South African Trade Unions (COSATU), for example, retained a broad discourse of social justice focusing on the poor and marginalized (von Holdt & Webster, 2008). This differs from the traditional notion of trade unionism, which focuses mainly on regulating the employment relationship.

The collapse of the interventionist (distributive) economic approach in Southern Africa in favor of neoliberal market hegemony has exposed many workers to severe exploitation and uncertainty. A significant proportion has been forced to join the informal economy for survival. This has also deepened the divisions between workers in the formal economy and those in the informal economy. This has had a profound impact on the state of the trade union movement and the way it constructs its response.

Many of the trade unions in Southern Africa have adopted some features of the traditional “Western” model of unionism. They focus on workers within the employment relationship, and thus tend to relate only to informal workers who are in such a relationship. This model pays only lip service to workers in the informal economy, which is viewed as only a transient phenomenon.

The trade unions face challenges in forging a new alliance between workers in the formal and informal economies. Neoliberal globalization has covertly and overtly antagonized workers in these segments (Barchiesi, 2011). Still, Chun (2005) argues that the negative forms of marginality can be transformed into a concrete source of power for workers in the periphery and their organizations.

THE DIFFERENT WORLDS OF WORK

Webster and von Holdt (2005) adapted a typology that disaggregated the different worlds of work. They drew from the South African experience and identified increased differentiation in the world of work, which they divided into three broad zones: the core, the noncore, and the periphery. In the core are workers in secure forms of employment. This is the zone from which trade unions draw most of their members. Trade union membership has thus remained robust in this zone.

The second zone is characterized by job insecurity, poor remuneration, alienation, and very limited access to protection by the established industrial relations regime. In the third zone is the periphery of unemployment and the informal sector (Webster & von Holdt, 2005). Most of the workers in the periphery zone have neither an employment relationship nor a fixed income. In this article, however, the periphery is defined to also embrace the noncore zone.

The erosion of the formal economy and the decline in trade union membership are connected. In Zambia, for example, union density in the 1970s and 1980s was between 70% and 80%. It had dropped to below 50% by 2000. Formal employment declined from 17% of working people in 1992 to 10.4% by 1999. The strongest trade union, the Zambian Mine Workers Union, fell by 13,000 members from 38,000 members between 1998 and 2002 (Heidenreich, 2007). This study evaluates how the trade union movements in Southern Africa have responded to the proliferation of the informal economy. It addresses this by drawing from the experience of Southern Africa Trade Union Coordinating Council (SATUCC) affiliates in Zimbabwe and South Africa.

THE SOUTHERN AFRICA TRADE UNION COORDINATING COUNCIL

SATUCC emerged in 1983. Its main objectives are to promote, defend, and articulate trade union rights and the trade union perspective to regional structures. It emerged at a time when the developmental corporatist labor regime was dominant in the region. This distributive ideological orientation ensured the advancement of the interests of the workers and the poor. One of the key focus areas of SATUCC is to influence the policies of the Southern African Development Community (SADC) (LaRRI, 2001). With the trade unions concerned that the narrow economic concerns of SADC states had overridden the political aspirations of regional integration, a fundamental challenge was to define a development strategy to challenge the neoliberal regimes that had increasingly been introduced since the mid-1980s (LaRRI, 2001).

The evolution and function of SATUCC must be understood in the context of global trade union internationalism, as it is one of its prototypes. It is a representative of a form of international trade unionism dependent on international government regional and/or economic structures, similar to the independent European Trade Union Confederation (ETUC). Significant regional trade union structures have existed in other regions such as Asia and Europe (Waterman, 2001). These regional trade union structures may be autonomous or subordinate to global trade union structures. SATUCC's institutional capacity and ability to assist trade unions in the region and to strategically intervene in policy decisions has been severely hampered by several factors (LaRRI, 2001). These include the absence of a permanent secretariat and the high level of donor dependency (Buhlungu, 2010; LaRRI, 2001).

Thus, despite its ambitious objectives and vision, SATUCC has been moribund for most of the years of its existence. In recent years, however, there have been fresh attempts to rejuvenate it. It recently passed a resolution designed to inform the response of trade unions to the proliferation of the informal economy.

South Africa

South Africa is the biggest economy in Africa, contributing over 40% of the continent's GDP (Barchiesi, 2011). Despite relatively high levels of economic growth and activity, the informal economy in South Africa occupies an important part of the economic landscape. It contributes 20% of the GDP and employs 20% of the economically active population (Jauch, 2004).

After the attainment of democracy, the trade union movement in South Africa was cited in the 1990s as one of the few in the world that was gaining membership (Silver, 2003). At that time, South Africa was said to have the fastest growing union density in the world. This was entirely understandable, given the role that the trade unions played in the democratization process and the labor-friendly labor relations regime adopted post-1994.

However, the rise of neoliberalism has reversed the growth in union density. It has resulted in the reorganization of production and the fragmentation of work. Trade union density has thus declined from a peak of 57% in 1994 to 25% in 2007 (Pillay, 2008). This poses a threat to the legitimacy and future of the unions. As mass-based organizations, trade unions can maintain legitimacy, representativeness, and credibility as a political and social force only if they succeed in engaging workers in the new forms of employment and the broader society.

Indeed, the relevance of the trade union movement as a force for social transformation in postapartheid South Africa has been questioned many times in the current neoliberal context. Barchiesi (2011) critically questions the relevance of waged labor as a force to reckon with in the struggle for social transformation in the current neoliberal dispensation. In 1997, COSATU set up the September Commission, tasked to review "the present and future role of COSATU and how it can influence socio-economic and political events" (COSATU, 1997). The commission identified informalization of work as one of COSATU's major challenges. According to the commission, COSATU faced a formidable challenge in engaging workers in the informal economy. The commission posed the question of whether COSATU should embark on organizing workers in the informal economy directly or develop alliances with the workers' organizations.

There are many ways of organizing workers in the informal economy. In South Africa, strong views are held: on the one hand, that workers in the informal economy can be organized through the expansion of the formal trade unions' organizing effort into the informal economy; or, on the other hand, that they can be organized independently through organizations representing these workers. Both of these approaches have been adopted.

The trade unions that are organizing in sectors dominated by informal economy activities have made attempts to organize workers in the informal economy both directly and indirectly. This has involved engagement with independent organizations representing workers in the informal economy. Conversely, a number of organizations independent of trade unions but representing workers in the informal economy have emerged.

In 2002, COSATU launched a national organizing campaign targeting workers in the informal economy. As an example of one of the first unions to be involved, the South African Transport and Allied Workers Union (SATAWU) has made strenuous efforts to directly organize taxi drivers, security guards, and cleaners in the informal economy. In terms of the taxi industry, for example, SATAWU has recruited former taxi drivers as organizers and lobbied the government to influence the setting up of collective bargaining structures. SATAWU has introduced a structure for shop floor representation similar to that in the formal economy and appointed shop stewards and organizers. At the center of SATAWU's strategy is the goal of transforming the informal into the formal. However, the union has appointed fewer than 10 organizers in a sector with over 200,000 workers.

The attempts by SATAWU to organize in the taxi industry have not been very successful. There are many reasons for this. One is the lack of understanding by SATAWU of the meaning of work in the informal economy. Thus, it has replicated the same strategies it is accustomed to using in the formal economy. For example, the use of former home industry workers as organizers may not be ideal in the informal economy. This may demand a new structure of union organizing propelled by a different type of organizer.

The South African Municipalities Workers Union (SAMWU) has made similar efforts. It passed resolutions and adopted strategies to organize street vendors and garbage collectors in major urban centers. At its 7th Congress in 2003, SAMWU adopted a three-year organizational renewal plan, which targeted externalized workers. The Southern Africa Clothing and Textile Workers Union (SACTWU) has engaged with home industrial workers. It has made attempts to establish a collective bargaining relationship with clothing retailers who contract home workers through outsourcing.

As shown in the above cases, the effort by COSATU affiliates is mainly inclined toward giving "moral" support to workers in the informal economy, while maintaining a focus on sectors where employment relationships exist. Many trade unions have in theory adopted strategies to organize workers in the informal economy but have yet to put them into practice.

At the same time, a number of organizations focusing on organizing workers in the informal economy have emerged, apparently in part due to neglect by trade unions. For example, the Self Employed Women's Union of South Africa (SEWU) followed along the lines of the Self Employed Women Association (SEWA) in India. SEWU emerged in 1994 to represent the interests of women

in the informal economy. It reached a peak of 4,930 members in 2003 with offices in at least five provinces, before it collapsed in 2004. The reason why SEWU collapsed is contested, but many argue it was because it was not driven from below. In addition, it was over-dependent on external donors to advance its agenda.

However, we can draw a number of lessons from SEWU's brief experience with workers in the informal economy. Von Holdt and Webster (2008) evaluated SEWU's experience and viewed it in some ways as a new form of organizing. SEWU recruited former trade union organizers. These organizers, however, failed to adapt to the demands of organizing in the informal economy where in most cases there is no employer. Von Holdt and Webster proposed a different type of organizer and organization with a new culture and identity. According to this proposal, the new organizers must seize the initiative to be creative and do things differently. They have to address broader issues in the Southern African context, such as sexual harassment and HIV and AIDS at work. In addition, the trade union must not be perceived as an organization for formal workers only. Expanding to engage with informal workers demands political will, commitment of resources, sustained organizational effort, and strategic innovation drawing from new associational strategies (von Holdt & Webster, 2008).

Historically marginalized groups such as women and youth form a predominant part of the informal workforce. SEWU adopted an organizational strategy to organize women as a separate category of workers. This was designed to avoid pervasive male domination. It was designed to empower women before they joined the rest of the group (von Holdt & Webster, 2008).

Other informal economy organizations function as quasi-NGOs, placement agents, or a mixture of these with some elements of trade unionism. A number of them draw from social movement tradition. This reflects the heterogeneity of workers within the informal economy.

There is no single national organization that can claim to represent the interests of the workers in the informal economy in South Africa. Instead, representation of the workers in the informal sector is highly fragmented and contested. Most organizations are funded by international donors with no mass-based inclination or support. Drawing lessons from the experience of SEWU, von Holdt and Webster (2008: 350) concluded that

It is unlikely that organizations in the peripheral zone will be able to replicate SEWU's success in a sustainable way unless they are able to form broader alliances with more stable and well resourced organizations and institutions such as churches or formal sector trade unions.

COSATU passed a resolution after the collapse of SEWU to facilitate the formation of an affiliate union to organize in the informal economy. However, although it was passed in 2004, this resolution is yet to be implemented.

Zimbabwe

According to Kanyenze and colleagues (2011), the percentage of the population employed in the formal economy in Zimbabwe declined from 14% in 1980 to 10% in 2004 and further to about 6% by 2007. By 2004, four out of five jobs were informalized. The exponential rise in the informal economy in Zimbabwe is associated with the economic downturn as a result of the failure of the economic restructuring program and the crisis that followed the chaotic land reform program.

While the growth of the informal economy in Zimbabwe poses a threat to trade unions, the engagement in social dialogue by workers in the informal economy has played an essential role in helping to provide them with representation. Such engagement may take place through collective bargaining or lobbying bureaucrats (ILO, 2002). Thus a number of informal economy organizations have emerged to represent the interests of the stakeholders. These organizations reflect the heterogeneity and complexity associated with the informal economy.

The growth of the informal economy resulted in the proliferation of informal sector associations including the Zimbabwe Informal Traders Association, the Cross Border Traders Association, the Truck Shop Owners Association, Art and Craft, and others. These organizations emerged without a meaningful overall organizational structure of informal sector associations. Most of them operated individually and on an ad hoc basis. This process lacked coordination and resulted in duplication and fragmentation (Kanyenze, 2004).

In 1995, the Zimbabwe Informal Sector Association (ZISA) was launched in response to the growth of the informal economy. Its main objective was to enable the informal sector operators to speak with one voice.

The collapse of the formal economy and the economic crisis resulted in an increase in cross border trading. This resulted in the formation of the Cross Border Traders Association of Zimbabwe (CBTAZ). Its objectives are broad and embrace business interests and citizenship. CBTAZ engages itself in a number of issues to advance the interests of its members. It is involved in negotiating business deals and funding for its members from financial institutions, and in obtaining funeral insurance cover, medical insurance, and travel documents, dealing with the government and other institutions.

The broad range of interests of the informal economy organizations reflects the heterogeneity of the players in the informal economy. The organizations active in the informal economy in Zimbabwe represent the minority in the sector. Many of the players in the informal economy do not view the informal economy organizations such as ZISA and CBTAZ and trade unions as organizations representing their interest.

Trade unions in Zimbabwe have not significantly engaged with the informal economy workers and organizations. They have traditionally adopted an ambivalent position toward workers in the informal economy because of the inherently

blurred distinction between employer and employee. Furthermore, trade union density in the formal economy is very low. This compels unions to focus on the formal economy, which is much easier to organize and does not pose any ideological contradiction.

However, the impact of retrenchment following the failure of the structural adjustment program that was initiated by the Bretton Woods Institutions forced the trade unions to rethink how they should relate to the workers in the informal economy. A significant number of retrenched workers who were former trade union members were absorbed into the informal economy. Thus, trade unions could not just pay lip service to their former members. The Zimbabwe Congress of Trade Unions (ZiCTU) commissioned a study to look into the survival strategies of retrenched workers in the informal economy. The ZiCTU thus facilitated the formation of the Informal Sector Traders Association in 1990 to assist workers in the informal sector. This project later collapsed, but it highlighted the significance of collaboration between workers in the formal and informal economies.

Following this, the ZiCTU facilitated a workshop with the help of the ILO to discuss the formation of a well-coordinated informal economy association. At this point, the ZiCTU was not clear on how to engage workers in the informal economy. It had not decided whether to organize workers in the informal economy directly through existing formal economy trade unions or to set up new informal economy unions. It, however, acknowledged the significance of collaboration with the workers in the informal economy.

The workshop identified areas of potential trade union membership in the informal economy such as clothing, transport, engineering, and others. It also identified the challenges of organizing workers in the informal economy. The workshop culminated in a joint project between the ZiCTU and the Commonwealth Trade Union Council (CTUC) in 2001, aimed at facilitating the organization and coordination of informal economy workers. In addition, the ZiCTU opened a special department that specifically deals with workers' issues in the informal economy.

The trade union movement's response to the collapse of the formal economy is best represented by its role in facilitating the formation of the Zimbabwe Chamber of Informal Economy Associations (ZCIEA) in 2004. This was a result of collaboration between the Zimbabwe Congress of Trade Unions (ZCTU) and the CTUC. ZCIEA became a national organization representing informal traders' associations with over a million members. Its main objective is to bridge the gap between the trade union movement and informal economy workers and to build the capacity of informal workers to secure economic and social justice (Watson, 2010).

ZCIEA has the potential to reach more than 5 million persons, compared to less than 1 million in the formal economy. In an interview, the president of ZCIEA claimed a membership of over 2 million. If accurate, this makes it

Zimbabwe's biggest collective mass-based organization, spread across all regions of the country.

Many of the members of ZCIEA, including some in the executive structures, are former trade union members. They played a significant role in the establishment of ZCIEA as a collective voice to represent and advance the interest of the workers in the informal economy.

The main objectives of ZCIEA are succinctly captured in its mission statement. Its aim is to "alleviate poverty through transforming informal economy activities into the main stream activities" (Pollack, 2011: 61). This vision is grounded in the reestablishment of a stable economy. The dominant perspective in Zimbabwe views the informal economy as a temporary phenomenon that can be removed by the restructuring of the economy. The vision of ZCIEA is, however, ambivalent as, conversely, it acknowledges the persistence of the informal economy. This has influenced the way in which trade unions have responded to the proliferation of the informal economy.

In an interview, the president of ZCIEA has emphasized that the linking up of workers in the formal and informal economies opens up a platform for direct engagement with the government for workers in the informal economy. This was not possible before. The social dialogue partners in Zimbabwe have proposed to include the informal economy organizations in the national social dialogue forum. These are some of the synergies realized in linking up the struggles of workers in the formal economy with those of workers in the informal economy.

However, there is no evidence of trade unions in Zimbabwe engaging directly with workers in the informal economy aside from the initiative by ZCTU.

Summarizing the Evidence

Table 1 summarizes the size of the informal economy, lists the labor federations affiliated to SATUCC, and states whether they engage workers in the informal economy.

These results as highlighted in Table 1 are not surprising but reflect the general ambivalence of trade unions with regard to informal economy workers.

DISCUSSION

There are both striking similarities and striking differences in the ways in which trade unions in South Africa and Zimbabwe have responded to the rise in the informal economy. These responses are informed by the ways in which the trade unions conceptualize the informal economy.

Schiphorst (2009) reviewed the progress of the trade unions' engagement with informal economy workers in South Africa after the September Commission and the 2000 COSATU 7th Congress. The Congress reaffirmed the recommendations

Table 1. Trade Union and the Informal Economy in Southern Africa

Country	Union federation	Membership	Union informal economy strategy	Contribution of informal economy to employment (%)	Informal economy share of GDP (%)	Trade union density (%)
Tanzania	TUCTA	406,000	Yes	60	60.2	20
Botswana	BFTU	73,399	No	45	34.6	20
Malawi	MCTU	137,222	No	80	42.1	25
Lesotho	LTUC	5,388	No	55	33.3	10
Zimbabwe	ZICTU	247,713	Yes	90	63.2	20
South Africa	COSATU	2,006,810	No	25	29.5	25
South Africa	FEDUSA	366,748	No	25	29.5	25
South Africa	NACTU	224,700	Yes	25	29.5	25
Swaziland	SFTU	20,576	Yes	55		20
Namibia	NUNW	100,300	No	45	33.4	58
Mozambique	OTM-CS	111,099	Yes	60	42.4	20
Angola	CGSILA-CM	93,000		65	45.2	20
Angola	FSA-CS	30,346	Yes	65	45.2	20
Zambia	ZaCTU	317,201	Yes	80	50.8	30

Source: Schneider (2007) and field research in 2011.

made by the commission and further adopted strategies for organizing workers in the informal economy. Schiphorst's review indicates that apparently nothing happened between 1997 and 2000. COSATU adopted a strategy on how to organize workers in the informal economy at the 7th Congress in 2000 but has not been able to put it into practice since then.

Despite the fact that COSATU adopted strategies to engage workers in the informal economy, a number of the senior trade union executives who were interviewed did not share a similar perspective. Many of them subtly perceive the workers in the informal economy as the enemy. This is apparently the general view of most workers in the formal economy. The other two major trade union federations, the Federation of Unions of South Africa (FEDUSA) and the National Council of Trade Unions (NACTU), have not even adopted strategies to organize workers in the informal economy. The evidence from Schiphorst and the interviews conducted suggest that most of the COSATU affiliates have done nothing tangible. Most have made only marginal efforts to organize workers in the informal economy. However, there are signs of light at the end of the tunnel. There is no doubt that the trade union movement in South Africa recognizes the existence of vulnerable and unprotected workers in the informal economy and the significance of linking up with their struggles.

In Zimbabwe, as highlighted earlier, trade unions recognize the significance of linking up with the struggles of the workers in the informal economy. However, the trade unions in Zimbabwe have adopted strategies designed not to adapt to the experiences of the workers in the informal economy but to transform the informal into the formal. These strategies pay limited attention to the needs and perceptions of the workers in the informal economy. More relevant is the ZCTU-CTUC-level collaboration with informal workers' organizations through ZCIEA.

Success in organizing the informal economy has been marginal for most of the trade unions that have attempted it. Drawing from the cases used in this study and in Heidenreich (2007: 4), it is clear that trade unions have ambiguous and flawed perceptions of work in the informal economy. They view the informal economy as a temporary problem that will be fixed by the growth of the economy. Many of the trade unions thus have adopted strategies designed to transform the informal economy into a formal economy. This response is, however, irrelevant in the African context where the informal economy is both dominant and a permanent aspect of the economic landscape.

Although many of the trade unions in the region acknowledge the significance of the informal economy, they exhibit ambivalence on how to engage with workers in the informal economy. They espouse the traditional notion of trade unionism based on standard employment. This is despite the fact that the majority of the economically active population is in the informal economy (Jauch, 2004).

The ambivalence of trade unions over organizing workers in the informal economy raises a number of questions. Ratman (1999) adds an important insight to

this debate. He argued that the interests of organized workers in the informal economy and the formal economy are contradictory, as organized labor perceives workers in the informal sector as a threat to their current status. The workers in the informal sector, on the other hand, fear being swallowed and having to pursue the interests of the unions (Kanyenze, 2004).

In particular, most trade unions view the workers in the informal economy as a threat and hence avoid making any serious engagement. The trade unions traditionally enjoyed sociopolitical and economic influence beyond the workplace. They are apprehensive about any threat to their hegemony and legitimacy. Well-organized workers in the informal economy may be a threat to this hegemony and legitimacy, as they may demand more space and recognition (Interview, Philip Sanzvenga, President of ZCIEA, May 2011). For example, informal workers may demand a larger voice in the national tripartite dialogue and in multilateral organizations, such as the International Labor Organization (ILO).

Von Holdt and Webster (2008) identified ideological differences between workers in the formal and informal as a major obstacle to organizing. They cited examples of street traders who have no clear negotiating partner and suffer from tension between individual and collective interests. This clearly highlights a different terrain, which may demand a different form of organization from that of the traditional trade union. It also demands a clear understanding of the nexus between individual and collective interests. This applies to the cases cited above.

We can also draw a link between the proliferation of the informal economy and the increasing feminization of informal work. There is a marked increase in female labor force participation globally (Ledwith et al., 2010). Women are taking most of the new jobs, which are predominantly informal and precarious. Trade unions face challenges in accessing these workers. In SADC, women constitute 40% of the labor force. In Zimbabwe, they constitute 24% of the formal economy labor force and 54% of the informal economy. Youth are also over-represented in the informal economy. Trade unions should therefore give special attention to women and young workers if they are to be successful in forging new alliances and organizing in the informal economy.

CONCLUSION

This article uses cases from South Africa and Zimbabwe to explore how the trade unions in Southern Africa have responded to the rise in the informal economy. The findings reveal that trade unions in Southern Africa recognize the need to redefine their priorities in relation to the workers in the informal economy. They generally recognize the significance of broadening their struggles to embrace workers in the informal economy. Furthermore, they recognize that negative forms of marginality can be transformed into a concrete source of leverage (Chun, 2009).

However, trade unions in Southern Africa have made only limited attempts to achieve this. They lack clear strategies to engage workers in the informal economy beyond the traditional forms of organizing. The union perspective and response are not surprising, as they are informed by conventional notions of trade unionism. Underlying the general trade union response in the cases of South Africa and Zimbabwe is the perception that the informal economy is a transient phenomenon, despite overwhelming evidence to the contrary.

At the center of the argument presented in this article is the significance of linking the struggles of the workers in the formal economy and those of the workers in the informal economy. Trade unions provide the experience and strength that is often missing from informal economy organizations. However, the divide between the workers in the formal economy and those in the informal economy remains strong, both covertly and overtly, despite attempts to bridge the gap. Success demands mobilization, organizational innovation, and commitment of resources by the unions.

In conclusion, the article sees potential in trade unions linking up with the informal economy struggles. However, organizing in the informal economy demands a shift in the trade unions' organizational culture and strategy. The article draws from Barchiesi (2011) and strongly questions the relevance of focusing on waged labor as the center of social emancipation and transformation in economies dominated by the informal economy and precarious employment. Instead, the trade unions must broaden the struggle and embrace socioeconomic and political struggles beyond the workplace. This demands a vision of a different society based on equality and social justice, not one centered on waged labor.

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