

COLLECTIVE BARGAINING FOR STREET VENDORS IN MUMBAI: TOWARD PROMOTION OF SOCIAL DIALOGUE

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ABSTRACT

This study is an attempt to understand the role of the collective bargaining process in promoting social dialogue among the street vendors in Mumbai. The street vendors in Mumbai are one of the most deprived sections of the urban working poor, and their deprivation results from their low bargaining power. The ILO has recognized the importance of collective bargaining and the promotion of social dialogue to meet the common demands of workers, and so has included the collective bargaining process in its decent work agenda. Collective bargaining is an end in itself as well as a means of achieving other ends. It promotes the right of workers to decent working conditions. This study reveals that the rate of unionization among vendors in Mumbai is low. The heterogeneous nature of street vending activity further retards the unionization process. Further, the study reveals that several membership-based organizations are working actively toward the provision of social security for vendors in addition to the provision of formal credit through a cooperative credit society. These organizations are most active in securing the vendors' rights to public space utilization. Thus the organizations are promoting the social dialogue process by mobilizing the vendors toward realizing their rights at work.

INTRODUCTION

Street vending is one of the most visible and important sustainable occupations in the urban informal sector in India. Street vendors are identified as self-employed workers in the informal sector who offer their labor to sell goods and services on

the street without having any permanent built-up structure (National Commission for Enterprises in the Unorganised Sector [NCEUS], 2006). They play a very dynamic role in the urban economy, providing items needed by average-income-earning households at cheap and affordable prices; many of these items are durable and cost effective in the best possible way. In addition to that, street vendors help many small-scale industries to flourish by marketing the products they manufacture (Bhowmik, 2001; Tiwari, 2000). Thus they help to sustain the urban economy to a great extent in terms of employment, income, and services to others. It has been estimated that around 30% of the members of the Mumbai workforce buy at least one meal a day from vendors (Bhowmik, 2001). Thus, it can be said that vendors are in fact a solution to some of the problems of poverty-stricken urban dwellers. It is computed from the Mumbai Human Development Report in 2009 that the total employment figure in Mumbai is 5.3 million (Municipal Corporation of Greater Mumbai [MCGM], 2010). It is calculated that the total employment figure in the informal sector is 4.3 million. The number of self-employed workers engaged in Mumbai is 2.0 million, comprising 37.0% of the total number of people employed (MCGM, 2010). According to the Government of India, there are around 10 million vendors in India, of whom around 250,000 are in Mumbai (NCEUS, 2006). Thus, 12.5% of the total self-employed population in the city are dependent for their livelihood on street vending.

Decent Work and the Collective Bargaining Process

The concept of “decent work” was introduced by the International Labour Organization (ILO) in 1999 in a report by its director-general to the 87th International Labour Conference. The main goal is to promote “opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity” (ILO, 1999: 3). The four major pillars recommended by the ILO (1999) as essential to achieving the goal of decent work are opportunities for employment and income, respect for rights at work, social protection, and a strong social dialogue. Taking these four aims into consideration, the ILO has defined decent work as

productive work in which rights are protected, which generates an adequate income, with adequate social protection. It also means sufficient work, in the sense that all should have full access to income-earning opportunities. . . . Tripartism and social dialogue are both objectives in their own right, guaranteeing participation and democratic process, and a means of achieving all the other strategic objectives of the ILO. (ILO, 1999: 12)

The right to collective bargaining is central to the ILO’s concept of decent work and is an indispensable part of democratic procedures (ILO, 2007). Realizing the impact of freedom of association and the right to collective bargaining upon improving the plight of both formal and informal workers throughout the world, the ILO has made the right to freedom of association and collective

bargaining a very important part of its decent work agenda. The declaration concerning the aims and principles of the ILO, called the “Declaration of Philadelphia,” which has been added to the Constitution of the ILO, reaffirms that freedom of association is essential to sustained progress (Gopalakrishnan, 2007). The fundamental right to a livelihood is actually promoted by this right. It promotes the right to work with the right to bargain against exploitation. The Preamble to the Constitution of the ILO states that recognizing freedom of association among workers will not only lead to their overall welfare but will also promote lasting peace among nations all over the world.

Collective bargaining is promoted by membership-based organizations (MBOs). These can be defined as “those in which the members elect their leaders and which operate on democratic principles that hold the elected officers accountable to the general membership” (Chen et al., 2007: 4). Trade unions, cooperatives, workers’ committees, savings and credit groups such as Self Help Groups (SHGs), producer groups, and so on are categorized as MBOs (Chen et al., 2007).

Dasgupta (2002) argues that globalization will intensify the vulnerability of informal workers in the coming years. Unionization is perhaps the most effective way to guard against this increased vulnerability. There are various other benefits of organizing informal workers. It enables people to raise their voices against what is wrong, assembles both financial and emotional resources, empowers workers politically and economically, and, finally, gives them representation security so that they can express their views about their work and working conditions and they are enabled to bargain over their rights at work. Representation security is a basic security for those who fall between the cracks of the adequate social protection coverage given by state-governed regulations relating to rights and benefits at work. Unions and other member-based organizations have a positive impact on vendors’ income and working conditions by empowering them through strong social dialogue. These unions are mainly localized bodies. Vendors organize themselves into unions or local associations that enable them to continue their economic activities. The main role of these organizations is to negotiate with local authorities such as the officials of municipal corporations and the police when the vendors are threatened by them. A previous study (Bhowmik, 2001) of street vendors in Ahmedabad, Bangalore, Delhi, Imphal, Kolkata, Mumbai, and Patna showed that fewer than 20% of street vendors are unionized in major cities in India, but, interestingly, it is noted that in Ahmedabad 40% of street vendors are unionized under the Self Employed Women’s Association (SEWA). Competition among street vendors has appeared in India due to the inadequate number of unions/associations for street vendors and the inactivity of unions or associations (Bhowmik, 2006).

Problems Involved in Collective Bargaining for Informal Sector Workers

Representation is low in India because it is harder to organize informal-sector workers under one banner than it is to organize formal-sector workers. Traditional

unions in India have not been able to address the needs of informal workers. This is because their primary focus has been on the employer-employee relationship encountered mostly in the wage and salary area. But informal work has the following peculiar characteristics that make unionization even more difficult in reality. First, there is no employer-employee relationship, giving rise to confusion regarding the identification of the parties involved in the bargaining process. Second, the self-employed section is extremely heterogeneous in character. Vendors fall into many categories, whereas the degree of associability is higher among homogeneous groups of workers. Third, self-employed workers are so spread out and dispersed that organizing them under one strong head becomes difficult. Moreover, we find vendors from varied ethnic backgrounds, which retards group cohesion in some ways. Moreover, Carr, Chen, and Jhabvala (1996) observe that organizations that provide a common platform for men and women have not been very successful. This is because the issues of women are very different from those of men. In a society like India, which is conservative and in which women's participation in work outside the home is not given due recognition, a common platform will debar women from active participation and make them passive listeners, and thus their empowerment will not be achieved.

In short, collective bargaining is substantially reduced by a growing informal economy characterized by a decent work deficit (ILO, 2007). However, the informal economy presents both a barrier and an opportunity to the promotion of the collective bargaining process. The NPUSV in 2006 and its revised version in 2009 suggested that associations should come forward to organize workers in the informal economy (Ministry of Housing and Urban Poverty Alleviation [MOHUPA], 2009; NCEUS, 2006). The National Alliance for Street Vendors of India (NASVI), SEWA, and Manushi are successful membership-based organizations, and they have been working effectively to initiate policy dialogues at the national and local levels. But successful organizing depends on added research; Bhowmik (2007: 98) stated that "more research [is] required regarding the issues related to unionization of street vendors." Therefore, this study tries to explore the role of associations, trade unions, and other member-based organizations in improving the working conditions of vendors in Mumbai.

The present article is organized as follows. The background to the study and the research objectives are discussed in the introductory section. The methodology of the study is explained in the second section. The present scenario and the extent of unionization among vendors are discussed in the third section. The role of membership-based organizations is stressed in the fourth section. The role of social networks is important in collective bargaining, as explained in the fifth section. A step toward organizing vendors is discussed in the sixth section of the article. The final section includes a summary, concluding remarks, and policy recommendations.

METHODOLOGY

This study is multi-stakeholder in approach. The primary stakeholders are the individual street vendors in Mumbai. Mumbai was selected because of its diversity in terms of ethnicity and economic activities. Static vendors, who have a specific space for their activity (though the space is not officially recognized by the government) are the main participants in the present research. As membership-based organizations have an important role in collective bargaining, active union members from two unions have also been considered in the study.

Four hundred sample respondents were drawn from four areas, namely, Chembur, Dadar, Kandivali, and Vile Parle, which were chosen because some of the active unions are found there. The study dealt with only seven types of vendors, those selling cooked food, vegetables, vendors, garments, electronics, household utensils, and leather items. These seven types were chosen because they are the most visible in this retail market and have a large share of the total vending process. In addition, union membership has been noted among these seven types of vendors. A survey was conducted from December 2008 to June 2010.

In-depth interviews were also conducted with 10 key respondents from two unions. These unions are basically membership-based organizations (MBOs) and they actively work in various places across Mumbai. These 10 key respondents were actively involved in their respective unions, and they provided information on the role of these organizations with regard to collective action by street vendors in Mumbai. Such organizations are also in a position to make decisions for street vendors and represent them to higher authorities.

The key respondents were reluctant to disclose their names and information about their organizations, so we are unable to mention their names or any other information. Neither their names nor their physical descriptions are revealed anywhere in the article. Nevertheless, we do mention their positions in their organizations and other important aspects from an organizational perspective. This will help us to understand the work they do to promote collective bargaining.

A semistructured questionnaire, based on the objectives of the study, was used (Bryman, 2009). Both closed- and open-ended questions were included in the questionnaire. Since the study was exploratory in nature, open-ended questions were used to assist in exploring the current situation. Personal interviews and group interviews were conducted. One group session was conducted with 5–7 vendors in each study area to achieve an understanding of common issues. In-depth interviews were conducted with 10 individual street vendors in order to understand and explore the current situation of their collective bargaining situation.

PRESENT SCENARIO AND EXTENT OF UNIONIZATION AMONG VENDORS

In this study, the focus is on the role of the social dialogue process and its component, the collective bargaining process. The roles played by collective

bargaining and its channels have been illustrated through case studies. This study is based on in-depth interviews with 10 individuals who are actively involved in MBOs and in a position to make decisions for the vendors. They are vendors themselves and presently working toward mobilizing the street vendors. The key respondents, who were working as small vendors initially, have become small enterprise owners over a period of time and have employed a number of wage workers to carry out administrative work and other responsibilities in their respective businesses. Thus they have acquired social empowerment in the process of mobilizing other vendors in an organized struggle for the common cause. According to them, it is very easy to work for the vendors as insiders. As they say, being insiders achieves many objectives. Only insiders can understand the problems associated with being vendors and work toward their eradication. On the other hand, the vendors can directly associate themselves with the insiders who work with them. As one of the key respondents stated, “our friends [the vendors] rely on and trust us because they think that we can understand the situation and represent their voice properly.” This study also highlights the role of MBOs with regard to social security, access to finance, and other issues, in order to evaluate the potential of collective action for improving the decency of work. Collective action facilitates the decent work indicators of social dialogue.

Coverage

In Table 1, the extent of unionization is shown. Out of those sampled, 204 street vendors are registered with different trade unions. The table shows that more than 50% are members of trade unions. In particular, 53% of male and about 48% of female street vendors are members of trade unions, which looks impressive. However, during in-depth discussions with the street vendors, it was revealed that only 47 street vendors out of 400 are actively involved with union, that is, around 0.12% of the total sample population. These 47 street vendors (among 400 street vendors) are actually regular in attending meetings and organizing themselves, and they are even trying to mobilize other street vendors. Some street vendors reported that membership of trade unions makes

Table 1. Union Participation and Gender-Wise Cross Tabulation

	Gender		Total
	Female	Male	
Not a union member	85 (51.8)	111 (47.0)	196 (49.0)
Union member	79 (48.2)	125 (53.0)	204 (51.0)
Total	164 (100.0)	236 (100.0)	400 (100.0)

them feel “empowered.” However; some of them also expressed the opinion that it is a waste of time to attend regular weekly and monthly meetings. The union members’ union activities often interfere with their work, and many think that if this time were devoted to vending activities, at least it would provide them with some income.

Hence we can say that union participation is mostly “a pen and paper” affair. The rate of active participation is much lower. Here, less than 1% of the total vendors are active union members. The low level of unionization is responsible for widespread harassment in the form of “rent seeking” or bribe collection (Bhowmik, 2007). In the study it was found that the vendors pay 5–10% of their daily income in bribes. There is a feeling widely prevalent among vendors that it is better to pay bribes than to join a union to fight against the people who force them to pay the bribes (Bhowmik, 2007). The reason may be that vendors consider themselves incapable of fighting against the authorities who demand the bribes.

The rate of unionization among females is lower than among males. However, in some other cities like Ahmedabad, female vendors have been more successfully unionized, mainly under SEWA. Trade unions or other membership-based organizations stage protests against civic authorities whenever the authorities do something that goes against the interests of the street vendors. They do not refrain from going to jail, and in any case, they obtain stay-orders from the court to temporarily stop such moves being made by the civic authorities (Bhowmik, 2003).

ROLES OF MEMBERSHIP-BASED ORGANIZATIONS

Toward Credit Accessibility for Street Vendors

Vendors in Mumbai are grossly exploited by moneylenders and wholesalers who charge exorbitant rates of interest on the money they lend (Saha, 2010). As a result they fall into multiple debt-traps (ibid). In the sample, it was also found that the overwhelming majority of the vendors obtain credit from informal sources and pay out a large part of their incomes in interest payments. Interestingly, a fraction avails itself of formal credit organized by the trade unions through a registered cooperative credit society operating in the areas (especially in Kandivali and Vile Parle) and giving group loans at very low rates of interest to member-vendors who approach the society through the unions. Union membership is vital, as it is the union that stands as a guarantor for the vendors for the loan.

In the present study, vendors are accessing credit from informal sources and are paying high rates of interest (amounting 5-10% per month) on the borrowed sums. The monthly average interest paid greatly exceeds that of the monthly average amount borrowed. On average, vendors are required to pay three times the principal as interest. This results in a perpetual debt trap situation.

Vendors themselves, with very limited knowledge of arithmetic, are cheated by moneylenders and end up paying interest continuously. Many vendors depend upon informal sources of credit, about 57% of vendors upon moneylenders and 26% upon wholesalers. Female vendors depend on moneylenders and wholesalers more than males do. About 64% female vendors and 53% of male vendors depend on moneylenders. However, women are much more prone to exploitation than men, and their vulnerability to threats of evictions is much greater than that of men. However, some unions are also organizing SHGs to provide low cost credit to vendors. The lack of general awareness of the benefits of this and the aversion of some vendors to joining such organizations leads to further exploitation at the hands of moneylenders. The unions also help in organizing social security for the vendors, even including the provision of micro insurance services. Unions organize vendors as a powerful force so that they may participate in decision-making bodies and formulate policies that affect their interests (Bhowmik, 2005). The case of one union in Kandivali can be highlighted with regard to the provision of accessible credit to its members.

The Case of the Trade Union in Kandivali: Toward Credit Accessibility

A cooperative credit society has been registered under the state government to provide loans such as personal loans, educational loans, and loans for economic activity, and the cooperative receives the money for these from the state government. The cooperative gives loans to membership-based organizations. A cooperative cannot provide a direct loan to an individual vendor. This is primarily because the vendors cannot provide any collateral for the loan amount. Hence, membership-based organizations act as intermediaries between street vendors and the cooperative. Vendors must be members of an organization to obtain benefits from the cooperative. According to the rules and norms, a vendor can acquire a maximum of Rs.30,000 as a loan from the cooperative. Each vendor in the organization gives money to the organization according to the vendor's volume of trade (at a minimum of Rs.10 per day) and the organization thus accumulates money that is used as "working capital." The vendor can then take a loan from the accumulated funds at a nominal rate of interest.

This process has been illustrated by the case of a vendor in Kandivali, whom we came across during the field visits. The vendor had taken a loan from the cooperative through the union in order to buy a cart:

I used to work as a wage worker and my employer used to torture me day in and day out; finally I decided to become a street food vendor and buy a cart. I had approached several organizations for lending me the money to buy a cart for myself. I soon came in touch with the union [name withheld on request] and they said they would help me to get the loan through them. I readily became their member and got the loan of Rs.10,000. Their working

capital requirement is not a huge amount. Rather, it is far less than the benefits that have accrued from it. The interest rate is also low. The membership norms are very suitable for people like me who do not have any other collateral to offer. I get a lot of mental support from the union members. Being a part of the trade, they understand our problems, much to our relief. I feel more vendors like me should join if they want formal low cost loans.

According to the 10 key respondents from the two membership-based organizations, this type of cooperative is very successful in giving low cost credit to the vendors, and the repayment rate is also high. But despite good work done by the cooperative, the take-up rate is small. This is due to the low rate of active unionization. According to one of the active union members, around 2,500 vendors are involved in such cooperative and social security schemes in Mumbai, while Mumbai has 250,000 street vendors according to the records of most of the unions. Failure to register themselves with the unions debars vendors from obtaining the benefits of formal credit availability. The key respondents reported that the vendors decline to adhere to the rules and norms of their organizations. They do not even want to pay the nominal membership fee. Thus they are unable to reap the benefits. One of the key respondents stated that “most of the vendors try to avoid all the rules and norms and hence they prefer private moneylenders at a high rate of interest.”

Organizing Social Security

The need for social security cannot be ignored. In the study, it was found that vendors need credit for various purposes, among which social security requirements are one of the most important. In the study it was found that the unions provide social security to their vendors through the Janashree Bima Yojana (JBY) under the group insurance scheme of the Life Insurance Corporation of India (LICI).

The scheme includes insurance coverage for health issues, house and property, accidental and natural death, and permanent and partial disability. It is a group insurance scheme, which needs a minimum of 25 members. Members pay an annual premium. The annual premium for an individual vendor is Rs.169, which is very affordable, even for the poorest. Under this scheme, each vendor can receive Rs.15,000 to 75,000 in the case of an accident, and the vendor’s family will receive Rs.75,000 after his/her death. Moreover, this scheme covers scholarships for the education of the vendor’s children. A maximum of two children of the vendor can benefit, and each child can receive Rs.1,200 per year as a scholarship. One organization has even helped to arrange money for a vendor’s son to pursue higher studies.

The following case history illustrates how one vendor in Vile Parle, one of the study areas has benefited from the micro insurance service of the JBY:

I used to work as a garment vendor. One day, while at work I met with a road accident due to which I had to undergo an operation. The cost involved was around Rs.30,000 plus the cost of medicines and other things. It would have been extremely difficult if I was not insured with the group insurance scheme of JBY. I got the money without much trouble. The operation was successful and I was soon able to get back to work. I feel the union has done a commendable job by organizing us, the vendors, to join it and avail ourselves of the facilities of the JBY. The annual premium amount is very little. More vendors should use the facilities because the vendors do not have anybody else to turn to if they get into some unforeseen circumstances.

But some of the vendors have also complained about the compulsory premium, the sum of Rs.169 yearly. They say this imposes a burden on them. It is not a money back policy, and they argue that “the money is lost if we do not fall sick.”

Collective Bargaining and Public Space Utilization

Street vendors in Mumbai are continuously harassed by local police and the Bombay Municipal Corporation (BMC), since street vending is considered an illegal activity. Unions act as intermediaries between individual street traders and the local authorities, negotiating with authorities such as municipal corporations and local police forces for the right to occupy public space so that the vendors can carry on their trade.

Struggles and collisions between civic authorities and union leaders erupt very frequently. A common story in Mumbai is that at the slightest pretext, local police catch vendors and throw them into jail for occupying public space. One incident was encountered during the field visit to Kandivali. An eviction drive was taking place in mid-September in this area in the year 2008. The eviction was being carried out because the vendors were occupying private land that had been taken over by a well-known building company in order to build a new market complex, not because the vendors were occupying public pavements. A clash between the union members and the local police in Kandivali broke out at around 11 in the morning. Finally, police arrested around 30 street vendors from that particular place, including both males and females. The union leader (from one of the active vendors' unions) started negotiating with the local police officer at the police station. The charge was occupying a public place. The police argued that the vendors should, without saying a word, vacate the area because it simply did not belong to them. The police officer was finally ready to release each vendor, on payment of Rs.1,250 for each vendor. A receipt was given for the amount that was paid. Out of the 30 street vendors, around 20 could pay Rs.1,250. The other 10 street vendors could not pay; the money for their release (Rs.12,500) was finally paid by the union leader from the union funds. The leader mentioned that this kind of incident happens almost every month.

A section of the urban upper middle class maintains a very negative stance against the hawkers and their trade. They, with the help of their social status and

strong lobby, force the civic authorities to evict the vendors from public places because the vendors and their trade cause irritation in the form of traffic congestion and visual pollution. The Non-governmental organizations (NGOs) representing the rich and upper-middle class citizens in Mumbai make use of their high social and economic status to influence public policies in their favour and prevent legalization of vending and vendors' utilization of public space (Bhowmik, 2007). The formation of vendors' unions is especially vital in these cases, when their trade is despised by the very people who often buy their low cost products. The unions organize the vendors to protest against evacuations in the name of modernization.

Several trade unions, like the one described above, are involved in pitched battles with the police and the BMC officials whenever they try to evict the vendors. A key respondent, aged 44 years, an individual from Kandivali who represents a member of membership-based organization, argues that there is a pressing need for the street vendors to unite and fight for their common demands. According to this respondent, if the government cannot provide sufficient job opportunities in the formal sector, it should at least provide for some genuine needs like the provision of spaces in which vendors can carry out their business activities. As this respondent notes, the local authorities are continuously harassing the vendors and they are becoming victims of notorious activities. It is exceedingly difficult for these already impoverished persons to continue with their business activities under these hostile circumstances, and the government urgently needs to look into the matter. This respondent's organization in Kandivali is willing to go to any lengths to achieve the goals of the vendors.

As respondent says,

We are struggling for the rights for them [the vendors] and for their space on the road. We protest [against the authorities'] continuous harassment. Many times, we went [to] jail with the vendors to protest.

The most common form of harassment is the demand for bribes. The vendors' rights at work are violated when they can carry on their trade only by paying bribes to municipal authorities and police and local leaders in some places because they are dubbed "illegal." Bribes eat away 5–10% of their daily incomes, with the total daily amount varying between Rs.20 and Rs.50. They are forced to pay bribes to three different groups of people which include the police, the officials of the BMC, and local leaders. Many vendors operating in Dadar area reported about certain 'agents' of the police and the BMC who collect bribes from vendors in their locality. Though they declined to give any personal identification of the agents, they said that these persons are vendors in their locality who work as intermediaries between the vendors and the BMC officials and the police. It facilitates the process of rent-seeking or bribe collection. The amount of bribe collected by them is given to the two groups, after keeping aside a certain sum as 'commission.' However the exact percentage kept with them as their commission

could not be known from the vendors. So these 'agents' can be said to be another 'instrument' of harassment. The 'agents' normally collect the bribe amount by force against the promise that police and BMC will not approach them anymore. Those who decline to pay the amount, has to face much more harassments from the police and BMC.

The average monthly amount of money paid in bribes by each individual to the police is Rs.256, while that paid to the BMC is Rs.386. Hence the average total amount in bribes paid to the BMC is even larger than the amount paid to police. The members of a third group, namely, local leaders, collect money in their respective areas from the vendors; they then distribute this to the local police and the BMC, while keeping 5% of the total amount they have collected.

Managing Competition

Finally, unions help to reduce cutthroat competition. Competition among street vendors has appeared in India due to the inadequate number of unions/associations for street vendors and the inactivity of unions and associations (Bhowmik, 2006). Trade unions help to regulate the number of vendors by restricting their entry to the profession. This is done in a very constructive way, however. The union in Kandivali (one of the selected study areas in Mumbai) presents an example in this regard. The union, through its credit and social security programs, encourages the children of the member-vendors to study and find formal sector jobs for themselves or secure positions in licensed trades for themselves so that they do not have to depend on street vending. In this way, they encourage upward mobility and also restrict the number of vendors. Interestingly, all key respondents noted that limiting the number of street vendors will solve many problems. It will be easier for the government to issue licenses if there are fewer vendors and they are regularized. The relationship among vendors themselves can also be regulated. One of the key respondents in Dadar reported on the rise in the occurrence of internal troubles among vendors due to ever-increasing competition and the limited public space in which they can operate. The relationship of competition must be replaced with one of cooperation, in which the vendors should join hands with each other to fight for their common demands. If this is done, the authorities will have to listen to them. This can be brought about by the unions, by bringing the vendors under one banner and organizing them for the common cause.

Along with this, there is also the need to encourage self-regulation and self-compliance among vendors. Vendors must realize that it is their duty to keep the city clean and also to see that the products they sell are in no way harmful or toxic and conform to minimum standards of hygiene. The role of unions becomes important here, to make the vendors realize this and to organize their activities accordingly. As Bhowmik (2005) stated, their duties and responsibilities must precede their demands for rights. The unions can make vendors aware of their

duties in respect of cleanliness, hygiene, and the safety of their products, and help them to set in place among themselves some common rules of conduct.

ROLE OF SOCIAL NETWORKS IN COLLECTIVE BARGAINING

Social networks play a decisive role in the formation and working of trade unions. People of the same ethnic or religious community normally have a closer degree of associability and affinity with their counterparts in rural or semiurban areas. Whenever a new vendor enters the market, he or she is always pulled toward the group composed of those belonging to his/her own place. In addition, whenever people of the same cultural background join hands to make common demands, the collective bargaining process becomes stronger. Social networks both encourage and impede the collective bargaining process. They encourage the process when members are drawn toward their friends and partners from their own ethnic and rural backgrounds and the association becomes stronger. They impede the process when the vendors are composed of people of heterogeneous ethnic backgrounds and languages (among other things) and this becomes a barrier to group cohesion and unity. It is not easy to overcome these differences to fight for a common cause. However, this problem arises mainly when the major part of the vendor population has migrated comparatively recently. In the sample, the average length of time since migration being around 26 years, this problem does not hold much relevance. Moreover, the average time of being in business is 22 years, which means that vendors have had the time to form strong bonds of friendship and trust with each other, and they work together at times of crisis. This promotes unification among vendors.

ORGANIZING VENDORS: A STEP TOWARD A SOLUTION

Efforts at organizing the vendors are clearly outlined in the national policy on vendors (MOHUPA, 2009; NCEUS, 2006). The policy suggests that town vending committees (TVCs) should be made responsible for the allocation of space to street vendors. The functions of the TVCs recommended by the national policy are as follows: registering the street vendors and issuing an identity card to each vendor after it has been prepared by the municipal authority; monitoring the facilities to be provided to the street vendors by the municipal authority; identifying vending as well as no-vending areas; setting the rules and regulations for carrying on the vending activity; taking corrective action against erring vendors; and collecting revenue. The fees should be nominal or at least affordable for all street vendors. The committees may decide the amount the street vendors will be charged, taking local conditions into consideration. Considering the functions of the TVCs recommended by the national policy, it could be said that TVCs would be a good solution to organizing the vendors at the local level.

Street vendors would prefer to pay fees legally to the government instead of paying bribes to the local police and the municipal corporation. One of the vendors stated that “we would like to pay the amount as taxes instead of bribes for our . . . space. We would even love to pay double the amount that we are paying now.” A trade union activist (name withheld) made an important point. He said that the bribes that most vendors pay are completely unaccounted-for money. The BMC and the police who collect this money do not turn it over to the government. Rather it goes in to the pockets of the officials involved. According to Bhowmik (2010), a sum of nearly Rs.40 million per year is collected from vendors jointly by the police and the BMC. Legalizing the vendors would mean the loss of this sum to the corrupt officials. But bribes can be avoided, and both parties involved, that is, the government and the vendors, can benefit. If the government issues business licenses to the vendors and legalizes their trade, they will be ready to pay some amount directly to the government in tax, instead of paying bribes. The government will be able to increase its revenue, and the street vendors will also benefit from the legalization, which will solve many of their problems including formal credit supply.

CONCLUSION

The study has highlighted many aspects of the collective bargaining process. Collective bargaining is an end in itself and also a means to other ends. It plays a major role in uniting vendors to fight against exploitation and also to secure their rights. Its far-reaching impact on the lives of workers has compelled the ILO to adopt it as a fundamental right of workers all over the world. There are several active unions and associations in the field sites of this study who are doing the job of mobilizing vendors and organizing collective protests against the civic authorities. The vendors in Mumbai constitute one of the most vulnerable and miserable sections of the urban working poor. They earn their livelihood in hostile circumstances, and face daily impositions from all quarters: the civic authorities, the police, the citizens’ groups, the local leaders, and the money-lenders. It is only through the joining of hands that they can exert themselves and realize their demands. The low rate of active union membership outlines the fact that awareness among vendors of their rights and responsibilities is generally lacking. Intermediaries take advantage of the looseness of association among the vendors and exploit this to the maximum capacity.

It is very important to highlight here that the NPUSV stresses the development of this unification process. It says that the formation of unions will lead to vendors’ social empowerment (MOHUPA, 2009; NCEUS, 2006). A general lack of awareness is found among the vendors regarding their contributions to society and the overall nature of their activities. Almost 70% of the vendors in the study said that they suffer from threats of evictions, and actual evictions have occurred up to three times per year. During police raids, vendors’ goods are confiscated and almost 70% of vendors reported that they do not get back their

goods, or if they get them back, they are damaged or destroyed. They regard these atrocities inflicted upon them as part of a general way of life with which their business activities have to coexist. Their lack of effective unionization makes them even more vulnerable to exploitation, since it becomes easier for the authorities to evict them if they are dispersed. A study carried out by Bhowmik (2005) stated that unionization will provide them with a platform on which they can unite to express their demands and press for their rights.

Given the importance of street vendors in the urban informal sector, some non-governmental organizations, cooperatives, and other groups are coming forward with initiatives for providing social security and many other basic requirements for street vendors, but these initiatives are few and far between. In view of the present economic situation, especially given the financial crisis and the large number of formal-sector jobs that have been lost, the informal sector will expand further in the years to come. Since street vending is one of the easiest ways in which to get into the urban informal sector, the number of street vendors is very likely to increase drastically in the near future. One of the major findings of this study is that in places where trade unions are performing efficiently and effectively, street vendors are found to be in a somewhat better position. Thus, trade unions or other MBOs could be the best way to organize them. Vendors can achieve a reasonably decent working life or at least a better working environment with the help of trade unions.

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