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WOMEN *and the* GLOBAL ECONOMY

PODCAST: Money in the Margins: A Conversation with the Community Organizer Gichelle Cruz

HOST: Welcome to the International Museum of Women and this podcast for *Economica: Women and the Global Economy*.

Filipino community organizer Gichelle Cruz fights on behalf of an often forgotten but essential workforce: nannies, seamstresses, street vendors and pedi-cab drivers—informal workers who eke out a living without government regulation or protection. With no social safety net to depend on in a crisis, they're sometimes forced to create their own.

GICHELE CRUZ: *In the Phillipines we have what you call the Miann. The Miann is a Filipino term for helping one another. And so they try to contribute, each member, a very small amount, let's say 20 pesos, every month, collectively covered together so that when someone gets sick then some part of the money goes to the other member.*

HOST: Gichelle Cruz is a Senior Researcher at the University of the Phillipines. Through their extension program she helps grassroots communities to advocate for themselves by teaching them video production skills.

Economica curator Masum Momaya sat down with Gichelle Cruz at the 2009 conference of the International Association for Feminist Economics. They began by outlining just who informal workers are and what they do.

CRUZ: Basically what is most known today is the home based workers. Most of them are women and children. They can earn as much as only fifty cents or twenty-five centavos in their currency, per piece, where they have to work for long hours with no benefits and some of really with very dangerous working condition.

And we also considered the small construction workers. Meaning, they are not part or employee of a company they just come and there's a construction work and they're not protected. They suffer a lot of occupation hazards and when they do they don't get, you know, their families never compensated. There's also the drivers, the small drivers, the jitney drivers, if you have been to the country we have so many jitneys. We have the

pedi-cabs, it's a small bicycle, tricycle driver and then we also include in the informal economy the helpers or the [Speaks in Filipino]. They also have a separate movement.

MOMAYA: Informal sector workers do not enjoy basic protections as do workers who work in the formal economy?

CRUZ: That's right. Because regular workers like, most of us would have certain social insurance given to us by our work, taken from our salary and some half of which are being subsidized by our employer. Now, in the informal economy, I forgot to mention the sub-contractors, which is now becoming the biggest number of informal work in the Philippines. There is no employee-employer relationship. They don't enjoy privileges like sick leave, vacation leave, medical reimbursements. So they don't have all of this. And if there is occupational hazards that happen to you on the time of your work then you are not covered. They have no protection against sudden illness, accidents or death. And that's the reality and there are efforts among informal workers somehow to do indigenous way of social insurance.

In the Philippines we have what you call the Miann. The Miann is a Filipino term for helping one another. And so they try to contribute each member of a very small amount, let's say 20 peso every month, collectively covered together so that when someone gets sick then some part of the money goes to the other member. And then we also have initiatives to include the informal workers to the mainstream social insurance system, which is the SSS, Social Security System in the Philippines, where you can be a self-employed, because in this aspect, informal workers are considered as self-employed.

MOMAYA: Self-employed.

CRUZ: But very, very marginalized self-employed. And some of them even with a very minimum amount of just probably one to two dollars a month, they cannot comply. And so therefore, if they cannot comply they suffer the consequences of non-abailment, because there are certain conditions when they do that. But at the same time that's the only self account or self employed insurance that they can contribute to.

MOMAYA: Do you include migrant workers as part of the informal economy?

CRUZ: Well, the migrants workers, most migrant workers are domestic workers in other countries. A lot of them are becoming of course from the Philippines but when they come back and they have no work they become part of the informal workers. So even with those who are employed actually, because being employed doesn't mean you have enough so sometimes you have to do a lot of work outside and that is informal work. So basically, informal work is a way to survive these days. There is now a very thin line of what separates formal from informal. Because even those in the formal economy or formal workers they do some informal work selling stuff. You have teachers in the

Philippines who's at the end selling some stuff with their coworkers or sometimes with the students. So they became a part of the informal economy.

MOMAYA: And is it accurate to say that a greater and greater percentage of the population in the Philippines is engaging in the informal economy?

CRUZ: Yes it is. It is now a major concern and I think it's not only in the Philippines but you know, the rest of the world because we're experiencing this global recession. So a lot, and a lot of people whose factories went down and a lot of women are forced to migration because the husband's company closes. And a lot of them would have to do other works, and that includes the family because when you talk about informal work most of them are family based enterprise. So you also have to think about the children and the youth doing informal work as part of family survival.

MOMAYA: Can you talk about why women are most vulnerable?

CRUZ: Well of course women are in informal work because we have special needs as women. You know, we always said that women are last to hired, first to be fired. We have that kind of saying. But we are also saying, no, maybe that is not so true because they don't care anymore whether they give maternity leave. There's a lot of contractualization happening around so that's really to avoid this kind of maternity benefits. So given the special need of being a women and exploitation that might take place when you work outside of your home, the sexual violence and all those gender based forms of violence and economic abuse to physical abuse that could happen to you, then women are definitely more vulnerable.

And since women, on top of that, would have to take care of the children there's an intersperse between productive and reproductive work when you do informal work. So that's why we say that we have to create a more gender responsive response when it comes to crafting a policy that will talk about raising the standards for informal workers.

MOMAYA: Can you talk about some the organizing strategies and advocacy that has been done by and on behalf of workers in the informal sector?

CRUZ: What is very essential as a start when you organize is to know about your situation, so this is awareness-raising. And then they go around and they organize as a group to identify their common struggles and when they are identified their common struggles they talk about their situation, they are able to identify what are possible solutions, possible actions and with these possible actions come certain planning. Planning of what to do and its very important and when you do these things there should be participatory.

So in the Philippines our organizing has geared towards from the top down approach to the bottom up which really comes from the people in the sense of partnership, consultation and empowerment. So, these are done in a participatory manner that the

planning, and people like us who are external agents are just there to facilitate that process that should come from the people.

And thereby, with these collective plans of actions this will possibly contribute to the creation of better policies. That our again, identified to the people. So when we do our research it is more like a participatory action research, which led to participatory action planning with the people. So they are the ones who can help us do our research and identify what are the problems because they are the best person to ask because it is them. We can't really represent them—even if you're a very strong advocate of the informal workers or farmers or any community, the best person to represent themselves are the people who experience who are in very much the same conditions. So this is the spirit of participatory development.

MOMAYA: What are some of the policy proposals and solutions that you've seen come out of this participatory research and participatory development process?

CRUZ: The important thing when you talk about informal economies is that there's no social protection. So social security and social protection is very, very important. So we push for some policy wherein the government would respond to the accessible and realistic way to provide social insurance for the informal workers.

The other thing is about occupational hazard, that's why it's very, very important. Most informal workers, they are poor and so sometimes they lack knowledge in terms of protecting themselves under hazardous conditions. So we have to advocate for them to use proper gear. It doesn't mean that when you're not a company worker you should not protect yourself. Because a lot of those who suffer especially in the construction site, they're not wearing the right gear. So we have to tell them.

And then the other thing is about, for the vendors, for them to have a proper place so they can sell legally. They should not be like, driven like, you know garbage in the street. And as for the women, the government should at least provide a more decent income because some of this informal workers when then cannot no longer sell because they have been driven out of the street they go into prostitution.

So it's very, very important that the government has to respond for decent work and the economy should be helped. This is the spirit of fair trade, fair trade economy where you have to value the informal workers, the subcontractors and where you have to put in the spirit of economic solidarity. Meaning, it's not just about Filipinos supporting Filipino products or other countries like in Thailand you have one town, one product policy. It's not just about that but it's really coming because the global problems of the unabated cheap entry of goods that has been harming the economy and harming the small, local producers.

So if we support this industry with research and education so that they can do nicheing, that they can compete in the global market. Because we cannot stop—definitely,

globalization is here and we cannot stop that. So we have to provide enough safety nets so there should be more research to find out what are the safety nets that we need because these are very, very important if we have to address the issues of the informal economy.

MOMAYA: How has the government been responding?

CRUZ: Well right now we have—there is a magna carta of informal work which is basically responding to what I have discussed before and a lot more. We will try to put them online. But we needed to lobby for the informal work. At the start of the year, one very good advocate of the informal work died at the time when she was pushing for that, lobbying for the magna carta. And so also wanted to remember her, for her vigilant efforts in improving the lives of the informal workers in which she belongs.

MOMAYA: Have you seen a lot of efforts for building solidarity between workers across borders, across national borders? It seems like, as you said, globalization is here to stay and that the increase of informal work as a viable means, or viable or nonviable, but as a means of economic opportunities seems to be on the rise in many places. But it also seems like there is this situation where workers in different countries are often competing with each other because corporations are going to where the lowest wages are. So I'm wondering if you've seen any sort of solidarity building amongst workers across borders?

CRUZ: Yes I think what we have today is the technology that helps bridge these you know, countries who have the same problems. So in as far as the national network of informal workers in the Philippines, they're affiliated with Home Net Southeast Asia. And Home Net Southeast Asia they have also a South Asia affiliation which are informal workers in Southeast Asia and South Asia.

So, there are a lot of efforts right now to bind the problems and collectively look for solutions and important that it's a collaborative effort. It's a big, big global crisis that we are facing and we can certainly not do it alone. So we're going back to the basic in terms of economic nationalism, because if your small money will just go to the bigger money, with bigger capitals, then what would happen to an economy if you're on your developing stage?

So we also have to go back and promote our, not just promote the consumers to buy the product but we have to develop very good products. That's why research and education and skills development must be in place and this must be supported by our own state. This is also to say that when you think about economic nationalism you're not just thinking about the consumers. But you're also refer it to the manufacturers, to the producers so that they also support the local products, the local products that are available in the community.

And we have a thing in the Philippines called [Tankeelakan]. It's like when you're, example, a producer in the Philippines you produce shoes and so you have some of the corporations companies who's employers are giving clothing allowance to their staff. At least they should order what they need, the uniforms or the shoes to our local producers. And that's why we called it [Tankeelakan], you help and you support each other's product. And that's the way to build up in our local markets.

MOMAYA: Aside from buying products locally are there other things that you think that consumers can do to, either from a consumption or advocacy perspective, support informal workers and push back against exploitation?

CRUZ: Yeah. Actually it's very important right because we have this fair trade advocacy. So in other countries they're opening fair trade shops. The idea of fair trade shops is that as much as possible we're trying to do away with the middlemen. Because the middlemen get 50% or more from what the local producers should be getting.

But with fair trade shop we connect the producers directly with the consumer so that the producers gets more. And with fair trade shops that would showcase the products and the craftsmanship of these people in the informal economy. Then there's a better chance for the consumers to support products that are not good, that are not just healthy but products that value work, where people can be compensated, valued for the work that they do.

MOMAYA: So you mentioned economic nationalism and that is one strategy to keep jobs in countries and manufacturers and business. But it could also be argued that promotes an insularity and a type of xenophobia to products and supporting things outside of one's borders. So could you address the flipside of that?

CRUZ: Actually, there's economic nationalism, but economic nationalism is linked to economic solidarity. So it's not just buying, promoting your own product but also taking care of the global, in consideration of the global situation. So economic nationalism is like an immediate response for the moment because we have to sustain our industry. Because if we do not promote that at this point, then our local industry will really die down.

But at the same time, there's consciousness raising about economic solidarity. And this is where national policies can really shape what do we have to in order to help our small, local producers. So it's a combination, so it's not an absolute thing when we talk about economic nationalism. It's more of valuating your own products to help local producers.

MOMAYA: Aside from the fact that there are none enough economic opportunities in the formal sector, are there other reasons that people enter informal work?

CRUZ: Well, as I have mentioned earlier, it's basically more of constraint to find a job in the formal economy that people go into informal work. And the other thing is that because they have to, they have a need for additional income because the inflation rate is so high, the salaries are not increasing. So people have to—

MOMAYA: Take on extra.

CRUZ: —Yeah, take on extra thing. What are the implications of a growing number of informal work? Poverty of course, and the lack of protection. And the government cannot respond to everyone who has problems and of course with these problems of poverty there's a growing number of informal settlers so the urban poor situation. So there's a multiplier effect when you have a lot of people going to informal work. And it will just contribute to a greater degree of poverty in the country.

MOMAYA: So it seems like in some cases it's difficult to, as you've just mentioned, the government cannot take care of everyone. But at the same time the trend of increasing number of people making their living through informal work also doesn't seem sustainable in terms of like, social wellbeing and lack of social protection. Is there a middle ground and does the government have more comprehensive approach to economic development that is going to do something besides just letting this trend unfold?

CRUZ: I'm thinking because it's a long history to have a certain degree of good governance right now. So it was really difficult to imagine, how do we start and what is the middle ground? It's hard, that could be very, very idealistic for now. Because for now it's really planting seeds, planting seeds for people to organize themselves and finding out what are the development policies that can help them in their situation. Looking from the micro, working at the meso-level, the organized communities dealing with a lot of local government, other agencies, NGO, activist scholars, and then bringing it up to the macro level in terms of—because we say it's globalization, what are now the development policies that we can promote in an international sense, because when we think about economics and trade, we don't just no longer think about our own economy but that of the global thing.

So finding the middle ground is people working together for a common solution. I think it's very hard to say because what we have to do, a lot of work, research, organizing efforts, advocacy efforts to be able to improve the situation. So for now it's a lot of advocacy awareness raising and engaging people into action so that the government can perfectly respond to this situation, because as far as the government is concerned we have political crisis. We don't just talk about economic crisis we have a lot of political crisis as well in the country. So there's a lot of work to be done.

It's a long way to go for the Philippines but the organizing effort of the grassroots communities has started. They have flourished, they have been as part of the national network of informal workers in the Philippines are concerned they have grown up to

227 chapters nationwide up to 16,000 members. So if they can keep on organizing, getting people informed, allowing people to have informed choices then it's just going to contribute to a better solution in the society. This is what we can do right now, collective work, collective gains and collective benefits for the future.

MOMAYA: Where if at all, is there an incentive for those in power to respond to the needs of workers?

CRUZ: Actually, when organized groups try to lobby for certain laws like magna carta for informal workers, there are only a few politicians that would respond to this situation. So, I don't know I'm not sure if it's the right thing to say but mostly when you support the cause of the informal work then you have the guaranteed vote in the election. So that maybe one of the gates.

But some of the people who are supporting this are party-less representatives. I have actually gone to supporting this type of laws because they were there in the first place. What made them to the position was their ardent desire to do something for these sectors. But because you need to gather more votes from your other representatives so they have to do a lot of lobbying efforts. So you see a lot of informal workers going to the Congress, to the Senate asking for support so that their bill could be passed.

MOMAYA: With the increasing number of women entering informal work is there a shift in terms of gender roles and dynamics within the family? Especially if men are losing their jobs and women are having to pick up extra work in order to bring in family income.

CRUZ: When the woman has to go out and the man has no work, there is some studies that would say that there are prevalence of violence that is happening. Because men who have no work would somehow go into drinking spree and the wives would suffer and still would have to work and take care of the children. So there are some that contributes to the increase incidents of domestic violence so that would be one thing.

MOMAYA: So I have a question on the flipside. So when women who are, for example, home based workers are participating in this organizing and they're part of these organized movements, do you see a shift in terms of their own empowerment through their participation in these collective movements?

CRUZ: Well it's not as easy as that because most of them would still have to go through the process of, are they allowed to go outside to attend meetings? So we have to organize both the men and women. So that's why in the informal work of the National Network of Informal Workers in the Philippines it is both men and women. We have to encourage more males to become advocates, otherwise we will teach them gender rights and then they come home, they don't know what to do. They started fighting their husbands, we have had situations like that and we learned from the experience.

