The progenitor of the two-sector model in Less Developed Countries (LCDs) was the celebrated Lewis model of 1954. This popularized the concept of dualism, according to which a small industrial sector grows to absorb greater amount of rural labour, which can be lost to the cities without any corresponding drop in agricultural output. By paying a constant real wage at subsistence level, which is less than the marginal product of labour industrialists are able to re-invest a surplus and employ an increasing proportion of the rural labour force. Movement from the rural sector takes place at a constant real wage (although Lewis raised the possibility of 30 per cent or so money wage differential to account for higher city prices) and in response to certain employment. There is no urban unemployment in this model, merely rural under-employment or hidden unemployment; nor is there any mention of an ‘informal’ sector.

Clifford Geetz, Geertz, Peddlers and Princes (1963) observed that ‘firm centred economy’ and ‘bazaar type of economy’ which succeed in distinguishing the two sectors in particular cases and for particular purposes but do not help in evolving an analytical scheme of classification with general validity.
Geertz (1963)\(^3\) indicated how the market was a general mode of commercial activity ‘the expression of (the traders’) essential self. These anthropological observations were analysed by Reynolds to demonstrate why and how the number of market traders and casual labourers might grow as a response to such factors as migration, the speed of labour – absorption in industry and so on. Immediately after Reynolds’ work, a space of similar papers appeared. Most of them were exercises in typologising and classifying the sectors of the labour market in different ways. It was not until the emergence of the ‘informal’ sector debate that the focus of attention shifted from classification to rigorous analysis. Some of the earlier works in this category are reviewed first.

According to G. Rains and J.C.H. Fei (1964)\(^4\) who presented a more details account of consumption in the two sectors. Other modifications have also appeared.

According to C. Nisbet, (1967)\(^5\) “the terms ‘formal’ and ‘informal’ were used in the anthropological circles in the 1960’s, with meanings closely analogous to their current usage in development studies and employment policy. But they did not find use in the literature on development studies until the early 1970’s. Only later, major research institutions contributed greatly to the development of the concept of the informal sector. They include the Institute of
Development Studies at the University of Sussex, Harvard-MIT in Cambridge, Massachusetts, the World Bank, the United Nations Organisation and the International Labour Organisation.

G Myrdal, (1968)\(^6\) but of all these amendments, the theme of central importance be this chapter is the appearance of succession of intermediate sectors between the city and the countryside.

Apart from Gutkind’s (1968)\(^7\) anthropological studies of the dispossessed unemployed in African cities, (P.C.W. Gutkind, 1968) the first model embracing more than two sectors the rural (which was characterized by industry) was Reynold’s (1969)\(^8\).

In this model he explicitly introduces two further urban groups. The ‘state sector’ and the who one sees thronging the city streets, sidewalks and back alleys in the less developed countries; the petty traders, street vendors, coolies and porters, small artisans, messengers, barbers, shoe-shine boys and personal servants. This ‘trade-service’ sector drew upon Geertz’s earlier work on the ‘bazaar’ economy, in his short analysis of two Indonesian towns.

The urban population in the Third World has tripled in the short span of only 25 years, from 273 million in 1950 to 819 million in 1975 even though its total population (rural and urban combined) has increased by only 75 per cent over the same period.
Weeks (1971) has reinterpreted the Lewis model in terms of labour exploitation; Frank (1971) has attacked it on the ground of its containing an overly fragmented view of Less Developed Countries and it has been criticized for containing, of necessity, a hidden agricultural revolution to ensure a rising marketable food surplus for sale to urban workers.

In September 1971, (Keith Hart, Journal of Modern African Studies) a conference on urban unemployment in Afraid was held at IDS-Sussex. At the Conference, Hart presented his musseceted paper on the informal sector based on his work in the overcome neighbourhood of Nima in Accra. The terms, informal income-generating activities, unorganised sector, self-employed individuals, urban proletariat and sub-proletariat were used by him in his paper reviewing literature on urban unemployment and introducing the concept of the ‘unremunerated sector’, a close intellectual cousin of the ‘informal sector’. He attempted to provide an analytical base to the highly descriptive nature of the distinction between the formal and the informal sectors. According to him, the distinction is based on ‘the organizational characteristics of exchange relationships and the position of economic activities vis-a-vis the state. The nature of exchange relationship is primarily a consequence of the economic insecurity of operations in the
informal sector, which in turn, is a direct consequence of the latter’s limited access to the resources of all types.

With in a year, the concept was incorporated in a substantially revised form into the *International Labour Organization (ILO)*\textsuperscript{11} report on Kenya. From then on, it found use in much of the urban research in the ILO’s world employment programme, and subsequently into the urban research programmes of other international organizations.

The combination of restricted competition and privileged access to resources such as foreign technology, foreign exchange and local capital ensures that the rewards from operating in this sector are disproportionately high\textsuperscript{12}. (*ILO, 1972*).

Frankman and Charle’s (1973)\textsuperscript{13} analyses of Sub-Saharan Africa adopted the term ‘service sector’ to apply traders, service purveyors and the like. This sector was seen as a ‘training ground for increasingly satisfying occupations... and more responsible positions.

McGee\textsuperscript{14} (1973) observes that most cities of the Third World can be seen as, “consisting of two juxtaposed systems of production, one derived from the capitalist form of production and the other from the peasant system of production.” The Classification based on this
approach, has, however, not found much favor with the researchers in the field primarily for two reasons. First, the research workers seem to have easily given in to the scepticism expressed by its critics that in the developing economies most of the production organizations are not amenable to any classification based on the modes of production and most of the producers are not easily classifiable as either capitalists or wage earners. Second, the Marxist scholars have not found the theme of the structure of urban economics interesting enough, and non-Marxist scholars have mostly shown an abhorrence to the use of concepts like classes or modes of production.

The reorientation of development though brought about by the appearance of the ‘informal’ sector was desirable in two main ways. First it indicated the contribution which those in its various parts made to the other parts of the economy. The suggestion that entrepreneurship was fostered therein, that imports were saved, that skills were acquired and that rural households gained from the remittances of part of the urban ‘informal’ workers’ incomes led to a change in the way these people were perceived. Just as a decade back, squatter townships began to be seen as ‘solutions’ rather than ‘problems’, so the unorganised part of the city economy came to be appreciated, rather than reviled at. But apart from this somewhat
functionalist perspective, the appearance of an ‘informal’ sector economy demonstrated the importance of greater attention being paid to the ways in which people behaved and earned a living in this fastest growing part of the cities of LDCs.

With in a year, the concept was incorporated in a substantially revised form into the International Labour Organization (ILO) report on Kenya. From then on, it found use in much of the urban research in the ILO’s world employment programme, and subsequently into the urban research programmes of other international organizations. Further works on the concept were done by Wallace (1973) and Weeks (1973). Sethuraman published in 1974 his work entitled, ‘Towards a Definition of Informal Sector.

Berry’s (1974) study was concerned with the factor proportion and urban employment in developing countries. According to Gerry (1974), nearly everything that is produced by large-scale industry, used by commerce and transport sector, or wealthy sections of the urban populations is collected from factories, warehouses, shops and dustbins in order to manufacture useful items from a material that have little or no value in the environment in which they were formerly used. This utilization of raw materials covers a wide range of relationships between those who collect, those who
produce, and those who sell. Numerous ragmen move about in out
cities collecting used stationery, old newspapers and magazines,
bottles and cans which are late.

In the study of Hinchcliffe’s (1974)\textsuperscript{20} about Northern Nigeria
examined the idea that there existed an ‘aristocracy of Labour’ in
industry, enjoying substantial and secure advantage of income and
prestige over those outside the industrial sector. He found that no
such advantages were enjoyed, and that to a large degree the higher
money wages of industrial workers were absorbed in higher prices
obtaining near their places of work.

A study conducted by A.N. Bose (1974)\textsuperscript{21} on the informal sector in
the Calcutta Metropolitan Economy covered the pattern of
functioning of the industrial units in the Calcutta slum areas.

Louis Emmeriji (1974)\textsuperscript{22} adds the following to the above list with
greater emphasis; lack of access to government favours and its
vulnerability to legal harassment. Sethuraman suggest that an
enterprise to be included in the informal sector should satisfy at
least one of the following characteristics:

\begin{itemize}
  \item [a)] It should employ less than 10 persons;
  \item [b)] It operates on an illegal basis contrary to government
          regulations;
\end{itemize}
c) Family members of the head of the enterprises work on it;

d) It does not have fixed hours of work;

e) It does not use power;

f) It does not have an access to formal credit; and

g) Workers engaged should have less than six years of formal schooling.

Chris Gerry (1974) observed that the very wisdom of defining two sectors of an urban economy has sometimes been questioned on the ground that the researchers try to fit the empirical material into their intuitively fixed categories and characteristics, and such apriority determination, according to Garry, may not be reliable in so far as it tends to ignore the relations between the sub-sectors which may be the most crucial in determining the functioning of the urban economy as a whole.

Milton Santos (1975) depicts that as a consequence, some scholars have preferred the use of such neutral terms as upper and lower circuits of the economy.

Kritz and Ramos (1976) dealt with the measurement of urban underemployment.

Elken (1976) in his paper depicted that aggregating the attitude of urban activities into the informal sector not only amounts to a piece
of obscurantism but also raises the question whether these activities
do in fact constitute a sector.

**Henley and House and W.J. House (1976)** in their study of
Kenyan Labourers also adopted a strike aristocracy of wage-labour
and turnover data. They hypothesized that low rates of voluntary
turnover in factories indicated satisfaction with conditions therein,
but this phenomenon could of course, be interpreted as fear of not
finding a comparable alternative job in the face of substantial
unemployment of school – leavers.

In India, the Bureau of Applied Economic and Statistics,
Government of West Bengal first covered all the industrial units
employing one of four persons, and later, the remaining units in this
unorganised informal sector, viz., the units employing five to nine
persons if using power or ten to nineteen persons if not using power
in urban **West Bengal**.

**P.R. Souza and Victor E. Tokman (1976)** stated that there are
links between the two, and even varying degrees of homogeneity.
They share the same urban markets, and the degree of structural
heterogeneity within the sectors, especially in the formal sector, is
in any case such that it precludes the use of a single analytical
category for each. The concept of stratified formal labour market
makes it possible in fact to view the informal sector as merely the bottom layer in the heterogeneity of the urban economy.

Henley and House and W.J. House (1976)\(^{30}\) in their study of Kenyan Laburers also adopted a strike aristocracy of wage-labour and turnover data. They hypothesized that low rates of voluntary turnover in factories indicated satisfaction with conditions therein, but this phenomenon could of course, be interpreted as fear of not finding a comparable alternative job in the face of substantial unemployment of school – leavers.

Breman\(^{31}\) (1976) in a series of articles examined the utility of the concept of informal sector in Western India. His contribution was on the origin of the concept, the size of the informal sector, fragmented labour market and labour force.

According to ILO (1976)\(^{32}\) in sum, the understanding of the informal sector would be easier if it is viewed as a heterogeneous, multi-layered low income sector of the economy.

Heather Joshi and Vijay Joshi (1976)\(^{33}\) observed in his study “Surplus Labour and City” that the most commonly used classification is one which divides the economy into organised and unorganised sectors. As a classification of economic activities, one
would intuitively presume that the distinction refers to the fact of organised or unorganised character of the producers. However, it has not been so and a distinction has been made on the basis of certain empirical facts of size, nature of market and relation with the state. In one of the attempts to distinguish between the two sectors, Joshi and Joshi have laid down the following distinguishing characteristics of the two sectors. First, while on the hand, the organised sector comprises large manufacturing firms operating in oligopolistic markets sheltered from foreign competition be high tariffs and quantitative restrictions, selling their products mainly to middle and upper income groups, the unorganised sector, on the other hand, includes a very large number of small producers operating on narrow margins in highly competitive product market, selling a variety of goods and services mainly to low income groups. Secondly the organised sector firms use capital intensive, imported technology in contrast to labour-intensive, indigenous technology of the firms within the unorganised sector. The organised sector requires routinised and formalized work conditions. While the work situation in the unorganised sector is quite informal. Thirdly the organised sector firms have access to and influence over the machinery of the Government and therefore to official protection and benefits, which are not available to the
unorganised sector producers. Similar is the case with finance and credit from the organised.

Joshi and Joshi (1976) studied the problem of surplus labour and employment situation in Bombay city. Income, consumption, employment, wage levels, indebtedness and working conditions of women workers in the unorganised sector of coir industry in Kerala were studied by Mathew, Subramiam reviewed the human factor in the informal sector and the socio-economic conditions of the informal sector employees in Kavali.

John Weeks (1977) typology rested upon the rich sector and the poor sector; the rich sector is an extension, one might even say an invasion, by the rich countries into the poor countries. This sector is alien to the society and economy; its capital, skills and techniques are imported. Here again there is a straightforward dichotomy between the advanced-technology sector employing a small and highly privileged proportion of the industrial labour force, and the residual sector, which in this case is called ‘poor’ sector.

Sethuraman (1977) stated in his paper that, informal sector enterprises are located in or near slum areas. A vast majority of them either has not premises at all or carry on their business in
tents, shacks or other temporary structures. Most have no access to water or electricity. Frequently they are situated far from the market where they must sell their goods and services. In many countries the authorities have applied a variety of restrictive policies to this sector, forcing enterprises to move on account of overcrowding, health considerations, traffic congestion, environmental or aesthetic factors, or because the land they occupy does not belong to them.

In the view of John Weeks (1977) the above limitation of the earlier classifications, some of the observers have argued for the use of the formal \ informal sector dichotomy as a meaningful and convenient method for analysing the structure of urban economies. Therefore the formal\informal sector dichotomy has evolved mainly out of the widespread concern of research workers and policy makers for the small and unprotected producers in the urban economies, who on account of their disadvantaged position are unable to derive the benefits of development and contribute to the process of development to the full extent of their potential. The distinction based on state recognition and regulation, however, seems to be more relevant if one is interested in analyzing the dualistic structure of the urban labour markets. Again illustrating the point from the Indian situation, the distinction between the
formal and informal sector employment can be made at least in the manufacturing sector on the basis of whether or not the employing enterprises is registered under the Factories Act, 1948. For, once the enterprises is registered as a factory, the conditions of work get regulated. The registration is obligatory as size of employment reaches 10 workers with the use of power and 20 workers without the use of power.

According to Sethuraman\textsuperscript{38} (1977) the formal sector enterprises have, on the other hand. No such problems with regard to accessibility to various facilities: They have easy access to credit, training, technology, markets, foreign exchange and so on. They have formal relationship with the government, the banks and other formal institutions. They have direct access to imports and exports. As a result they tend to be more capital-intensive and their products are more sophisticated and have the capacity to cater to a wide range of tastes. The volume of output, employment, investment and earnings of workers therefore tend to be higher than those in the informal sector.

According to Guy Standing (1977)\textsuperscript{39} the informal sector could be broken down into two sub-sectors –the irregular sector and the informal sector proper.
The **Marga Institutes**\(^{40}\) (1978) study on Colombo deliberately avoids a definition of the informal sector in very precise terms, to give it a distinct homogenous identity which separates it from other parts of the urban economy. The informal sector comprises a wide range of economic activities which tend to lose what might be described as their informal character in progressive degrees as they merge with the economic activities which are more formally organised.

According to Ray Bromley (1978)\(^{41}\), another approach is based on the division of economic activities and employment into ‘traditional’ and ‘modern’ sectors, viewing traditional activities as those which existed earlier and continue in the face of Western capitalist penetration, and modern activities as those which result directly from foreign influence and investment, the application of advance technology and the advent of sophisticated professional and governmental activities. Basically it seems that the dichotomy refers to the technology used rather than the organization of production.

According to Ray Bromely (1978)\(^{42}\), “the urban informal sectors have functioned as ‘metropoli’ within a world archipelago of government and non-governmental research and policy analyses.
Hence they have played a crucial role in assimilating, selecting and publicizing ideas on the informal sector.

According to **S.W. Sinclaire, (1978)**⁴³ “the concept of informal sector has come into use and its meaning has become clear. In the literature surveyed above, all the people who could not be counted as regular wage-employees in plants of sufficient size, to be enumerated in industrial censuses, have come to be treated as one mass constituting the informal sector”. Very few characteristics were ascribed to them, other than their excluding (by definition). It is also believed that as a sector of significant size in urban agglomerations, the informal sector can be very effective in the generation of rapid and equitable growth of income and employment.

As per the recommendations of the **National Commission on Labour, (1979)**⁴⁴ a series of studies were launched by the Labour Bureau of the Government of India on the unorganised sector. The first report of the Bureau considered the working and living conditions of workers in the building construction industry in Delhi. A series of studies aimed at the collection of data on employment, wages, working and living conditions of manual employees at different places of the country were also proposed by the Labour Bureau. They included studies on Jari industry at Surat;
Matches and Fire Works industry in and around Sivakasi; Metal ware industry in Moradabad, Agarbatti industry in Karnataka, and Graphics industry in Andhra Pradesh.

George Nihan et al. (1979) explained the results of their study on the situation in Lome, which the Togolese Ministry of Planning and Industrial Development requested the ILO to carry out within the framework of the latter World Employment Programme. Employment, apprentice training, incomes and capital investment received attention in the paper. Urbanisation, migration and employment aspects were explained by Fapohunda.

According to John Nelson (1979) the informal sector of the economy operated with a multitude of small units and it is labour intensive, unregulated, easy for job seekers to enter, and it offers low and unsteady income. Generally, people who find work in the informal sector are under-employed. Enterprises in this sector have virtually no access to credit, skills or technology from the formal, private and public institutions such as commercial banks and training institutions or are not able to afford the price for such needs. Limited accessibility could be explained by some constraints inherent in these enterprises, such as the low level of education of the participants which also denies them admission to certain
training programmes and their inability to offer any collateral against credit sought for from formal credit institutions.

Necessarily therefore, fail to grow into viable units capable of competing successfully with other formal sector enterprises. As a result, the enterprises in the informal sector lack access to adequate business premises and tend to be small in terms of the value of output, employment and investment. They also resort to indigenous technologies requiring simple skills that can be acquired through informal sources and methods of training. They are not able to get the business premises legally and so enter into several illegal arrangements. Many among them have to move from place to place.

The consequence of all these is that their products and services are generally labour-intensive and often lack sophistication and quality finish which in turn limits their market. The average income and earnings of the participants in this sector thus tend to be low as compared to the rest of the labour force in the formal sector. The formal sector of the economy is that part which included medium or large size public and private agencies and enterprises. It is capital intensive, corporate in legal structure and regulated and assisted by government. It requires formal education to enter and has higher wages generally. Therefore, the two sectors
(formal\informal) are unequal competitors and the latter is the weaker.

Papola (1981)\textsuperscript{48} depicted that despite the limitations, the term informal sector has an advantage over those derived from the earlier dichotomous classification of activities, such as ‘unorganised’ ‘traditional’ and so on, to the extent that it has become more inclusive and flexible to suit different empirical situations.

Papola (1981)\textsuperscript{49} studied the economics, socio-economic characteristics, migration, employment and earnings of the employees of the informal sector in Ahmedabad. The role of the informal sector and the migration factor in Urban Delhi were examined by Majumdar (1981)\textsuperscript{50}. Two other surveys conducted by S.P. Sinha and S.N. Ranade\textsuperscript{51} explored the economic, employment, wages, welfare facilities, working conditions, and socio-demographic characteristics of women construction workers in Delhi and Bihar.

According to Papola\textsuperscript{52} (1981) the large small dichotomy has also been used very frequently, sometimes with precise out-off points of size of capital and employment, but more often, in a vague and general sense. The small \ large difference arises primarily due to
the reasons of private ownership and technology and the market-
ystem of production tend to make the differences sharper by
rendering competition increasingly imperfect and leading to the
emergence of oligopolistic and monopolistic situations. Differentia
access to resources in it self is an adequate condition for increasing
inequalities. Polarization of scale and organization of production
into extremely large and extremely small units. The state regulation
of production and distribution of certain resources could, of course,
lead to an accentuation of the cleavage. And formal\informal sector
classification is the latest to arrive on the scene and has a wide
clienteles.

According to Demol and Nihan, (1982)\textsuperscript{53} explained that the
contribution made by the informal sector to the national economy in
terms of employment, income, transmission of skills and the ways
in which informal sector undertaking functioned.

P.P. Ghose (1983)\textsuperscript{54} stated that the data provided by the various
studies already completed, indicate that the informal sector
accounts for a major share of employment. An estimate reveals that
the income generated by a worker in the informal sector was Rs.570
in 1960-61 and Rs.2580 in 1979-80, whereas in the formal sector it
was Rs.2333 in 1960-61 and Rs.12391 in 1979-80.
Some authors prefer a three-sector analysis of the urban economy. For instance, Aziz (1983) argues that some of the unorganised enterprises have a formal relationship with their workers and also with the State, often these having to take out a license and pay the required taxes. Such enterprises are subject to state regulation and by the same time their access to resources being limited, they continue to suffer from the usual disabilities of the informal sector enterprises. If such a division of the informal sector is permitted, then there appears to be a trichotomy rather than dichotomy in production organisation with the organised formal sector on the one side and the organised and unorganised informal sector on the other. The unorganised informal sector is a segment of the urban economy where production and marketing relations are informal in nature.

According to Abdul Aziz (1983) by the above criterion, the activities which could possibly be related to enterprises belonging to the informal sector would be manufacturing, construction, transport, trade and service. As the five groups listed above consist of enterprises coming both under the formal and informal sectors, there is a further need for evolving criteria for shifting the informal sector enterprises from these broad sectoral groups of economic activities.
Projection of Urban Population for 2001 A.D.

The Projection of population is a difficult task. However, to discuss the future trend of urbanization, the most probable produces the future trend of urbanization, the most probable of urban population in 2001 A.D. has been considered and the problems involved therein have also been briefly analyzed. The urban projections made by Chandrasekhara (GOI, Registrar General, 1974) are given in Table 2.1.

It is estimated that the urban population would grow to 278 million in 2001 A.D. The fact is that the actual urban population in 1981 Census is larger by 9.7 million than the 150 million estimated by experts, required attention.

Bearing in mind the projection of urban population (278 million), the outstanding features of the urban situation in 2001 A.D. would be as follows.
Table 2.1  
Registrar General’s Estimate of Population:

<table>
<thead>
<tr>
<th>Year</th>
<th>Urban Population in Millions</th>
<th>Percentage of urban population to total population</th>
<th>Decade increase (%)</th>
<th>Consequent Rural population (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>150</td>
<td>22.5</td>
<td>26.4</td>
<td>518</td>
</tr>
<tr>
<td>1991</td>
<td>225</td>
<td>25.6</td>
<td>38.2</td>
<td>596</td>
</tr>
<tr>
<td>2001</td>
<td>278</td>
<td>29.6</td>
<td>37.5</td>
<td>667</td>
</tr>
</tbody>
</table>


1) The problem of poverty will be the biggest task before urban India. Already in the urban areas 50 per cent of the people are in absolute poverty. The proportion may increase if urbanization is not regulated.

2) To provide shelter to the anticipated urban population in the year 2001 A.D., about 70 to 80 million dwellings will be required. Considering the acute housing shortage in urban India, today, with a great number of slum, squatter and pavement dwellers and high cost of construction and land, the housing situation will become an intractable Gordian knot.
3) If the trends continue as they have been in the recent years, the problem of transportation for the rest of the 14 years will be shocking and unsolvable. The massive movement of people will involve enormous disruptions and dislocations of the transport systems that are unable to cope with the large number of passengers today.

4) The unhygienic conditions, in which the majority of people will live, in addition to the high cost of instituting population control devices, will bring in the paradoxical trap of poverty and pollution. And the problem of environmental pollution will plague Indian cities and towns even more seriously that it has so far been recognized.

5) The major cities are already overgrown. The strains on their resource will reduce the quality and quantity of services they are able to provide.

6) The literacy rate which is at 55 per cent level today in the urban areas will reach 70 per cent by the turn of the century. This will lead to the problem of large-scale educated unemployment.

7) Probably the most difficult problem will be that of energy. Unless alternative sources are invented, increasingly urbanized masses cannot solely depend on the existing energy sources.
8) The cost of health will grow in geometrical progression and so, for a large number of people, ill-health will be the way of life. There will be continuous decline of urban life that will be reflected in health, proliferating slums, pollution, decline in quality of water, hypertension, mal-nutrition and general decline in living conditions, which will lead to various diseases and health hazards.

9) The implications of urbanization will enlarge the scale of individual crimes and social evils. Urban bureaucracy will grow thrice over to unmanageable proportions. Difficulties concerning law and order and political instability, particularly in urban areas, will determine the future course of Indian society as a whole.

Under the circumstance, it is imperative that a search be made for ways and means through which employment and productivity in this sector can be promoted, which, in turn, will lead to the amelioration of urban poverty.

**Informal sector: Structure and performance**

The above review of past studies has enabled us to define the informal sector objectively so that the concept can be applied in the present study aimed at identifying and analyzing the informal sector for its structure and performance. First, a detailed description of the
informal sector by its major characteristic is presented below, which provides the background for the analysis that follows:

The informal sector is an important source of employment in many developing countries, particularly in the urban areas: perhaps 60 to 70 per cent of all employed persons are in the informal sector, howsoever it is defined. The informal sector enterprises are typically located in or near slum areas; often they are forced to move from one location to another through public policies either because they contribute to over crowding and congestion in the city or because they occupy land that does not belong to them. Not infrequently they are harassed and moved to other locations because their presence mars the beauty of the city. A vast majority of these enterprises either have no structures or building premises, or have only temporary structures and some do not even have a fixed location.

It should not therefore come as a surprise that most of them do not have access to either water or electricity. Frequently, they are far removed from the market place where they must sell their goods and services. Neither is it surprising to know that only a small fraction of the informal sector enterprises is registered with the appropriate authorities. Besides the above restriction a variety of other restrictive policies, arising out of a concern for either
traffic congestion or public health and safety or other environmental consideration, have been applied to this sector. This is not to say that the attitude of the government towards this sector has been exclusively a negative one; rather it ranges from an absolutely negative to a neutral or mildly positive attitude depending on its understanding and concern for the informal sector.

Notwithstanding the hostile conditions described above, the informal sector has not only thrived but is also growing. The reason for this is obviously the existence of the demand for the goods and services produced by this sector, as is borne out by empirical studies. The goods produced by this sector range from the production of instantly consumable food products to light industries, the services provided by this sector range from simple personal and household services to the repair of vehicles and consumer durables. Thus the activities of this sector include manufacturing, transport, construction, trade and services.

The extent to which these activities are important varies with the case in question. For example, the manufacturing and repairing services in the informal sector have been found to be more important for male employment in Ghana as compared to trade and services for women in the same country. In Indonesia, on the other
hand, manufacturing is relatively less important for both men and women. What is perhaps more interesting is the finding that it is not the demand factor alone which determines the relative importance of various activities within the informal sector; more important are factors like the availability of skills, the opportunities for the acquisition of new skills and the access to financial resources. Where specific skills are lacking and capital limited, the enterprises facing such constraints tend to produce goods and services that are similar, it not the same, and as a result compete against each other for a limited market which in turn drives down their earnings. In contrast, enterprises with specific skills and some capital are not so severely threatened by competition owing to barriers in the acquisition of skills and credit; it is also true that the demand for goods and service produced by them is not limited in absolute terms but grows with the general development in the urban economy. For example, some of the traditional and simple handicrafts, the preparation and safe of good and other consumable items, household services and so an are all activities fostering severe competition between the enterprises; and since they require simple skills that can be acquired easily and need little capital, there are virtually no barriers to entry by new enterprises. By contract, the metal manufacturing and repairing actives require a
skill and some capital; and the demand for such goods and services is growing.

The main function of the lowest of the lowest stratum is in the urban informal sector is to produce goods at a very low level of wage guaranteeing a low consumption level by the urban poor. Some of these goods are produced for, or on behalf of, a more formal sector often on the basis of inputs and capital supplied by the latter at a relative high price and is handed over to it at a relatively low price. These goods are then marketed by it at a much higher price to the ultimate consumer. This immense burden of high input cost and low output revenue is sought to be balance by the informal sector not only be eliminating profit for itself, but also by drastically reducing the level of its wage income and hence, the level of its consumption.

**Small Size of Operational Units**

All observers agree that the informal sector consists of small establishment. Theoretically, the scale of operation is approximated by the sex of the plant which can be conveniently equated with the number of employees. The small number of employees is frequently used to distinguish the informal sector firms from the formal sector ones. The borderline number varies greatly from study to study. As Steel says, “the number of workers used as a cut-off is generally in
the range of five to 500 for less developed countries.’ Merrick limits the number of workers of the informal sector enterprises to give without and explanation of course, he characterizes the informal sector in a way which is appropriate for the conditions in Brazil. Sethuraman argues that the small size of operations is considered a necessary condition for the inclusion of enterprises in the informal sector, because smallness is usually accompanied by several other attributes which leave such enterprises disadvantageous.

According to Bose, all non-manufacturing units employing up to five workers are part of the informal sector. He also includes all those manufacturing units not registered under the factories Act, 1948. The Factories Act stipulates that all those manufacturing and processing units employing more than 10 workers without fever should be registered. Papola also applies the tactics adopted by the factories Act in distinguishing the formal sector from the informal sector. That is why he suggest the out-off point to be 10 workers. Aziz also agrees to the above succession.
Ease of Entry and Exit

The Called that entry into the informal occupations is easy is widespread. Raju says that the informal sector enterprises can be stared very easily without a license or registration. They need act follow the legal formalities as in the case of the formal sector enterprises. There is no need for obtaining a certificate of incorporation or a certificate of commencement of business before starting an informal sector unit. Moreover, there is no need for obtaining a certificate of incorporation or a certificate of commencement of business before starting an informal sector unit. Moreover, there is no need for fixed locations. For example, the hawker and peddlers would enter into the informal sector without any fixed premises; the ice cream-vendor or the snack-seller at the beach would not have a fixed location of business. These units can also be closed without informing any of the officials or institutions of the same.

After his study of Kakarta, Sethuraman concludes that entry into the urban informal sector is practically unrestricted. Raynold’s general survey speaks of its being a natural entry point. Merrick also shares the same view in his survey of Brazil. He says that the informal sector clearly plays the buffer role ascribed to it be segmentation models. By ‘segmentation models’ he refers to those
models of less developed countries and labour markets which explicitly introduce heterogeneous labour supply and conditions of hiring; the buffer being the unprotected or unorganised portion of the labour market.

Though generally ‘case of entry into this sector’ is assumed, in many cases, it has been found out that ‘entry’ is not all that easy on free.

Sinclair conducted a survey of market traders in Lagos in which he found that there were many barriers to ‘free entry’. Pakistan’s street-cleaners were analyzed by Screenland, and they were found to face many ‘constraints’ on beginning the work and subsequently on consolidating their position. He divided the entry constraints into four sets.

(i) Constraints arising from limited supply of resources;
(ii) The ‘urban environment’ by which he means changes in labour market conditions; a move to expel street hawkers from public view, for instance, would alter the demand conditions facing the occupation;
(iii) The government policy, the importance of which in assisting or harassing small operators is well known; and
(iv) The 'capitalist penetration', meaning the products and patterns of labour use which accompany the extension of capitalist patterns of manufacture and distribution.

After a study of food hawker in Hong Kong, New come concludes that the rapidly growing number of supermarkets favors the interests of high income groups and not the poor consumers. Here, the ‘capitalist penetration’ assisted by governments interference, has the effect of severely curtailing the prospects of small traders.

**LABOUR TURNOVER AND LABOUR MOBILITY**

The informal sector is marked by significant turnovers in occupations and labour mobility. According to Manjumdar, in Delhi for instance, people crying on business on pavements, sell different products at different times of the year. The groundnut sellers sell groundnuts in winter and spring but they either collect waste papers of mend shoes or do other work during summer. In the absence of even such opportunities, they return to their places of origin (say. Villages) for a few months.

**Recycling**

One of the interesting things about the informal sector is the ability of exploit discarded and scrap materials ranging from
cigarette butts to waste paper and from scarp metals to automobilists for profitable use. In fact the demand for such materials is so great that it is limiting factor in expansion for some of the enterprises such as the manufacture of die-cast utensils from discarded aluminum sheets in northern Ghana. Needless to add, such ‘recycling’ of waste material besides contributing to employment generation, promotes efficient use of resources. Another point of interest about the informal sector is its ability to innovate. This is particularly noticeable in the case of Ghana where import substitutes are manufactured in the informal sector at a fraction of the cost of imported ones. Some enterprises even have significant export potential but not fully exploited owing to distortions in exchange rates and market prices.

A very widespread and striking form of employment amongst the working poor in the informal sector is the production of cheap mass consumption goods for the low income groups using raw materials which are ‘recuperated’ and ‘recycled’.

**Non-Modern Technology**

Most of the activities of the informal sector cab clubbed together as ‘traditional’ and they do not require imported modern technology. Some authors including Joshi and Joshi\(^5\) contended that the formal sector use some imported foreign technology than the
informal sector which uses only indigenous technology. But this view is not accepted by many; for instance, Papola argues that the above statement represents a rather extreme viewpoint. According to him, the technology used in large textile mills in India can no longer be considered foreign, yet to include them in the informal sector just because they use indigenous technology would make an absurdity of the informal sector concept.

He looks at the whole problem from a different angle;

An informal sector producer may not use capital intensive modern technology, either because he does not have access to it or because it does not suit him in the given relative cost position of capital and labour as he hires labour at a much lower wage rate than the formal sector employers. Then providing assistance for technological improvements would help the informal sector units in the former situation; but not in the latter.

He also bring our another contradiction in terms of the policy towards this sector; preserving its technology would imply support for low efficiency techniques and modernizing it would imply either losing on the employment advantage of this sector, or even wiping out the informal sector to the extent a non-modern technology is considered one of its essential characteristics. To solve this riddle, he suggests a way out; the preservation of existing technology
would be quite appropriate if it is labour-intensive and generates reasonable levels of productivity and earnings. This is reported to be the case in some African cities and also in Jakarta.

**The Capital-Labour Ratio**

Another alleged tendency of the informal sector firms is labour intensive methods of production, as evidenced by low capital labour ratios. The word ‘alleged’ is used because capital-labour ratios are rarely measured in studies of the informal sector. Only in studies of narrow segments of activity do capital–labour tactics get reassured. James, for example, presents capital–labour tactics in a study of the cotton textile industry in India. When they are calculated, capital–labour ratios are lower for the informal sector firms that for the formal sector firms.

Some analysts prefer to avoid referring to the relative proportions of capital and labour, and merely assume that the informal sector firms can be distinguished by relatively little capital, particularly little fixed capital. Steel distinguishes between the informal sector, the intermediate sector, and the modern sector on the basis of fixed capital. The modern sector firms have relatively large amounts of fixed capital. The intermediate sector firms use a small amount of fixed capital, and the informal sector firms use virtually no fixed capital. House carries the notion of
little fixed capital to an extreme. He classifies firms as informal if they operate out of a temporary structure or building or out of no structure at all.

The major problem with the studies which measure levels of fixed capital in the informal sector is that they do not account for capital which has a dual usage. Capital used in the informal sector production often doubles household equipment. Such items include cooking utensils and vehicles for transportation. Further, public capital such as sidewalks used to display wares, is utilized by the informal sector participants.

**Market and Institutional Arrangements**

Some analysis distinguishes the informal sector activity from the formal by utilizing the features of the sector and product markets where the informal sector activity takes place. The formal sector firms operate in markets which are not perfectly competitive. Market imperfections are introduced principally by governments and labour unions, and include such arrangements as minimum wage laws, task breaks and subsidies for capital, and entry barriers such as licensing. In contrast, the informal sector enterprises operate in competitive factor and product markets.
According to *weeks*\(^5\), “The distinction between a formal and an informal sector is based on the organizational characteristics of exchange relationships and the position of economic activity vis-a-vis the state”. He goes on to say;

Enter prices and individuals (in the informal sector) operate outside the system of benefits and regulations of government and this without access to formal credit institutions and sources of transfer of foreign technology. In some countries, many of the economic agents in the sector operate illegally, though pursuing economic activities similar to those in the formal sector. Illegality, then, is not usually a consequence of official limitation of access to the formal sector.

*Weeks*\(^5\) maintains that the presence or absence of market interference determines the features of the production process. “The informal sector, because of the limited access to resources and the freely competitive nature of its product and factor market, is characterized by small –scale operations, labor-intensive techniques, low income levels and indigenous ownership”. The presence or absence earlier. If the writers who use market imperfection taken the notion one more step, maintaining that the presence of market imperfection or their absence is a source of
risk, then their definition of the informal sector will be similar to that used in this study.

**Competitive and Unprotected Product Market**

It is also always true that the informal sector produces goods and services of general use while the formal sector enterprises predominantly cater to the demands of the high income and sophisticated sections of population and foreign markets; nor do all informal sector enterprises operate in a competitive market and all formal sector enterprises in an oligopolistic and protected market. Personal services, of course, are an important example of an informal sector activity catering to the needs of the high income groups. Then there is the whole range of artistic handicrafts produced in the informal sector in a country like India.

Still, it is by and large correct to surmise that the informal sector establishments are not able to realize the same revenue per unit of their output from the market as do the formal sector producers. The difference is not so much on account of the nature of demand for the product and the nature of market faced by the firms as on account of the relative lack of holding capacity and marketing arrangements available with the informal sector enterprises and the quality of the product, which can again be ascribed to their small scale of operations and meagerness of
resources. They sell to whichever buyer who is at hand at the time their product is ready for sale and therefore, are not able to realize the full value of their product.

Access to credit

Looking at the access to capital, the studies generally show that the informal sector enterprises have virtually not access to credit facilities from formal sector institutions; and where credit is available from informal sources, the interest rates are exorbitant. The enterprises mainly depend on their own savings which again amount to very little, given their low level of income. For example, only two per cent of the enterprises in Freetown (Sierra Leone) obtained credit from the banks as opposed to 75 per cent who depended on their own savings, the rest depending on their sources of finance such as friends, relatives and so on. Some entrepreneurs in this sector (e.g., in Ghana) who have acquired employable skills does seek wage employment save a substantial part of their current income in order to establish their own enterprises. The remaining unlucky ones as a the case of the engineering enterprises in Calcutta’s informal sector depend on the formal sector enterprises for their working capital needs at the cost of surrendering their freedom not to sell their output except to those advancing the capital.
In the case of Indonesia it even takes the form of loans in kind; for example, a migrant from the rural to the urban area, who chooses to become a bet jack (three-wheel rickshaw) driver does into have then necessary capital to buy the vehicle and hence depends on an intermediary who either sells the vehicle at twice the market price and recovers the dues over a period of 18 months or so, or rents the vehicle on a daily basis in return for a share of the migrant’s daily revenue which is usually 50 per cent or more of his daily earnings. In some cases, the individual entrusted with the task of enforcing city laws are themselves the leaders who lend a petty sum of, say US$1.50 in return for an interest of 15 cents (or 10 per cent of the principal) on a daily basis.

**Educational Status**

A look at the human resources engaged in the informal sector would show that a vast majority of the participants are migrants often from the regions not far from the urban centers where they are now. Besides limited employment opportunities in the formal sector, their age, level of educations, skills and experience seem to explain why they enter the informal sector in such large numbers notwithstanding their expressed preference for a secure wage employment. In Freetown (Sierra Leone), two-thirds of the
informal sector employees never attended school, 12 per cent were dropouts from primary school and six per cent did not go beyond primary school. In the case of Jakarta, 87 per cent of the heads of the informal sector enterprises had fewer than six years of schooling. In Kumasi city, Ghana, the situation seems to be slightly better; about 40 per cent of the informal sector entrepreneurs had education below the primary level while 58 per cent had up to middle school education.

**Age – group**

Further, these participants were young, usually below 30 years of age. In Kumasi, 72 per cent of the heads of the enterprises were below 35 years. In Freetown, two-thirds of the owners of the enterprises were below 39 years. In new enterprises, the participants were much younger.

**Productivity**

Productivity per worker is considerably lower in the informal sector than in the formal sector. In a World Employment Programme study, conducted by the International Labour Organization, in Ivory Coast in 1970, it was found out that the productivity of the informal sector was generally 40 to 70 per cent less than that of the formal sector. However, it should be noted that the relatively high productivity of the formal sector is due
mainly to the use of generally large amounts of capital. In contrast, labour productivity in the informal sector depends almost entirely on the human factor. In the informal sector, only a minimum capital is used. Capital is thus released for activities in respect of which there are no alternatives within the informal sector. Furthermore, the informal sector enables capital for productive purpose to be mobilized directly out of the savings of the individuals, and also ensures the creation of maximum employment.

**Low but Better Income**

According to Sethuraman by definition the informal sector provides employment primarily for the urban poor. This statement reflects a popular view, gleaned in part from the work of anthropologists, that the informal sector is marked by low income and underemployment. Recent empirical work has dispelled the notion that the informal sector can be unequivocally identified with poverty. Notwithstanding the relatively low capital-labour ratio, the informal sector seems to generate a reasonable level of earnings and productivity per worker. However, as in the case of capital–labour ratio, these quantities are subject to wide variations depending on the nature of activity. As one study of Jakarta shows,
the informal sector generates a level of income that is sufficiently attractive for the migrant from rural areas to be better off, no matter what his earlier level of income. In other words, even the lowest paid worker in the informal sector in Jakarta is better off in relation to his income earlier in the rural areas. According to a study of Lome, 82 per cent of small-scale entrepreneurs earn incomes equal to or greater than the minimum wage. Waldorf and Waldorf found that self-employed vendors, brick workers and shopkeepers in Bangkok, earned substantially higher incomes than unskilled labourers in the formal sector. Only two individuals in their survey earned less than the average unskilled wage rate. Though comparatively it is difficult for the informal sector participants to become wealthy, it is not difficult to find a few success stories.

Over the next 25 years, it is expected to increase further, reaching a level of over two billion by the year 2000. As the World Bank paper cited above observes, “Urbanization by itself is not cause for alarm, what is alarming are the gross deficiencies and inequalities that characterize urbanization in the developing world.” Needless to say, migration from the rural to the urban areas had played a vital role in the urbanization process. Evidence from the developing countries show that the migrants are young and have
only a few years of schooling, if at all. They have very little previous work experience, if any. They possess very little capital, if at all, to start their own business in urban areas. Yet the migrants seem to have significantly improved their employment and earning opportunities, as the evidence from the Third World suggests.

Combinations of Income Sources

If job duplication in the formal sector is common, multiple informal employments, both with and without simultaneous wage employment, are widely prevalent. Only rarely is an individual or family dependent on one source of income. This preference for a diversity of income streams has its roots in the traditional risk-aversion of peasants under conditions of extreme uncertainty, and is justified by the insecurity of urban workers today. The most salient characteristic of wage-employment in the eyes of the informal sector operators is not the absolute amount of income receipts but its reliability. Thus, for subsistence purpose alone, regular wage-employment, however badly paid, has some solid advantages; and hence men who derive substantial incomes from informal activities may still desire formal employment.
The Counted\Uncounted Informal Sector

The issue of official enumeration of the informal sector has rarely been made year. Many studies allege that the informal sector activity eludes official survey and thus does not appear in census data or labour statistics. While the less developed countries do not regularly measure the activities that possess characteristics of the informal enterprises, it is likely that at least some informal sector activities are picked up in government surveys. An enterprise may operate exclusively with family labour and produce at a small scale using labour–intensive production techniques, but it may pay taxes and other operating fees. Since tax payment and registration make the firm visible to the authorities, it may be counted. Nevertheless, there is no reason to exclude this firm from the informal sector since it possesses other requisite qualities; the behavior of its owners is likely to be more akin to that of an uncounted firm with the same characteristics than to that of a modern corporation.

Informal activity which can be found in official data sources will be referred to as the counted informal sector. As mentioned earlier, self-employment in the liberal professions will be excluded and casual labour by the formal sector firms will be included.

The uncounted informal sector, on the other hand, is an underground economy. The sub-sector encompasses those activities
which are not recorded in census data or official labour statistics, usually because they are illegal. These illegal activities are criminal in the sense that they are proscribed for all individuals and in the society. Such undertakings as prostitution and theft would generally fall under this society. Such undertakings as prostitution and theft would generally fall under this category. These may be called the illegitimate uncounted informal sector. Uncounted activities also include those that are legal only for individuals who have the means to cross the barriers imposed on their practice. A street vendor, for example, will be a participant in the uncounted informal sector if he operates without, a license and therefore will not be registered with the authorities. Generally, if an individual operator does not cross the barriers (registration with authorities, payment of taxes), his income—earning ventures will not be recorded in official sources, and he will be considered part of the uncounted informal sector, specifically, the legitimate uncounted informal sector. Finally, to keep the distinction between the formal and informal sectors clear, their characteristics are summarized below, contrasting one with the other.
<table>
<thead>
<tr>
<th><strong>Informal Sector</strong></th>
<th><strong>Formal Sector</strong></th>
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<tr>
<td>Entry by new enterprises is comparatively easy (Kenya)</td>
<td>Entry by new enterprises is difficult.</td>
</tr>
<tr>
<td>Enterprises rely on indigenous resources (Kenya)</td>
<td>Enterprises frequently depend on overseas resources.</td>
</tr>
<tr>
<td>Enterprises are family-owned (Kenya)</td>
<td>Enterprises are corporately owned.</td>
</tr>
<tr>
<td>Operate on small scale in unregulated and competitive markets.</td>
<td>Operate on large scale and in protected markets.</td>
</tr>
<tr>
<td>Use labour-intensive and adopted technology (Kenya).</td>
<td>Use capital-intensive and often imported technology.</td>
</tr>
<tr>
<td>Workers have skills acquired outside the formal school system (Kenya)</td>
<td>Workers have formally acquired skills and are often expatriates.</td>
</tr>
<tr>
<td>Sharp distinction between the supplier of capital and the supplier of labour is absent (Latin America)</td>
<td>Clear distinction between ‘owners’, ‘managers’ and ‘labour’.</td>
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</table>

The above summary shows what an informal sector is for the present study. However, to avoid ambiguity it is necessary to list out the specific criteria used for identifying the enterprises to be included in the informal sector. It is based on the work of Bogaert.

**Criteria for Identifying Informal Enterprises:**

1. Manufacturing: A manufacturing enterprise may be included in the informal sector if it satisfies one or more of the following conditions:

   a) It employs less than 10 persons (including part-time casual workers).

   b) It operates on an illegal basis, contrary to government regulations.
c) Members of the household of the head of the enterprises work in it.

d) It does not observe fixed hours\days of operation.

e) IT operates in semi-permanent or temporary premise or in a shifting location.

f) It does not use any electricity in the manufacturing process.

g) It does not depend on formal financial institutions for its credit needs.

h) Its output is normally distributed directly to the final consumer.

i) Almost all those working in it have less than six years of formal schooling.

2. **Construction:** A construction enterprises may be included in the informal sector if it satisfies one or more of the following conditions:

   a) Any of (a) – (c) or (i) above is applicable.

   b) It does not own power-operated construction machinery and equipment.

   c) It is engaged in the construction of semi-permanent of temporary building only.
3. **Transport:** An enterprise providing services related to transport, storage and communication may be included in the informal sector if it satisfies one or more of the following conditions:

   a) any of 1 (a) –(d) ,(g) or )i) above is applicable

   b) It does not use any mechanical power.

4. **Trade:** A trading enterprise may be included in the informal sector if it satisfied one or more of the following conditions:

   a) Any of 1(a) –(e) above is applicable.

   b) It deals is second – hand goods, or sells goods prepared in the informal sector if it satisfies one or more of the conditions a (a) –(e) above.

**Rohini P.H. (1988)**, in his article “Women and Trade Unions in India depicts that trade unions in India accept that large numbers of women have to work if they and their families are to survive. However, women are also expected to take responsibility for running the home and raising the children. Remedies proposed by-trade unions have been aimed at helping the woman worker take on the double burden, rather than relieving her of part of it.

**Joanna Liddle (1988)**, evaluate in his article that the adequacy of the data on employment activity for an understanding of women’s
work. It looks at how men and women are distributed in labour force in India and how far the sexes are segregated into different types of work. Finally, the article examines the particular characteristics of women’s work in India, and looks at how these differ from the distinctive patterns of women’s work in the West.

Literature on street vending can be categorized in to four groups. One kind of literature follows and expands the political economy perspective through an examination of the meaning of street vending, and an analysis of vending as an expression of motherhood (Babb, 1989, Horn, 1994).

Gisele Yasmeen (1996) stated that many of the studies on street vending in Thailand are focused on food vending, given the importance of eating out in Thailand, a phenomenon that was called “pubic eating. Patrons of street food are from all walks of life, and not limited to the urban poor.

Nyamweya (1997) in her work calls for a legal system that guarantees and promotes the economic efficiency of informal activities. She argues further that the legal institutions are in crisis due to their gradual loss of social relevance in the face of incursions of informality in all areas of everyday life.
Opoku (1998)\textsuperscript{67} depicts that street trade in Africa is an activity for women, men and children. However, women dominate the trade. Most vendors are aged between 20 and 50 years, with few traders falling below 20 years and above 50 years. Children as young as ten years of age have been found vending along streets and roadside. Some of these children assist their parents and relatives, whereas in some cases they are entrepreneurs in their own right. In Ghana, child labour is estimated at 28 per cent. Accra and other urban centres were street trade is active accountant for 12 per cent of child labour.

Charmes (1998)\textsuperscript{68} stated that those dealing with street vendors are often concerned about whether street traders are doing their own businesses or are hired by others. In Kenya, the new breed of street vendors who sale expensive electrical equipment and leather products has often attracted attention. Most of these new breed of vendors are agents of formal firms and sell on commission. Charmes argues that street vendors might not be as independent as they appear. They may purchase or hire the goods they sell from the same supplier; they may be given goods by the supplier who pays more or less the equivalent of salary. However, all street vendors are informal workers and are exposed to similar problems.
According to Alila and Mitulah (1999)\textsuperscript{69} the policies applicable to street vending in most urban areas of Kenya owe their origin to colonial period and have hardly been reviewed. Most traders do not know the regulations, although officials of street vendors associations were found to be comparatively aware of the regulations. However, they observed that in many cases, the urban authorities act outside the regulations. They noted that while urban authorities require street vendors to maintain cleanliness of trading sites, they provide no service. Street vendors are not provided with services such as provision of water, storage facilities and garbage collection. They further observed that there was laxity among public health officers, and yet street vendors are able to observe the regulations.

Sergio Pena (2000)\textsuperscript{70} explains the limitations and constraints of government policy makers in the regulation of street vending. Looks at ways that street vendors in Mexico City create alternative forms of regulation that complement and challenge the state’s attempt to impose a “one size fits all’ form of regulation for the national economy. Cites two distinct forms of regulation and how these respond to the different needs of vendors depending on their ability to negotiate their status with the state. Covers the
organizations which the vendors have formed to assist them and question the “Mafia” status applied to these by the establishment.

Recep Varcin (2000)\(^1\) have looks at some assumptions of street vending such as its individualistic nature, inefficiencies and irrationality. Uses research into the market traders in Ankara, Turkey. The result shows that important differences exist between different street vendors in terms of their goals, and their resulting strategies. Compares how traders make economic decisions in a competitive environment. He considers economies of scale, ethnicity and localism as three important characteristics.

Stein Inge Nesvag (2000)\(^2\) presents findings from a case study looking at African medicine vendors in Durban, South Africa. He compares the culturally repressive apartheid period with the post-apartheid explosion of self-realization of the African population. The findings of the study shows that street vending is still seen as an eyesore and a problem but still plays an important role in the post-apartheid era as a form of resistance to simplistic African policies.

Loran E. Custinger (2000)\(^3\) presents findings from a case study into official attempts to change street vending into an “appropriate” form for tourists in Barbados. Suggests this has had a negative
effect on the vendors. Focuses on a market relocation scheme and shows how the image and the reality of street vending have clashed in a way which has harmed many of the vulnerable vendors.

**Ray Bromley (2000)** provide a general contemporary overview of street vending around the world, focusing on the major issues underlying its permanence as a phenomenon, and the ambivalent attitudes displayed towards it by governments and off-street business communities. He focuses on street vendors as an occupational group and includes arguments for and against their existence, the impact of their geographical and economic location, and role of the government.

**John Cross (2000)** stated that street vendors, modernity and post-modernity: conflict and compromise in the global economy explores street vending within the context of the shift from modernism to postmodernism, suggesting that the former implied crackdowns on the trade because of the ideals of public order and control whilst the latter is more open to such methods. Questions whether this new approach brings fresh dilemmas for the informal sector. He proffers the idea that the policy makers should allow deregulated sectors of informality in the economy to function as incubators for new industry.
Anne de Bruin and Ann Dupuis (2000) attempts to explore the complexities in the operation of the largest and best example of New Zealand’s approximation of street vending known as the Otara Flea Market. Aims to understand the way that less formalized economic activity operates as part of the coping strategies of people in communities caught by the domestic response to changes in the global economy. They uses participant observation to categorize the nature, size and general profile of the vendors, document analysis of legal and newspaper reports, together with in-depth interviews with vendors.

According to Jha Krishna (2000) the distinction is based on the organizational characteristics of exchange relationship and the position of economic activities vis-a-vis, the state. The nature of exchange relationship is primarily a consequence of the economic insecurity of operation in the informal sector which in turn, is a direct consequence of the latter’s limited access to the resources of all types. Basically, the formal sector includes government activity and private enterprises, which are officially recognized, fostered, nurtured and regulated by the state. On the other hand, operations in the informal sector do not carry these benefits as they are outside the system of official regulations and benefits, which have no access to the formal credit and foreign technology. Further, in
contrast to the formal sector, the informal sector due to its limited access to resources and free competitive nature of its product and factor market is characterized by small scale operations, labour intensive techniques, low level of income and indigenous ownership.

**Human Development in south Asia (2000)**\(^78\) listed out that a significant number of women work in the informal sector for long hours, at low wages and without any legal protection against exploitation. Ninety six per cent economically active women work in this sector.

**National Crime Record Bureau (2000)**\(^79\) crime record shows evident that there has been a considerable increase in the number of cases reported on sexual harassment during the last six years. Besides this there are equally good number of unreported cases, which constitute 92 per cent of total labour force and majority of them are women. These women are also subject to sexual harassment. However such cases are seldom reported. This shows an alarming situation, which if not tackled effectively, would make the life of working women miserable.

**World Employment Report (2001)**\(^80\) stated that the global employment scenario continues to be a matter of concern. The total
labour force of the world is into the neighborhood of 3 billion. It is estimated that open unemployment at the end of 2000 was in the region of 160 million, about 20 million higher that the figure prior to the East Asian crisis in 1998. “If those people who work substantially less than full time, but wish to work more, are included, then one-third of the world labour force of about 3 billion are either unemployed or earn less than is needed to keep their families out of poverty. Developments in world labour markets reflect these concerns. This figure of about 1 billion shows congruence with the estimating of global poverty, which stands at about 1.2 billion persons. According to Sundaram (2001)\textsuperscript{81}, “India has 397 million workers out of which 123.9 million workers out of which 123.9 million are women. The women work force in rural areas is 106 million and the remaining 18 million work in urban areas. Out of the total Indian labour force only 7 per cent is in the organised sector and the rest of the workers in the unorganised sector.

Neera Desai and Usha Thakkar (2001)\textsuperscript{82} argue that women work harder and for longer hours, and contribute to the total economy. To give examples, women in the three main rice growing states of Kerala, Tamil Nadu and West Bengal Make crucial contributions to the process of cultivation. Again, in the tribal economy of Orissa,
women spend 105.4 days per year in shifting cultivation, whereas men spend only 50.11 days in the same activity. Women walk miles to get a pitcher of water, climb tough hills to collect firewood and work with muddy feet and dirty hands. Such hard work, however, does not yield much returns, and unfortunately women get lower wages than men.

Venkata Ratnam, C.S., Harish C. Jain (2002), stated in his paper that highlights the occupational segregation suffered by women in union structures. The authors explore and document the extent of female participation in trade unions in India. They suggest that less than 8 per cent of the 380 million workforces in India are unionized and women account for a very small fraction of trade union membership. They provide a number of reasons for the low female membership and participation in unions. In the occupations where women are organised, the incidence of union leadership among women varies considerably. On the positive side, the authors note that India has been a pioneer in organizing women in the informal sector such as workers’ cooperatives, self help groups such as Working Women’s Forum and Self Employed Women’s Association etc. In fact, they find that these unions are creating social unionism, thereby rewriting the meaning of trade unionism. The focus is on broad objectives of empowerment; development and
fighting for their rights rather than the business unionism in North America (that is, focus on the bread and butter issues alone). The initiatives dictated by the Indian Constitution such as reservations or quotas for scheduled castes and scheduled tribes may have to be applied to labour unions and the private sector employers in the case of women in India. Policy makers and managers can learn a great deal from the theories discussed above.

Ahikire and Ampaire, (2003)\textsuperscript{84} carried out a study in Uganda note that women dominate the informal sector. In Zimbabwe, this is attributed to limited economic opportunities both in urban and rural areas. In both areas, man has comparative advantage over women because of their higher education level and limited household roles. The Ghanian study points out that people are driven into the streets due the increasing poverty in rural areas, arising from failures in the agricultural sector. The South African Study, notes that women are sole bread winners and support large families. It further points out that majority of people take to street trading due to landlessness, retrenchment and poverty. For women, the activity has the advantage of flexibility in terms of working hours and independence, making it more compatible with their domestic duties and reproductive role.
Revathy and Venkatalakshmi (2004)\textsuperscript{85} pointed out that the socio economic problems faced by the construction workers in India are numerous. Most of the problems facing the female construction workers can be grouped under three main heads. a) Those that are faced in the work spot b) those that are confined to domestic like and c) those faced outside their residence. Only the first group i.e problems in the work spot are of our chief interest and directly relevant to our analysis. Number of problems faced by women in the work spot are often shaped and influenced by their issues at home. At home they manage the kitchen, and men in matters of food and clothing. In fact most of the problems in the domestic front arise because they have to dovetail their domestic operations so as to enable themselves by the females in all the sample households. Only in urgencies and rare occasions their male members attend to these functions. Most of the male members did not do any cooking. The sample respondents are asked to express their opinion about various social and environmental conditions. Their attitudes are analyzed with Linker’s five point and Attitude scales. It is found that the points scored for safety condition in working environment is – 27, for family health condition is – 12 for protection from occupational diseases is- 55, the point score for wages is +74, for support from family members in case unorganised are not in a
formally registered union as a result of which its bargaining power remains weaker and hence they are being exploited.

**Basabi Bhattacharya (2004)**\(^{86}\) pointed out that poverty, migration and urban informal sector in isolation are unrealistic and holds no prospect of resolving and of them. The emergence of Human Development series, to which the author often refers, is mean to grapple with this perception. Poverty studies which are income and national growth oriented cannot give solution to ameliorate poverty because, there are other factors which put road blocks on the path. Expected rural urban differential may trigger migration, and even if the expected income is not forthcoming the reversal of migration hardly takes place. Citing W.A.Lewis, J.R.Haris and M.P.Todara the author postulates that urban rural migration hardly takes place in response to expected rather that actual earning differential. Expected differential is in terms of real income, and also the prospects of being absorbed in urban employment.

**Srivastava (2004)**\(^{87}\) pointed out that the problem of sexual harassment of women and girls has acquired menacing proportions. A report of the International Labour Organization has estimated that one third of the women in industrialized society are sexually harassed at work place. IT has now become a global issue. In India
during 1995-2000 there has been steep and continuous rise in the numbers of cases reported on sexual harassment.

**Thaarcis Albin and Bharathi (2004)**\(^8\) pointed out that the unorganised sector of our economy covers wide range of occupations. It includes agriculture laborers, farmers, petty traders, domestic servants and casual laborers, workers in small establishments, traditional artisans both in rural and urban areas and such like. The National Commission on labour described unorganised laborers as those who have not been able to organise in pursuit of a common objective because of constraints such as causal nature of employment ignorance and illiteracy, small size of establishment with low capital investment per person, employer operating single or in combination. These apart, the method of production into the agricultural sector and mechanization of certain processes have reduced labour requirements in rural areas and this is another important factor for migration. Eve sub division of land leads to migration, as the small land holding fails to support a family. Pull factors refer to those factors which attract the migrants to an area, such as opportunities for better employment, higher wages, better working conditions and amenities, etc. as rapid growth of industry, commerce and business takes place it leads to city ward migration. In recent years, rate of migration of people from India as
well as from other developing courtiers to U.K. U.S.A. Canada and Middle East is due to the better employment opportunities, higher wages and the chances of attaining higher standard of living subsidies for families and children. Unfortunately, India has not ratified this convention, although most of these benefits are available to the workers in the organised sector.

Revathy and Venkata Lakmi (2004)\textsuperscript{89} reveal that lack of medical facilities is a major problem faced by number of women workers especially the pregnant women and injured persons. It is difficult to draw line of separation with respect to problems between their homes and outside. The working environment, family health condition and protection from occupational diseases are poor. As per perception of the respondents the wages and support from family members are very good. The research paper deals with the problems of diet and health faced by women workers more seriously that those of their male counter parts. Their diet is largely deficient in proteins and vitamins as they consumed in general low quantities of milk products and vegetables. The income of male counterparts in the sample houses holds could not be estimated correctly since a number of them spent a part of it on drinks and take home only the remainder. But there are more than 46 cases in our sample where the women got their total monthly income higher
that that of their male counter-part. Most of these women worked in part time occupations as domestic servants.

**Ram Lakshanis (2004)** research paper reveals that, over three fourths of the women and almost all men reported working for 10 to 12 hours daily. A majority of women reported headaches and backaches, as well as pain in the limbs. Fifty-six percent of women and 16 percent of men reported injuries resulting in work loss. They had no social security or other workers’ benefits. Most women and men said that they would prefer to do some other work. Respiratory, eye and skin disorders and noise-induced hearing loss (NIHL) were found to be prevalent amongst workers exposed to hazards like dust, noise, heat and cold, non-ionizing radiation, and exposure to dry cement, glass and adhesives, tar and paint. About 76 percent women reported gender specific work stress factors, such as sex discrimination, and balancing work and family demands, above and beyond the impact of general job stresses such as job overload and skill underutilization. Discriminatory barriers to financial and career advancement were found to be linked to recurrent physical and psychological symptoms and more frequent visits to the doctor among women workers.

**Syamala and Sangeetha (2004)** described that the domestic service is among the earliest of occupations and in a pre industrial
setting among the most universal. However domestic workers are the neglected class of labour and seldom young by legal measures. Domestic work is one of the major spheres of work employing women in unorganised and informal sector. The present study focuses on the socio economic conditions of female domestic workers in organised and unorganised sectors. Their problems at working spot and in their families have also have analyzed.

Thaarcis albin and Bharathi (2004) pointed out that most of the laborers of the construction work in Palayankottai are paid on daily basis, as they do not have any permanency in their occupation. Majority of the respondents, 60 percent revealed that they are compelled to make construction labour as their choice as they could not find any other occupation. The remaining forty percent of the respondents are found to be practicing it as their traditional occupation. The interview with some of the women workers revealed a fact that they are compelled by the income factor as single earning (husband’s income) is sufficient to run the family and in some other cases they are left out by the husbands.

Naresh Kumar and A.S. Sidhu (2005) pointed out that it is interesting to know why some people migrate while others do not. The important factors which motivated people to move may broadly be classified into five groups, economic factors, demographic
factors, socio-cultural factors, political factors and miscellaneous factors. Push factors are those that compel a person, due to different reasons, to leave that place and go to some other place. For instance, low productivity, unemployment and underemployment, poor economic conditions, lack of opportunities for advancement, and natural calamities may compel people to leave their native place in search of better economic opportunities. In most of the developing courtiers, land man ratio has declined due to population explosion resulting in significant increase in unemployment. Introduction of capital intensives of diseases is +53, support from friends and co-workers is +37, support from Government is –72. So as per the perception of sample respondent the working environment, family health condition and protection from occupation diseases are poor. As per the perception of the respondents wages and support from family members are very good. As per the perception of sample respondents support from government is very poor.

According to Sujatha (2005)\(^4\), informal labour is unprotected labour. Poverty and unemployment have compelled them to work in whatever terms and conditions available. They accept to perform their job just with an informal understanding. They are typically low paying jobs where the women work for long hours, without any
fringe benefits and also face sexual harassment. Due to lack of legal support at the time of any disputes they are sent out of job in an inhuman manner. Illiteracy and ignorance are equally important problem in this sector. According to National Commission on Labour, 60 per cent of outside the purview of the Minimum Wages Act, A Worker is eligible for trade union membership unless he or she is identified as employee of any employer. Identification in such sector is too complicated. There are many obstacles to organise women work force in the informal sector. Women with dual burden which is on the ozone hand long hours of work and on the other hand domestic work find it difficulty to attend the meetings. Job security is also unimaginable. These women workers do not have regular salary and welfare benefits like workers in the organised sector of the labour market. Because of such factors the workers hesitate to complain against the exploitation of cunning employers.

Meenakashi Sundarmam. N and Renganayaki (2005)\textsuperscript{95} pointed out that the changing patterns of economics development have put a heavy burden on women. It is reflected in their health status. The marginalization of farmers, landlessness, forced migration both temporary and permanent, have undoubtedly affected women’s health and nutritional status. The growth of small and cottage
industries depends heavily on female labour. But most of these industries do not come under the preview of any kind of safety legislation. Women work in industries like tanning, tobacco, Cashew, coir, textiles, garment, fish processing and canning etc. In all these industries, they toil long hours at low paid, unskilled jobs. Hence there are health problems related to the workplace, hazards of pollutants on women who work during childhood, adolescence, pregnancy and lactation that can be dangerous both to women and fetus. There is very little information about the safety levels of these harmful substances and more often the damage done includes. T.B. Allergies, abortions, bronchial disorders, death of unborn child, anemia, toxicity disfiguration etc. therefore women have in the last decade become exposed to new kinds of health hazards.

Jeemol unni (2005) state that the informal economy consist of a heterogeneous group of workers. They form a continuum of relationships from the very independent to the most dependent categories. While workers in the informal economy constitute both wage and self employed workers, within the self employed also they constitute segments have varying levels of entrepreneurial capacities. Given this heterogeneous nature of informal workers, there are likely to have both voluntary and involuntary entry into this sector.
The Researcher argues that informal workers are heterogeneous and broadly consists of both wage and self employed workers. Among the wage and salaried workers, or employees there are both informal and formal sector workers. The NSS data separates the employees into regular and casual workers. We have argued and shown that all regular workers are not formal sector workers and all casual workers are not in the informal sector.

The National Center for Labour (NCL) suggested that the wage rates are important. A minimum standard of living is really assured only with some minimum days of work in the year as well. The earnings per week based on the norm of Rs.100 to 125 per day works out to be about Rs.500-600 using a minimum day’s work norm of 250. The NSS also provides earnings per week for the numbers of days worked in the week. This was divided by the number of reported workers to arrive at the wages per week for workers. This implicitly includes the day’s for which work was obtained. Here again the upper cut off of Rs.600 was reached in average only by the regular workers in the formal sector. Like the wage rates per day regular workers in the informal sector obtained wage earnings only closer to the lower limit of Rs.500. There was hardly any difference in the wage per week of the casual workers in the formal and informal sector.
The International labour Organizations Report (2005)\textsuperscript{97} stated that they contribute nearly 45 percent of the national income. They work in all sorts of trades, whole families together. They work in the fields; they work as artisans, head-loaders, construction workers, brick kiln and quarry workers, and glassware or brassware workers. They work the year round with no regular employment and are not entitled to any social security benefits. They toil for more than eight hours a day, without the luxury of weekend holidays. They number around 30 cores, yet they are part of any organised system of work. They are not on any list, register or muster roll. As anonymous contributions to the national income, they form the other India at work, invisible to the glitzy, high-tech environs of the India on the move.

Mahendra Dev (2005)\textsuperscript{98} pointed out that the workers in the unorganised sector have low earnings and poor working conditions, and lack of social security protection. It is being realized that there is a need for social security programmes, particularly for neutralizing some of the negative consequences of the liberalization reforms. Besides the case for any sort of changes to labour laws can be strengthened if all workers have at least a minimum of social security. The state has a role in helping the poor in times of
insecurity and in ensuring minimum security for those unable to gain from the post liberalization economic growth process.

Santosh Nandal (2006)\(^{99}\) stated that a vast majority of India's labour force is in unorganised sector. In the absence of economic opportunities in their own states, many workers migrate across the other states of India to seek employment. Construction industry depends almost entirely on migrant workers, majority of which are women. The main object of this paper is to shed light on the socio-economic problems being faced by a section of the women workers in construction industry. These women workers have a very tough life. In spite of being actively involved in economic activities for survival, bearing and rearing of children remain their prime responsibility, and thus they end up with playing roles in both production and reproduction.

Rawal (2006)\(^{100}\) pointed out the informal sector is characterized by income insecurity and vulnerability of the workers. The notion of social security was consolidated by ILO in 1952; vide convention 102 which included nine core contingencies leading to stoppage or reduction of earnings to be covered under social security. These are sickness, maternity, employment inquiry, unemployment, invalidity, old age, death, provision of medical care and subside for families and children. Unfortunately, India has not ratified this convention,
although most of these benefits are available to the workers in the organised sector.

Kannan et al (2006)\(^{101}\) pointed out that for the first time in India a comprehensive social security scheme for the unorganised sector has been proposed. The proposal by the National commission for enterprise in the unorganised sector seeks to develop a healthy workforce that in turn will have a positive impact on national income and economic growth. The scheme aims to cover sickness, maternity, old age and death and proposes a participatory system with some contributions from the workers.

Rawal (2006)\(^{102}\) states that the informal economy refers to all economic activities by workers and economic units that are, in law or in practice, not covered or insufficiently covered by formal arrangement. Their activities are either excluded form the purview of household chores. Effort is also made the highlight gender discrimination in terms of wages or log working hours or any other benefits. Performing their dual role preparing food, rearing children and also doing outdoor work may bring heavy tool on their physical and psychological health. The study focuses on such aspects of their work and life situations.
Andrew (2006)\textsuperscript{103} cites Whitman’s image of the necessity of four legs for a good table. Elected officials are champions of gender equality, strategic democrats, organised community groups, and good research. The safety audits represent the fourth leg of the table and the broader campaign is working on partnerships for gaining support for other, we have used safety audits as a participatory research methodology to find an understanding of the safety of women in urban public spaces and how it varies with time and how it is compounded with other vulnerabilities such as class or age. Further safety audits have helped us identify the infrastructure issues which make a built in environment unsafe for women and gain an insight into the perceptions of women.

Sarala.S (2007)\textsuperscript{104} pointed out that migration from rural to urban areas and natural growth of population in urban areas has imposed enormous pressure on the available employment opportunities. The formal sector is able to absorb only a small portion of the labour force. As a consequence, majority of the urban laborers are forced to work in the informal sector. Here, women’s participation in the urban labour market, especially in the informal sector has increased over time. They are engaged in gender specific activities, which are not preferred by men. In addition, lack of education, experience and training compel them to undertake various low
income occupations (as a sweeper, construction worker and petty shop workers) or often as domestic workers.

According to Annette Joseph Anbarasu (2007) the World Bank Group Statistics states that the total labour force in India is 451 million of which 32.3 percent (144.32 million) are women. The economic survey 2003-04 found that the number of women employed in the organised sector (both public and private) stood at 4.95 million on March 31, 2002, which is about 18.1 percent of the total organised sector employed in the country. Women working in the organised sector form only 3.2 percent of the female workforce, while the rest of the women work in unorganised sector. There is a great need for registration of unorganised sector workers and regulation of employment conditions, including wages, hours of work, medical and maternity benefits, overtime payment, leave, gratuity provident fund, bound, pension, insurance, and housing for different segments of unorganised workers. The construction sector is the largest employer in India after agricultural labour in the unorganised sector’s Construction contributes an estimated 5 percent of the GDP and 78 percent of the capital formation in the country. Even though construction is considered the law or they or they are outside the formal reach of the law. They are low paid and unproductive with limited or no social protection. Informal workers
are scattered – incapable of engaging in collective bargaining, and do not have access to facilities like credit, production or marketing support. They are mostly unskilled and often their work is home based, isolated and vulnerable.

Briendra Kumar Jha (2007)\textsuperscript{106} pointed out that India integrated itself in the global economy and shifted from a state driven to market driven development which can have a powerful labour market dimension. The process is often accompanied by a sharp drop in the demand for labour and in the short run, wage fall, unemployment rises and employment shifts into unorganised sector. In India there has been a significant deceleration in the overall employment growth rate particularly in the organised sector in the post reform period, although it is so easy to assess the impact of economic reforms on employment in a situation where a majority of the work force is dependent on rain fed agriculture and where supply rather than demand determines the level, nature and composition of employment. It has been argued that one of the reasons for slow growth of employment in this sector has been high and rising wages primarily due to the institutional factor.

Sumita Sarkar (2007)\textsuperscript{107} pointed out that India is one of the developing countries where about 92 percent of the workforce is employed either in the primary sector (mainly agriculture) or in the
unorganised or the informal sector. As a result of liberalization and its new displacing labour technology, unorganised sector is fast expanding. According to the National Sample Survey Organization (NSSO) 1999-2000 data, the total employment in both the unorganised and the organised sector in this country is about 39.9 crore. Among these, 23.7 crore are engaged in agriculture, 4.1 crore work in manufacturing and 3.7 crore in services and trade and around 1.7 crore work in construction industry. Among these about 12 percent of the female workforce are engaged in the unorganised sector. The present paper mainly focuses on the socio economic condition of the female workers in terms of their present wages, continuity and their managing their daily to be one of the principal industries in the country, the workers in the industry still remain unskilled, exploited and discriminated against.

More than 30 percent of the construction workers are women. Unlike other industries where women are employed in semi-skilled or sometime even in skilled jobs, in the construction industry they are employed only as unskilled laborers. Women face insecurity in work, sexual harassment, poor remuneration, discrimination in the payment of wage and virtual absence of enforcement of protective labour legislation. Organizing these women workers is the need of the labour.
Palanivelu and Hema Balakrishnan (2007)\textsuperscript{108} state that real threat to organised sector is form the unorganised sector, which caters to the bulk of demand and at a much cheaper price, as it does not attract excise and other duties. A large informal sector implies that policies of liberalization and globalization are less effective. When an economy liberalized it is only the formal sector that comes into contact with the rest of the world. Foreign economies consider it risky to transact with the informal sector, because the gains for liberalization are confined the formal sector and larger informal implies smaller groups. The purpose of studying informal sectors is to highlight the heterogeneous segments of employment and variations in earning among the informal workers.

While workers in the informal economy constitute both wage and self-employed workers, within the self–employed also they constitute segments having varying levels of entrepreneurial capacities. Given this heterogeneous nature of informal workers, there are likely to be both voluntary and involuntary entry into this sector. Given the heterogeneous nature of the informal sector, we can discuss whether the types of employment, self employed and wage earners share a common labour market. We have to test the presence of segmented labour market in which institutional as well as social and cultural factors account for the existence of self
employment. Self-employment is involuntary forcing of workers rationed out of wage labour market to shift labour to the informal economy where earnings are lower and work conditions are poor and irregular.

Kalpana Viswanath, Surabhi Tandon Mehortra (2007) pointed out that the challenge to a conventional definition has been to broaden it beyond acts of physical and sexual aggression to include more subtle forms and mental and emotional violence. The violence of normal times includes these various forms of violence which structure daily lives of women in way stat go far beyond acts of violence. This kind of violence serves the purpose of controlling women’s movements and behavior through a constant and continuous sense of insecurity. Inequality between the sexes and the systemic discrimination that women and girls face in a patriarchal system limits their movements and ability to negotiate public spaces. This limitation affects women’s lives in numerous ways right and access to education, to paid work and the freedom to move around. These must be seen as violations of basic rights of women to live and work in cities. The UN Conference of Human Settlements in June 1996 highlighted this and strongly advocated the inclusion of women’s voices in the planning and implementation processes. The area of women’s safety which is concerned with
creating safer urban environments for women has come into the discourse since the early 1980s “focusing on women’s insecurity and risk of violence in public spaces”. This has expanded to include urban planning, housing design and transport design. This methodology of doing safety audits has been used in several countries after it was used extensively in Canada. While the focus has been on ensuring women’s rights to safety it can be located within broader debates around urban governance.

Mridual Ghai (2007)\textsuperscript{110} describes that the informal sector workers are engaged in various kinds of economic activities ranging from casual work on farms to running their own micro enterprises with hired labor. Accordingly, there is a huge variegation in their earnings, asset bases, working conditions and the ability to access resources. Thus, the degree of vulnerability to which they are subjected may also differ depending on the nature of their occupations.

Shanthi Nachiappan and S.N. Soundara Rajan (2008)\textsuperscript{111} stated that Dr. Jaya Arunachalam, recipient of Padmasri founded Working Women’s Forum in 1978 with an objective of social and economic upliftment of poorest of poor women in Tamilnadu, India. Now WWF has more than 7,00,000 women members. This case study deals with how technology has helped these micro entrepreneurs to
accomplish their business more effectively and efficiently and how it has introduced drastic changes to their lifestyle.

Robert J. Shepherd (2009) examines the selling practices of street vendors at a popular weekend market in Washington, DC. I discuss the role of social and moral norms in vendors' behavior toward one another, customers, and their work. Vendor success in this marketplace over the long term is influenced not only by their products and sales skills, but also by their understanding and acceptance of an ethical framework partly shaped by stories they tell about each other. As such, this study illustrates the embedded nature of sellers in marketplaces, as opposed to theoretical notions of how abstract individuals are supposed to act in a de-contextualized “market.” Furthermore, stories that arise from encounters between vendors and customers add value to the products people buy. Objects in this marketplace, then, gain value not only through the interaction of supply and demand, but also through buyer and seller interaction, which provides a narrative base for future communication.
END NOTES


12. ILO Employment, op.cit., pp.208-211.


32. ILO, Employment, op.cit., pp.208-211.

33. Heather Joshi and Vijay Joshi (1976), Surplus labour and city”, A study in Bombay (Delhi: Oxford University Press).

34. Joshi and Joshi (1976), Surplus labour and the City: A study of Bombay (Delhi: Oxford University Press).

37. John Weeks, op.cit., p.3.
42. Ibid., p.1035.
49. Ibid., p.10.


51. Sinha and Ranade, Women Construction Workers in Delhi and Bihar.

52. Papola, cit., pp.5-7.


56. Ibid., p.11.

57. Joshi and Joshi, op.cit., p.76.


59. Ibid., p.4.


84. Ahikire, J. and Ampaire C. (2003), Vending in the City: A Gendered Perspective of Policy, Conditions, Organizational


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