

www.globalfairness.org



February 2013 - Vol. 5 #2

GFI Newsletter: Welcome to our spring Sapin Fellow

GFI welcomes spring Sapin Fellow

GFI is pleased to welcome **Andrew Brickfield**, an honors student in Sociology at the American University, as our newest Sapin Fellow. Andrew brings to GFI a commitment to development — both his own and that of others — as well as leadership roles at the university and in previous foundation work. We're looking to Andrew to take an active role in GFI's outreach and communications, particularly in maintaining our websites and other social media. He'll also be instrumental in the development and implementation of new and ongoing programs.

Created in honor of Shirley Sapin in recognition of her commitment to equality and opportunity for all people, the Sapin Fellowship was established to offer students in post-secondary institutions the opportunity to work with GFI on issues of economic development and workforce equity. Thanks to a generous donation from the **Benjamin Banneker Development Corporation**, GFI also offers two Sapin Fellowships a year specifically for DC natives that aim to create opportunities for developing leadership capacity on issues of international importance.

GFI begins work with Nepalese brick industry

With the booming population growth and urbanization in Nepal, construction ranked as the third largest economic sector in the country in 2006 and continues to grow. The high demand for building materials has fueled social and environmental concerns about Nepal's brick industry.

Manufacturers using traditional brick kilns are the Kathmandu Valley's primary source of pollution and remove fertile topsoil and precious surface and ground water. The brick industry in Nepal provides jobs to over 175,000 unskilled laborers, of whom nearly 60,000 are children. These laborers are often the poorest of the poor, lured to work at the kilns with loans from middlemen.

GFI is partnering with <u>Humanity United</u> and the <u>Brick Clean Network</u> of Nepal to find sustainable, market-driven solutions for extending decent work into the sector and promoting the transfer to cleaner and more efficient technology.By coordinating past and current efforts -- particularly the

important work done so far by the Brick Clean Network -- the **Better Brick Nepal** program will engage manufacturers, government agencies, multilateral organizations, and key local stakeholders to develop a strategy for incentivizing responsible brick production.

BBC article on India highlights informality issues

India street vendors fight for their rights

Excerptd from the article by Rajini Vaidyanathan, BBC News, Mumbai 28 January 2013

Street vendors across India have been protesting the death of a fruit seller, who they claim died after a police raid on his stall. There are an estimated 10 million street vendors in India, but recently police in Mumbai have been clearing them from the streets.

Symbolic death

An investigation into what happened is currently under way, but Madan Jaiswal's death has come to symbolise something much bigger among street traders, also known as "hawkers" in India. Thousands have taken to the streets, not just in Mumbai but in Delhi and other cities, to protest against the police action, calling for the raids to stop and for better treatment of street vendors.

Fruit and vegetable sellers make up the lion's share of the vendors, but an eclectic mix of items can be bought on the roadsides -- from clothes, combs and chairs, to suitcases, snacks and shoes. "Street vendors serve the economy in many ways," says Professor Sharit Bhowmick of the Tata Institute of Social Sciences in Mumbai. "They supply cheap goods to the urban population, which helps both the urban poor and the lower middle class," he says.

Professor Bhowmick, who has conducted extensive research on the practices of street selling across India, says vendors also play a wider role of propping up wholesale markets in India.

Illegal trading

It is illegal to trade on the footpaths without a licence. But the National Association of Street Vendors in India says very few licences are ever issued. In Mumbai alone, it is estimated that there are 250,000 street vendors with only around 17,000 of them holding

licences. In fact, according to Professor Bhowmick, the city has not issued a new licence since 1970.

Many of the traders say the only way for them to operate is by paying bribes to police officers who then turn a blind eye to their presence. "There are too many hawkers in Mumbai, and not enough space. The roads and footpaths are for people to use, and that's why the police has taken action, to prevent accidents," Deputy Commissioner Pote says. Mr. Pote says there should be areas where street vendors can sell their wares legally, but shoppers should not rely on them totally.

Crackdowns on vendors happen regularly in India, but this current spate has "surpassed all and taken many of them off the city's streets," says Professor Bhowmick.

Nilesh Gupta has been selling fruit for more than 20 years in a suburb of Mumbai. But today his boes of fresh fruit lie in the sun, rotting in the intense heat. The footpath he once relied on for his daily trade is currently empty. After days of police raids and fines, Mr. Gupta says he has been forced out of business. "I can't do anything else now because I'm 36 years old and I can't get a job that would pay for all my bills. I have to support my entire extended family," he says as his voice trails off.

Following in the footsteps of his father, who also sold fruit, was Mr. Gupta's only option. "That's the problem here in India, our parents aren't educated and that's why we opt for these odd jobs. I'm hoping I can afford to give my children a good education," he says.

Better regulation

This is a profession which has many women working in it, too. "No one is offering us a solution or alternative space," says Bernadette, a vegetable seller. "My business is completely finished."

They want better regulation, not only so they can trade but also so they can be part of the formal economy. "We would rather pay taxes than fines," says another woman seller named Pushpa.

A bill which promises to overhaul the present licence system of street vendors is currently sitting in parliament. It would allow any vendor to

apply for a licence and if a decision is not taken within three months the person would automatically be allowed to trade. It also proposes to create special vending zones, but finding space in crowded cities such as Mumbai remains an issue. **READ THE ENTIRE ARTICLE**

World Economic Forum convenes 2013 Annual Meeting

The World Economic Forum held its annual meeting over five days from January 23-27. Leaders from political, academic, and business spheres across the world came together to confront the most pressing issues on global, regional, industry, and business agendas. Among the many issues discussed was the massive inequality, both of income and opportunity, existing in the world today.

Closing Critical Inequality Gaps, a panel led by renowned economist Joseph Stiglitz, identified a lack of education and resources, access to the capital necessary to start and maintain businesses, and the globalization-created phenomenon of capital and production migration as some of the leading causes of inequality throughout the world. In the global economy, capital and production move from one country to another, looking for a more cost-efficient environment in which to manufacture goods and services. Small business owners, struggling to compete with large multinational companies, cut corners by providing lower pay and benefits to their workers or eliminating jobs altogether.

Other discussion participants pointed to the advancement of technology itself as contributing to inequality and pointed to the example of Chiness factories in which 25 million fewer people are employed because automated machines have taken over repetitive tasks. It was also suggested that another key to reducing inequality would be to eliminate fear and insecurity among workers by lifting restaints on labor union activity to give workers a voice in setting pay and working conditions. Additional suggestions focused on transforming manual and repetitive task laborers into higher level service providers. This development would require access to quality education and training as well as to social safety nets that would encourage and allow people to take on the risks of entrepreneurship.

Although the causes and possible solutions to the world's great income and opportunity gap are varied, WEF participants found commonality in the belief that 800 million workers living on less than a dollar a day is a situation that must change.

Access this and the many other sessions held at the World Economic Forum.

> "We will come again next year to work in the brick kiln because we have no better alternatives for supporting our family."

> > Lalita Devi M. Brickworker in Makwanpur, Nepal (from Brick Clean Network website)

Apply for the **SAPIN FELLOWSHIP**

GFI is currently accepting applications for the summer 2013 Sapin Fellowship.

Email Nora Mara at: sapinfellows@globalfairness.org

Support GFI's BeFair Campaign



Follow us!







The Global Fairness Initiative - 2122 P St NW Suite 302 - Washington, DC 20037 <u>www.globalfairness.org</u> - <u>info@globalfairness.org</u> - 1 (202) 898-9022

