

THE POINT OF VIEW OF POOR PEOPLE WORKING IN INFORMAL SECTOR ON POVERTY

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Abstract

Even though the poor with a lower income than poverty line though hired to be paid constitute the majority of the whole population in many countries, they have not been researched sufficiently.

Working poor people can not reach the sufficient level of income to meet their expenses as a result of familial circumstances like insufficient education, divorce, excessiveness of the number of children, loss of a spouse as well as working for low wage due to the labour market.

This research is supposed to be about poor people working as wage earners in informal sector in Denizli. 100 apartment doorkeepers, 100 house cleaners and 100 baby sitters have been included into the research as its samples. This research is concerned with the point of view about poverty of working poor people, their strategies of coping with poverty and their social relations.

Key words: *Working poor, urban poverty, economic conditions, informal sector*

JEL Classification: *I3, I32*

1. INTRODUCTION

The fact of poverty is discussed in literature in the framework of various concepts such as absolute poverty, relative poverty, or extreme poverty. The fact of poverty which used to be associated with unemployment has started to be associated with employment also along with the changes in recent years, and the concept of working poor has been added to the literature.

The working poor get much lower wages than other workers in return for a comparable working performance, the jobs they do are generally temporary, unstable, low-status jobs with irregular working hours, they get lower shares from the social welfare and their conditions do not change even if they work full-time the whole year (Scholtens; 2002:2).

Although working poor compose a significant ratio of the population in many countries, there hasn't been enough research on it. Especially in Turkey, it is such a field as far from being discussed thoroughly.

Working poor cannot accomplish an income level so as to meet their expenses due to some reasons triggering poverty such as family conditions on the one hand like education level, divorce, too many children, or death of one of the mates; and having to work in badly-paid jobs on the other caused by labour market problems.

In one study on the working poor carried out in developed countries, Canada, the USA, Sweden, and the EU countries, it was found that working poor mainly work in service industry, there is one

individual in the family who brings income to the house, relatively badly-educated, young, single, mother or father, belonging to a minority. (Fortin and Fleury; 2004:22).

It is seen in many studies that among the characteristics that working poor have in common is that there is a huge difference between their income and expenses and that they have difficulty in maintaining a sufficient life standard. Besides basic expenses, ones such as child care and transportation are among the expenses that challenge the working poor significantly.

Along with these challenges, an unexpected increase in the expenses, especially in cases due to a sudden crisis (such as dismissal or sickness), make working poor have to take social support (Scholtens;2002:13).

Poverty results from structural or external reasons along with internal ones such as an individual's abilities or sense of responsibility. Poverty can be dealt with in two fundamental processes according to different viewpoints of individuals, these being the objective process and the subjective dimension. In the objective dimension, structural inequality and the relation of poverty to socioeconomic mechanisms is discussed. Subjective dimension, however, is about the way poverty is perceived by the individual. Negative stereotypes and evaluations on poverty and the poor can be influential on the self-perception and identity development of poor individuals. It is obvious that subjective dimension must also be considered in the studies along with the objective dimension in an attempt to reveal the social reality. The fact that the individual considered as poor does not perceive themselves as poor in the objective dimension indicates that subjective dimension is also necessary to be studied academically.

Although the urban poor are identified as uneducated, unqualified, homeless, unemployed, and of lower life standards, besides immigration and rural background, the aforementioned indicators do not draw a sharp line as to structurally differentiate this section from other labourers.

There are generally various studies on the poor working in the industry sector, whereas the number of studies on the poor working in the informal sector is few.

Informal sector is presented as a section that provides unlimited employment, though with lower productivity and wages, to those who generally cannot find employment in the formal sector. However, it is seen in many countries that the informal sector has a complicated structure that embodies within itself various activities with different levels of productivity, quality, and wage, and is not always easy to participate. Furthermore, it is observed that these characteristics of the informal sector change in time depending upon the economic conjuncture. (Şenses;2001:250).

Because working in the informal sectors is not enough for many to escape from poverty, more than half of the poor in Turkey are workers (TUİK, 2006). The labour employed in agriculture and the urban workers of the informal sector compose the biggest sections among the poor. Our study is on housekeepers, cleaners, and baby-sitters.

2. METHODOLOGY

Following issues will be discussed in this study: where the poor see themselves, how they define poverty, how they define and perceive wealth as part of their own poverty, factors leading to poverty and life strategies. The study is confined to housekeepers, cleaners, and baby-sitters as the poor working in the informal sector. 100 housekeepers, 100 cleaners, and 100 baby-sitters have been surveyed and interviewed in Denizli. Survey questions were deepened by face to face meetings and were tried to be evaluated in an interaction environment with group meetings.

3. FINDINGS

The housekeepers in the sample of our study fulfill such duties as collecting the garbage of the apartment occupants, dealing with the central heating, monitoring the visitors and ensuring the security, delivering bread and newspapers, and collecting the dues. They usually live in the housekeeper's flats reserved on the basement floors of the apartment blocks. Wives of housekeepers generally participate in the labour as cleaner/baby-sitter in the form of home-care service. All three occupational groups are included in our study as working poor because they are parts of the informal sector, having low wages and indefinite job descriptions. Doers of the informal jobs corresponding to undereducated, nonspecialist, and easy-to-get jobs are included in the category of poor in the framework of economical criteria. Findings of our study are categorized as follows.

3.1. Socio-Economic Characteristics

As for gender, all of the housekeepers in our sample are men. Generally in terms of vocational evaluation, housekeeping is considered as men's job, and cleaning and baby-sitting as women's job. As for age-class distribution, it can be seen that housekeepers are between ages 31-41 (45%), cleaners between ages 21-30 (66%), and baby-sitters between ages 31-40 (69%). The ratio of married ones is high in all three groups.

As for educational background, concentration can be seen in all three occupational groups on primary school graduates. 82% of the house keepers, 72% of the cleaners, and 76% of the baby-sitters have primary school diplomas. Workers not having diplomas take the second place in all three groups. The ratio of workers having education after primary school is low. Overall, education level in all three groups is low.

As for their father's job, farming takes the first place in housekeepers (68%), cleaners (66%), and baby-sitters (55%), agricultural labour taking the second. Due to the productivity of land in Aegean Region, agriculture is very common.

Majority of our sample were born in the villages of Denizli and migrated to Denizli later. Although the ratio of migrants in the last 10 years is high, the migration period may go further back. Migrants from out of Denizli are of lower ratio in proportion to migrants from rural Denizli. Among the workers migrating from rural areas to Denizli the concentration is on housekeepers (78%), whereas among the workers migrating from other cities the concentration is on baby-sitters (48%). The ratio of migrants not receiving help from friends or relatives is higher than that of ones receiving help. The highest help receivers are again housekeepers. Help is usually in the form of job finding or providing accommodation, financial help being rare.

As a reply to the question what they used to do before, 62% of the housekeepers, 41% of the cleaners, and 32% of the baby-sitters said they used to work as farmers. Agricultural labour takes the second place in all three occupational groups. 15% of the housekeepers, 23% of the cleaners, and 25% of the baby-sitters said they haven't worked before.

The abovementioned findings indicate that working poor in Denizli are of middle or lower age groups, majority of them are married, most of them were born in villages of Denizli, and farmers are more in number among the ones who have worked before. Because of the reason that Denizli is a city where especially textile industry is prevalent, it has attractive features and the number of migrants coming to the city has been relatively higher than other cities.

3.2. Evaluations on Poverty

3.2.1. Definitions of poor and rich

When we asked our sample how they defined the poor, it was found that with a subjective evaluation they mostly defined the ones being in a worse financial condition than themselves as poor. Housekeepers (74%), cleaners (70%), and babysitters (69%) do not consider themselves as poor. All three groups stated that they don't consider themselves as poor because they have wage-earning jobs in the informal sector and can maintain their lives self-sufficiently. When they compare themselves to acquaintances or their own parents, they consider themselves as in a way "hanging on", "succeeding" people because they have a job, albeit in the informal sector or low-income. However, ones unlike themselves, who hasn't been able to hang on or find a job in the informal sector, completely dependent on other people, are poor. The poor, in this sense, are defined as people who are dependent on other people to live, lacking food or income, which corresponds in the literature to the definition of "deep poverty" used for ones living below starvation line. Our sample who do not consider themselves as poor despite their harsh economic condition, have also stated that they are frequently grateful for their condition.

Ones who consider themselves as poor, on the other hand, mostly focus on insufficiency of economic conditions and difficulty of meeting their needs. When we ask our sample how they consider the rich, once more we see that economic conditions are used as criterion. They consider people who are affluent, have a car, a house, money in their pockets and bank accounts, do not owe a debt, or are able to pay their debt easily as rich. These evaluations, of course, are mostly associated with their observation of social sections they serve. Relatively higher life standards they come across in the houses they work as housekeepers, cleaners, or babysitters are influential on the formation of their wealth concept.

3.3. Factors Leading to Poverty

Factors leading to poverty can be dealt with in two approaches. The first is the approach that associates poverty with personal characteristics such as ability, sense of responsibility and discipline, and personal effort. The other is the approach that associates poverty completely with the socio-economic system, with the structural factors out of the self-control of the poor such as low wages, insufficient education, insufficient employment, prejudice, and economical policies (Wilson;1996:413-414).

We have found that the answers we got when we asked our sample about the reasons of poverty can be classified under three titles: ones attributing poverty to individual reasons, ones considering the rich as responsible for poverty, ones believing that the government causes poverty. These evaluations can be seen below.

3.3.1. Attributing poverty to individual reasons

In the approach that deals with poverty in the framework of behavioural and personal characteristics such as indifference, idleness, lack of self-confidence, poverty is considered as people's own fault, their own choice and as part of their life styles. In this kind of approach, the poor are blamed for their current condition.

When we asked which factors led to poverty, 70% of the housekeepers, 75% of the cleaners, and 69% of the baby-sitters attributed poverty to personal characteristics. The facts that people are idle, do not make an effort to find a job, or do not endure and leave their job, have been considered

among the reasons of poverty. Some comments of our sample during the interviews can be seen below.

He doesn't appreciate any jobs. Then he ties others down. Why doesn't he work at all? You should be grateful for the job you've found because it gives your food.

How do the others find a job when they mean to? Why doesn't he work at the bazaars, constructions? When one means to, he struggles make a living. This is sheer idleness.

There are also ones who consider family as the reason of poverty. The ratio of associating poverty with the responsibility of family is 51% in housekeepers, 56% in cleaners, and 53% in baby-sitters.

There are six of us; for the education of how many of us could they have been able to pay? The fewer children, the better bringing up. This is what I say.

We lived from hand to mouth. How could they have created opportunities for us? This is what you can manage on chickenfeed. I was so eager to study, but mom and dad couldn't make it.

Besides the ones who do not think that their parents made enough effort to bring them up, there are also others who believe that family conditions do not permit for this after all.

My family couldn't support my education but I, under my own steam, used my mind, found a job here and worked, I am not indigent at least.

If only I were in my cousin's shoes, I would have a proper job now.

My parents are not well off to hand down something and rid me of this poverty.

The examples above indicate that, besides the ones who associate poverty with inability of the family to pull their weight, there are also ones who think that they do not have the chance after all to improve themselves better or make up a better future under the conditions the family has. Working poor dwell primarily on the education of their children. According to them, going to school and having a profession is one of the fundamental means of escaping poverty. It is understood from the answers that members of all three groups perceive education as the means to climb the ladder in the social hierarchy, especially for their children.

I live for my children after all. In order to school them, I'll work day and night, do extra work if necessary. I do ironing, cooking, just to make them go to school. If they do so, they can break loose.

My daughter has got into university this year. I am so happy. I couldn't go to school; I'll do my best to school her. When we went to Kuşadası for work, I couldn't find even crust to give them. Now, I'm all grateful; we work, and earn. I hope my children will lead lives just like the families I work for.

I'll do any job, as long as they go to school. My one and only hope, they won't be dependent on anyone else. I hope they'll have proper jobs and insurance.

I couldn't go to school, but I'm schooling my son. If he slugs on and goes to school, he won't depend on anyone for living.

3.3.2. Considering the rich as responsible for poverty

There are some who consider poverty as a kind of exploitation of higher social classes and as associated with the interests of these classes. Within the framework of this approach, according to Galbraith, the poor are again a part of the capitalist economic process. There is a need for the poor in the established capitalist system for the jobs that are essential for the system but lucky class members living in the “culture of satisfaction” would not want to do (Galbraith, 1992:33).

We wanted to determine if there are ones in our sample who associate their poverty with the rich. According to our findings, the ratio of ones who think that the responsibility of poverty is the rich is 24% in housekeepers, 30% in cleaners, and 34% in the baby-sitters.

It's always the rich who thrive, and the poor who fail. I don't understand how people become rich. Both my husband and I work, but what we earn falls short. Would I go for cleaning others' houses if we earned enough?

I don't steal. I turn an honest penny. But, you see how thieves become rich.

They are rich of a sort. But they never care for the poor. They try to make them do such jobs for peanuts.

Our sample thinks that it was effective on the process of the economically advantageous rich achieving this position that they use this advantage of theirs against the poor.

3.3.3. Considering the government as responsible for poverty

Government is seen by the working poor as an authorized foundation that can relieve poverty. Considered among the domains of the government are protecting the poor as a “father”, forming the necessary transfer and support programmes for them, developing the social expenditures such as health care or education, creating new business fields, and increasing the wages to a level so as to meet the needs.

Among our sample, the ratio of ones who consider the government as responsible for poverty is 60% in housekeepers, 58% in cleaners, and 65% in baby-sitters. These ratios indicate that they believe the government has a significant liability with the decisions to be made in order to relieve poverty.

Government does not provide me with a job when I'm unemployed. But they have to create employment for me. I am poor; the government has to help me.

This approach which considers ensuring a job to pave the way for everyone to achieve wealth and a place in the social life as the duty of government is the understanding of welfare state (Meda; 2004:135). However, the fact that the state has become smaller due to the practice of neoliberal policies and left many fields to social actors, has led to a decline in the understanding of welfare state and its being left out of the field of application. Some of the poor individuals consider the facts that the government cuts down on the social expenditures, transfers the resources to non-social fields, and uses them to reduce the budget deficit among the reasons of the continuation of poverty. This opinion is in accordance with the approach that describes poverty with structural reasons.

3.4. Life strategies of the poor

Anti-poverty strategies which have been used to understand the attitudes of the poor towards poverty and what kind of activities they develop to maintain their lives have been subject to many studies. The aim of life strategies is the maintenance of life. In the determination of the strategies, the definition of aims, tools, and resources is of great importance.

There are many studies which mention the importance of traditional cooperation and solidarity networks in the struggle against poverty (Ayata, 1989, Kongar. 1972). There are also other studies indicating that these networks have started to gradually lose their influence (Buğra ve Keyder,2003, Kalaycıoğlu vd. 1999). It is stated in the UNDP programme that a new poverty is on the increase in Turkey at a level incurable by the traditional solidarity networks (2005).

In Turkey, as of 2007, the poverty line was assessed as 2.040 TL, and the starvation line as 626 TL (Türk-İş 2007). The average household income of our sample is 900 TL. This finding shows that the income of the households is slightly over the starvation line.

The poor in the position of disorganized, irregular, unskilled labour are among the ones mostly affected by increased competitive conditions of the urban labour market, especially with the practice of post-1980 neoliberal policies. Competitive environment keeps the wages constantly low in the informal sector, making an improvement in the working conditions and life standards of the poor impossible. Not only the unemployed but also the working poor are unable to meet their needs. Having a paid job cannot be sufficient enough for them to reach the middle class life standards.

While the working poor are trying to increase the household income, they are also trying to reduce their expenses on food, clothing, etc at the same time. However, disorganization on the one hand and severe competition on the other are preventing them from achieving an income level sufficient to meet the basic needs. In ability to meet the basic needs causes humanistic poverty, along with economic poverty.

When we asked our sample about their life strategies, they mentioned strategies towards balancing their income and expenditure such as cutting down on their consumption, food being in the first place, home-production for cheaper food and clothing, cooperation based on solidarity and relationship networks, doing extra work if possible.

Some of the working poor have to allot most of their income to food and other fixed expenses (such as rent, electricity, water). Housekeepers in our sample generally do not have to allot money for such fixed expenses for they live in the housekeeper's flats of the blocks they work for. However, the cleaners and baby-sitters who do not live in the housekeeper's flats indicated that fixed expenses cover most of their expenditure.

It is common among the poor to produce some foodstuff at home. It is quite common to produce such foodstuff as pastry, tarhana (sundried food made of curd, tomato and flour), tomato sauce, noodle, or yoghurt and they are mainly produced for the consumption of the household. They generally perceive home-production of food as women's traditional duty and they stated that they do not make production for sale. Only 3% of the cleaners and 4% of the baby-sitters stated that they sell their home-produced stuff.

Besides, when we asked our sample if they receive help from their hometowns, we found out that majority of them send for some foodstuff from their hometowns. Kitchen expenses are the basic

field that the poor can economise. The sample stated that they consume limited variety of food when they need to economise. As for clothing or household items, they do not have such an important place in their lives as food. Thus, detailed questions regarding consumption indicated that they do not spend on clothing.

The most advantageous group in finding extra work is cleaners (22%). Housekeepers (10%) are less advantageous in proportion to cleaners or baby-sitters (18%). However, in case of both couples working, household income may increase a little.

More than half of the sample stated that they owe a debt. The majority said that they have nobody to borrow from when they need money. The ones who have someone to borrow from stated that the money they borrow is short-term, only to get over the current crisis, and usually of insufficient amount because the income level of the people they borrow from is also low and they also are in need. When we searched for the sources they turn to borrow money, it was seen that the immediate surroundings are of first priority, which is followed by borrowing from the employer. Most of the ones who said they can borrow from their employers are single-employer workers.

The ratio of borrowing from the bank is low. The proportion of credit card owners is 14%. Low ownership of credit cards can be explained in relation to the difficulties they faced in the past unable to pay their credit card debts. There were ones who stated they had big difficulty on their monthly income in the past because of their borrowings. It is seen that nearly half of the credit card users (40%) still have credit card debts. Credit card ownership is more common among housekeepers than cleaners or baby-sitters.

Among our sample, the ratios of receiving help from non-governmental or governmental organizations is extremely low, the reason of which is that some are unaware of social welfare. Another factor is that husbands of cleaners and baby-sitters also work. Statements such as "*They don't give because my husband works*" or "*My husband has insurance, they don't give to insured people*" are among the reasons they can't receive help. Also, some of our sample stated that they did not apply for help (4%) not to be branded as poor or they aren't able to stomach being poor.

4. CONCLUSION

Recession of nation state and its institutions with the globalization process and irregularization of social relationships of welfare regime together with the declining understanding of welfare state has negatively influenced large social sections. The globalization process inclusive of economical, political, technological, and cultural dimensions is causing the already poor countries to get poorer. Not only the unemployed but also the working poor compose a significant part of the population in many countries. The working poor, who cannot reach the formal sector or do not have the relationships network to make it possible, are working unprotected in the informal sector for low wages and trying to cope with poverty, to survive.

According to our findings, working poor is composed of people of lower middle-age, most of whom are married with low educational backgrounds. Definitions of poverty and wealth are within the scope of economical criteria. Majority of the working poor consider themselves as "succeeding" because they have a job, though badly-paid, and are not dependent on other people to maintain their lives. Ones considering themselves as poor on the other hand stated that their income is insufficient and they have difficulty meeting their needs.

Reasons of poverty are evaluated within the framework of individual and structural reasons. Emphasized points among the individual reasons of poverty are idleness of people, not appreciating and leaving their job in short time, and insufficiency of family conditions. Such comments indicate that poverty is associated with some demographic or personal characteristics. The ratio of considering the government as responsible for poverty takes the second place in our findings. Such an approach is related to seeing the reasons of poverty out of the poor and their control. The ones associating their poverty with the rich and their using their economical advantage against the poor is proportionally lower. In this approach, continuation of poverty is essential to the permanence of the system.

The concept of struggle against poverty makes it possible to understand the attitude and behaviour of the subjects against superstructural changes along with superstructural data. It also makes it possible for us to understand the relations with the informal sector along with the formal sector. Wallace (2002) states that different strategies developed in different societies make it possible to understand the relations between the social structure and the agent (2002:275-292). According to our findings, basic strategies of the poor are cutting down on their expenses and home-producing of some food-stuff. Activities such as finding extra work are neither permanent nor applicable for everyone. Borrowing from relatives or acquaintance is limited and low. Borrowing from the banks is little if any. Credit card ownership is not common because of the difficulty in paying the debt. Their emphasis on the education of their children can be considered as a strategy to cope with poverty in the long run. As can be seen in our findings, the strategies of the poor can be seen as an effort to survive rather than create a vertical social mobility.

It is seen that neoliberal approach, which considers poverty as a temporary problem deriving from the functioning dynamics of the market, cannot find a solution to problems caused by the concentration of poverty. It can also be seen in various studies that being employed cannot help people out of poverty. It is one of the significant steps in the struggle against poverty to produce and practice pro-poor policies aimed at creating registered jobs with social security.

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