

# 2018

# QUALITY WORK WORLDWIDE

An Exploration of Trends and  
Strategies for Transformative Change



FORD  
FOUNDATION

**Dalberg**

Dear Colleagues,

The Ford Foundation is deeply invested in the future of quality work and its global ramifications. As an outgrowth of program work dedicated to this issue, an exploration began in 2015 rooted in the recognition that the dynamics of work are rapidly and exponentially changing globally as relationships between employers and employees become more disconnected and the very nature of work itself is being altered by a steady stream of technological advancements. Program officers from different regions began a dialogue comparing common challenges and potential ideas for collaboration, leading to the formation of a working group — with the Sage Fund participating as a thought partner — to explore a global strategy on quality work issues.

From the start, we acknowledged that barriers to quality work are complex and require systemic approaches to bring about transformative change on a global scale. The foundation's global footprint across eleven regional offices and the cross-disciplinary backgrounds of the program officers provided an ideal platform for an in-depth exploration of this scope. We tested two frameworks that focused on linking interventions across borders: global supply chains (GSCs) and labor & migration (L&M). There was a different organizing principle for each framework. The GSC framework looked at ways to challenge company-worker power structures in the global economy by combining interventions that targeted different levels of the supply chain, from changing the behaviors of lead firms and buyers all the way down to supporting workers in organizing and bargaining. The L&M frame focused on organizing workers across migration corridors to build collective power and support coordinated engagement in global governance and standard setting processes.

The exploration proved fruitful and resulted in an organic, ongoing learning process with partners and grantees. The foundation fostered a “learning by doing” approach by providing general support grants to grantees and creating dynamic feedback loops. We shared questions we were grappling with to the grantees, and insights from the grantees informed our thinking and analysis on the different frameworks.

This report provides a synthesis of the insights we gathered from the work of our partners and grantees, our collaborations with external partners, our research, and the collective knowledge of the program officers involved in the exploration. The program focus of the Ford Foundation has been refined to determine the implications and opportunities of the “future of work” given the momentous shifts underway. There are still many more explorations necessary of these two frameworks and how this will continue to play out around the world, but quite clearly it has had a valuable input into our thinking on the future of work and systemic change. Thus, we believe many of the insights it generated — on the shifting dynamics of quality work, key barriers, and promising interventions — are relevant to other funders that engage with issues of quality work from a range of perspectives. Our hope is that the insights summarized in this report will spur new ideas, necessary innovations, and dynamic conversations in your own work.

Best regards,



Laine Romero-Alston  
Program Officer, Future of Work



## Acronyms

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**ABBG:** Asia Brand Bargaining Group

**AFWA:** Asia Floor Wage Alliance

**BHRRC:** Business & Human Rights Resource Center

**CIW:** Coalition of Immokalee Workers

**CSR:** Corporate Social Responsibility

**ESG:** Environmental, social, and governance

**GCM:** Global Compact on Migration

**GCR:** Global Compact for Refugees

**GSC:** Global Supply Chain

**IDWF:** International Domestic Workers Federation

**ILO:** International Labor Organization

**ILRF:** International Labor Rights Forum

**JwJ:** Jobs with Justice

**MNC:** Multinational Corporation

**ProDESC:** Proyecto de Derechos Economicos, Sociales y Culturales

**UN:** United Nations

**WIEGO:** Women in Informal Employment: Globalizing and Organizing

**WRC:** Worker Rights Consortium

**WTO:** World Trade Organization



## INTRODUCTION

The Ford Foundation undertook a global strategy exploration on the issues related to quality work from 2015–2017, supported by research, strategy, and synthesis from the Sage Fund and Dalberg Advisors. The exploration built off the ILO decent work definition to loosely define quality work as opportunities that provide safe working conditions, a fair income, social protection, and freedom of association and expression. This issue is intrinsically related to other labor topics such as corporate accountability, supply chain transparency, migration, and informality. Throughout this exploration, the Ford Foundation tested a number of different frameworks that could link interventions together. Many of the same barriers and opportunity areas were relevant across frameworks and thus the insights are presented in these categories versus separated into the distinct frameworks. This report synthesizes our insights gathered from grantees, external partnerships, research, and our own knowledge on the trends and barriers to quality work today as well as the opportunities to address quality work challenges.

## TRENDS AND BARRIERS

**Today, an increasingly diverse set of actors influences the quality of work.** Employers determine working conditions for their employees, as well as the extent to which existing labor regulations are recognized and implemented. Lead firms and financial investors influence labor issues through their decisions to place capital in certain businesses, sectors, and geographies, just as consumers can influence labor practices of businesses — especially those that sell directly to the public (e.g., apparel) — through purchasing decisions and other actions. At the global level, multilateral institutions (e.g., the ILO, WTO) play a role in setting binding and non-binding standards that affect labor, although many institutions lack strong tools for enforcement and accountability.<sup>1</sup> At the national level, multiple government bodies establish and enforce regulations that impact labor. Importantly, workers (including those within unions) play a key role in collective bargaining and the enforcement of agreements to improve labor protections.

**Interrelated global shifts are changing the dynamics between these actors.** Over 80% of goods and services are traded through global supply chains (GSCs), resulting in the globalization of both capital and labor. While regulations safeguard global capital, few corresponding regulations protect labor supply chains of workers either within one country or as workers travel across regions in search of work. At the same time, an increasing number of workers sit outside of traditional employer-employee relationships and are part of the growing informal economy. Employers are distributing more tasks to third parties (e.g., via subcontracting, franchising, contingent business models), which shifts risk and liability from

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<sup>1</sup> Multilateral frameworks from the WTO or other trade agreements set terms for economic policy, international trade, and investment, which can sometimes hinder worker organizing or sometimes include labor standards without the means to effectively enforce them.



lead companies to sub-contractors and workers themselves. This “fissuring” of the workforce often comes with less job security, lower wages, fewer or no benefits, and the lack of collective bargaining rights. The exploration noted that GSCs are both causing and taking advantage of increased informality in labor. The rise of complex GSCs — which involve many layers of sub-contracting below multinational companies (MNCs) — drives increased fissuring. At the same time, local producers in GSCs increasingly contract/engage low-wage informal, contingent, and migrant workers to drive down costs. Technology is becoming increasingly important in the quality work field, creating both positive (e.g., sectoral growth, new forms of organizing) and negative (e.g., decreased bargaining power for workers, decreased employer investment in workforce, loss of “good” jobs, and jobless growth) impacts.

As a result of these dynamics, existing barriers to quality work have grown more entrenched across many regions of the world. The figure to the right illustrates the actors that influence quality work and the barriers that exist today.

- *Companies have more power than workers — and many are not held accountable.* While this dynamic has always existed, the imbalance has become more severe in fissured, globalized workplaces. Moreover, company business models that shorten production cycles (e.g., “fast fashion”) are driving down working conditions. Company reliance on voluntary codes and monitoring over the past few decades has failed to prevent this erosion of labor rights and protections.
- *Investor expectations are increasingly calibrated to short time horizons, driving many business decisions to shortchange labor rights and protections in favor of profits.* Investor focus on quarterly returns (“short-termism”) shifts incentives in a way that negatively influences many company practices and behaviors related to labor. Although there is growing interest in socially conscious investing, few investors consider labor dynamics within their focus sectors and/or how to change them as part of their environmental, social, and governance (ESG) metrics.







- ***There is a lack of global governance to protect labor.*** Although capital and workers increasingly move across borders, labor regulations are largely limited to the nation-state level. Existing international legal architecture (e.g., international investment agreements) creates binding arbitration mechanisms that privilege corporate interests over worker standards and protections. While multinational institutions (e.g., ILO, UN) are working to set standards, they are limited in their abilities to create binding and enforceable agreements without buy-in from governments or corporations.
- ***At the national level, governments have not always upheld or improved labor standards.*** The mobility of global capital allows firms to easily move operations across borders in search of cheaper labor or more favorable tax or regulatory systems. Therefore, if one country raises labor standards, it risks the loss of business, investment (“capital flight”), and jobs to another. This dynamic — a tension between the quantity and quality of jobs — often incentivizes governments to reduce legal protections for labor and/or fail to enforce labor regulations to attract investment needed for economic development and job growth.<sup>2</sup> Moreover, because of decades of austerity measures and declining investment in public sector capacity, many countries are unable to adequately enforce existing labor standards at scale even when political will exists. Other factors — such as consumer advocacy — are often not enough to change these incentives and realities.

**A workforce that is physically, organizationally and legally removed from its ultimate employers is often limited in its ability to enforce labor standards and to collectively bargain.** Workers are also increasingly barred from fundamental labor rights like freedom of association, collective bargaining and the right to strike, as part of the current global crackdown on fundamental human rights known as “closing space for civil society.” Overall, this leaves workers with diminished power to negotiate standards, ensure protections, and participate fully and fairly in the global economy. These challenges are heightened for informal and migrant workers as well as others that face discrimination based on race and gender.

**Efforts to support workers, migrants, and other vulnerable groups are often siloed.** Shifts in the movement of capital and workers involves a set of interrelated changes in policy and practice. Yet, the movements and organizations to address these changes do not always work together. Greater alignment is needed to coordinate and scale up efforts to impact global actors.

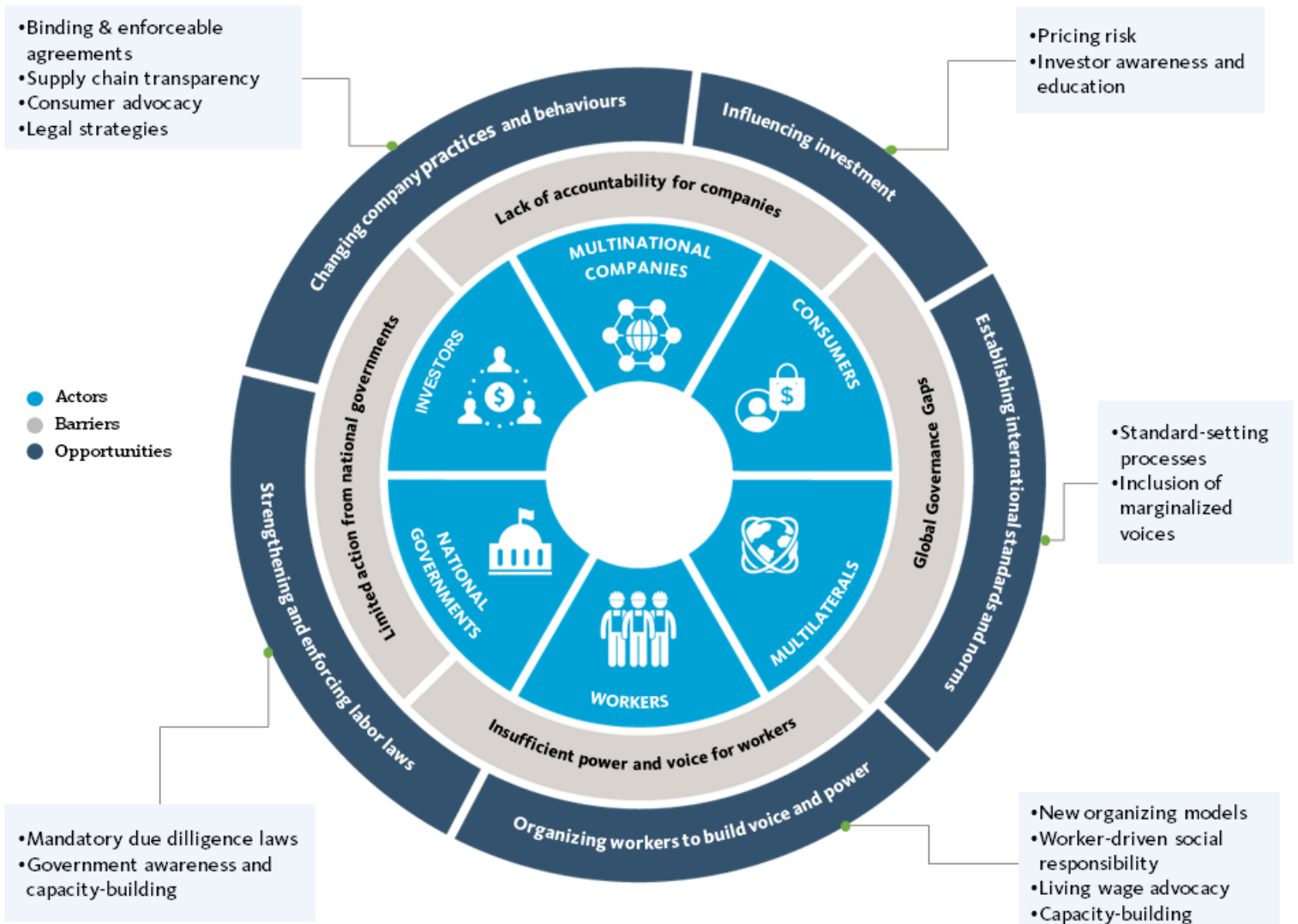
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<sup>2</sup> There was some disagreement over the degree of agency governments have: some grantees characterized some governments as “choosing the low-road to development” and “governments and corporations effectively working together to diminish labor standards” while others called this a “rational economic decision” given a country’s need to have competitive export goods to grow its economy.



## OPPORTUNITY AREAS AND ENTRY POINTS

The exploration identified five opportunity areas (i.e., broad ways to influence the system), each with specific entry points (i.e., interventions to pursue). These opportunity areas map to the key barriers discussed above – but the relationship is not one-to-one. Rather, each opportunity area addresses several barriers. Although some of the entry points below were not fully tested given the timeline and approach of the exploration, organizations working on quality work may find these insights useful as they move forward in their work. The figure below illustrates how each opportunity area relates to the different actors and barriers.





## I. Changing company behaviors and practices

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**In order to change company behaviors, a combination of push and pull entry points can be useful.** Overall, a market-centric and tailored approach is essential. Specifically, the potential financial risks (or rewards) of ignoring (or addressing) labor and human rights violations within supply chains can help bring companies to the table and motivate action.

Key entry points to changing company behavior include:

- ***Binding and enforceable agreements.*** The most common binding and enforceable agreements are traditional workplace-based collective bargaining agreements. These agreements between global, national, and local unions and employers remain relevant and critical for workers around the world. There has also been a move towards ‘worker-led’ binding agreements that utilize the market power of lead firms to compel change in the practices of numerous individual employers within their supply chains. These agreements are more efficient than bargaining with individual employers for improved labor standards and they are becoming an effective alternative to voluntary corporate social responsibility (CSR) programs which have been generally recognized as ineffective. One example is the Accord on Fire and Building Safety in Bangladesh created in the wake of the 2013 collapse of the Rana Plaza building in Dhaka, which killed more than 1,100 garment workers. The Bangladesh Accord is an agreement between global brands, retailers, and unions with an independent inspection program, buyer funding for remediation of safety hazards, and a buyer obligation to stop doing business with factories that refuse to operate safely. The Accord’s creation was spearheaded by the Worker Rights Consortium, the International Labor Rights Forum, and other NGOs, working in tandem with global and Bangladeshi labor unions. Since 2013, the Accord has spurred more than 100,000 safety renovations and upgrades in factories employing 2.7 million garment workers. In the US, the Coalition of Immokalee Workers’ Fair Food Program is a model partnership among farmers, farmworkers, and retail food companies to ensure humane wages and working conditions for workers who pick fruits and vegetables on participating farms. The program started when farmworkers pressured Yum brands to pay higher prices for the produce used in its chains such as Taco Bell in order to ensure a better wage for farmworkers. Now, dozens of other buyers such as Whole Foods, Trader Joe’s, Chipotle, and Walmart have signed up to the program and committed to purchase specific produce items only from suppliers that comply with labor regulations and protections. Considered an international benchmark for worker-led agreements, the Fair Food Program ensures that suppliers pay a living wage to workers, educates workers on how to monitor working conditions, and has a clear complaint mechanism that can lead to suppliers being dropped by buyers if they violate conditions. While there has been limited testing on how to scale and replicate binding agreements, the exploration identified a few best practices highlighted in the table below.





## Focus: Best practices for worker–led binding agreements

Best practices for winning support from lead firms and employers:

- **Leverage consumer campaigns.** Experts highlighted that consumer campaigning can apply pressure to companies to negotiate and enter into binding agreements — as was the case with the Bangladesh Accord and the Fair Food Program.
- **Frame binding agreements as a mechanism to manage risk.** Binding agreements should be presented as a way for lead firms to manage their business risks (e.g., strategic and operational risks, human capital and human resources risks, reputational and brand risks, investor or financial risks). In the words of one grantee, “from a corporate perspective, labor rights are reputational risk. The key is to convince companies that effective management of reputational risk means being a part of agreements that are binding and enforceable.”
- **Use evidence to solicit buy-in and create a demonstration effect.** Recent research by Rick Locke, Provost and Professor at Brown University, found that suppliers that stay in compliance with labor regulations earn a premium in the long term. Specifically, the study found that achieving compliance was associated with a 4% average increase in annual purchasing for a manufacturing establishment.<sup>3</sup> This type of evidence is critical in helping convince employers that labor rights improvements are economically and financially viable.
- **Move from the low road to the high road.** Other interventions can also lay the groundwork to create a binding agreement. Specifically, building reform momentum around the most egregious issues and “low-road” business practices — i.e., forced labor — can lead to greater supply chain transparency and human rights due diligence. Binding agreements can then be framed as the next step on the rights ladder to “high-road” business practices. Moreover, the transparency and accountability infrastructure built to track compliance with these initial “low road” issues can be applied to other quality work concerns, like living wage standards or overtime abuses. This strategy was not fully tested through the exploration.
- **Engage local governments to mitigate concerns.** Local governments might stand in the way of binding agreements for fear they would raise labor costs and undermine the competitiveness of exports. Successful binding agreements like the Bangladesh Accord have dealt with these concerns by having firms contractually commit to *not* lower the quantity of their orders from national factories in the face of new labor protections.

<sup>3</sup> Rick Locke, “Does Compliance Pay? Firm-level Trade and Social Institutions,” 2016



Best practices for implementing programs:

- **Binding agreements should be worker-led.** For agreements to be truly worker-led, it is important to involve workers and worker organizations at all levels of developing, monitoring and enforcing the agreements. Workers can help identify issues, solve problems, and ensure enforcement. The involvement of many workers also mitigates the risk that any individual worker does not speak up due to fear.
- **Ensure binding legal arbitration.** For a binding agreement to have “teeth,” workers must have clear legal channels to activate if the agreement is violated. Agreements should require firms to halt business with suppliers that refuse to meet standards. These requirements are also necessary to demonstrate effectiveness to workers and encourage workers to participate.

Grantees noted that one approach that does *not* work is to try to implement aspects of binding agreements piece-by-piece (e.g., inspection, renovation). As an example, this can lead to implementation of building and fire inspections — but without mobilizing the capital to fix the problems identified. Given binding agreements are a new model with demonstrated efficacy, there is a need to further develop ways to replicate and scale them.

- **Supply chain transparency.** Transparency is not a goal in and of itself, but rather is an important entry point to support other interventions. Transparency can build awareness across lead firms (which are sometimes unaware of the labor practices of their producers); provide data to support labor organization advocacy and monitoring of supply chains for compliance with international standards; and create the environment necessary for developing binding and enforceable agreements. For example, the Business & Human Rights Resource Centre (BHRRC) tracks over 7500 companies in over 180 countries based on their human rights performance. There are also untapped opportunities for labor rights organizations to make better use of transparency data to support their campaigns. When transparency work is done in deep coordination with worker organizations, it is more likely to be successful and produce information that builds worker power. Technology will accelerate and create opportunities in this area. Ultimately, transparency-related interventions must have sufficiently meaningful legal, monetary, or reputational downsides if they are to bring about change.
- **Consumer advocacy.** The exploration’s grantees had conflicting opinions on the power of consumer advocacy to change lead firm behavior. In general, it was noted that consumer advocacy has historically been an effective tool in driving change – particularly focused on eliminating the worst forms of abuse (e.g., child labor). However, it was noted as less effective for the more complex business model challenges in today’s global economy (e.g., “fast fashion,” which requires quick turnarounds from workers), given that consumers have limited knowledge / awareness of these issues. The Worker Rights Consortium



(WRC) — an exploration grantee — has worked with institutional consumers such as universities and city governments that license their brands to firms in the apparel industry. By conditioning licensing agreements on the use of suppliers that respect human rights, institutional consumers can leverage their sizable orders to change the practices of lead firms. In recent years, the WRC, with backing from student activists, has used this form of consumer leverage to compel major improvements at dozens of major garment factories in Asia and Latin America, on issues such as the right to organize, wage theft and gender discrimination. One grantee noted the importance of calling out both good (e.g., as exemplars) and bad (e.g., “naming and shaming”) company practices to guide consumer advocacy efforts and build broad-based consumer activism campaigns.

- **Legal strategies to change behavior.** Another entry point is legal action to ensure compliance and enforcement of agreements and labor standards. While some of the above approaches may bring companies to the table, companies' behavior may not always change and thus legal actions (or even campaigns that threaten legal actions) can be effective. Litigation has often focused on poor working conditions (e.g., survivors of a factory fire in Pakistan have taken legal action against the German retailer that sourced from the factory in order to claim damages from inadequate fire safety measures<sup>4</sup>) and modern slavery practices (e.g., lawsuit against Costco for having forced laborers producing materials in their supply chain in contrast to Costco's public commitments to eradicate forced labor<sup>5</sup>). Worker and migrant organizations are also collaborating with lawyers to support protections for human and labor rights defenders.

## II. Influencing investment

Although this opportunity area was not fully tested given the timeframe of the exploration, it has untapped potential to drive quality work, and merits further efforts by other funders that also use market-based approaches in their work.

Two promising entry points are:

- **Pricing risk.** If human capital risks (e.g., the risk that labor conditions or discriminatory workplace practices affect operations and/or investment performance) are defined and priced, investors can easily factor the financial risk into their decisions (unlike ESG considerations, which are sometimes siloed in such a way that they do not influence decision making).<sup>6</sup> Firms have an opportunity to develop a better understanding of human capital risks and to build internal capacity to calculate this risk.

<sup>4</sup> Kik Lawsuit Overview, Business and Human Rights Resource Center Website

<sup>5</sup> Costco Lawsuit Overview – Thailand Fishing, Business and Human Rights Resource Center Website

<sup>6</sup> Within organizations that do focus in-depth on ESG issues, the labor components of these programs and policies are often weaker than the environmental or sustainability components that often have clear, measurable targets.



- **Investor awareness and education.** There is an opportunity to better educate investors — especially those with a focus on impact — on labor issues. Many investors do not understand the full labor dynamics of the industries they work in (e.g., how short lead times in apparel drive down quality work). As a result, they focus too much on screening out “bad apples” (e.g., companies using forced labor) rather than using their leverage to transform industry practice and business models via a “labor lens investing” approach.<sup>7</sup>

Other entry points highlighted include shareholder advocacy, investment screens, investment and divestment campaigns,<sup>8</sup> documentation of purchasing practices and procurement strategies, and transparency and disclosure initiatives and requirements.

### III. Establishing international or transnational standards and norms

**Global standards and norms can promote labor rights and protections — but face many limitations.** International processes are slow, and resulting standards do not always translate to impact at national and local levels. However, even “soft law” standards can open global conversations on marginalized issues (e.g., informality), build solidarity between workers across contexts, and create the basis for national “hard law” labor rights legislation in countries around the world. Specific entry points include *standard-setting processes* (i.e., the 2016-2017 ILO process on decent work in GSCs, the UN’s Global Compact on Migration and Global Compact on Refugees, the UN Binding Treaty on Business and Human Rights, and the ILO’s work towards a standard on violence and harassment against women and men in the world of work) and the *inclusion of marginalized voices*. The International Domestic Workers Federation (IDWF), Women in Informal Employment Globalizing and Organizing (WIEGO), the International Labor Rights Forum, Solidarity Center, and the Global Labor Justice Project have been collecting and elevating worker voices to global forums, and have incorporated worker perspectives into regional and global policymaking processes. For example, IDWF, WIEGO and the International Union for Food and Allied Workers worked together to pass the ILO’s Convention 189.<sup>9</sup> This was the first set of international standards on decent work for domestic workers and is now ratified by nations across the world. The Global Labor Justice Project used in-depth research into structures of gender based violence in the garment sector to advocate for supply chain governance and migrant worker protections at the ILO and to win commitments from major brands. More recently, IDWF included domestic workers as a dedicated agenda item within the Abu Dhabi Dialogue on labor migration issues. Once these international standards are in place, organizations can use them to support advocacy at the local level, thus creating a circular influence sphere between local and international bodies.

<sup>7</sup> Investor engagement directly with companies to influence the company's practice in regard to human capital practices.

<sup>8</sup> Directing investment toward more positive, decent work investments and away from investments that do not protect labor rights

<sup>9</sup> The IDWF was formed out of the campaign for C189 with support from WIEGO and IUF, a unique collaboration between an NGO and a Global Union Federation. During the campaign, IDWF was an informal network. It was formally launched in 2013.



## IV. Strengthening and enforcing labor laws

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**It is critical to engage with governments to fix policy failures, hold companies accountable, and support workers — both within countries and across borders.**

Cross-border standards and enforcement mechanisms are increasingly relevant for policy interventions such as work visa portability (i.e., allowing guest workers to change employers without losing immigration rights) and restricting abusive labor recruitment practices. As one example, ProDESC has taken a “corridor approach” with its RADAR program. RADAR collects information about labor rights abuses during the recruitment process for temporary workers along the Mexico-US migration corridor and notifies employers and government agencies responsible for enforcing labor standards in both home and host countries. If the abuses are not remedied, employers in the United States can be held accountable under US joint liability law for abuses committed by the labor recruitment services they use in Mexico. Grantees and experts also noted the importance of government in holding MNCs and other employers accountable — in addition to private company compliance systems. Specific entry points include *mandatory due diligence laws* to increase accountability for MNCs and investors domiciled within a country’s borders — for example, France’s 2017 supply-chain transparency law<sup>10</sup> — and *government awareness and capacity-building* to support government efforts to strengthen and strategically enforce their labor laws. For instance, IDWF has tested how to best share information with policymakers to build awareness of the value of domestic work in their society and utilize ILO Convention 189 to establish and creatively enact standards in this disaggregated workforce. Ultimately, workers are key to strengthening and enforcing labor laws. Worker organizations hold employers and governments accountable to rights violations and proactively advocate for pro-worker reforms on the national and global level.

## V. Organizing workers to build voice and power

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- ***New models of organizing workers.*** The exploration generated insights about new forms of transnational organizing beyond traditional structures, highlighting the importance of coordinating action along migration corridors, expanding collective bargaining and action in regions where it is limited, and building power along supply chains. For example, Jobs with Justice’s “Change Walmart, Change the Economy” campaign moves beyond organizing Walmart associates and actually links them with local community groups to deploy a range of interventions from worker advocacy, community mobilization, and shareholder activism, in order to collectively change dynamics across the supply chain. This has helped drive wage increases for employees in some locations. Grantees highlighted that much of the innovative organizing in multiple sectors is led by migrant women. IDWF has built a federation led by migrant women domestic workers which

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<sup>10</sup> France’s law requires large companies to develop, implement, and publish their plans to identify risks and prevent infringements on human and labor rights in their subcontractors’ operations, based on the UN’s Guiding Principles on Business and Human Rights.





integrates an analysis of gender and migration deeply in its labor work. The Global Labor Justice Project brings together groups organizing temporary guestworkers with those working on supply chains from a labor perspective. Informal workers face unique constraints that must be addressed differently. The box below highlights some of these unique strategies.

## Strategies to improve quality work for informal and migrant workers<sup>11</sup>

**Most workers are not in a formal employer-employee relationship: today, there are two billion informal workers, representing 61% of the global workforce.**<sup>12</sup> This informality manifests differently depending on local context, including level of economic development. For example, in the Global South, a growing number of these workers are self-employed (e.g., street vendors, waste pickers); in the Global North, an increasing number of workers are engaged in informal wage employment (e.g., day laborers, domestic workers).

**However, informality itself is not a challenge; rather, the lack of rights and protections for these workers — and the stigma surrounding informality — is impeding quality work for billions of workers around the world.** Informal workers face a myriad of challenges. First, the marginalization of informal workers begins with the structure of employment laws and statistics, which tend to be predicated on the binary idea of unemployment or wage/salary employment. This complicates both the enforcement of labor protections for informal workers (e.g., domestic workers and farmworkers are often not included in labor agreements) and efforts to track and understand the informal economy. The lack of rights and protection also leads to exploitation. For example, firms in GSCs contract or engage informal workers, who are paid less than formal workers in similar roles and rarely have the right to collectively bargain for better terms of employment. This transfers much of the risk and cost of production to informal workers and increases the value captured by firms. Outside of GSCs, governments penalize or criminalize forms of informal self-employment (e.g., imposing stringent licensing quotas for street vendors) in an ineffective attempt to encourage formalization.

**In addition, migrant workers — who are also often informal — face unique challenges.** Economic migrants face restrictive government guest worker policies and abusive recruitment practices (e.g., debt bondage to employers linked to repayment of high recruitment fees, employer control of passports and work authorizations). Many national migration systems are broken — protecting national security vs. being responsive to labor

<sup>11</sup> This colloquially refers to workers in non-standard employment relationships. Refer to the ILO for official definitions of formal and informal employment.

<sup>12</sup> WIEGO interview, 2018. Official report to be released.



market demands. As a result, economies need labor, but cannot bring workers in through legal channels. Thus, many work in the shadows as undocumented laborers. This leaves them vulnerable to violence or deportation in retaliation for organizing.<sup>13</sup>

The exploration identified a number of best practices to support informal workers:

- **Collect and disseminate data.** Given that many informal workers are invisible, it is important to shed light on who they are. For instance, WIEGO has a dedicated statistics program to capture the size, composition, and contribution of informal workers as well as the challenges they face.
- **Capture and elevate voices.** openDemocracy uses technology and media to aggregate and share worker voices.
- **Link local groups to national, regional, and global structures.** Federations of informal workers, such as such as IDWF, Street Net International, and regional HomeNets — supported by WIEGO — are organizing workers at the local level, connecting them across borders, and linking them to international structures. The WIEGO Network has helped build and strengthen these federations as well as an informal Global Alliance of Waste Pickers. The International Labor Rights Forum also connects grassroots organizing to transnational campaigns that support workers.
- **Facilitate exchange of lessons learned. Learning from other workers can be a powerful tool.** For instance, the Solidarity Center (affiliated with the AFL-CIO) has vast experience organizing workers around the world, which enables rich cross-border learning. In the MENA region, they supported the execution of a collective bargaining agreement with Moroccan workers and their agro-industry employer - learning across local workers' groups and in partnership with formalized workers' unions. Local officials such as the Ministries of Labor or others are part of these efforts to build partnerships. The Solidarity Center was able to bring in its global experience, but customize it to the local context. The WIEGO Network facilitates exchanges between informal workers across the three regions of the Global South.
- **Support capacity building and programs for worker organizations.** Informal workers often need to use different organizing approaches, interventions, and tools. IDWF has modeled a set of interventions that can improve conditions for domestic workers. Some examples of promising interventions include implementing household/employer inspection programs to ensure regulatory compliance, organizing in high-income communities and working through landowners' associations to reach multiple employers at once, giving domestic workers "wage cards" with guidance on how to ask for higher pay, providing skills training to workers, and engaging policymakers to

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<sup>13</sup> Program Officers noted it is important to distinguish between economic migrants and refugees, as they face distinct challenges. The exploration focused more on low skill and low wage migrant workers.



demonstrate the value of domestic workers. The WIEGO Network has developed and supported innovative models of extending access of public space for street vendors, access to public services for home-based workers and access to public procurement bids for waste pickers.

- **Match programs to sector needs.** Informal workers are often in a range of different sectors that require different approaches. While domestic workers might need to be organized in collectives as above, street vendors need advocacy on land use policy and ability to work in public spaces.
- **Worker-driven social responsibility.** As highlighted above, worker-driven models that include binding and enforceable agreements that emphasize transparency and extend protections to the most vulnerable and lowest-wage workers in GSCs are particularly important.
- **Living wage advocacy and regional bargaining strategies.** Grantees identified the concept of a living wage as an effective organizing point for transnational labor activists—as many standards need to be applied and enforced across supplier networks and country borders given the rise of complex GSCs. It is also important to raise wages across GSCs to avoid “capital flight.” As one example, the Asia Floor Wage Alliance (AFWA) has advocated for a “floor wage” in the apparel industry — a set wage for garment workers across Asia that is enough to live on.<sup>14</sup> AFWA also created the Asia Brand Bargaining Group (ABBG) to organize groups of Asian unions to enable greater coordination and regional bargaining strategies that reinforce national priorities. Overall, living wage advocacy has been an effective entry point to build power across GSCs in a way that recognizes the reality of how the global economy is structured. Floor wages have the potential to be further replicated in other regions and sectors.
- **Capacity building via international structures.** Grantees noted throughout the exploration that strong local institutions are the foundation of efforts to organize at regional and global levels. Therefore, international worker organizations, federations, and their supporters (e.g., WIEGO, Solidarity Center) have collaborated with local worker groups to build their capacity to collectively bargain and advocate at both the local and international level.

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<sup>14</sup> The 2017 Asia Floor Wage is PPP-adjusted USD 1181.



## NEXT STEPS FOR THE FIELD

The global economy benefits from workers that engage in quality work, yet at the same time, the changes in the global economy are creating barriers to this work. Systemic approaches to address these barriers in a coordinated manner are essential.

While this report provides useful insights for other funders in this field, there is a need for more coordinated action amongst donors and others working on the issues of quality work broadly. There is an opportunity for organizations that work on specific fields of human rights and labor rights to join together to create transformative change. Increased collaboration will help to develop innovative new entry points and incorporate intersectional issues — gender, migration, informality — that touch different fields.



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Srinivasan Iyer, Program Officer, India, Nepal and Sri Lanka  
Xav Briggs, Vice President, Inclusive Economies and Markets

## List of grantees involved in exploration

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Business and Human Rights Resource Center  
CAMMINA  
Fair Food Standards Council/Coalition of Immokalee Workers  
Global Labor Justice Project  
International Domestic Workers Federation  
International Labor Rights Forum  
Jobs with Justice  
openDemocracy  
Pennsylvania State University  
PODER  
ProDESC  
Solidarity Center  
WIEGO  
Worker Rights Consortium