

INFORMAL ECONOMY IN A GLOBALIZING WORLD: PERSPECTIVES OF SLUM COMMUNITY IN BANGKOK

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Abstract

The present study analyzes the impacts of global economic restructuring on labour and life of low-income residents based on a case study at communities in Bangkok. Labour is a key interaction between macro economic restructuring and people's livelihood. Changes in 'job opportunities' of low-income residents will be examined through field survey on their life course and job experiences.

Contrary to earlier discussions by the development studies, the informal economy has expanded as globalization has been proceeding. This phenomenon is not only observed in the Third World, but also widely seen in developed countries. As for Thailand, the informal sector which has been in existence for a long time is still widely observed. At the same time, especially after economic crisis in 1997, the informalization of the formal sector is increasing. These two phenomena are now coexisting.

Informal sector is generally recognized as a social safety net for a crisis period. However, field survey revealed that it is not a temporary shelter but a life-time work for some workers. Moreover, the expansion of the informal sector is leading more severe competition among informal sector workers over market and source of works. This should result in significant socio-economic disparities within the informal sector and limiting its function as a social safety net. These disparities are the cause of the different level of workers' strength to correspond and cope with changes and increased competition.