

FIVE YEARS AFTER DEMONETISATION

Five years on, India's sex workers are yet to recover from demonetisation's devastation

The stigmatised and marginalised group, which lacks access to formal banking, was one of the worst-hit following the note ban.

Veshya Anyay Mukti Parishad

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Pai Pillai/AFP

Even after five years since demonetisation was announced in November 2016, India's sex worker population has not found the respite that the government had promised to the citizens. The past five years have been a period of turmoil for informal workers in India, more so for migrant workers and workers from marginalised communities.

In Sangli, Maharashtra, seven members from a sex-worker lead collective Veshya Anyay Mukti Parishad recorded experiences with the demonetisation and what has happened since.

The immediate impact of demonetisation on the sex worker community, their families and support systems was felt on the streets. Overnight, the number of customers dwindled because they did not have cash. People did not have the money to spend on sex workers and soon, they were unable to earn more than Rs 1,000 a day. The rates of their services decreased.

Five years after demonetisation

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“Customers started coming with the [banned] Rs 500 note that we could not accept,” Maya, a sex worker from Sangli said. “Had we known that such a move was coming, we would have been prepared. Once the new notes came, we did not know how to withdraw them, we did not even know how they looked and this confused us”.

Financial woes

Following the note ban, sex workers could not use a lot of the money that they had already saved. The biggest problem that the group faced was an inability to pay bills, school fees and medical expenses.

Since there was so much confusion regarding old notes and new notes, giving them back to the bank and lack of knowledge about what would happen if they were not exchanged, a lot of people were left with a currency that had no value anymore.





Demonetisation had resulted in long queues at banks to exchange currency notes. Photo credit: AFP

“A woman I knew went to her village before demonetisation,” said Kiran Deshmukh, president of the National Network of Sex Workers and Veshya Anyay Mukti Parishad. “She had more than Rs 25 thousand in Rs 1,000 notes. She was not able to submit them to the bank and now those notes are with her.”

“We were forced to wait in queues at the banks for withdrawal,” Deshmukh said. “I feel that only working-class people suffered. I have not seen any political leader facing the same problems.”

Sex work, sex workers and by extension people in allied work, are stigmatised and marginalised. Transgender sex workers were targeted and false information was spread that transgender people have more money than other people, making them a direct target for more stigmatisation. At the same time, there were housing schemes that were announced but they did not materialise. Gas subsidies were removed and prices increased. This made them feel that their real issues with money and liquidity were left unaddressed.

Many sex workers do not have documentation or bank accounts, and this issue was most prominent when demonetisation began. Many are still grappling with it in Covid-19 times. Most women keep cash in their homes, in someone else's house or someone's bank account. During this time, people took commissions of Rs 20 to give Rs 100 in cash or exchange cash. Meanwhile, moneylenders were demanding a 10% more interest on loans sex workers were given, while at the same time, the strict rules around cash withdrawal and deposits made liquid money a limited asset.

Privacy and stigma

Since PAN cards are usually linked to bank accounts, sex workers had to give their real names and information to

access money. This is very dangerous for the group as they are already heavily stigmatised and criminalised for the work they do. If people find their details, they are in danger of harassment. There is no way for them to keep their privacy intact and ask for confidentiality from the bank.



There is a lack of safety for sex workers at their workplaces. Photo credit: Pal Pillai/AFP

People who did not have documents could not access bank accounts. At a time where people had to stand for anywhere upwards of three hours in an ATM line, not having a bank account or any access to non-liquid money was particularly

hard. To avoid all the problems at the bank, several women preferred to keep their money in their rooms. A lot of their money was stolen from the rooms.

“We faced major problems in paying for our children’s education,” said Ayesha Rai, a coordinator at the National Network of Sex Workers and a member of Veshya Anyay Mukti Parishad. “I feel that since demonetisation, people do not have as much money as they had before. Earlier moneylenders were giving money without any obligations, but now due to demonetisation, they keep some security deposits. For the second vaccination as well, many women were asked for bank details.”

One of the problems with the profession is that there is a lack of safety for sex workers at their workplaces. Not only do they get a lot of unknown customers, but robberies have also increased. They are helpless against customers they do not know and without the support of their networks, it gets difficult to remain safe while at work.

Lack of information

Moreover, many sex workers have, due to lack of knowledge about online transactions, been misled and caught for fraud.

Customers also used this strategy to cheat the sex workers.

The demonetisation move affected the communities of people and support networks that assist sex workers to work safely. Because of the Rs 3-lakh cash transaction limit, a lot of the agents' work increased. As customers were giving Rs 2,000 notes, the agents were unable to get change. They felt that the government forgot to keep in mind that regular working-class people will suffer greatly due to the demonetisation move.

“We do not feel it helped in declaring the black money,” said Sudhir from Muskan Sanstha, Sangli. “We still feel like there is no money on the streets. The government did not explain the details of black money they received after demonetisation.”

“We do not know if the digital systems created to reduce corruption have reached the grassroots at all, and we do not feel like demonetisation was useful for the general public,” Sudhir said. “Because of the lack of information reaching us at our local level, whatever was planned did not reach us and we were left with less work, less money and less information.”

Through our collectives, we have been addressing some of the issues that cropped up from demonetisation and worsened during the pandemic. One such initiative is the Sahayak Sethu (Help Desks) that were set up across our member states. Since November 2020, over 25,816 people have been through 34 help desks. Around 24,414 people have been surveyed across communities and 1,500 have been assisted with accessing government welfare schemes and citizenship documentation.

We have been working continuously on evidence building, compiling case studies and doing community-led research work to tackle the on-ground financial and social situation of our members. Onward to more secure futures.

Veshya Anyay Mukti Parishad is a collective that works to empower sex workers.

This article is part of a series looking back on five years of demonetisation prepared by the Centre for Financial Accountability. Read the entire series [here](#).

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