Report on the Roundtable "An African Precariat? Informal workers and inclusive development in Africa"

African Studies Centre, Leiden

15 December 2015

Introduction

The African Studies Centre (ASC) in Leiden, the Netherlands, hosted the third international roundtable on labour issues in Africa, entitled *An African Precariat? Informal Workers and Inclusive Development in Afric*a on 15 December 2015. The 2015 Roundtable was organised in cooperation with the School of Oriental and African Studies (SOAS) in London and generously supported by WOTRO. The event brought together 30 participants: researchers from various European and African institutes; trade unionists from Ghana, Benin, Zimbabwe and Kenya, as well as representatives from various trade unions in the Netherlands and Belgium.

Prominent scholars, Guy Standing (SOAS) and Jan Breman (UvA), defended their conceptual frameworks on the emerging 'Precariat' and 'informality', respectively, and portrayed how these concepts can help us to understand realities of workers and labour movements in Africa. The theoretical debate was complemented with grounded insights on labour organisations in the informal economy in Ghana by Dorcas Ansah (WIEGO), an expert in informal labour relations and organisations. In the afternoon three case studies where presented to shed more light on the relevance of the concepts 'Precariat' or informal workers for understanding current labour issues on the continent. Consecutively, Zjos Vlaminck (ASC) presented preliminary insights from fieldwork conducted by herself and Kassim Assouma (ASC) in two of West-Africa's most bustling markets: Makola in Accra, Ghana and Dantokpa in Cotonou, Benin. Tim Pringle (SOAS) presented his work on the translation of Chinese labour relations in Africa and Mark McQuinn (SOAS) closed the roundtable with a presentation on the relation between FDI and decent work in Tanzania, specifically focussing on women and youth.

What follows are some key insights and discussion points, which emerged during the 2015 roundtable. The full presentations can be found of the Roundtable's webpage.[1]

Summarising the debate between Breman and Standing

Despite differences in their perspectives, Breman and Standing share common ground on some issues regarding the trajectory of labour relations over the last forty years. Both writers argue that labour is becoming indebted. There has been a return to bonded labour and unfree labour relations. Labour has lost

[1] http://www.ascleiden.nl/news/round-table-african-precariat-africas-informal-workers-and-inclusive-development

the chance to move around freely, as workforces are becoming bonded to employers. Second, it is necessary to take a global perspective on labour and to move beyond a nationally based approach. The global economic and political landscape – featurign the hypermobility of capital - is important to analyse.

However, there are differences between the perspectives of Standing and Breman. Standing's views are based on the argument that the *precariat* exists as an indentifiable class within the workforce globally, which has different relations of production with representatives of capital and the state compared to the old working class. Unlike, the old working class, the precariat has no occupational identity and is exploited in different ways inside the workplace and outside. The precariat relies only on wages and gets no aspects of the social wage, such as state or enterprise benefits. Furthermore, the precariat is the first group to lose the rights of citizenship gained by the working class during the period of the welfare state. This has created the defining characteristic of members of the precariat – they are supplicants, who have to beg for charity.

In contrast, Breman argues that while precarity exist, there is no *precariat* as a definable group. Breman prefers to use the term *informal labour*. For Breman, it is not tenable to claim that those on temporary and part-time contracts will forge a single class (*the precariat*) with interests radically distinct from full time or unionised workers. In Breman's view, Standing entrenches divisions between different fractions of the working class by positing the existence of the precariat as a separate class. This is not helpful in overcoming the current fragmentation of the labour force globally. Asccording to Breman, there is a need to develop strategies to underline the commonalities between different forms of labour. Alliances between the formal and informal sectors should be developed and conflict between reserve armies of labour competing for jobs must be avoided.

Ansah – Informal Labour in Ghana: Key Issues

The informal sector makes up 90 per cent of the total labour force in Ghana. Self-employed workers in the non-agricultural sector in Ghana make up 27 per cent of the total labour force, of which 23 per cent are own account workers. However, workers are in the informal economy only contribute 40 per cent of the national income. This is because informal jobs are low paid and there is little job security.
The informal economy has existed for a long time in Ghana and, for Ansah, the precariat is a term that does not apply to the workers within this sector. Informal labour is a better term than the precariat in the context of Ghana.

Trade unions are important, as they have the power to represent workers in the national discourse on labour, where informal economy workers have a weak voice.There is a need for the Trade Union Congress (TUC) of Ghana to take the informal economy more seriously than is the case currently. The present activities of the TUC in relation to workers in the informal economy are mostly aimed at the upper levels of the sector – musicians, for example. Musicians are easy to work with, as they are a visible and articulate group. The TUC has more difficulty in reaching the lower levels of the informal economy, where groups of workers are not visible or easy to work with effectively. It is important to highlight the context-specific nature of work in the informal sector in Ghana, rather than to focus on universal features.
The TUC needs to work together with other stakeholders, such as academia and practitioners, to give a voice to informal economy workers. The TUC has a national platform and must use this to help workers in the informal economy. Support from other civil society organisations is important in assisting the efforts of trade unions to represent the interests of workers in the informal economy effectively. Capacity building is necessary and is a vital area of work in relation to the informal economy.

Labour Movements and Inclusive Development – Empirical Evidence

Zjos Vlaminck (ASC) presented some of the preliminary findings from the research project 'Increasing Political Leverage of Informal and Formal Workers' Organisations for Inclusive Development: The cases of Ghana and Benin', which is funded by the Dutch Ministry of Foreign Affairs. She shed light on the history of organising in the informal economy in Ghana and Benin and described how "informal" workers' organisations emerged as a side effect of the British and French colonial labour policies, as they only legalised trade unions of workers in a wage-labour relationship. At present there is a myriad of organisations in the informal economy, partially driven by the wide-adherence to the decent work agenda. She, however, posed the question whether these organisations form a counter-hegemonic power, forging a common identity into collective action? And if they are contributing to inclusive development? Based on the research conducted by herself at Makola market in Ghana and by Kassim Assouma (ASC) in Dantokpa market in Benin, she highlighted several challenges faced by market associations: the lack of a shared identity and progressive social agenda/vision; power struggles amongst various associations spurred by donor relations; and the un-conducive clientelistic political system. However, preliminary findings also suggest that there are opportunities for social change due to the interest of political parties in market affairs and the large electoral power of traders; the existence of negotiation platforms and the increased international backing of informal workers.

China in Africa from a Labour Perspective

Tim Pringle's (SOAS) presentation focused on a little researched, but highly relevant subject, the impact of Chinese investment on labour relations in China and the possibility of a model of Chinese labour relations being reproduced across the continent. Pringle pointed out that class relations in China have undergone a reconfiguration with a globally significant rise in the size of the Chinese working class as an outcome of rapid economic development. These changes have been influenced by processes of informalisation of labour and increases in labour unrest.

Pringle argued that in light of the recent variations in types of Chinese investment in Africa, ranging from large corporations to small family businesses and with concomitant important differences in investor origins within China, it is important for trade unionists in Africa to understand the basics of Chinese labour relations. This knowledge will support them in engaging effectively with Chinese companies and organising workforces within them. Pringle pointed towards the importance of undertaking both country and sector specific studies, since the balance of class forces on the ground varies substantively in relation to these two factors. Moreover, ownership of enterprises is a crucial variable: labour relations in Africa depend on the type of Chinese firms involved (e.g. family firm vs. multinational). Pringle marked the following key characteristics of labour relations in China, which are being transmitted, at least in part, to Africa via Chinese companies: no tradition of collective bargaining; no freedom of association and employer hegemony at the workplace

Foreign Direct Investment and Decent Work in Tanzania

Mark McQuinn (SOAS) discussed the relation between foreign direct investment (FDI) and decent work based on a Tanzanian case study, with a specific focus on youth and women. He started by analysing recent afro-pessimism/optimism literature and emphasised the need for arguments in this sphere to be

vested in robust empirical evidence. McQuinn then presented three theoretical lenses through which it is possible to interpret relations between FDI and decent work in Africa. First, a neoliberal lens was outlined, which posits a positive link, as FDI brings in capital, skills, technology transfer, jobs & revenue. This has a maximizing effect on the productivity of workers in economic sectors where nation-states have comparative advantage. A Marxian view was then summarised, which highlights the detrimental effects of unfettered free markets on the workforce and the struggles between classes at the point of production in the context of capitalist labour processes. Third, a Polanyian perspective was outlined that unravels the ways in which inward FDI based on minimal regulations leads to the deconstruction of society and how workers form institutions and cross-class alliances to improve working conditions and limit free markets.

McQuinn argued that the stress of many states in Africa on attracting FDI has detrimental effects on labour forces. The creation of an enabling environment for foreign capital involves diminishing regulations to protect and support the labour force. Consequently, poverty is not decreasing in a significant way, inequality is rising and wealth is increasingly concentrated in the hands of a few. For youth and women in Tanzania the scenario - though dynamic - is highly problematic, as the majority in both groups have seen their labour opportunities diminish as a result of neoliberal economic policies imposed by the Tanzanian government.

Cross-cutting Issues

One of the crosscutting issues that emerged during the Roundtable's presentations and plenary discussions was the importance of collective identity. There is little empirical evidence at present of workers organising on the basis of a shared identity as "precarious workers" or part of a precariat. In addition, the spurge of organising on the basis of the labour classification "informal worker" seems to be (partially) driven by the international development agenda and related donor programmes in Africa. Whilst there is vibrant associational life in Africa's informal economy since pre-colonial times, homegrown workers' organisations do seldom mobilise on the basis of a shared "informal worker" identity. In addition, the identities of leaders and members of workers' organisations seem to be distinct. Many organisations evolve around the leader and a select group of active members.

Another issue that came up during the plenary discussions is the co-optation of NGOs, CSO and workers' organisations more specifically, within the global neoliberal discourse, whereby they end up serving the interests of capital rather than labour. By supporting a specific type of unionism (business unionism), for example, many Western donors tend to hamper the development of radical workers' organisations. The identity of many workers' organisations in Africa is being guided by international donors and the ILO which generally support the idea that workers' organisations should behave as "responsible social partners" with whom the state and private actors can enter into constructive dialogue and negotiations. In many African countries, however, the state and private actors themselves operate in non-democratic clientelistic ways. If workers' organisations are pushed to become partners rather than adversaries they are prone to be trapped within the same un-conducive clientelistic politics.

Issues Arising for Future Research and Debate

When analysing the position of workers in the informal economy it is important to be aware of the heterogeneity of labour relations. Within the informal economy there are substantive differences in

employment types, social classes and levels of mobilisation. Thus, context-specific analyses are important in relation to the informal economy in general and the possibility of the existence of a precariat in particular.

Future research could focus on whether workers within the large and heterogeneous informal economy group share distinct characteristics with regard to their labour, which merits identifying them as a separate class (a *precariat*).

The concept of the *precariat* is not used by African trade unionists. They prefer to identify aspects of precarious labour within the informal economy and organise workers within it on this basis, rather than demarcating a *precariat* as a distinct class of labour. Research could target ways in which trade unionists classify and organise forms of labour in different African contexts in an effort to provide more evidence relating to the possible existence of a *precariat*.

The fact that the *precariat* is characterised by temporary, uncertain labour conditions runs counter to the reality in the informal economy in Africa. Most own-account workers on the continent have been employed in the same way for many years. Research could be undertaken on the extent to which this fact undermines the possibility of the existence of a precariat as a distinct class of labour in Africa.