

PN-ABL-939

48672

**The Informal Sector in Subsaharan Africa:**

**An Annotated Bibliography, 1980-1988**

**Guy Gran**

**October 1988**

**Resources for Development and Democracy  
17119 Old Baltimore Road  
Olney, MD 20832  
(301) 774-4669**

## Introduction:

This bibliography on the African informal sector is designed to assist donor agency personnel and other interested readers to explore recent field research and debates to improve development policy and practice. Like its unannotated July 1988 predecessor, this guide must be considered a working document. The seventy-two sources that follow are the tip of a very large iceberg. Selecting the most recent (1984-1988) meant slighting an enormous previous literature, traceable through Penouil, M./Lachaud, J.-P. (1985) and special issue 9 of I.N.S.E.E. (1985) Bulletin Bibliographique. Choosing shorter, more accessible pieces served to limit coverage of a wealth of unpublished French dissertations; much important ILO material is also not in Washington, most notably C. Maldonado et al. (1987) Petits producteurs urbains d'Afrique francophone (a published book!). Seeking to balance the coverage by region, gender and subsector highlights the major limitations of Washington area libraries; even some key journals in English and French are out of immediate reach.

What is at hand, however, is a very rich and stimulating body of case and theory material. The single most exciting essay is the case study on Kigali (Lecomte et al., 1986): development success and an operational guide thereto. Among several theoretical overviews, Trager (1987) and Hugon (1988) are most useful. The best case studies reflected wonderfully sophisticated interdisciplinary systems analysis; inter alia, several examples are reported from C. Coquery-Vidrovitch et al., eds. (1983). Many ongoing research projects and fugitive documents are referred to in these sources. To expand this effort, the next logical step would be a research trip to Paris, Bordeaux, and Geneva.

I. Multiregional, Comparative, and Theoretical Works	2
II. West Africa	10
III. Central Africa	21
IV. East Africa and the Horn	26
V. Southern Africa	33

## I. Multiregional, Comparative, and Theoretical Works

Bromley, Ray, and Gerry, Chris, eds. (1979) Casual Work and Poverty in Third World Cities. New York: John Wiley.

This is still the best book in the literature on urban development worldwide, challenged of late, perhaps, by Lisa Peattie (1987) Planning: Rethinking Ciudad Guyana. The essays put cities and the poor in both historical and systemic frameworks. Case studies show that the informal sector exists, not in isolation from the modern, but as a necessary adjunct, to provide cheap labor, services, and food. Petty entrepreneurs compete in a global system that ensures permanent subordination. Gerry's portrait of small manufacturers in Dakar shows how dependence on backward linkages like raw materials, repair, and maintenance can limit growth as much as uncertain markets. Petty producers here are not a homogeneous group: some are a kind of proletariat for large firms; others get more secure private or government contracts. Here and in other parts of the collection one finds both the linking of macro and micro analysis, and the merging of grand theory, history, and contextual field research, that together are the most essential foundations of effective project planning.

Charmes, Jacques (1987) "Debat actuel sur le secteur informel," Revue Tiers-Monde, XXVIII, No. 112, Oct.-Dec.: 855-875.

This recent essay is one of the few Africa-focussed methodological critiques. Charmes shows how definitions of terms and research hypotheses lead directly to or contribute to underestimating the size, shape, and impact of the informal sector. He begins with intellectual history. The 1971 ILO report on Kenya applied the term to both marginal street actors and microenterprise. Subsequent reports, including IEDES syntheses in 1977 and 1980, also move between multi-criteria definitions of the sector and functional ones. Definitions affect data collecting. Multi-criteria precludes simple measures. De facto adoption of indirect indicators to suit macro-economists have created substantial bias, typically underestimation. In employment census, figures for the economically active underestimate women. The politics of job definition varies. Biases are also built into the accounting of production, salaries, and revenue. Theories to predict average salary levels come up against ambiguous evidence. This is enough to ponder the survey data to date.

Coquery-Vidrovitch, Catherine, and Forest, Alain, eds. (1983) Entreprises et entrepreneurs en Afrique (XIXe et XXe siècles), 2 volumes. Paris: L'Harmattan.

The literature on capitalism in Africa, public and private, is large and compelling. Spatial, class, and gender inequalities have grown in most times and places. The 38 papers and c. 1,150 pages in this collection from a 1981 conference form the largest body of comparative case material in the history and costs of entrepreneurial activity in modern Africa. Four major sections illustrate range of coverage: indigenous 19th-century activity; imperial ventures; public power/private sector growth in the colonial era; and enterprises and entrepreneurs in the postcolonial era. Microenterprise is considered in every era, and samples from the last will be covered in latter sections here. A few papers deal with research methods and general themes, like the combination of tension and cooperation between public and private in the colonial era, and the progressive privatization of the state in the post-colonial era. In both the state is a terrain of struggle among unequal competitors, with inevitable unequal results preventing the creation of democratic, mass-based development and thus the consumers that the industrial west needs. Such historical study thus prefaces development of more effective policy making.

Eades, Jeremy, ed. (1987) Migrants, Workers, and the Social Order. London: Tavistock/N.Y.: Routledge, Chapman & Hall.

These fifteen essays from an April 1986 anthropology conference at the University of Kent are a convenient way to enter a large body of research on migration and its links to the informal sector, rural and urban. The focus is on the political economy of migration and the resulting structures of social relations, especially changes in the nature of ethnicity, gender, and class relations and in strategies of survival and accumulation. Of the 7 chapters on Africa, perhaps the most relevant for the urban informal arena are on the Yoruba exodus from Ghana and on migrant housing in Nairobi. Eades shows how the Yoruba used chain migration to expand their rural marketing network through formal and informal sector activities, and then, with their community ties, could orchestrate a mass departure to accomodate political winds in late 1969. The study on Nairobi looks at changing entitlement relations from the commercialization of unauthorized housing and the resulting decline in an individual's housing situation. Note good chapter bibliographies.

Hugon, Philippe (1988) "Les stratégies de vie et de survie dans les villes africaines et les pauvres en activité." Paris: OECD, Development Centre meeting, September 7-9.

In a very recent study, a senior French scholar of the African informal sector provides a mostly readable review of literature and policy debates, with his own synthesis of appropriate analytic approaches and practical alternatives. The literature review notes the themes of the 1970s (heterogeneity, dynamism), and the consensus of the 1980s that microenterprise is the cheap developmental solution in an era of financial crisis. Policy and methodological debates are found based on a literary universe with key limitations; studies covered only the most structured activities, just the heads of such activities, and just the units of production, not linkages. His alternative is a holistic view recognizing gradients: subsistence, transitional, and capitalist. A formula for assessing linkages is developed, based on four factors. He then studies opposing theses: the sector is marginal and on balance parasitical, or it is exploited. Such an analysis must merge political economy, economic anthropology, and history. Cogent micro and macro policy concludes, making this a basic current source.

Illiffe, John (1987) The African Poor: A History. Cambridge: Cambridge UP.

Historical grounding is essential to work on the problems of the poor, so, with finite time, this major new contribution seems reasonable for brief study. Illiffe pursues many kinds of evidence to show the diversity of the ordinarily poor and very poor in both resource-rich and resource-poor societies. The evolution from land-rich to land-poor is a key indicator. Structural poverty is distinguished from conjunctural in precolonial, colonial and postcolonial settings. Care of the structural poor has changed little over these historic watersheds; for the conjunctural poor, conditions have changed graphically. Of most import to work in the urban informal sector is the assault on the moral economy. Most instructive was the 1981-83 violence in northern Nigeria. A combination of affronts to poor youth, especially neglect by oil-rich townsmen, created support for a fundamentalist attack on all signs of affluence. In brief, cultural legitimacy is part of developmental effectiveness in urban as well as rural settings.

International Labour Organisation - IASPA (1985) Informal Sector in Africa. Addis Ababa: ILO-Jobs and Skill Programme for Africa.

The ILO has done more research on the informal sector in Africa than any other institution. This synthesizes 52 studies produced between 1972 and 1983; there have been 25-35 more since. The first 50 pages summarize macro and micro characteristics of the sector, formal-informal ties, the role of government, constraints, and employment potential. The latter part provides tastes of reports on 22 countries, with some effort, in 3-5 pages, to quantify aspects of the sector. Frequently there are brief recommendations. Given the size of most informal sectors and the general industrial stagnation of the 1980s, most of the informal sectors now appear less consistently connected to the formal. The ILO expects continued sectoral growth, but it is not sanguine about the development potential. A less punitive, more nuanced government role is urged, including selective training programs. No real solution is possible without rebalancing rural-urban gaps in life quality and employment potential. Local institution-building is not, however, a visible topic; without it the informal sector remains a sea of social and political splinters, limited and vulnerable to other forces.

Lachaud, J.P. (1988) "Le secteur informel urbain et le marché du travail en Afrique du Sud du Sahara." Geneva: IIES.

In the last decade, Lachaud has probably done more field research on this topic than anyone else: Ivory Coast, Cameroon, Rwanda, R.C.A., Togo, Zaire, and Benin. Using this material, very recent unpublished dissertations, and much else, he here explores gains and limitations in research methodology, and suggests alternatives. There remains a wide gap between theoretically rigorous definitions and the pragmatism of field praxis. Only at the subsector level in some instances is the formal/informal model useful. There is much agreement and much data on five key limitations for the sector, but much uncertainty on linkage issues. External policies remain preoccupied with promoting small enterprise at the upper end of the sector, while government plans lack implementation strategies and resources to match their rhetoric. Lachaud wants a far better knowledge base, with research refocussed: households rather than enterprises; the structure and potential of linkages; a detailed grasp of the nature and trajectory of stratification; and a far better definition of policy goals; for, if poverty reduction is the key, microenterprise promotion is not sufficient.

Lemarchand, Rene (1988) "The State, the Parallel Economy, and the Changing Structure of Patronage Systems," pp. 149-170 in D. Rothchild and N. Chazan, eds., The Precarious Balance: State and Society in Africa. Boulder: Westview.

From one of the best senior Africanists in North America comes an exceptional theoretical analysis of the creation and perpetuation of the parallel economy in Africa. Systematic bureaucratic corruption and an ensuing parallel economy have been generated by the decline of traditional patronage, especially in rural areas, and the uncertainty of external links adding to state pressures on rural producers. Foreigners have provided role models, skills, contacts, and political help, as well as aid for the predators. The informal economy grew as a survival strategy against pressure from above and below. People avoided state predation via new local clientage or by working out a *modus vivendi* with the predators. Class formation is taking place outside the state. The prebendal state and parallel economy, as brief case materials show, have "in turn created conditions of profound and permanent inequalities in African societies." Alternative practical policy must thus be built on a far more systemic, rather than sectoral, basis.

de Miras, Claude (1984) "De la formation de capital privé à l'économie populaire spontanée: Itinéraire d'une recherche en milieu urbain africain," Politique Africaine, 14:92-109.

Much of this article recounts the theoretical pilgrimage of the author during a decade of research on small industry in the Ivory Coast. It became obvious, first, that many small producers and sellers were not in the process of accumulating private capital. But the term 'subsistence' did not do justice to the evident dynamism, creativity, and flux. Most interesting is the concluding section, where de Miras links this social reality to generations comparable, stretching back centuries, as noted by historians like Braudel, Roche, and Engels. Denizens of the informal sector reflect a permanency by "their resistance or inertia before capitalist absorption, their autonomy of organization and its operation, their evasion in the face of state coercion, their fluidity before capitalist repression, their own capacity for exploitation, the capitalist and non-capitalist causes of their extension..." A challenge has been laid to both capitalist and Marxist myths of progress. What, then, is the basis of "development" and its goals?

Morice, Alain (1985) "A propos de l'"économie populaire spontanée": Pour une vision socio-politique de la reproduction urbaine," Politique Africaine, 18: 114-124.

Morice here offers an extensive, constructive critique of the essay by de Miras (noted above), despite finding it valuable and innovative. Morice first notes that it is difficult to account for the emergence of the petty trade sector purely within its own logic. The spontaneous popular economy hints of a rebirth of that dualism de Miras has just refuted. The focus on enterprise slights the role of political actors and the state. The issue of control of spontaneity cannot be glossed over, as patrons of small businesses control the surplus and social relations. "Popular" denotes more harmony than ongoing gender and class stratification would suggest. To say there is no collective social structure to the informal sector is not to downplay many kinds of local linkages. The state is not the unified block often pictured; multiplicity of actors accounts for ambivalence toward the sector. State policy is not static, but alternates potential and actual repression and antipopulist policies like structural adjustment. Finally, Morice questions the identity of "historic" and "permanent". We have here thus a useful debate seeking to sharpen assumptions and theory for public policy.

Moser, Caroline (1984) "The Informal Sector Reworked: Viability and Vulnerability in Urban Development," Regional Development Dialogue, 5,2:135-178.

This intellectual history and analysis of the informal sector debate is more detailed but less clear or satisfying than the more recent essay by Trager (1987). In a review of the conceptual debate, Moser seeks evidence for explanations of why the sector persists and what capacity it has to generate growth and employment. At the policy level, the idea of a discrete sector is useful, as one can help the poor without disturbing the rich; conversely, the focus on linkages, as in the classic study of garbage pickers in Cali (Colombia), shows a continuum from the stable wage worker to the true self-employed, with some evolutionary and some involutionary growth. She sees limited worldwide research to back up speculations about constraints on the informal sector, and few longitudinal studies to document trends: one on Bogota in the 1970s shows incredible complexity within an involutionary trend. Studies defined by spatial terms or by sectors or firms all have limits. Only by combining bottom-up and top-down research can one hope to build systems understanding, and begin to unravel linkages of external and internal factors.



Muntemba, Shumwaayi, eds. (1985) Rural Development and Women: Lessons from the Field. 2 volumes. Geneva: ILO.

Most of what women do in Africa falls into one category or another of the informal sector. One of the best collections illustrates struggles for subsistence in town and village via small activities in trade and production. This joint Danish/ILO project uses these 25 cases from Asia and Africa to illustrate quality of local research and a vision of at least partial development success. These cases also demonstrate two basic conclusions from recent participatory development research: success is more likely when women gain control over resources and labor; and the key to sustainability is democratic, well-managed local organizations. But there are limits to gains unless women share actively at all levels in defining the cultural, political, and economic discourse and praxis of social change efforts. The collection thus speaks directly to both the processes by which outside donors seek to learn about women, and to the quality and nature of local organizational strategy that a project should develop.

Nafziger, E. Wayne (1988) Inequality in Africa: Political elites, proletariat, peasants, and the poor. Cambridge: Cambridge UP.

The larger contexts of inequality in nearly all African societies significantly hamper the implementation of effective development policy for the informal sector as for any other sector. This new 175-page essay is probably the easiest introduction to the topic, combining theoretical, historical, and contemporary material. His thesis is that both capitalist and statist approaches have perpetuated, if not expanded, pre-existent stratification and thus also great economic inefficiency. Mass-based development requires far more democratic politics and economics. Elites at every level have other agendas and use state and market power to pursue them. Analysis ranges from global comparison, to processes maintaining regional, ethnic, class, educational, and urban bias. A developmental alternative is too briefly raised, based on a coalition of rural and urban interests to change the composition of the ruling class. Eritrea would have provided the most compelling example.

Penouil, Marc, and Lachaud, Jean-Pierre, eds. (1985) Le développement spontané: Les activités informelles en Afrique. Paris: Ed. A. Pedone.

The most recent published book on the African informal sector is based on a ten-year effort by a team from the University of Bordeaux, working largely in conjunction with the ILO. Penouil et al. argue that the informal sector represents an indigenous, spontaneous alternative to the model of modernization brought from the West. The nine chapters cover research methodology, theoretical conflict, urban activities, traditional artisanry, intersectoral links, the rural informal sector, and the lessons of experience. An important bibliography concludes the work. Lachaud's policy lessons highlight a crucial dilemma: try to help the poorest but involuntary segments, or those better off in the evolutionary subsectors with potential for job expansion and accumulation. His prescriptions begin with indirect initiatives: decentralize development and stabilize the pace of rural migration via non-farm development and reduced regional disparities. Projects cannot just seek to expand goods and services without expanding demand and thus agricultural development. Specifics of more effective interventions follow.

Sandbrook, Richard (1982) The Politics of Basic Needs: Urban Aspects of Assaulting Poverty in Africa. Toronto: University of Toronto.

For some years now this has been the basic introductory text on urban development in Africa. Chapters treat the poverty debate, the genesis of underdevelopment and urban poverty, the state and capital accumulation, urban class formation, the urban poor in detail, methods of social control and types of urban struggle, and the path ahead. There is much to consider here about the political and organizational obstacles to development, the limitations of dependent industrialization for jobs, productivity, and equity, and the many divisions of the marginalized laboring poor which work against collective effort. Sandbrook looks to participatory development as the optimal solution. Both problems and, it is hoped, openings are visible. As other studies argue, the informal sector has been produced and reproduced in a dynamic fashion to provide varying amounts of cheap food, labor, and services as the formal and state sectors demand. Change will demand political reorganization.

## II. West Africa

Arnould, Eric (1984) "Process and Social Formation: Petty Commodity Producers in Zinder, Niger," Canadian Journal of African Studies, 18,3:501-522.

Traditional craft and petty commodity production has typically been subordinated and often destroyed by the penetration of capitalism. Arnould shows, however, that the fate of particular crafts is not predetermined. His cases, an urban tannery and a village clay pot producer, have found market niches that allow "precapitalist" social formation to exist. Both industries use local materials for local markets which have not been attacked by imports or new technology or modern-sector capitalist firms. They maintain their positions by flexibility in production, responsiveness to market conditions, and low capital input. Such petty commodity producers are not the bases for future industrial development because they produce little or no accumulation, nor have potential for capital investment nor technological improvement. At the moment such industries "permit a few persons to survive in not quite abject poverty." No quick fixes are suggested. But mass-based participatory development would improve their larger contexts and growth potential.

Baumann, Eveline (1985) "Activités informelles en milieu rural et transformations socio-économiques: Réflexions à partir d'une étude de cas," pp. 224-248 in M. Penouil and J.-P. Lachaud, eds., Le développement spontané... (see Part I).

Based on her 1984 3e cycle dissertation for the University of Bordeaux, Baumann presents an introductory study of the rural informal sector in West Africa focussed on the rural center of Saa in south central Cameroun. An initial section provides specifics on 158 microenterprises in non-trading, sedentary activities. A mix of single-household and patron-client forms is described, some of local origin, some not, with about 25% also pursuing agriculture. Capital is a basic constraint, and mutual associations the institutional response. Polarization grows, as the consumer goods of some make evident. A key weakness is the poor integration of the sector with agriculture: an urban orientation combined with lack of rural purchasing power. Technical aspects of policy suggestions make sense: some fruits are open to small-scale processing, as are peanuts. But the call for educational efforts, rethinking economic relations, and more appropriate technology omits the necessary new institutional vision of local and intermediate organizations to raise mass purchasing power by democratizing politics and economics.

Berry, Sara (1983) "From peasant to artisan: motor mechanics in a Nigerian town," pp. 421-449 in Coquery-Vidrovitch, C., et al., T. II, Entreprises et Entrepreneurs en Afrique (see Section I).

If microenterprise in the urban informal sector is to be the cornerstone of a development solution, it must maintain comparative efficiency. In Nigeria a debate has arisen because such firms appear to become less efficient as they grow. Berry explores cases among motor mechanics in Ife to see what factors in career paths and work processes bear on efficiency and expansion. It became clear that culture was far less significant than limitations in the strategies "small-scale entrepreneurs use to increase their clientele and to reduce risk...". Apprentices are widely used as inexpensive labor, yet they are often not inefficient. Mechanics control financial matters and oversee work; they must be in the shop, not necessarily the most efficient place to cultivate good personal relations with customers and suppliers. In sum, the hierarchical, conflictual internal work culture combines with the competitive larger environment to create large obstacles to expansion for most of these petty entrepreneurs. This would suggest that alternative institutional forms and work processes should be sought.

Chauvet, Jacques (1987) "Evolution de la famille et croissance des villes moyennes: Sarh (Tchad) et Toumodi (Côte d'Ivoire)," Les Cahiers d'Outre-Mer, 40, No. 158 (avril-juin): 173-203.

Treating the African urban household as an independent economic decision-maker in a market reality seriously misrepresents the impact of social connections. This study illustrates not just the different sizes and shapes of the family entity, but also the diverse and flexible ways being used to facilitate the transition from village to town. The urban family does not replicate either the rural model or the European, but instead adapts to multiple needs. Swapping consumer goods within the family is one common mechanism. Chauvet looks at the history of settlement in Sarh, using 1970 and 1983 household data. One can chart typical patterns and activities in specific zones. Much of the article explores the urban family budget to show how the modern world is having tangible effects on social ties, depending on the level of urban success. Sharing with village relatives levels some of the disparities. Every informal sector project should include study of a representative number of domestic budgets to see the varieties of networking taking place and their implications for any specific project.

Courlet, Claude, and Tiberghien, Raphael (1986) "Le développement décentralisé des petites entreprises industrielles au Cameroun," Revue Tiers-Monde, XXVII, No. 107, juillet-sept.: 607-616.

This is a shorter version of a December 1985 report on the scale, origins, and dynamism of small enterprise, especially aspects of success. One recent survey had estimated 227 firms in the modern sector and c. 40,000 in the informal; here, 16 case studies of success are examined, cases from the intermediate sector. One group was spurred on by modern-sector entrepreneurs, other businessmen, or the technically trained seeking new venues; others arose from the expansion of village artisanry. In this small sample there was a great range in technological complexity, diversity of activity, and very great participation by expatriates. More typical of the general sector are more indigenous efforts with two key characteristics. Tontines are used as a group credit mechanism and support network to encourage savings and help planning; tontines, however, need homogeneous and compatible members. Bamileke seem to dominate at most levels in most subsectors, in part because of a supportive social system and an inheritance to firstborns, forcing others to strike out anew. This is another case where unpublished research like that of Mulumba (1984) and Keou (1985) would add much more depth, and thus provide much better basis for policy.

Dettwyler, Steven (1985) "Senoufo Migrants in Bamako: Changing Agricultural Production Strategies and Household Organization in an Urban Environment," unpub. Ph.D. diss., Indiana University.

Dettwyler has pursued an unusual part of the urban informal economy, local food production efforts. His 1982-83 fieldwork in Mali looked particularly at the techniques of urban agriculture, including marketing strategies, and at how traditional aspects of Senoufo households were affected by migration. He interviewed more than 200 farmers, and studied 52 farms in some detail and 6 more exhaustively. Migrants used social networks to gain access to resources, and so diverse social obligations are highlighted. Production is affected by ecology and economics for a city market as well, so a most interdisciplinary analysis is necessary to assess household and market development. Dettwyler does not ignore the sociological impacts of the urban milieu on household division of labor and rewards. A more general, comparative study of urban food markets is J. Guyer, ed. (1987) Feeding African Cities.

van Dijk, Meine Pieter (1986) Burkina-Faso: Le secteur informel de Ouagadougou. Paris: L'Harmattan.

In this work and a companion volume on the informal sector in Dakar, one can sample some of the most recent efforts by this prolific Dutch economist. Some 73% of the population of Ouagadougou is part of the informal sector, so the detailed data herein, even though a bit dated, are of great import. Much of this work's first 90 pages is devoted to theoretical debates on informal sector definitions, dualism, the behavior of entrepreneurs in the sector, and questions of research methodology. The last 100 pages provide substantial data and analysis on types and scales of activities, problems and blockages, and intersectoral relations. The conclusion does focus on practical suggestions: the prerequisite political conditions and policy foundations at a general level; the specific activities which seem to have more (and less) potential; and some related capacity-building suggestions. The companion work covers the same material on Dakar, and one can also see a list of his 54 previous studies on these problems.

Diouf, Made (1983) "Migration artisanale et solidarité villageoise: le cas de Kanen Njob au Sénégal," pp. 469-478 in Coquery-Vidrovitch, C., et al. (see Section I).

Western economic models are built on an entrepreneur as the mythical free creative spirit. West African artisans, as in the Wolof society in Senegal, are generally part of a caste system wherein those who transform material into economically useful objects are socially scorned. For the buyer to have direct contact with the producer is considered dangerous. Even technical knowledge alone is enough for ostracism. Artisans must marry strictly endogamously. Peasants and pastoralists shun their activities. But what happens when both seek to migrate? Two groups are organized. The artisans go to the city first, set up, and produce enough to sell; the migrant peasants come to be the sales force. The case outlines village structure and the work processes in Dakar. Village solidarity is transplanted, assuring work for both groups and breaking down the untouchability myth. The young are more free to express opinions and open their social horizons. Artisans also have more creative freedom. Such a case study should give one pause about the intellectual frameworks most relevant to local development work in Africa.

Fassin, Didier (1985) "Du clandestin à l'officieux: Les réseaux de vente illicite des médicaments au Sénégal," Cahiers d'Etudes Africaines, 25,2 (98):161-177.

Fassin undertook to determine why medicines are illegally sold on African markets and why there is such widespread tolerance by public officials. His 1984-85 field study took place in Pikine, a suburb of Dakar, and investigated both the official medical dispensaries and approximately 100 small businesses selling medicines in 13 markets. Interviews were conducted with vendors. As in other societies, the formal system was unable (did not find it profitable) to assure economic access to medicine for the urban poor. Thus grew illegal outlets where drugs are retailed in smaller quantities and at lower prices. Portraits of vendors provide some flavor. Religion and clientalism are key to the supply network and are controlled by the Mourides, an Islamic brotherhood, which has good political connections and thus can hinder official reprisal. Public policy, in spite of its rhetoric, thus alternates passive toleration and casual repression. It is a nice sample of the utter necessity of political-economy analysis if alternative public policy is to be effective.

Geest, Sjak van der (1985) "The Intertwining of Formal and Informal Medicine Distribution in South Cameroon," Canadian Journal of African Studies, 19,3:569-587.

Studies of the informal medical sector are rare because most anthropologists deal exclusively with traditional or modern medicine. This case study of the Division of Ntem illustrates the articulation of different modes of production. The stronger formal sector finds it useful to maintain a larger, subordinate informal sector. Geest begins with the difficulties of such investigative research. The formal and informal structures are then sketched. The area has one pharmacy for 140,000 people. Little wonder that there are five categories of informal sellers who both buy from the formal system and smuggle from Nigeria. The informal processes have limits in terms of quality of service, but have diverse advantages to consumers: small, affordable quantities; timely and local service; and a socially appropriate process. The consumer practices a hierarchy of resort; the pharmacist has a profitable system of intermediaries. To better the system, Geest focuses on limiting the number of drugs and improving the quality of education with each. AID could work with WHO on this.

Johnny, Michael (1985) Informal Credit for Integrated Rural Development in Sierra Leone. Hamburg: Verlag Weltarchiv GmbH.

Part of a substantial series of German studies, many on Sierra Leone and Malawi, is this one documenting the comparative efficiency of informal credit mechanisms. It is based on 1982 field work in two villages of the southern region. Household data show seasonal needs for credit for both cultural and subsistence purposes between April and September. Small farmers were shown to be savers, but of unequal ability. Both formal and informal credit channels are used. The informal loans charge less interest and have a far higher rate of repayment. Informal loans involved small amounts, short terms, close knowledge of and contact with borrowers, and simple and flexible procedures, and were easy to get. Farmers had many complaints with the formal sector procedures, insensitivity, and loan restrictions; but the formal sector had far more money to lend. A new rural banking system is proposed, with participatory procedures so the farmers are partners, not passive objects; local savings groups should continue in tandem. More research avenues are sketched. The Grameen Bank model would do well here.

Laval, Bernard (1985) "Les relations entre les marchés du travail moderne et informel: Le cas de Yaoundé," pp. 179-194 in Penouil, Marc, and Lachaud, Jean-Pierre, Le développement spontané (see Section I).

This short study uses a March 1983 field survey in Yaoundé to explore issues of worker mobility within and between comparable segments of the formal and informal sectors such as repair places, garages, and wood and metal factories. Are there visible job strategies or much possibility of Horatio Alger stories? There are indicators of the informal as labor reserve: 75% of the informal workers are less than 25 years old, compared to 18% of the formal; formal workers are about twice as likely to be long-term residents. Yet upon examination the formal sector hires first among friends and young graduates. Overall, only 29% of the formal workers surveyed had informal-sector experience; those in wood factories had the highest percentage. A comparison of salary ranges and educational achievement deepens the picture of relatively segmented sectors; a range of salary overlap does, however, let some apprentices afford to choose independence. For most in the informal sector, poor education and skill training are basic hindrances. Prevailing school systems alone cannot suffice.



Le Boterf, Guy (1984) "Les apprentis dans le projet d'appui au secteur non-structuré urbain de Bamako (Elements d'une recherche participative et propositions pour l'action)," Geneve-Afrique, 22,1: 71-90.

Participatory research is the basic learning process to effective development practice in the field. This is the best recent article thereon, using an African informal-sector case as the model. ILO research on Mali's informal sector noted the traditional forms of African apprenticeship; its research led to a request to improve that education. The stages and methodologies are laid out in detail. In brief, apprentices and craftsmen articulate and refine their own needs for more training, and, with catalytic support, work out their own solutions for their educational and technical problems. Such a participatory process adds immeasurably to both the quality and the legitimacy of the activity, as well as to the potential of effective subsequent implementation. Ups and downs of process learning are made clear in a practical guide. The conclusion develops a half-dozen basic propositions to orient successive stages of institutional development. An appendix adds a cogent synopsis of a four-stage participatory research process.

Lecaillon, Françoise (1985) "La petite entreprise induite par les installations industrielles -- un facteur de développement en Tiers-monde (l'exemple de la Côte d'Ivoire)," 3e cycle, Urbanisme, Aix-Marseille III.

Lecaillon's work is included here not so much for its theoretical originality as for its wealth of detail: over 460 pages on the Ivory Coast. The introduction sets the stage, noting poor salaries in the modern sector and the influx of migrants from surrounding countries. Many informal sector activities are then reviewed, with the survey limited to those that reveal the strongest links between recovery of primary materials and production of a finished product, and to those that seem best organized to sit on the edge of the official economy. Galvanized iron, for example, is worked into better cookware than what can be imported; it and other products move through a network of intermediaries. Perhaps most spectacularly organized is the process to recover and use aluminum waste, not just locally but from abroad. The concluding parts look at larger social and economic contexts such as comparative costs, the political climate for the sector, and some evolutionary remedies. In sum, useful background to be compared to work on more involutory segments of the informal sector.

Lecarme, Mireille (1985) "Marchandes de poissons en quartier 'flottant' (Sénégal). Division 'par genre' et différenciations sociales dans un contexte urbain de ségrégation spatiale," pp. 557-572 in Bisilliat, J., et al., Femmes et Politiques Alimentaires. Paris: ORSTOM.

This 725-page collection from a 1985 ORSTOM conference is one of the more important current contributions on women in development, especially of case material. Lecarme studies a group of fishmongers to show how female subordination is reproduced in an urban environment despite the new ethnic melting pot context and changing structure of activity. One must surmount both male hegemony in social science discourse and the tendency to stereotype an "African woman". Multiple cultural and economic factors generate and sustain hierarchy. The most important is access to disposable capital: this creates a continuum from wholesaler, to regular retailer, to occasional seller. Also serving to stratify: places of preferential sale and ethnicity of clientele; to counter wildly fluctuating prices and their own marginality, women form two types of rotating mutual credit groups, one for day-to-day and one for social ceremony. If this kind of detailed sociological investigation had been done, CIDA might not have ventured with its project to help just the male fisherman at the expense of others.

Morice, Alain (1983) "Les petites entreprises du travail du métal et caste des forgerons à Kaolek (Sénégal)," pp. 479-492 in Coquery-Vidrovitch, C., et al., eds., T. II (see section I).

From his 350-page 3e-cycle effort for E.H.E.S.S. in Paris, Morice here offers insights on a complex subsector of the informal sector. Kaolek is a commercial and artisan center, one of Senegal's largest, but it has little industry. The metalworking sector has basic weaknesses: low prices and income; a young work force not paid enough to reproduce itself; the impossibility of capital accumulation for most; and ambiguous public policy, moving between liberalism and persecution. On the surface, the sector divides between those in caste, the traditional smiths who also hire in caste, and metal craftsmen with electric solders and a diversified work force. Reality in the field is much less predictable, with microenterprises in positions along a continuum: from meeting uncertain general demands to holding a specialized, protected market niche. In nearly all cases apprentices remain especially disadvantaged. A policy option to "rationalize and promote" the sector would be likely to create a parallel system even more marginal. Learning before acting is in order.

Ndione, Emmanuel S. (1987) Dynamique urbaine d'une société en grappe: un cas, Dakar. Dakar: ENDA -- Environnement Africain.

In an important contribution to urban development praxis, Ndione reports on a long-term experiment in the suburb of Dakar called Grand Yoff. Since 1975 a team sponsored by ENDA and others has funded health, sanitation, and employment projects using animation methods to try to produce egalitarian base organizations and thence communities. Candid commentary analyzes uneven results in expanding democratic values, adapting an initial model to local social realities. Sadly, projects were frequently stymied by local vested interests who adapted projects to their ends. One learns not only a great deal about the practice of action-research, but also the importance of social contexts and power relations in small groups. In this experiment, the choices seem only compromise or desist; in other models like the Grameen Bank, local organizations deal with intermediate organizations which buffer them from local power. The detail of analysis found here is rare, and there is much to learn from even partial success.

Saint-Vil, Jean (1987) "La revente au détail de l'eau à Abidjan," Cahiers d'Outre-Mer, 40(158), avril-juin: 149-172.

The illegal retailing of water has been an important activity of Abidjan's informal sector for some years. By the early 1980s, such a system was supplying an estimated 500,000 people for an annual income of perhaps 3-4 billion CFA francs. Profitability has been in decline since 1980, not just because of the growing competition among a larger number of sellers, but also because SODECI, the official water agency, has counterattacked. It has raised the official price, thus lowering its competitors' profits, and also installed paying fountains, at 40% of the usual retailer's price. Saint-Vil looks at the actors and operations over time, estimating magnitudes and profits as best he can. The sector showed an appreciable decline from 1983. Theoretically, SODECI could expand the paying fountains and continue curtailing the informal sellers, but cost disparities may diminish, and Abidjan will certainly continue to grow, given public policies of uneven, export-led growth, rather than real development. It's a good illustration of informal sector vulnerability to the formal sector.

Saul, Mahir (1987) "The Organization of a West African Grain Market," American Anthropologist, 89,1:74-95.

In one of the best recent articles in West African studies, Saul shows why the private sector in Africa does not and cannot be expected to run efficient, open, or competitive grain markets. In his case, Bobo-Dioulasso, Burkina Faso, a powerful oligopoly holds control, with price-fixing common. Smaller traders, local brewers, prepared-food hawkers, and cooperatives offer some competition. The level of "internal demand" for grain can also affect merchant control. Generally, farmers must sell at fixed prices; often they must repurchase at higher prices soon after. Patron/client ties between buyer and seller effectively discourage collective opposition to this monopoly. Lack of cash forces farmers to sell. It also prevents smaller traders from offering a serious challenge to the status quo. Saul found that government efforts to buy and distribute grain were not a significant factor. With this common degree of market imperfection, it is clear, as this study illustrates, that the ideologically constructed debate about governmental control versus free market is an irrelevant mythology.

Trager, Lillian (1987) "A Re-Examination of the Urban Informal Sector in West Africa," Canadian Journal of African Studies, XXI,2:238-253.

Nominated for early consideration is this important review article. Trager focuses on heterogeneity in the sector, linkages to other sectors, and effects of government policy. Her critiques of previous area research, especially ILO and IBRD papers, are cogent: that literature tends to focus on large cities, men, industry (not trade or services), one time period, and a homogeneous sector. Classification efforts are found less helpful than detailed studies of specific types of activities. Technological change in the formal sector is not necessarily either benign or exploitative, as various cases show. But government hostility to street vendors, etc., street-cleaning campaigns for example, seem to fail consistently. Prescriptions for the whole sector are inapropos, so one must know more of specific domains, more about linkages, smaller cities' experiences, and the dynamics of specific activities over time. Besides this research agenda, Trager addresses a few obvious macro policy concerns.

Watts, Susar. (1984) "Rural Women as Food Processors and Traders: Eko Making in the Ilorin Area of Nigeria," The Journal of Developing Areas, 19,1:71-82.

In this short, effective case study, Watts illustrates women's roles as petty producers and traders, and how the mode of production creates stratification and relative social immobility. The real potential for development is in people, even in societies fascinated with capital-intensive solutions. An analytical framework and base data are essential building blocks. Around Ilorin a four-level hierarchy is in evidence, ranging from the internal household activities to trading in markets or from permanent shops, with the more profitable at the latter end. Eko, the maize meal snack, is a lower-scale activity. Much detail is provided on production, sale, and profitability. One can see why upward social mobility is so limited for eko producers. It is not just market competition. Women's incomes are drained by household needs such as a child's education. Men control more profitable levels of trade such as that of imports. Culture, history, and lack of alternatives all oppress. The answers lie in education, capital, and alternative institution-building, none now in sight.

Yacoob, May (1986) "Ahmadiyya and Urbanization: Easing the Integration of Rural Women in Abidjan," Asian and African Studies, 20,1:125-140.

The economistic focus of much informal sector literature pays little mind to the cultural transformations underway, especially for the migrant, and how such changes contribute, or fail to contribute, to healthy foundations for the urban poor. Abidjan, with more than half its population foreigners or recent settlers, is a city whose public resources are overwhelmed. A West African Muslim community has played an important development role since the 1970s for many hundreds of men and especially women migrants. Ahmadiyya fights illiteracy and disease via social services. Its school, mosque, and clinic foster community, a sense of kinship and identity. The emir and his wife run networks also to link migrants to influential men who can be patrons for employment. In many other ways cultural, social, practical, and psychological needs are met. The development focus on women's empowerment is most unusual, but the basic message is that human needs and matters of legitimacy and sustainability must encompass far more than economics.

### III. Central Africa

Gozo, M.K. (1985) Le secteur non-structuré de Kinshasa: Caractéristiques des entreprises et la main-d'oeuvre. Potentialités d'emploi et de distribution de revenu. Addis Ababa: ILO/IASPA.

ILO has been doing such surveys since the 1970s: recent reports include those of M.K. Gozo on Antananarivo, Djibouti, and Kinshasa, and by A.A. Aboagye on Lilongwe, three Kenyan cities, and Dar-es-Salaam. In a forty-page text with an additional 25-30 pages of statistics, Gozo here reports on a team survey in Kinshasa involving 610 enterprises. Data were gathered on four subjects: enterprise activities and finances; the social demographics of employees; constraints and problems reported; and types of aid thought desirable. Recommendations from this report include help on the production side via technical assistance and thence a credit fund and professional group. Prescriptions for demand development and cooperative institution-building follow, along with research needs. While there are limits to this kind of rapid urban appraisal, such surveys are one basic part of a literary universe prefacing any project development. (There is currently no remotely adequate or complete library of ILO material in Washington.)

Lachaud, J.-P. (1984) "Les activités informelles et l'emploi à Bangui (Republique Centrafricaine): analyse et stratégie de développement," Canadian Journal of African Studies, 18,2:291-317.

The only recent, easily accessible essay on the informal sector in the C.A.R. combines a neoclassical economic approach with a detailed census and policy prescriptions. Lachaud faults most previous theoretical arguments on the sector for the lack of depth and breadth of their field work. His inquiry located 5,867 enterprises in some 40,000 households: nearly 3/4 were in commerce, c. 22% in production, the rest in services. But he could count only visible activities, so some categories were underestimated. A survey of production, revenue, and salary data indicated that only about 15% show signs of employment potential and growth. His policy package rests on participatory principles: adapt the design of the program to the preferences of those most involved; decentralize the institutional operation via local support centers. Don't try to do everything at once. Involutionary and evolutionary subsectors merit different approaches. Overall, there is a general optimism here not found in many other case reports.

Lecomte, Bernard, et al. (1986) "La promotion du "secteur non-structuré": Le cas de Kigali," Revue Tiers-Monde, XXVII, No. 106, avril-juin: 439-455.

Close to the best, if not the best, case study of development success in Africa's informal sector comes from this effort of participatory development encouraged by the Rwandan ngo, JOC-Kigali, with support by the ILO and the Swiss. Key operational aspects of institutional development and democratic process are very clear. Street workers in the late 1970s faced arbitrary and humiliating state power; communal authorities were besieged by the need to keep order and also to help local citizens. An ILO team supported a local ngo to be the catalyst in the organization of support groups based on different trades. A local federation of "popular" banks was mobilized. The groups worked together to negotiate legal changes, work permits, credit, and finally state recognition of permanent market locations. Strategic lessons of success are drawn. One sees the crucial role of group promotion, group savings and credit, permanent consciousness-raising by JOC-Kigali, and other elements working toward self-sustainment in leadership, finances, self-education, and self-evaluation. In sum, ESSENTIAL.

Lokota, Ekot'e Panga (1987) "Les activités informelles à Kinshasa: La survie des éliminés du développement," Les Nouvelles Rationalités Africaines, v. 2, no. 8, juillet:679-708.

This recent survey has several useful features to compensate for aspects and areas of unoriginality. Lokota's generally positive orientation leads to a very neat seven-point summary of the contributions of the sector: employment the modern sector cannot create; a higher living standard; new openings to the modern sector; elimination of diseconomies of scale; expansion of economic indigenization; lessening of state financial responsibilities; and development of individual self-reliance and autonomy. His analytical and statistical portrait of the sector in Kinshasa reaches these conclusions: the sector, far from disappearing, is growing and has the majority of employed; it provides essential goods and services and a living standard often comparable to and occasionally better than the modern sector; the dynamism of the sector affords a certain survival despite the larger crises; and the growth of diverse local cooperative efforts advances economic welfare.

MacGaffey, Janet (1987) Entrepreneurs and parasites: The struggle for indigenous capitalism in Zaire. Cambridge: Cambridge U.P.

The most detailed and sophisticated case study of a specific informal sector in the published literature on Africa is also a quite accessible work. MacGaffey describes the growth of an indigenous capitalist class and the "role of capital accumulation from second economy activities" in Kisangani and among Nande traders in North Kivu. Her focus combines state, class, and individuals, so one sees in specific life histories the interplay of individual initiative, gender, ethnicity and class. Chapter five adds reflections on state data as the basis of effective public policy; there are other frameworks from which to consider ways the second economy contributes to growth, if not development. Researchers will find valuable notes on an anthropological field method for the informal sector. Like most academic efforts, the volume does not provide practical policy alternatives. It does, however, paint in very useful fashion the incentive environment, motivations, and limitations of different actors, key material for effective project design.

Nzongola-Ntalaja, ed. (1986) The Crisis in Zaire: Myths and realities. Trenton: African World Press.

The informal sector is a logical product of nondemocratic politics and economics in a situation of scarcity. Zaire is one of the most extreme and indefensible examples, as articulate but fruitless Western scholarship has repeatedly shown, M.G. Schatzberg (1988) The Dialectics of Oppression in Zaire most recently. The Crisis in Zaire is useful as a most convenient sampling of recent studies on the survival strategies of ordinary people, rural and urban. Five chapters in particular focus on these themes; MacGaffey's work has just been noted, so here there will be just brief mention of Cathy Newbury's comments on rural strategies. She describes a spectrum of responses to state oppression: livelihood via suffer-manage activities like petty commerce; illegal and quasi-legal efforts including withdrawal and escape, such as the production of banana beer and distilled alcohol, along with smuggling of all kinds, and independent cultural and development activities at the local level; and political attacks on market and tax abuses and diverse group efforts. This rich diversity of rural initiatives needs far more study, for here are most of the few lessons of success that could be built on.



Pain, Marc (1984) Kinshasa, la ville et la cité. Paris: ORSTOM.

Marc Pain was a professor in Kinshasa from 1971 to 1981, coedited the huge (1975) Atlas de Kinshasa, and supervised successive groups of students in detailed field research on the urban poor. This work led to a thesis and the present study. The first part shows how the inhabitants confront ecological crisis, urban decay, personal tensions, and social cleavages. The middle part explores problems of work, income, housing, etc., with rich quantitative data. At the top of the social pyramid appear some substantial petty entrepreneurs and traders. These disparities pale when, in the last part, the social hierarchy of the city as a whole is considered; certain residential zones have master-servant ties to nearby areas. Pain is sensitive to the social, psychological, and spatial changes and tensions wrought by the uneven growth and stagnation since the 1970s, but has not developed operational alternatives. Nevertheless, this is the most substantial study of Kinshasa's informal sector per se in recent years. (See also sections of Rene de Maximy [1984] Kinshasa, ville en suspens, same publisher.)

Schwarz, Alf (1983) Les dupes de la modernisation: Développement urbain et sous-développement en Afrique. Montreal: Ed. Nouvelles Optique.

In a difficult but rewarding study, a Canadian sociologist and longtime student of urban Zaire has organized a number of his past essays and some new work into a substantial demonstration of two sad realities which are the psychological genesis of the informal sector's marginality. (1) Technical-industrial modernization has culturally attacked and captured large segments of the African population without providing the promised rewards. (2) The predictable pains of modernization arrived in a social reality poorly equipped to cope. Sophisticated social-science theory is mixed with field inquiry into the worlds of citizen, villager, unemployed, women and men workers, and bureaucrats, as they seek new psychological accommodations. Much of the fieldwork is quite dated, especially on urban unemployment, but there is so little literature, outside of novels, on the cultural and psychological basis of modernization, that this Zaire study has implications across the continent for consideration of group relations, legitimacy, and much else.

Turner, Margaret (1985) "Housing in Zaire: How the System Works and How the People Cope," unpub. Ph.D. diss., University of Wisconsin-Madison.

Few case studies explore all actors and activities in a subsector of the life of the urban poor to illustrate both formal links and covert realities. Turner has added another installment on the corruption of the Mobutu regime by her analysis of both aspects of the socio-political realities of housing for the poor in Lubumbashi. She surveyed 400 families in five disparate neighborhoods and interviewed both officials and clients of the official housing agencies. The one agency geared to lower-cost housing was financially strangled, while international project funds were hijacked for elite housing. Meantime, at the State Real Estate Agency, officials at all levels dispensed residency lots to those who established appropriate connections, either ethnic and occupational (i.e. personal) or monetary (i.e. bribes). While there were also examples of "extra-legal" squatting, many people solved their housing needs by the above informal approaches to local administrators or the state agency. Such multiple levels of analysis matter to project effectiveness.

Vwakyanakazi, Mukhoya (1982) "African Traders in Butembo, Eastern Zaire (1960-1980): A Case Study of Informal Entrepreneurship in a Cultural Context of Central Africa," unpub. Ph.D. diss., University of Wisconsin-Madison.

The rural black market in Africa has received far less attention than its urban counterpart. This major study is based on fifteen months of fieldwork. Its thesis is that macro socio-economic conditions have rendered farming and wage employment insufficient for many families in the region. A trading sector developed as a combination of survival strategy, accumulation drives, and political protest. In a highly fluid situation, Zairians have become demonstrably creative entrepreneurs, making use of and readapting informal mechanisms in smuggling, the black market and related trade. The author finds most activities far from parasitical, as some macrotheorists have suggested. Naturally, more legitimate public policies will reduce the scope and need for this informal entrepreneurship. But its existence among people with subsistence-agriculture backgrounds suggests rethinking theories of entrepreneurship and its social construction.

#### IV. East Africa and the Horn

Boesen, Tannik, et al., eds. (1986) Tanzania: crisis and struggle for survival. Uppsala: SIAS.

Several chapters in this Nordic research collection touch on the informal sector; comments here are restricted to K.J. Havnevik's essay on crafts and small-scale industries (pp. 269-292). Out of reach is B. Kiyanze's 1985 book-length study on this topic (in the Finnish journal Jipemoyo, 6,1), but Kavnevik provides an introductory survey and opens up the literary universe. Some of the institutional and political changes are sketched, subsectors are defined, and then growth trends are assessed. Recent surveys show a very high percentage of seasonal craft workers and very low average earnings. The economic crisis and ensuing shortages have spurred more self-reliant rural trade. Government agencies and foreign aid projects have had few resources or ideas to offer. Cottage industry and small-scale manufacturing have also been forced to innovate to deal with the effects of crisis. Havnevik suggests improving sectoral linkages as the best route to growth: remove monopoly purchasing rights, decentralize industrial processing, and reorient SIDO's efforts toward rural needs.

Haflett, Marie-Esther (1987) "An Informal Sector Industry Study: The Case of jikos in Kenya," unpub. Ph.D. diss., University of Notre Dame.

Most studies of the African informal sector focus on the sector as a whole or a three-sector division (trade, services, production). This author went to the effort of a detailed 150 pages on the production and sale of one basic-needs wage-good, the jiko, which is a charcoal-burning stove. Six urban centers were explored to assess market conditions, mobility, and related issues. Haflett found the sector to exhibit the structural conditions of perfect competition: many, knowledgeable buyers and sellers; perfect substitutability among them; and ease of entry and similar factor markets. About 75% of the enterprises produced income at least as high as the lower-end legal wages in the formal sector. Demand conditions look long-term and steady. Diverse backward and forward linkages appeared. Multiple policy suggestions emerged: promotion of site and service manufacturing schemes; uniform licensing regulations and fees; a new licensing structure; training in record-keeping; and diverse formal-sector industrial involvement.

House, William (1984) "Nairobi's Informal Sector: Dynamic Entrepreneurs or Surplus Labor?", Economic Development and Culture Change, 32,2:277-302.

House sets out to question theoretical positions developed in the previous decade, especially polar notions of an entirely benign or entirely parasitic intersectoral linkage. A 1977 survey of 577 heads of enterprises is used to develop the argument that formal/informal is an inappropriate framework to describe a social continuum wherein the informal arena contains both an intermediate sector and a "community of the poor". The former have committed themselves to a particular activity as a permanent livelihood and are investing and accumulating. The latter are seeking the formal-sector slot, taking temporary work in the meantime, and not investing. The survey explored attitudes, found sector entry more difficult than suspected, tabulated wide variations in income, and found 28% below a national poverty level (rural figure is 39%). Education and economic variables were used to indicate a transitional group as well. House has advanced the debate but leaves serious policy dilemmas requiring far more local Nairobi studies than are visible here.

House, William (1985) "The State of Human Resources, Conditions of Employment and Determinants of Incomes and Poverty in Southern Sudan: Evidence from the Urban Juba Informal Economy," ILO, WEP 2-21/WP 149.

This 1982-83 survey found 2,451 small enterprises and sampled 536, or 22%, to explore issues of labor absorptive capacity, the kinds of job, training, and income opportunities available, and the kinds of alternative development policies that might be most effective. Little skill or skill-building was reported. Only a tiny percentage were involved in co-ops, despite great problems with raw materials, tools, and access to capital. Much excess was noted in manufacturing and services; many traders were seeking alternatives. The sector is dominated by men who were born outside Juba. Incomes range substantially. Proprietors other than traders do better than they would on the government payroll. Age and education are the most important income factors. In the household survey, 14% do not meet poverty-level income for total consumption needs. Ten cogent policy recommendations conclude, addressing both the sector and the larger policy environment in a very helpful manner. (Also a much shorter published paper, 1987.)

Howard, William S. (1987) "Social strategies in petty production: Three small scale industries in urban Sudan," unpub. Ph.D. diss., Michigan State University.

A recent field study in Khartoum and Omdurman selects three skilled trades -- tailoring, carpentry, and metalworking -- for comparative analysis. Howard sought to test whether any or all forms of production are the result of dependent development or a possible basis of self-sustaining industrialization. He combined participant-observation with survey and documentary work, but focussed on qualitative issues and degrees of differentiation. All three subsectors are being invaded by wage labor. With more wage employment there are fewer chances for apprentices and fewer workshops overall. If employment growth is a goal, much more of this kind of detailed subsector study will be needed. If many such subsectors are overwhelmed by ready-made production, the society will remain unable to build a mass-based political economy and thus sufficient consumers: a generic Third World dilemma.

Hugon, Philippe (1983) "Le développement des petites entreprises d'Antananarivo: l'exemple d'un processus involutif," pp. 401-420 in Coquery-Vidrovitch, Catherine, et al., T. II (see Section I).

The Malagasy capital has seen great urban expansion since the 60s, spurred by economic decline, especially since 1972. With a sophisticated interdisciplinary framework, Hugon explores the heterogeneity of the small enterprise sector, first with statistical comparisons of the artisan and industrial subsectors, and then a case study of transport workers. The fallacy of the formal/informal model is demonstrated by a systems analysis of a continuum with diverse links, as the mixed effects of a recession reveal. Small-enterprise dynamics are also integrally linked to forms of social organization and labor stratification. Economic laws are modified by family social logic. With the level of production and demand, number of workers, and revenue all fluctuating, value added estimates are speculative and use of homogenized questionnaires inadequate. In the transport case he seeks to combine family, rural/urban, macro-system, and public policy issues to account for progress of subsector change. Analysis is guided also by historical and organizational contexts. As in many subsectors, low capital intensity and growing subdivision of tasks result in involutionary, not developmental, change. It is an elegant example of interdisciplinary social-science methods.

Livingstone, Ian (1986) Rural Development, Employment and Incomes in Kenya. Brookfield, VT: Gower.

This is the published version of the 1981 ILO JASPA mission revisiting the terrain of their famous 1972 report. It is a major source of material on the rural economy at the beginning of the decade, with much on the informal sector, notably chapter 5. The ILO found that the rural areas had absorbed far more of the population growth of the 1970s than anticipated, and that several processes were reducing the quantity and quality of land available per household. Improving off-farm income is essential. The ILO found the rural informal sector to be much like the urban, a large proportion of firms in trading and services, only 15% in production. Most were 2- to 3-person activities, not the basis of dynamic industrial growth, but an excellent source of jobs and appropriate goods and services. While a Rural Industrial Development Program tried to assist, government policy in Nairobi for the same sector was one of periodic repression. Existing rural activities, markets, and knowledge thereof are all quite insufficient for the visible and growing needs (AID and the ILO might consider organizing a world academic conference on this to raise consciousness and new ideas).

McCormick, Dorothy (1988) "Small Manufacturing Enterprise in Nairobi: Golden Opportunity or Dead End?", unpub. Ph.D. diss., The Johns Hopkins University.

Probably the best of the more accessible recent dissertations is this 1985-86 field study of 248 owners of small-scale manufacturing businesses in Nairobi. McCormick found two patterns of success: most such firms were small and flexible, consciously maintaining such a size and structure; a few were more formalized and geared to the accumulation of capital, as orthodox theory would hold. Profitable firms were found all along a formality continuum. Women were, however, excluded from most manufacturing subsectors, and relatively fewer women were successful. A logical extrapolation is further involuntary growth. An agenda for further research includes how risk is measured, rural-urban linkages and flows at the household level, and the cumulative effects of class issues. Her policy conclusion: the small entrepreneur should continue the small/flexible strategy. Governments and aid agencies should find this an inexpensive way to expand employment and thus address expressed needs for working capital loans, better work places, and better procurement channels. (Another arena for a Grameen Bank approach.)

Miles, Nicholas, and Norcliffe, Glen (1984) "An economic typology of small-scale rural enterprises in Central Province, Kenya," Institute of British Geographers: Transactions, 9,2:211-229.

Using a sample of 852 enterprises located in Central Province, the authors create an economic typology of rural non-farm enterprises. Multivariate methods reduce 19 variables to 5 major components: size, capital intensity, profitability, growth of capital, and profit margin of an activity. Using these five indices, the authors can divide their sample into five types, which they define as: the successful intermediate; the profitably small ones; unprofitable small ones; large static enterprises; and small ones with high profit margins. Most functional categories fall into several types. The policy conclusion is that different types contribute to development (or growth) differently, and the sector cannot be treated as homogeneous. Current programs (loans, training, extension, marketing, infrastructure) have different utilities and appeal to different types, and thus need redesign and retargetting. (So might another survey, to redefine "small" and locate less visible activities.)

Miti, Katabaro (1985) "L'Opération Nguvu Kazi à Dar es Salaam: Ardeur au travail et contrôle de l'espace urbain," Politique Africaine, 17:88-104.

Government repression of the urban informal sector is often mentioned in the literature, but this is the only recent published article to develop a case study in detail AND to offer a stimulating analytic orientation. Tanzania's economic crisis in the early 1980s, the failure of agriculture and attendant urban migration, led to reflections on a path to more productivity. The urban poor were seen as an economic drain and political threat, so the idea was to put them back on the farm. That one should produce a social surplus became the basis of a political campaign in spring 1983, then a law, then attempts at voluntary registration, and finally more draconian steps. On September 19, licensing was made mandatory, and on October 17 there was a first mass arrest of 5,724. Initial protests were unavailing. Roundups became regular in November, but abuses, futility, and protests combined to wear the campaign down and out. On problems of employment, poverty, and social control, there was little change. There was also little education on the essential roles of the informal sector, the many costs and inefficiencies of formalization, or the need to match goals with implementation strategy. Moving people, per se, is not a development strategy.

Obbo, Christine (1980) African Women: Their Struggle for Economic Independence. London: Zed Press.

An enduring classic by one of the first professional African women anthropologists is one of the most stimulating reports on how and why patriarchy continues to impede development among the rural and urban poor. From field research in Kenya and Uganda, Obbo shows that the male drive and consensus is to control personal morality in his household, based on the self-serving conclusion that the household is the only political or economic domain left through which African men can retain a sense of cultural and psychological authenticity. To counterattack the economic, political and cultural tactics of men, women try hard work (many informal-sector activities included), migration, spirit possession, and the manipulation of motherhood and respectability. Uneven growth in East Africa as elsewhere has thus created debilitating cultural conflict as well as mass poverty. An effective developmental response must be aware of such underlying cultural dilemmas and the logic of individual responses if such a response is to become legitimate, effective, and sustainable.

Swantz, Marja-Liisa (1985) Women in Development: A Creative Role Denied? The Case of Tanzania. New York: St. Martin's.

A modern classic in the global study of women in development presents sobering conclusions from one who has spent more than thirty years in academic and participatory research in the towns and villages of Tanzania. She shows how, as land was monetized in this century, women lost their equal access; with this disempowerment, they became another means of production in the eyes of men. Women's labor was used as though the sharing economy still existed, but women lacked the power to insist on a share of new benefits. Their strategies of recent times indicate two bad choices: continued subordination or a power game under male rules. They do the farming, get blamed for agricultural stagnation, and yet are denied cultural and political power over the food system. Their forays into informal-sector activities and political action in Mushi District and Dar es Salaam are explored, along with continued poverty, single parenting, or prostitution of many. The changes needed go far beyond the prevailing market or state-socialist paradigms. Some individual chronicles of struggle have hopeful lessons.



Vitta, Paul (1985) "The Informal Sector in East Africa: Selected Policy-Related Issues," Africa Development, X,4:59-71.

A short, stimulating contribution to a February 1985 seminar in Addis Ababa by an IDRC staff member develops a good topical overview on the informal sector in six countries, with a number of useful comparisons and policy ideas. The informal sector is the employer of last resort; such workers are held in low esteem, as phrases in area languages reveal. In contrast to West Africa, workers are mostly male, relatively young, and lacking in formal education. Some have recently suffered downward mobility from macro-economic malaise. There is an increasing use of proxies, people running small businesses owned by formal-sector businessmen or government figures. There is great job fluidity. Yet many subsectors are not supplementary to the economy, but have taken over after the collapse of formal-sector production and/or imports. As elsewhere, public policy has remained ambivalent: is the sector part of the solution or of the problem? One indication -- the fluctuating budgets of the small-industry service institutions. One key to effective long-term solutions: rural development.

## V. Southern Africa

Bardouville, Raj (1984) "The Sexual Division of Labour in the Urban Informal Sector: A Case Study of Lusaka," pp. 161-182 in K. Woldring, ed., Beyond Political Independence: Zambia's Development Predicament in the 1980s. Berlin: Mouton.

A working paper for a larger, ongoing project at the University of Zambia on women's economic contribution to the informal sector, this essay reports on recent surveys on women's roles, constraints, and potential. Gender is found to be a critical variable in differential work opportunities and rewards. An initial background section outlines the development of the urban informal sector and the continuity in class and sectoral relations. The survey here reports on data from four communities and 1,730 interviews; 53% of the women were over thirty years of age, and most had modest formal education but no training. About 85% of the women were in petty trading related to food, the rest in other services; types and locations of trading were detailed. Lacking capital, technical education, or the potential for capital accumulation, women, especially alone, could not hope for social mobility. In contrast, young men entered manufacturing or petty trade as a career stepping stone, and a few old men use petty trade as a final career. No prescriptions are offered, so it would be important to look at all the project data and for alternative development success stories for ideas.

Brand, Veronica (1986) "One Dollar Workplaces: A Study of Informal Sector Activities in Magaba, Harare," Journal of Social Development in Africa 1,2:53-74.

From a brief fieldwork exercise in 1981-82, limited to 184 people (78% women) with identifiable workplaces, a member of the School of Social Work in Harare presents base data on which further research for projects could build. She found the typical heterogeneous sector with internal stratification linked to tenure of workplace and type of activity, suggesting the need for nuanced public policy. A surprising number of people had prior formal-sector experience. Many were committed to small enterprise, not looking at it as a job of last resort. Few learned skills in formal schooling; 20% said such skills could not be learned, another 50% credited friends and associates. People worked alone with trepidation and limited knowledge of cooperative potential. Problems were reported with weather, shelter, economic demand, financing, rents, slow payment, theft, transport, sanitation, and health. Incomes averaged between minimum industrial wages and those for agricultural labor.

Ettema, Wim (1984) "Small-Scale Industry in Malawi," The Journal of Modern African Studies, 22,3:487-510.

Ettema reports on the findings of an April-June 1983 survey sampling both rural and urban locations. He covered production, assembly and service activities up to K.425,000 in assets (small to middle, informal and formal). By omitting those in trade and personal services, as well as those without licenses, one suspects that much of the informal sector was in fact missed. But the 1,816 entrepreneurs studied shed some light on many issues. One is gender bias: only 12% were women, limited mostly to beer-brewing and pottery, with a few in bakeries and maize mills. Comparative sectoral stability is evident; nearly half had been in business for five years, and a high but varying percentage supplemented income by subsistence agriculture. Average reported income compared well to other sectors; the more educated, more vocationally trained in cities and trading centers did better. Constraints were predictable: infrastructure, education and financing. Direct linkage to the modern sector was minimal and to the subsistence sector limited. Fledgling development initiatives conclude. A new, more inclusive evaluation can build on this survey.

Gilliomee, Hermann, and Schlemmer, Lawrence, eds. (1985) Up Against the Fences: Poverty, Passes, and Privilege in South Africa. New York: St. Martin's.

The informal sector in South Africa needs to be analyzed in the context of rural-urban migration dynamics and large-scale labor control efforts by the state. These articles provide detailed accounts of the push factors in the black 'homelands' and the elaborate legal structures created to control the influx of labor into urban areas. Pass laws and housing policies are felt in all aspects of the informal sector. Schlemmer and Moller's study, for example, indicates some important differences between migrants resident in legal 'hostels' and those in the informal squatters' settlements. In both locations they endure severe stress and demoralization, but squatters seem to cope better. They live with their families, relatively well off and less connected to the rural areas. Contrary to conventional wisdom, squatters have little or no rural resources and no other option. As many chapters show, the informal sector is there to stay. The saga continues in R. Tomlinson/M. Addleson, eds. (1987) Regional Restructuring Under Apartheid (distr. Ohio University Press).

Mkandawire, Thandika (1986) "The Informal Sector in the Labour Reserve Economies of Southern Africa with Special Reference to Zimbabwe," Africa Development, XI, 1:61-81.

A largely theoretical contribution to an ILO-SATEP research project is of interest both for an analysis of intellectual history and for raising basic policy questions avoided by much conventional literature. It begins with a critical examination of the social origins and purpose of research on the informal sector, why the sector was "discovered" in the 1960s, and how the benign and subordination approaches have contested since the 1970s. The distinct characteristics of the Southern African informal sector development are then keyed to the specifics of the region's past and present as a labor reserve. The Rhodesian government sought to deny informal-sector development. Its successor pledged support, but had much legal residue to overcome and many policies to clarify. Can one expand petty production AND social responsibility? How can one end exploitation within the sector and between sectors? What is the definition of long-term success for the individual and for the sector? It is a most useful set of questions.

Morice, Alain (1985) "Commerce parallèle et troc à Luanda," Politique Africaine, 17:105-120.

It is hard to generalize on this specific case, given the combination of a dismal colonial inheritance, uninterrupted war, the piracy of its trading partners, the limits of statist policies as a weak state in a capitalist sea, etc. With large-scale urban migration, the formal sector in Angola's capital was overwhelmed; a popular parallel market is now hampered by corruption in several sectors and by the illegal efforts of Zairian immigrants. Inflation is artificially contained. Government salaries circulate money despite lack of real production; this produces de facto devaluation regularly. A class of speculators has emerged, just buying and selling. Salaries are unrelated to market prices. Payment in kind and a growing preference for barter result. Telling price comparisons are presented, showing the implications of one's source of money or goods. State policy is complex and ambiguous, but the state provides de facto support of the parallel economy in several ways: salary overpayment, the state store operations, facilities for oil personnel and foreigners, etc. The parallel market thus serves redistributive needs, but it has set up a polarization between those who sell for their needs and those who speculate. No savings or investment strategy looks possible. Peace is imperative.

Scott, Earl (1985) "Lusaka's Informal Sector in National Economic Development," The Journal of Developing Areas, 20 (October):71-100.

While not a very theoretically creative piece, this does provide a substantial amount of recent material on the difficulties of pursuing parts of a socialist agenda -- employment, equity, and affordable food prices -- in a mixed economy. Scott begins with the urban and population growth, the formal market structure sponsored by the City Council in wealthier areas, and the unauthorized markets of the urban periphery. The national party UNIP sought to foster cooperatives to create a more equitable food system, balance the roles of the sexes, and curb profiteering. New parastatals provided goods competitively, and employment and equity progressed in areas of the periphery. But fish sellers, mishanga, and others opposed the uneven effects of fees, taxes, rents, and licenses as instruments of social reform. So did expatriates and others selling to middle- and upper-class markets. Specific conflicts culminated in 1979-80, with a modus vivendi reached by social and private forces, with the latter having the bulk of the market share value. Scott wants a decentralized private sector of community activities, but his evidence indicates the lack of effective community in much of the city.

Simon, David (1984) "Urban Poverty, Informal Sector Activity and Inter-Sectoral Linkages: Evidence from Windhoek, Namibia," Development and Change, 15,4:551-576.

Drawing on his 1983 Oxford dissertation and other surveys of urban life under apartheid, Simon presents a general portrait of the informal sector and the conditions that sponsor and expand it. His 1981 sampling of the formal sector showed self-serving arguments for low wages, especially for women and migrants; the white/black salary gap was 4/1, with the median worse. Conditions deteriorated since the mid-1970s: the 1978-80 "boom" didn't trickle down; the end of influx control in 1977 accelerated urbanization and social problems. Before police harassment, Simon interviewed 25 informal-sector entrepreneurs. They claimed independence; the shebeens, however, bought white man's liquor, and some hawkers were actually working for grccers. With low, irregular, relatively insecure income, participants appeared to be involved in most activities as a survival strategy along involutionary, subsistence-oriented lines. Involutionary growth and pauperization is not, as noted, limited to apartheid societies.

Thimm, Heinz-Ulrich, et al., (1986) Establishing Rural Service and Growth Centres: With Seven Case Studies from Malawi. Hamburg: Verlag Weltarchiv GmbH.

While there is much lip service paid to integrating farm and non-farm rural development policy, few governments or donor agencies have developed the detailed model of decentralized development praxis evident in this German case. The seven cases, each 40 to 60 pages, form the bulk of the work. One gets a detailed look at the mixture of public and private initiatives that build broad-based, rural-biased development. Problem areas are not glossed over, and many recommendations are offered, most location-specific. The RGC is not an end in itself, but a catalytic operation, an intermediate organization with a wide range of technical, economic, social, and educational operations. The limits of the RGC to this reviewer are in its lack of vision of alternative local organization and Grameen Bank-model local funding (now being remedied via IFAD); in its current form the linkage to state agencies creates organizational dynamics inconducive to local legitimacy, control, and thus sustainability.

Tomaselli, Ruth (1985) "On the Peripheries of the Defended Space: Hawkers in Johannesburg," pp. 131-182 in R. Haines/G. Buijs, eds., The Struggle for Social and Economic Space: Urbanization in Twentieth Century South Africa. Durban: University of Durban, Institute for Social and Economic Research.

Hawkers in Johannesburg have been squeezed slowly out of the city for several decades; by the late 1970s there were a few sanctioned Indian fruit and flower sellers and a small number of black hawkers challenging the state and its policy of structural unemployment. State hostility is expressed through charges of economic competition, nuisance, danger, and folk devil; class and racial biases serve as foundation. Four legislative mechanisms and processes of law enforcement then preface discussion of a 1979 survey of 70 black hawkers. Their resistance is a most arduous one, involving lack of facilities, long hours, uncertain pay, and legal coercion. Contrasts are then drawn with the Indians, who have legal standing and who have adapted by clinging to whatever shreds of such standing the state deigns to leave them. Such case material is useful to help study legal agendas for change agents in other societies where the state response to the informal sector is coercion alone.

Wellings, Paul, and Sutcliffe, Michael (1984) "'Developing' the Urban Informal Sector in South Africa: The Reformist Paradigm and its Fallacies," Development and Change, 15,4:517-550.

Up to the late 1970s the informal sector was seen as a social evil to be eradicated. A reformist camp then grew, suggesting several uses for the sector and its potential for development. Wellings and Sutcliffe join some of the critics of this reformism with a general hypothesis that the informal sector will endure as it works to excuse the state from sponsoring adequate social services and jobs. Reform proposals to relax zoning and licensing and to provide capital, training, and work places rest on weak theory and data. They overestimate job growth potential, average income, formal credit institutions' willingness to serve, and the size of potential markets. The sector has poor prospects on its own or in greater conjunction with the formal sector. The veneer of programs may be politically useful, but the likely results will be more akin to involution than to a prospering black middle class allied to white power. It is a sobering case, with conclusions not limited to apartheid societies.