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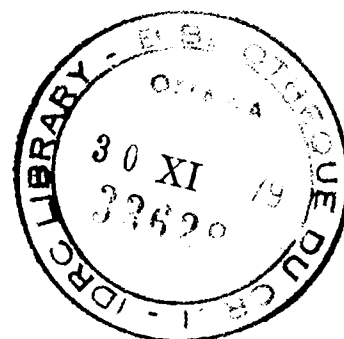
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'The Informal Sector and Its Relation to the
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A View from East and Central Africa.'

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THE INFORMAL SECTOR AND ITS RELATION TO THE NATIONAL VOCATIONAL TRAINING SYSTEM

A View from East and Central Africa

At one time I had thought of entitling this paper 'Is Informal Sector Training the National Vocational Training System?', in order to make the rather obvious point that in many countries in Africa there seem to be more young people trained outside the official system than inside it. Since this meeting is principally concerned with charting new directions for national vocational training schemes, it may be worthwhile to try and locate and analyse the current role of training in the informal sector of some African economies, and to examine in what ways, if any, there might be a closer relationship between the official and unofficial systems. What is said here will reflect in a small way some of the available literature on Senegal and Nigeria, but will be principally derived from fieldwork in the anglophone areas of East and Central Africa, and in particular of Kenya.

A) Pedagogical Aspects of the Informal Sector

An undue degree of mystery has surrounded the term 'informal sector' since it first began to be used widely, in the aftermath of the ILO Kenya Mission of 1971. There are indeed some issues of considerable complexity regarding the structural relations of the informal sector with the formal industrial sector of the economy, and these we shall turn to later. But in pedagogical terms the comparison between these two sectors is somewhat more straightforward.

1. Official Apprenticeship versus Informal Apprenticeship

The official national apprenticeship system has become better known in the last ten to fifteen years in anglophone Africa, and may be said to share some of the following characteristics. First, it is generally extremely small. Annual enrolments may be as low as three or four hundred a year, with total enrolments perhaps not much beyond 1,500. In this respect, several of the African apprenticeship systems have much in common with their counterpart organisations in Latin America, where with the exception of Brazil, Colombia and possibly Venezuela, the numbers in minors apprenticeship have frequently been in the range 400 to 1500.⁽¹⁾

Second, access to apprenticeship assumes much more than basic schooling. Indeed, in several anglophone countries it is an essential precondition of entering apprenticeship that a student have successfully completed four (or in the case of Zambia five) years of full secondary schooling. In Kenya, for example, it is not just a question of four years of general secondary schooling that is necessary, but rather, the would-be apprentice must gain entrance to one of the extremely competitive technical secondary schools, and only after successful completion of the full course, can he move on to apprenticeship. This means in effect that apprenticeship, in countries like Kenya and Zambia, is not operating at the end of the basic cycle of education as it would in Germany or Britain, but is available only to that fraction of the age group who are able to enter and complete secondary school.

⁽¹⁾ See CINTERFOR: Prospective Study on Vocational Training in Latin America and the Caribbean Countries, Vol. 1
(Montevideo, 1975, p. 17.)

Thirdly, official apprenticeship involves a contractual arrangement between the boy and the firm, relating to training conditions, periods of release, wages and benefits, and in all of this the government will act as inspector and provider.

Lastly, the rather strict regulations governing apprenticeship, and the provisions for release, tend to confine acceptance of the institution to a small number of the more modern (often multinational) firms and to the relevant government ministries and parastatals. This may almost suggest that the whole apparatus of the official apprenticeship system exists for the benefit of enterprises and ministries who are already converted to the importance of training, and who would certainly organise it on their own if the government's apprenticeship scheme did not exist.

In contrast to this, training outside the official system proceeds by quite different criteria. As far as numbers are concerned, the great majority of young people acquire work skills without any institutional or official support. Secondly, informal skill acquisition does not have to be preceded by so many years of schooling, and certainly no schooling at the secondary level. As to formalisation of contract, practice differs from country to country, with perhaps the greatest degree of formality occurring in the master-apprentice relations of Nigeria, and with very little in evidence in Kenya or Tanzania. Similar degrees of formality attend the question of the trainee paying his master; in certain situations it is mandatory, in others it may be waived entirely. Whereas in the official apprenticeship, the very notion that the trainee might actually pay the firm is clearly at variance with present day regulations.

Situations in which young people acquire their skills informally, and without any institutional backing are much wider than what we have been terming 'informal apprenticeship'. Very large numbers of firms train youngsters informally on the job without having either the official apprenticeship arrangement or the informal bond between 'master' and 'apprentice'. We have, therefore, three situations so far:

1. Firms using official apprenticeship, with a mix of on-the-job and institutional training;
2. Very small firms using some variety of master-trainee relationship but with no training off-the-job at all;
3. Larger firms with no personal master-trainee relations nor with any training off-the-job. Everyone is trained exclusively on-the-job.

If then the official apprenticeship remains rather small, it is because at least two major categories of enterprise train their employees or trainees entirely on the job, and they resist the view that there is anything to be gained by formalising the trainee bond through official registration. In this respect, at least, the small firm in the more industrialised nations of Europe differs radically from its counterpart in the industrialising nations. It is still very common for really quite small firms in both the urban and rural areas of Europe to take on apprentices. We have suggested that this is really very uncommon indeed in many parts of Africa. Of course, small firms in the rural areas of Africa do take on trainees, learners, 'apprentices', but there is a quite enormous gap between their conditions of work and those attaching to the apprentice in the urban large scale firm, or government ministry.

One question that may be addressed, therefore, especially by a meeting that is considering new clienteles for the national vocational training systems, is whether there can be any marriage between the small, official, institutionalised training system usually organised by the Ministry of Labour and this other, more widespread, less routinised training system that can be found everywhere from the smallest rural hamlet to some of medium and large scale companies in the urban centres.

2. Training in the Official and the Unofficial Systems

Apart from the characteristics mentioned above, another critical pedagogical issue is whether the training acquired in the formal, official system is itself as different as the conditions of work. In terms merely of technical content and learning procedures, is there really a major difference between a boy learning to be a turner or fitter, or an automechanic in the official apprenticeship system, and those acquiring the same skills in less formal ways. Of course, the former receives more theoretical knowledge about the trade through attending the courses specified for apprentices; he also gets used to having available the proper equipment, tools and spare parts to do the job. The less formally trained fitter or mechanic may know much less in this sense, but his knowledge of how to extemporise with few tools, secondhand spare parts, for clients who cannot afford anything else, is far greater than his official counterpart. It is perhaps not too great an exaggeration to say that the more highly paid, official, apprentice is taught, like his counterpart in Germany or Britain, rapidly to identify and replace faulty parts and entire sub-assemblies, whilst the roadside mechanics job is, for reasons of cost, to mend rather than replace if this is at all possible.

Even if this contrast is a little overdrawn, it does present a problem in visualising a marriage between the official apprenticeship knowledge and the unofficial. The official apprentice has had sometimes a great deal more schooling than his informal counterpart and then this has been followed by a good deal of instruction on the theory related to the particular trade. While much of this theoretical knowledge has little application to the day-to-day demands of the trade, it has a great deal to do with performing satisfactorily in the government's trade tests. Indeed, it may be said in certain countries that, apart from the most basic grade three trade test, it is not possible to pass grades two and one without a firm grasp of the theory generally related to that trade. And it is important to note here that in the multinational, parastatal and government sectors of the economy, in fact, the level of trade test achieved is directly related to the employee's wages.

We thus have a situation in which the national skill testing system is utilised primarily in its two higher stages by the most privileged sectors of the economy; it also discriminates in favour of those who have stayed longest in school. In this way, the national certification process is intimately connected with the promotion procedures of the more bureaucratised firms. Because of the background of general secondary education and then of related trade theory, it should not be surprising that many apprentices in these sectors aspire to leave the skilled manual work for which they had been trained, and seek to reach technician or supervisory status.

In most of the smaller firms by contrast, in both the urban and rural areas, it is not possible for the manager or the master to relate the wages to the levels of trade test that may have been gained by his trainees

or employees. Level of remuneration is related to experience, productivity or to piece rates, but not to whether a trade test has been passed. As the Kikuyu say, 'It is not the trade test that works, it is the man.' The small firm or roadside enterprise is not interested in insuring the mobility, flexibility and promotion prospects of its few trainees. Quite the reverse. The idea, therefore, that the manager of a small firm or petty enterprise would want to try and accommodate one of his employees who happened to present a trade certificate is almost unthinkable.

There really are, therefore, two systems - one which is called national but which is restricted to a fraction of the most organised work-force, and the other which is national in coverage but works by a quite different set of procedures. It is not easy to see what common ground there might be between the two. There have been one or two attempts to improve informal sector training, but they have tended too easily to assume that informal skill acquisition needs an injection of 'theory' - as the following excerpt from an action experiment in Ghana makes clear:

The (informal) apprenticeship training which takes place in the workshops seems to be effective in inculcating the basic practical skills of the repair work. However, it does little to provide apprentices with a theoretical or conceptual grasp of motor mechanics. Problem-solving and fault-finding skills, when they are learned, are picked up almost inadvertently when the apprentice reaches the senior stages of his training and is allowed occasionally to trace the faults of customer's cars. It seemed, then, that a training program which provided these missing elements in a more systematic way would be a valuable addition to the apprentice's training.⁽¹⁾

(1) S. McLaughlin, 'Support of Indigenous Vocational Training', in D. C. Kinsey and J. W. Bing, Nonformal Education in Ghana: A Project Report (School of Education, University of Massachusetts, May 1978, p. 171.)

Before leaving this problem of the contrast between the official and the unofficial systems of training, we should be clear what the nature of the problem really is. Is it in fact a serious problem that the majority of small and medium-sized employers do not avail themselves of the official apprentice system? Are there good reasons why they should become part of the national apprentice system? In examining these reasons, it is well to bear in mind that the model of official apprenticeship on offer in many parts of Africa represents an export from Europe of the late 1950s and 1960s. By that point, the institutionalisation of apprenticeship in Europe had become an important policy, - to insure that the youth was released from his employer either during the day, or for a whole initial year. But only a few years earlier this institutionalising trend was not at all evident; if any apprentice wanted to get off-the job training or related instruction in the 1930s or 1940s he had to go in the evening at his own expense. There was no question of his employer being compelled to release him during the day or for a whole initial year.

Returning, therefore, to the contrast between the two systems in Africa, we may say simply that the bulk of industry is not at a stage where it can contemplate adopting the regulations and procedures of modern (1970s) European apprenticeship, with its provisions for paid leave, social security, right of appeal, housing allowance, etc. Nor is the trade union movement in a position - with the possible exception of a country like Tanzania - to push for such a package of rights and obligations. Given this situation, it looks as if in the short term the national system will need to try and understand and adapt itself to the needs of the widespread unofficial system if it is to grow beyond its present very limited numbers, and if it is to offer something acceptable to smaller firms throughout the country.

Many of the agencies which have been concerned historically with vocational training development are reconsidering their provision at the moment, and in particular are seeking ways in which they can relate more directly to the sphere of rural vocational training. This interest does not necessarily imply that a whole new post-primary rural, vocational skill structure needs to be established. Far from it. But it does mean that, in moving away from an exclusively urban orientation it is important to pay attention to the existing non-institutional structures for skill acquisition in both urban and rural areas. This is a task that Tanzania has set itself, for example, in its attempt to assess village manpower resources and requirements, and in Nigeria also, there has begun to be interest in the possibility of building on the existing indigenous skill system. In Kenya, too, some of the dimensions of interaction between the two systems have been recently proposed.⁽¹⁾

B) Employment Aspects of Informal Sector Training

We have suggested in discussion of pedagogy that there are areas where new approaches and mechanisms may well be attempted, once policy-makers have analysed in depth the existing structures. As far as employment dimensions are concerned, however, it is necessary to be rather cautious. Clearly, the term informal sector is used quite widely now to refer to the absorptive capacity of the economy. Unlike the enumerated, formal sector of the economy which is only too easily counted, and found to

(1) Ministry of Manpower Development: Investigation of Rural Trade-Technical Training Requirements, May 1977 (Swahili), and Kenneth King, The African Artisan. (Heinemann, London, 1977)

be lacking in elasticity, the term informal sector is used to suggest that the employment potential is limitless. This is done, of course, by equating 'informal sector' very loosely with the sphere of 'self-employment'. It can then be argued that although the old axiom 'Education for Employment' had become increasingly meaningless as the number of wage and salary jobs became proportionately harder and harder to expand, the new axiom 'Education for Self-Employment' now suggests that there is no longer any difficulty; if people can be directed toward self-employment, the argument runs, the job crisis can be dramatically reduced.

The equation of informal sector with self-employment has become particularly attractive to educational planners and reformers. Given the enormous and growing outlay on universal primary education, which can no longer have any conceivable connection to wage and salary jobs at the end of school, it has become common to justify the basic cycle of education in terms of self-employment. Indeed, the basic cycle in several African countries is even being extended with the idea that the skill component of these extra years will result in easier entrance to self-employment. Recommendations from Kenya's National Committee on Education Objectives and Policies sum up this trend very concisely:

To make formal education include the most appropriate and positive attitudes towards productive labour, with special reference to self-employment. (p. 12)

In view of the large and increasing number of unemployed school-leavers in the country, and the fact that most of the income-earning opportunities will have to be based on self-employment, education and training should increasingly equip a large majority of Kenyans to be self-employed. (p. 71)

Government of Kenya, Report of the National Committee on Educational Objectives and Policies. (Nairobi, 1976)
(p. 12, and p. 71)

This emphasis on the school's ability to prepare young people for self-employment has also emerged at the secondary school level. Several of the schemes for diversified vocational schooling underline the need for the school to point two ways - towards self-employment and, for the few, towards paid employment. Of course, it is not suggested that the school can actually create self-employed work any more than it created paid work in the previous decades. Rather, operating on the assumption that self- or under-employment is the inevitable outcome for most primary and some secondary youth, schools may be able to do something about the quality and variety of that work. From this has derived the interest in the school becoming a production unit and providing work experience.

The weakness of this approach is that it takes for granted that we know what self-employment is, and it assumes that a little basic pre-vocational training will help the process to get under way. But what we do know, without doing any research on the matter, is the following: The bulk of the self-employed do not plan to become self-employed; they have no alternative. They work on their own account because there is no chance of working profitably for anyone else. We may term this large group the 'subsistence self-employed'. Long hours of work, seven days a week, yield just enough to live off. There may well, in the style of their work, be great ingenuity in the re-use of secondhand or scrap materials, but again this is not because they have chosen this as an appropriate technology. It is emphatically not a question of choice of technology, but of there being no alternative. Even though the technology they use, perforce, may be appreciated in international journals for its 'appropriateness', and especially for its labour intensity, it was not chosen. Indeed, it would be more appropriately termed 'subsistence technology'.

The second group of self-employed are very different. They actively plan to be self-employed. Many such choose self-employment even though they have a job in the wage-and-salary sector of the economy, or combine self-employment with holding a paid job. Others choose this because of the family tradition of owning a shop, a small business or offering a service. Others again are prepared to contemplate self-employment provided they can get a loan or credit. The group may loosely be termed the 'entrepreneurial self-employed'. They are not on the margins of the economy. In fact they are typically the group that the state's small scale industry organisation offers its services to. Naturally enough, if secondary school youth are asked about self-employment, it is this type they immediately think of. Hence their common view that without credit they cannot possibly become self-employed.

Thinking about the employment implications of the informal sector, then, does raise a number of major problems. The subsistence self-employed are presently formed without any deliberate policy or government intervention, and in general they are increasingly a group who have completed the basic cycle of education, but have not been able to go any further. It may well be asked whether it will alter the terms of their self-employment appreciably if the state inserts a little skill training towards the end of the basic primary cycle. It certainly seems doubtful, for it is not possible for the primary school to reproduce the conditions of work amongst the subsistence self-employed. Doing prevocational studies for five, ten or even fifteen regular periods per week is no preparation for the long hours, and low rewards of those subsisting through self-employment.

Additionally, it is difficult for the basic school to concern itself with more than a handful of skills. Almost inevitably these will turn out to be the Big Four - building, metalwork, carpentry, domestic science. However important these four may be, many thousands of young people will turn to self-employment in a line of work for which the school could not possibly prepare them. And equally important, many will start as casual labourers in small enterprises, receiving little or no pay, and finding work there only on an irregular basis. This latter points to one of the major conceptual difficulties of the work status in the informal sector - that young people will in the space of a few months have to change roles perhaps several times, - from casual worker, to self-employed worker, and then back to a different type of daily labour. In this way, the employment aspects of the informal sector are inseparable from the structural relations of work in these grey areas, as will be seen in the next section.

C) Structural Aspects of the Informal Sector and Its Training Patterns

It is tempting in a meeting concerned with technical and vocational education to concentrate on those occupations in the informal sector which seem to have a parallel in the formal, official sector. It is important, however, to try and disaggregate the informal sector so that these craft occupations are seen within their proper context.

1. Trade Categories Found in Both Formal and Informal Sectors

We have already suggested that on both the training and the employment dimensions, it is the trades common to both sectors that have aroused greatest interest. Building, car-repair, metal working, carpentry, electrical

work, and many others, all seem to coexist in the official as well as unofficial sectors of the economy. The emphasis here, however, is on the relationship between these two styles, and especially on aspects of that relationship which are of importance to the planning of the vocational training system.

One of the most obvious features of the informal undersector of each of these trades is its competitiveness and the speed with which basic skills are acquired and spread. There seem few mechanisms to protect one man's skill against the next, although in parts of West Africa the indigenous apprenticeship system may well operate to reduce over-competition. But with this exception, there are in many Third World cities swarms of more or less skilled men competing to do building work, spray-painting, auto-repair and other similar trades.

In contrast to this fierce competition, the official vocational sector appears to be carefully judging, for example, the number of spray-painters, and motor vehicle electricians that ought to be trained in any particular year. Here we reach the kernel of why the official system is so small: many of its basic requirements for skilled labour are met directly, or indirectly, by this sprawling, cutprice world, where skill is reproduced without the complication of official apprenticeship, day release, and government regulations. There are, in fact, many ways in which this so-called informal sector directly subsidises the so-called formal sector. In the building trades, for example, the main contractor may have a very small number of his own, officially trained apprentices and skilled men, but a great deal of the work will be subcontracted to

smaller builders who in turn will rely exclusively on workers whose skills have been picked up cheaply and informally. It is, then, possible to have on the same building site carpenters or bricklayers doing almost identical work, with some receiving the official apprentice or skilled rate for the job according to trade tests, seniority, etc., while other subcontractor's labour will be doing the same work at perhaps a third of the price, and with no fringe benefits, social security or other rights. The reason the main contractor has trained so few official apprentices himself is precisely because there are so many adequately skilled men ready to work for a fraction of the price.

Exploration of the subcontracting mechanisms operating between the large and small-scale firms is essential for understanding the stagnation of the official apprenticeship in so many countries, as well as the direct subsidies that flow to the formal sector from its utilisation of informal labour. Many large or medium scale firms might actually prefer to control all the aspects of production in their own factories; but they then immediately run into difficulties with labour regulations on social security payments, official wages, recognition of trade certification, etc. Hence there continues a still widespread process of utilising labour from the small scale and informal sectors which are beyond the reach of such legislation.

Lastly, several large and medium scale firms only require a small number of official apprentices, because they have the informal sector actually working inside the factory. That is to say that in addition to their regular, permanent work force, they have a significant undersector of casual labourers. These are not employed for the occasional

seasonal alterations in demand. In fact, the employer requires many of them on a permanent basis but is not prepared to make them permanent. Thus a certain number of the permanent positions are filled by a series of regularly circulating workers, none of whom completes enough days in a year (or other period) to be considered officially full-time. Such workers are permanently irregular, but operate in a seniority system which eventually siphons off the top into the permanent workforce.

It is also important to understand the structural interrelations of formal and informal in these particular 'common' trades, if the difficulties faced by many diversified secondary schools are to be explained. Like so much in educational planning, the idea of diversifying the general academic secondary school sounded eminently good sense. It seemed equally obvious to make metal work, carpentry, building, auto-mechanics, and domestic science, the core of the diversification (with agriculture as a sixth item in some schools). Although few, if any, diversified schools have been evaluated to discover how the new orientation has affected employment outcomes, it is widely believed that despite the capital and recurrent expense, few new bricklayers or car-mechanics have been added to the nation's stock through this mechanism. But if the young people passing through secondary school have successfully resisted these intended trades, it is probably because they know only too well how the bulk of carpenters, builders and mechanics are produced in their countries.

The outcome of this discussion on these trades common to both formal and informal sectors, then, is that even if the Ministry of Labour

or of Education, can do very little to alter the patterns of skill acquisition in the informal sector, they can perhaps become more aware of how their own planning of the formal sector training-needs (through schools or vocational centres) is inseparable from a knowledge of how the informal sector produces those same skills. To plan for the one in isolation from the other is to refuse to notice their important inter-connections.

2. Trade Categories with no Parallel in Formal Sector, but with Lengthy Training

It is worth mentioning for the sake of comprehensiveness that there are a number of skills that are at the moment restricted to the small scale and self-employment sector, and for which no training can be obtained in the government's official system. These tend to be family crafts such as goldsmith, silversmith, jeweller, and some categories of weaver and potter. Eventually, these crafts may be taught in art colleges as in the West, but they are mentioned here to make the point that not all occupations in the informal sector are inherently precarious, and dependent. Such well-established crafts are relatively autonomous, and their possessors are to some extent protected by the family or caste connections, and by the long training period.

3. Job and Trade Categories in the Informal Sector with Little or No Training Period

This is a very large group of occupations which are more or less conspicuous in all Third World cities, and which continue in an altered way in several parts of the industrialised world. Many of these fall in the category of street trading, collecting, and food and drink preparation.

Unlike the paper boys, flower-sellers and summer jobs of North America, these activities are carried on full time, are not meant to generate extra money, but rather to provide the little essential money that the family may need. When the educationists talk of education for self-employment, they are probably not thinking of shoe-shining, selling Time and Newsweek, garbage picking, or working as bar-girl-cum-prostitute, and many other occupations in the informal service sector, and yet these contain perhaps as many workers as the productive and manufacturing areas.

They are mentioned here for two reasons. First, they require little or no training, but just a few days of induction. In this respect, it should be remembered that the same is true of the bulk of all jobs entered in western industrialised economies. To this extent, therefore, there is a very limited role for the school in anticipating the variety of self-employed endeavour. But it is precisely this limited relevance of seven years primary education to the job in hand that threatens to make parents disillusioned with school. For the poor, what maintains interest in schooling is partly the same myth that sustains petty self-employed work -- the possibility of a lucky strike. One child may be lucky in the government examinations, and be able eventually to get the kind of job that could help the family to escape. Similarly, in self-employed work, many thousands of young people are sustained by the evidence of the few who successfully escaped upwards - who moved from selling aspirins to owning real estate, or from garbage picking to a spare parts business. The second reason for mentioning these categories of self-employment is

that many of them are also, like the productive trades, structurally integrated into the formal factory sector. They are not, therefore, as independent as the label 'self-employed' would suggest. For example, in several of the industrial areas attached to capital cities in East and Central Africa, the factories have no canteens for the workers. Instead the staff, who can afford to, eat from the hawkers and vendors who congregate at the factory gates. In this manner, the very cheaply prepared food of the self-employment sector subsidises operations in the formal sector. Although this is not an official sub-contracting process like those mentioned earlier, it has the same effect - that what would otherwise be quite expensive to organise within the factory is very cheaply arranged through informal catering. Examples could be multiplied, but many of them indicate the same situation, - namely that the factory does not end at the factory gate, but extends deep into the self-employment sector, using its cheap distribution, its housing, its catering, its transport and its production.

CONCLUSIONS

The organisers of this colloquium have very properly stressed the importance of historical development if an accurate perspective on vocational training is to be gained. In particular, they have suggested the need for vocational training authorities to consider new directions and clienteles. This present paper has examined some of the interactive dimensions of skills acquired in institutions and skill acquired on the job, and has argued that an understanding of some of the mechanisms at

work in the informal sector is essential in any attempt to reach out beyond the traditional clienteles of vocational programmes. It may even be essential fully to understand the successes and problems of the existing vocational training system. An awareness of the many and complex interactions between formal and informal learning, and between different kinds of work, will, over time, improve the planning exercise, and throw up new and relevant research tasks that begin to take count of these wider relationships.

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