

'Labour Markets in Southern Africa'

This book by Liv Tørrres breaks with the long standing tradition in Southern Africa of equating the problematique and discourse on regional labour markets with the issue of labour migration primarily. The latter preoccupation is indeed important and has been discussed interminably to little avail, both in terms of adding value to the empirical understanding of the phenomenon, nor to its policy implications in the context of regional co-operation. In this report, Liv Tørrres has sought to expand the range of themes that need to be incorporated into a comprehensive interrogation of regional labour markets, while, at the same time, attempting to utilise the labour market as a critical nodal point of interventions in promoting growth and development.

Substantively, Tørrres is concerned with the need to promote inclusive and equitable growth in Southern Africa, and as such, contends that labour markets are 'arenas for development towards growth and redistribution in the future', hence the need to pay adequate attention to their functioning and outcomes, at the national and regional levels. Tørrres takes this stance in the appreciation of the many social and economic problems confronting almost all of the Southern African countries, which are rooted in labour market distortions and malfunctioning. These problems are indeed well known and relate to the small

Guy Mahone reviews 'Labour Markets in Southern Africa', by Liv Tørrres

and diminishing size of formal employment, poverty in employment, pervasive unemployment and under-employment in non-formal sectors, perverted forms of labour migration, the growing threat of the HIV/AIDS epidemic, low levels and shortages of skills, the plight of women in the labour market and low levels of labour organisation and working conditions in many of the countries in Southern Africa.

She notes that the above problems manifest themselves in the context of structural economic trends of jobless (or job-shrinking) growth in many of the countries in Southern Africa. These trends have the effect of worsening the marginalisation and exclusion of the majority of the labour force, while the much-taunted panaceas of structural adjustment; stabilisation and globalisation have had the tendency of exacerbating the problems.

Structure of book

The structure of the book can be seen from two perspectives. At one level the report begins formally and sequentially

with a discussion of the economic and institutional framework of regional labour markets and their potential for restructuring accompanied by a critique of current economic policies. This is then followed by a characterisation of regional labour markets in which a wealth of comparative data is presented on the structure of labour markets and their accompanying problems. The report proceeds to discuss traditional aspects of the labour market such as those related to industrial relations, social partnership and conditions of work, again, from a fairly informative comparative perspective that covers almost all of the Southern African Development Community (SADC) countries.

The last part of the main report addresses labour market issues in the context of regional co-operation and pulls out the key policy issues and challenges. Within this context the main report attempts to compare labour market information and data pertaining to all the SADC countries except the Democratic Republic of the Congo and Seychelles. The report is accompanied by detailed case studies on the labour markets situations in Botswana, Zambia, South Africa and Namibia (these latter two country case studies written by researchers from Naledi). At this descriptive level, the report's strengths lie in bringing together disparate data and information in an organised format such that the national and comparative characteristics of labour markets, along with the many problems associated with them, are easily appreciated.

At another level, the report is structured thematically with a view to addressing the various labour market related problems pertaining to employment creation, the informal sector, the public sector, labour migration, child labour, the HIV/AIDS

epidemic, the status of women, labour market flexibility and the nature and impact of structural adjustment programmes on labour markets. Torres approaches the foregoing themes from the point of view of explicating and exploring the implications of the nature of poverty in the labour market. From this perspective Torres concludes that labour market policies should be a key component of any policy packages aimed at addressing poverty issues at national and regional levels.

From the presumed vantage point of labour markets, Torres proceeds to call for a number of policies at the national and regional levels. Essentially she advocates for proactive interventions aimed at broadening the economic base and making it more inclusive of excluded and marginalised majority in the labour force. Of regional significance is the call for liberalisation of regional labour markets and the need to harmonise social security systems and the need to enhance and consolidate labour market information.

Report should be welcomed

This report by Torres should be welcomed for its intent and the spirit in which it is written. In attempting to broaden the manner in which labour market issues are addressed in Southern Africa, the report has succeeded as an illustration. The report should also be commended for its bold attempt to use the labour market as a handle for understanding the many manifestations of poverty in the labour market in the countries of Southern Africa. In this respect it provides a basis for interrogating the problematique of underdevelopment and the quest for equitable growth in Southern Africa.

The report provides interesting but rather brief discussions of the dilemmas at the national and regional levels related to labour

migration, whereby de facto integration is taking place in the face de jure regulatory regimes that attempt to constrain the trend; related to the difficulties of distinguishing between the parochial and national interests of social partners and their implications for policy formulation on the basis of consensus; and related to the potential role of organised labour as the vehicle for actualising the vision and policies advocated in the report.

Challenges

In assessing a report such as this, it is important to recall that the labour market concerns a social category, labour, which, within capitalist or market-based social relations is a means, an end and an actor. As a means, it is a factor of production whose demand is derived from the demand for goods and services. As an end it is the ultimate beneficiary and valuator of economic activities. And as an actor it creates and reacts to social and economic realities, even if within circumstances that may not be of its own choosing or in a manner in which it is able to predict or control the outcome. In this latter respect it differs uniquely from other commodities in that it can react to situations that it deems undesirable in order to protect its interests and its rights.

A comprehensive approach to labour market analysis at the national and regional levels should be able to problematise the foregoing aspects of labour and the labour market in a coherent framework within which the various themes such as those discussed in this report should be located in a meaningful and compelling manner. Hence there is a need for and adequately conceptualised framework of how, at the national and regional levels, macroeconomic policy, sectoral trends, social policy and labour market policy relate to each other and interact to

underpin the many problems discussed in the report.

Thus, for instance, at the regional level, it is necessary for labour markets to be intimately linked to the structure of national economies and the nature of the regional trends in trade, investment and labour migration and their impact on labour markets at the national and regional levels. The report by Torres is suggestive of such an approach, even if it mainly succeeds in viewing the labour market from the perspective of labour as an end. The explication of the material basis of the conditions under which labour as an end and as a social actor has to realise itself through its role as a means begs for coherent articulation at both the national and regional levels.

The relative ambiguity of the problematique of exclusionary growth, and, accordingly, of the precise nature of the redistributive strategy and interventions needed to precipitate a virtuous cycle of interactions predicated on labour as both a means and as an end in the process of effecting sustainable and inclusive growth, is perhaps, the major weakness of this otherwise useful and commendable report. The report should nonetheless serve as a valuable source and reference for labour market information and data concerning individual SADC countries and the region as a whole. ★

'Labour Markets in Southern Africa', by Liv Torres is published by Fafso- Fafso Report No 257, 1998, Institute for Applied Social Science, Oslo, Norway You can obtain it for R80 through Fafso, South Africa at phone (011) 341-0653, fax: 341-0655, email: info@fafso.org.za.

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Fafó Institute for Applied Social Science offers research and documentation on living and working conditions, labour market issues, industrial relations and trade unionism in Southern Africa and beyond. Fafó's objective is to produce, advise, interpret and publish research which is of strategic significance to key political and economic decision-makers in general and to unions in particular.

Labour Markets in Southern Africa

This report focuses on the labour markets in Southern Africa as the critical arenas for development towards growth and redistribution in the future. The report maps labour markets and industrial relations in the SADC countries, and gives attention to key issues of the labour markets in the region. (R80)

Amandla. Ngawethu? The Trade Union Movement in South Africa and Political Change

Liv Torres' doctoral thesis investigates the role of the unions in the development of citizenship, democratic culture and the legitimisation of a democratic South Africa. Rather than focusing on structural changes, economic growth, or international sanctions, the focus is on the contribution of civil society, the trade union movement and particularly COSATU in the struggle towards democracy in South Africa. (R150)

'We are emerging, emerging slowly and painfully!' Infrastructure Delivery in South Africa

The new democratic South African government inherited an incredible number of challenges from

the previous apartheid regime. The gap between rich and poor was amongst the largest in the world. Simultaneously, economic growth has been low in the 1990s, and the civil service was in need of major restructuring. Through an assessment of documentation, a survey in three provinces, and in-depth interviews with government officials, Fafó has together with Community Agency for Social Enquiry, mapped infrastructure delivery in South Africa. The report was commissioned by the National Economic, Development and Labour Council. (R75)

FORTHCOMING

The Smoking Business: Living and Working Conditions amongst Tobacco Tenants in Malawi

The tobacco sector is the major export sector in Malawi, and thereby a major source of income for millions of people. However, it is also characterised by low wages, poor living conditions, tenancy, and child labour. Fafó has conducted a survey amongst tobacco tenants focusing on living and working conditions of the tenants. The project was conducted for the Malawi Congress of Trade Unions together with the Centre for Social Research at the University of Malawi. The report will be published in October this year. (R100)

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Trade unions in Madagascar

Madagascar, an ex-French colony, gained formal independence in 1960. It then pursued a neo-colonial economic and political policy until a military coup in 1972.

The return to civilian rule in 1975 brought in a revolutionary socialist government under President Ratsiraka, leader of the vanguard party AREMA. The socialist government lasted until 1993. It nationalised French assets in all sectors of the economy and set up state-owned enterprises in all sectors in a large-scale 'inward industrialisation' (import substitution) policy. But to do this, government needed to import expensive capital goods. It also borrowed money from the International Monetary Fund (IMF) and World Bank to stabilise Madagascar's collapsing currency and alarmingly high domestic inflation.

A number of factors led to an economic and political crisis in the late 1980s, including: rapidly falling real wages; the failure of land reform efforts to improve the desperate situation of the mass of peasant farmers; increasing general poverty.

This crisis resulted in voters replacing the socialist government in 1993 with a government committed to structural adjustment and liberalisation, after a prolonged and sometimes violent political crisis.

In 1975, one of the first acts of the revolutionary government was to create a broad political front, the National Front for

Pete Lewis reports on trade unions in Madagascar.

the Defence of the Revolution (FNDR), in which all political parties were subsumed under the hegemony of the ruling party, AREMA. It also created SEREMA – a new trade union federation, which would be closely politically aligned to AREMA. Other trade union federations were affiliated to the other political parties in the FNDR. When the government created state enterprises it allowed only SEREMA to sign up members amongst the workers employed in them. This marginalised independent trade unions and most unions became a tool of state policy.

Madagascar thus emerged into the 1990s with SEREMA and a number of small trade unions that had been tightly under state control for many years, and some small but rapidly growing independent union federations linked to the Catholic church, which had been underground during the 1980s. In 1997, President Ratsiraka, president under the previous socialist regime, was re-elected as president, and his government has intensified the process of structural adjustment.

Economy and labour market

According to the United Nations