

**ACTIVE EMPLOYMENT POLICIES FOR ALL AND FORMATION**  
**(The African Context)**  
**Fr. Vic Missiaen**

## **Summary**

This paper takes employment to mean income generating activity. Economists tend to study the labour issue mostly referring to formally employed labour. This deals with less than 20% of the labour force in most African countries. The vast majority of 80% is then referred to as the informal sector, for which there are mostly guess-timates rather than exact statistics.

To create income for all and the policies needed to obtain that, is the focus of discussion here and deals with a bottom up approach of what is needed to guarantee an income for all.

To make the link between informal and formal economic activities, by creating effective structures to make that link into a continuous productive flow, is the key challenge for a take off of the economies of Africa.

## **Introduction**

The longer one lives in Africa the more one recognizes that problems and questions of development must not be simplified. There was a time that development questions were answered with simplistic solutions: import substitution, overpopulation, developmental aid, infrastructural expansion, nationalization of major factors of production, structural adjustment programmes, public – private partnership, liberalization, budget enhancing aid.

We have heard these solutions over the years, going from one shift to another. And local experts in our policy making ministries were shifting with the changes that came from the donor experts. Time has come to start from another angle, bottom up, and seek to complicate the answers and use a multi – pronged approach.

The subject before us here, “active employment policies for all and formation” is a subject which asks for such an approach. Let me try to describe it in this paper.

### **1. An ethical and cultural reflection**

What do we refer to when we speak of “active employment”? Will the economic approach answer this satisfactorily? Or do we look more closely at some of the reflections which the ILO like to work with: decent work, guaranteed minimum income, work is not a commodity but part of human dignity, relationship between work and well being of the family.

Why is it that a country like Tanzania, which is endowed with many resources, cannot employ these resources in a way which provides a basic minimum income to guarantee a decent human life for all its citizens

The first area we need to look at is the ethical and cultural attitudes of its people – before we look at the economic and political aspects. How does society look upon someone who does not work? How does society value a person who cannot manage a basic income for the family? What do people consider to be the basic minimum needs to be fulfilled?

To list those questions may already provide some surprises. But before we can list basic needs, how do people recognize that these are indeed basic needs, and if one is unable to provide them, how does that come across in society? Does it mean lack of status before other people, a shame creating situation which must motivate a person, or a social group, to make better use of opportunities and therefore become socially creative in a communitarian way. Or is it simply attributed to a fatalistic bad luck? Looking at material poverty, one discovers underneath a much deeper poverty, human poverty which blocks a person to use their God given talents, because they do not know them and nobody told them about their capabilities and capacities, or nobody can lead them out of their impasse, or nobody has obtained the trust of the poor because they have been cheated already too often. To teach the people that there is a better life than the one they live now and that it is possible to obtain it with their own strength and they do not have to emigrate to town to find it.

This social view of looking at life together and see what they can do together, is one of the main factors contributing to human poverty which causes material poverty. This shows the need for social ethics and social culture to become stimulators for development. It requires human formation, it does not just happen. And in order to create this many things must happen at the same time, if one is not going to see the process lose its momentum early on.

Many things – education, motivation, supporting services of various kind, creating opportunities to sell the fruits of their labour and obtain income, available inputs to make good use of such income and enjoy wellbeing. To live in a remote village in Tanzania is to experience that development possibilities are extremely limited. Poverty is real and it becomes a debilitating force, a paralyzing reality. This is an ethical and cultural issue. The poor also want to live a worthwhile life, but they do not know how to go about it. Poverty makes a person unfree – poverty makes a society paralysed. In such a society it is very hard to find and to develop the managerial capacity needed, both in terms of technical knowledge and in terms of ethical attitudes to work for the good of others. It requires spiritual motivation to work for the good of others, for the common good, to practice solidarity, to feel responsible for the well being of others. At this level there is much work to be done in Africa.

## **2. Use of Resources**

Two main resources are presented here:

### ***a) Human Resource***

Human and social capital have been popular concepts, but they need further elaboration in terms of policies and strategies of building these capacities. These factors are more than schooling, training for skills, they also require social and human formation, cultural transformation, understanding and awareness of certain ways of life and cultural behaviour.

To take one example: what does it mean to create employment? In Tanzania this term cannot mean only paid or salaried employment. That refers to a small percentage of the adult work force – some 15%. We often hear people who have no paid employment say ‘I have no work’.

To create employment with an income must also refer to the self-employed in agriculture, small business, occasional labour, the sector which is called informal. Here we are talking of the majority of the adult labour force. To create employment means to provide a favourable climate where these workers can earn an income. This calls for specific policies for the informal sector and in most African countries this is not present or very much a secondary thought.

Such policies could be to raise the school age with two more years of vocational education and providing an easy start subsidy to establish themselves. This may be one policy which could provide some hope for young school leavers who do not go on to secondary education.

Or putting up an efficient service for farmers to voice and channel their complaints concerning government services which do not function properly, this will encourage farmers to stand up for their rights. This is all the more important where rural trade unions do not exist.

Where income is insufficient, either because people are under-employed, or only subsistence oriented – there is need to promote the dignity of human life and human development through adult educational programmes, not only to learn to read and write, but also how to improve their lives. Many women groups are excellent ways to improve their lives and far greater investment should be channeled into such rural areas. To make people aware that not to work is undignified, that unpaid self employment may improve the quality of life, in the family, in the village. Work is not only a right, it is also a duty.

Much more can be done to help informal labour in getting them organized, provide easy access to input of services (financial, advisory).

That too must be considered part of the active employment policies. The 19<sup>th</sup> century European experience has much light to shed - on how to help lower income workers getting organized and supported by official government policies. The experience of the great development in rural China in the 1980's is a recent example of what state policies can achieve in the informal sector.

**b) *Use of Material resources***

In Tanzania we have had many problems in the last 20 years with the provision of electricity and of drinking water. Yet the resources are there to be exploited and provide enough output for those who need it. Why then are there problems of non – availability?

The easy answer is – there is not enough money meaning for big investment in big projects. But what about small scale projects, paid and managed by localities and communities. The small is beautiful is not really popular in Tanzania, and yet it is full of potential. But the creative initiative is often missing. How can that be improved? This is a major challenge.

If our Small Christian Communities could show an active social awareness for their local needs and get themselves organized to improve their situation and lobby the local administration to perform better, such an involvement would constitute a real power for change. Why is our church community not more socially aware?

Material resources are plentiful. Ideas and plans are available. Policies must therefore concentrate on managing, implementing, sustaining and maintaining. How much aid has gone down the drain for lack of maintained implementation, care and control over the material investments like water provision, bridges, pumps, small transport. Formation for such virtues and behaviours must be part of school programmes, but also of adult ongoing formation programmes – like village councils run by the people themselves.

Management policies of this kind should be part of the labour policy and part of the study of how to increase productivity, by concentrating on the basic community level. But our experts are often trained in modern techniques coming from another economic and social environment. Our universities and Schools of Higher learning are not interested enough and

oriented towards their own society and environment. They are not interested to go and live in those rural or urban poor areas and become part of those communities and offer a leadership and management role in them.

How to make them interested should be part of the active employment policies. We teach people skills and they become competent, but we do not form them in the culture of maintenance and sustained effort and organize a reward system which encourages such attitudes and behaviours. This lack of maintenance culture gives rise to so much wastage and poor use of resources.

### **3. Change is possible**

Over the years much has been achieved. These achievements at the macro-level are positive. The problem we see is at the micro-level – in terms of production and of distribution. In fact we have a situation where a minority stimulates the growth and where the majority is not participating much in that growth and in its distribution.

80% of the population does not profit enough from the growth achieved. It is an illusion to think that 20% of the population can lift up the 80% out of its stagnation and poverty. Most people can see the truth of this reality. But few experts are willing to review the development policies. Neither the academic world, not the political world nor the global governance are willing to take a real revolutionary re-examination of development policies.

They are not willing to start from the informal sector and small farmers as the real potential power base for development which leads people out of poverty.

They neglect or do not see the potential of the small scale producers and farmers, livestock keepers, fishermen even if they form the bulk of the national community. No- one would be against some modern farming units if they would be linked to helping and upgrading the surrounding small scale farmers. But if policy makers allow modern farmers to be privately owned and profit seeking units, then they will never create social and technical development for all. Only some employment, low cost, creating a new group of latifundia set ups as was known in Latin America.

80% of Tanzanians depend on agriculture for their livelihood and income. The potential for intermediate products, for export of agricultural products and production of raw materials for industries can be greatly enhanced.

But the fact remains that this large sector of the population is side lined. When recently the government launched the “Agriculture first” programme it was an affair of the business community under the Tanzanian Business Council. Small scale farmers should be at the heart of Africa’s green revolution – and it is not happening. Why is this?

One of the major causes is that the desire for education is perceived as a move away from the low income realities. Education is seen as the passage to better life. And better life means white collar work, modern urban life, progress associated with urban advantages.

Low income life, whether it be in rural areas or urban poverty, is considered hopelessly unable to provide any development. And official policy makers agree with this assessment and plan development based upon the possibilities such as the so called modern education provides.

But paradoxically it is precisely the hopelessness of that situation, which is beginning to be the source of major change taking place in Africa. There is in Africa a growing undercurrent of self-help and low level creative activity.

The social anger of the youth is beginning to become a force for change. The political discontent and tensions we see in various parts of Africa are signs that social change is moving up wards and will force itself unto the public scene more and more. It is an undercurrent which is finding its way upward.

Leaders: political, social, religious, are losing credibility – all the selfishness and greed which the poor observe in their leaders is creating discontent and tension and nobody knows how this will develop in the coming years. It is a social force. It can develop negatively or it can be tapped for positive growth.

In fact there are already many examples of positive developments – cooperative groups, village projects, agricultural improvements based upon small groups. People begin to see the importance of the soft social values like solidarity, care, compassion, trust, generosity – but this needs to be recognized as important economic factors and inputs, and economists must stop to measure only the hard values of quantitative measurements and monetary values and growth projections and results expressed in statistical terms.

We need to study the logic of poverty, a logic which prevents the poor to break out of their poverty. But with positive policies this vicious circle can be broken.

The answer to the question of how to create active employment for all and to provide social formation lies in moving the community into wanting to break its own cycle of poverty and provide them with the support which will facilitate that self-effort.

This support must be active facilitation programmes in terms of management skills at local level, advisory services and input of ideas, transport facilities and financial facilities at manageable levels by small size entrepreneurs.

This calls for two major structural changes:

- a strong decentralization of all government and administration and social services.
- A re-think of the liberal free market vision which has become popular in Africa, especially with those who have the means to profit from it. It does not mean a return to scientific socialism, but it calls for what the Social Teaching of the Church speaks about. We have as church a treasure to offer to Africa in terms of development to all people of good will of all religious persuasion.

#### **4. An attempt at sketching some concrete propositions.**

Not only is change possible, it is already present and active. It can be greatly developed through planning and policy making. It is encouraging to see such activities in Tanzania, and no doubt in many African countries. Just to enumerate some community approaches, supported by various levels of authorities:

- TASAF : Tanzania Social Action Fund supportive of community projects, sponsored by public funds, and spread over the whole country.
- SACCOS : Savings and Credit Cooperative Societies springing up all over the country.
- MVIWATA : Small farmers groups in network.
- Cotton, Coffee, Cashew nuts, tea cooperative groups.

The awareness of the growing concern for helping the lower income groups is manifested in the Tanzanian Government “National Strategy for Growth and Reduction of Poverty II” (July 2010). The principles and fundamentals are well understood: efficient use of resources, need for well functioning institutions and markets, good infrastructure, good economic governance and resource mobilization and financing. Dealing with income poverty is being linked to quality of life and social well-being issues and that it requires good governance and accountability.

The plans are there and they are good and provide good guidelines. The implementation is often the weak link. The problem of reduction of income poverty requires more than good economic planning, based upon the economic principle of increased production and economic growth through good use of economic factors of production. The vast problem of poverty needs a more drastic approach for which the political will must be stirred. This will only occur if the ethical vision over global humankind can become the motivating driving force. Mater et Magistra already in 1961 gave a strong lead in this. The Church leadership needs to continue to push global society in this direction.

In the following section the paper presents some concrete propositions. They deal mostly with the national situation in Tanzania (except the first one). But they may be applicable also to other countries

- a) To push the United Nations to declare basic human and economic rights to be a global right to be answered by international planning authority and paid for by global taxation on items like international financial transactions and production of oil. Such plans to be executed as budget supplementary inputs for specific needs and channeled via national governments directly to local government levels, supervised by national accounting services.

The Catholic Social Teaching is saying that poverty and sickness cannot be overcome in the world unless it goes beyond aid giving by better off economies. It must be considered to be the rights of every human being to live a decent human life.

Globalisation must get down to build the structures which will guide implementation of programmes dealing with poverty issues, human dignity issues and guaranteeing basic incomes for all.

- b) To raise the primary school education by two years during which children are taught practical skills of basic management, improved agricultural techniques (for rural areas) or basic vocational skills (for urban youths), basic commercial knowledge. Such education to be paid for in partnership by national/regional authorities with a participation of local administration and the families of the children.
- c) To review the policies of the financial institutions and oblige them to invest part of their credits in the lower income groups via cooperative groups, housing schemes, health insurance schemes. It would answer the great lack of credit facilities for small scale project and local communities’ needs. Such investments by banks must be backed up by government guarantees to avoid losses or create major financial crisis through defaulting.
- d) To make certain infrastructural investments labour intensive, providing additional income in rural villages and urban poverty areas – e.g. road building, water provision projects, health – improving schemes at village level (pit latrines, improved housing, gas production from waste, forest planting). If we can organize an army for military purposes, then we can also organize an army of under-employed to improve the environmental conditions which lead to a better quality of life, which in turn makes people more creative and less fatalistic.

- e) A renewal of adult education programmes, not only to read and write, but to learn to plan progress together based upon the local possibilities. For this one needs special community animators, which should be trained like teachers are trained. Human rights and methods of lobbying and monitoring official policies should be part of the programme. Such programmes must aim at building a national ethic which makes human wellbeing an accepted goal and desirable for all, shaming the nation if it does not deal with large groups of people living in inhuman conditions. The Catholic Social Teaching calls this a civilization of love. It must be taught and requires an ongoing formation.
- f) Need for a sustained spiritual campaign, via the media and the schools to form people in the community virtues of solidarity, common good, care and compassion, generosity, trust and sense of responsibility. This should be a civic programme, organized by government, assisted by religious groups and civil society groups. Human well being unleashes human creativity to cope better with life, it arouses developmental motivation and social commitment to obtain what one has learned to desire.
- g) Encourage a critical analysis of the cultural dimension of under development and poverty like the exaggerated respect of authority, inferiority status of women, uncritical acceptance of traditions and customs ( like witchcraft, evil spirit, magic powers). Such things are very alive even among professionals.
- h) Labour issues ask for greater organization of the work force (both salaried and self employed). There must be positive efforts made by public authority to help the labour force to organize itself and help them to participate in decision making processes. This is especially needed for the young labour force, who are often left to themselves to find their way in life and end up wasting their life away. An aimless life is an inhuman life.

People must be taught that paid employment does not exhaust the possibility of making a contribution to the human quality of life in society. Political leaders must learn that organized labour and cooperative groups are not a threat to their political authority, even if they use some pressure groups tactics. They must learn to see these as contributive collaborators in the running of a nation.

## **Conclusion**

This paper has focused heavily on the social and ethical dimension of the labour and economic policies in the struggle for more development in Africa. It is because of an experience over many years that these aspects have been neglected in the reflection on development issues.

It is the human and social factors which must be enabled, and that will give rise to better use of available resources. It is the best way to guarantee the take off of our economies, a broad based take-off which will allow all the people in Africa to share in a better human life.

**Fr. Vic Missiaen**

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