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The Global Governance of Informal Economies: The International Labour Organization in East Africa

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Abstract

This article develops a Gramscian approach to the governance of 'informal' economies through a historical study of ILO programmes in East Africa. Drawing on Gramsci's conception of the 'subaltern', the article highlights the ways in which the articulation of 'informality' in policy documents is coloured by broader struggles over the political organization of labour. The article develops this argument through two case studies. The first examines the World Employment Programme mission to Kenya in the 1970s that popularized the concept of 'informal' labour. The second, a contemporary programme on apprenticeships in the informal economy that originated in Tanzania.

Introduction

'Informal' economies occupy an increasingly prominent place in policy debates about labour, poverty, and development.¹ The 'informal' economy has also attracted a good deal of critical academic commentary.² As a number of authors have noted, talking about urban poverty in terms of the 'informal' economy often obscures the power relations lying at the root of poverty by suggesting a binary between 'formal' and 'informal' economies and explaining the poverty of the latter simply by its exclusion from the former.³ In short, policies aimed at the 'informal' are often a problematic basis for reducing urban poverty because they fail to address the structural roots of poverty and lumps together a variety of very different employment relations.

However, while previous critics have rightly pointed out a number of important limitations in policy discourses about informal labour, few studies have stepped back to examine the politics of the production and circulation of the concept of the ‘informal’ sector itself. This article complements existing critical perspectives by developing a broadly historical materialist analysis of the development and mutation of the concept of ‘informality’ itself in global policy discourse. I do so by drawing on Gramsci’s conception of the ‘subaltern’ as a means of situating the emergence and development of policy ideas about the ‘informal’ in the broader context of political struggles over the relationships between class, work, and political order. This approach is useful because it allows us to see how discourses of ‘informality’ contribute to broader hegemonic drives to depoliticize poverty on one hand, and how these disciplinary functions are coloured in their ideological and practical form by particular political struggles over class and political authority on the other. Rather than developing a critique of policy discourses on the ‘informal’, then, this Gramscian approach helps in explaining the intersecting and multi-scalar political dynamics underlying its origins and its adaptation in particular contexts, as well the wider political significance of this trajectory.

Empirically, the article draws on archival, documentary, and interview research on the activities of the ILO in East Africa, with specific analyses of the Kenyan mission on employment policy in 1971 that popularized the concept of the ‘informal’ sector, and a contemporary regional initiative on ‘Upgrading Apprenticeships in the Informal Economy’, which originated with a pilot project in Tanzania starting in 2007. Evidently this is far from a comprehensive survey of the ways in which the concept of the ‘informal’ has been deployed, but given the broader significance of these articular projects for the ILO’s efforts to govern ‘informal’ labour, they are suggestive of the merits of the approach adopted here. The Kenyan mission did not invent the concept of the ‘informal’ sector, but played a critical role in popularizing it and adopting it into global policy discourses. The Tanzanian project has played a crucial role in the elaboration of a region-wide framework on informal apprenticeships. It is thus an important example of the ways in which the concept has subsequently been adapted into different contexts. Together, these two examples offer a useful means of examining the ways in which the discourse of ‘informality’ has been developed and shaped by its application across different historical contexts.

This argument is pursued in four steps. The first section discusses in broad strokes the ways in which the ‘informal’ is discussed in global policy frameworks. The next section outlines an analytical framework for understanding these discourses drawing on Gramsci’s conception of the ‘subaltern’. The final two sections apply this framework in tracing out the emergence of the emphasis on the ‘informal’ sector in ILO policies in the 1970s, particularly through an analysis of the 1971 Kenyan World Employment Plan (WEP) mission that did much to popularize the concept, and a contemporary project on informal apprenticeships, respectively.

The ‘informal’ sector in global policy discourse

The category of ‘informal’ work encompasses a dizzying array of different activities. Thus, it is often difficult to develop coherent policies for the ‘informal’ economy.⁴ In large part this results from the residual nature of the ‘informal’ itself as a concept. As Roitman notes, ‘informal’ spheres ‘are delineated and analyzed as reactions to state and formal market “failures”’ -- hence, the ‘informal’ describes an *absence* rather than anything specific.⁵ Despite the apparent shakiness of these conceptual foundations, however, initiatives for managing urban poverty in the global south increasingly turn on policies directed at the ‘informal’ economy. Two main alternatives present themselves in existing policy discourses.

Discussions of the informal economy at the ILO have tended to emphasize the exclusion of ‘informal’ workers from opportunities in the formal economy and from social protection.⁶ In 2002, for instance, in a report on *Decent Work and the Informal Sector*, the relationship between informal work and ‘globalization’, is described as follows: ‘Where the informal sector is linked to globalization, it is often because a developing country has been excluded from integration into the global economy’.⁷ The ILO suggests that these ‘exclusions’ from the global economy are compounded by failures in governance -- the recent report on ‘transitions’ to formality is quite explicit on this point: ‘Informality is principally a governance issue’.⁸ The upshot is that the ILO emphasizes the promotion of ‘formal’ job opportunities:

A new consensus has emerged around the belief that if economic growth is not associated with formal job creation, a shift towards better employment opportunities in the formal economy and an improvement in the conditions of employment in informal activities, it will continue to generate inequality, poverty

and vulnerability.⁹

Simply put, one way of governing the ‘informal’ is through the extension of ‘formal’ sector regulations and labour protections. Talking about the need for ‘formalization’ or for ‘transitions’ into the formal economy can, however, lead us to ignore the structural factors that have led to the decline of standard employment relations worldwide. They seek to resolve the tensions implicit in the restructuring of work, production, and governance over the last 40 years through what Selwyn calls ‘elite-led’ development solutions in which the poor are framed as passive recipients of enlightened governance by states and major corporations.¹⁰ Talking about ‘formalization’ of the informal economy, in short, often ignores the power relations that help create conditions of ‘informality’ in practice.

The other common policy approach, however, is equally problematic. In some analyses, heavily influenced by de Soto,¹¹ ‘informality’ becomes a form of poor people’s empowerment in the face of overregulation by the state, a reflection of entrepreneurial instincts to be encouraged by developing appropriate institutions. Policy initiatives to promote micro-enterprise development, access to credit, skills, and property rights follow logically from this way of thinking about the ‘informal’. The World Bank in particular has often promoted policy initiatives along these lines.¹² As Rizzo rightly argues, this approach fails to consider the structural roots of urban poverty.¹³ It would be hard to deny the creativity with which the urban poor in much of the developing world often struggle to eke out a living, but the basic reality remains that such ‘informal’ work strategies are often precarious survival strategies adopted in the face of long-term crises in both local and global labour markets. Meagher similarly argues that the discourses of ‘social capitalism’ on which these policy narratives about entrepreneurship in the informal sector rest overlook the ways in which ‘informal’ economies are structured by broader institutional contexts and power relations spanning gender, religion, ethnicity, class, and the state.¹⁴ Phillips similarly argues that ‘informality’ often results from ‘adverse’ forms of incorporation into global production networks rather than ‘exclusion’ from the market.¹⁵ Moreover, as Taylor notes, the kinds of institutional economics implicit in these narratives are rooted in a contradictory process in which, on one hand, informal institutions are framed as a form of cultural atavism needing to be removed or altered to allow the operation of ‘rational’

market forces, and on the other, ‘informal’ institutions and the informalization of work are deepened by the workings of global capitalism.¹⁶

In brief, then, policy responses to informality often swing between ‘formalizing’ and ‘celebrating’ informal work, with neither alternative actually doing much to address the root causes of urban poverty. But, despite the ambiguities and shortcomings of the concept of the ‘informal’ in general and of the ways in which it is applied by the World Bank, ILO, and others in practice, the concept persists. There is, accordingly, an emerging need for complementary critical analyses that problematize the emergence and development of the *concept* of the ‘informal’ itself as an instrument of global governance. In short, alongside asking whether or not residualist conceptions of ‘informal’ labour are right or wrong, adequate or inadequate means of conceptualizing urban poverty, but also where they come from and what they *do* in practice.

Global governance and the making of subalternity

I argue in this section that Gramsci’s conception of the subaltern offers a useful framework for approaching this problem. The ‘subaltern’ refers in essence to the variable ways in which classes occupying marginal positions in broader structures of production are organized in relation to forms of political order in particular historical contexts. This history is closely entwined with what Gramsci calls the ‘objective formation’ of subaltern classes: ‘the developments and transformations occurring in the sphere of economic production; their quantitative diffusion and their origins in pre-existing social groups’.¹⁷ But Gramsci’s fundamental focus is on the ways in which the political organization of these subaltern classes is entangled with broader structures of political authority. The history of the subaltern ‘is intertwined with that of civil society, and thereby the history of states and of groups of states’.¹⁸ Gramsci’s understanding of the ‘subaltern’, then, refers in a general sense to people occupying subordinate positions in broader structures of production and political power. Crucially, though, this open-ended definition is used to call attention to the *politics* of organizing and mobilizing these populations in particular ways.

Gramsci differentiates a number of ways in which this engagement of subaltern social forces with existing ruling classes can be structured in particular historical circumstances, which range

on a continuum from the incorporation of subaltern classes into the political frameworks of existing dominant classes to autonomous political organization.¹⁹ This range of possibilities is usefully understood in conjunction with the concept of the ‘political relations of force’, which Gramsci develops elsewhere in the *Prison Notebooks*: ‘the degree of homogeneity, self-awareness, and organisation attained by the various social classes’.²⁰ Importantly, this conception identifies the political organization of the subaltern as a vital hinge on which the reproduction or transcendence of existing ruling classes hangs: if subaltern classes can be persuaded to identify their own interests with the ‘corporate interests’ of dominant groups, then existing forms of domination are likely to be far more durable. The ‘subaltern’ thus offers a kind of ‘class-relational’ perspective,²¹ but one in which the *political* mobilization of class forces, rather than their rootedness in exploitative relations of production, is the main point of emphasis. These struggles, for Gramsci, are vital because they point to the fundamental political conditions necessary for the reproduction of existing forms of domination (or their transcendence).

This perspective offers us a useful way of approaching the politics of informality insofar as it implies that we should situate global policy discourses targeting the informal sector in the context of broader local and national struggles over the political organization of labour. Residualist conceptions of the ‘informal’ serve to identify the interests of marginal urban workers with the deepening of markets or the extension of prevailing forms of labour regulation (rather than, say, with autonomous forms of political organization or the fundamental de-commodification of labour). Insofar as they are successfully institutionalized in practice, they thus serve to re-articulate the position of existing ‘ruling classes’. This reading of Gramsci brings him somewhat in line with ‘post-development’ theories, which have highlighted the ways in which the project of international development has tended to limit the scope of political contestation in the Third World. They suggest that interventions championed by global and bilateral development agencies have routinely occluded the broader political economy of poverty and underdevelopment by representing ‘development’ in terms of ‘technical’ responses, to be effected by ‘experts’, to the barriers preventing poor populations from accessing global markets.²² This is broadly consistent with the interpretation of residualist discourses on the ‘informal’ suggested by Gramsci’s conception of the subaltern.

However, I would suggest that Gramsci offers a more fruitful basis for analyzing the place of the discourse of informality in struggles over the political organization of poverty because of his insistence on an ‘absolute historicism’.²³ Discursive articulations of the ‘corporate interests’ of subaltern social forces, for Gramsci, are variable and often fraught in ways that are best understood in relation to the ‘objective formation’ of subaltern classes on one hand and the contested character of their political organization on the other. The focus of post-development approaches is often on the discursive framing of subaltern populations; where Gramsci offers a means of situating these discourses in the context of underlying historic struggles.

In short, the broadly Gramscian approach adopted here suggests complementing existing critiques of policy discourses on the ‘informal’ by situating the emergence of transformation of those discourses in the context of longer-run historical trajectories of transformations in the relations of production on one hand and political organization on the other. It allows us to problematize the origins and circulations of the concept of ‘informality’ by locating it in the context of shifting historical patterns of production and political organization. This approach is applied in the following two sections. I trace out the ways in which the concept of the ‘informal’ sector was adopted into the ILO’s advisory work on employment in Kenya in the 1970s, and applied in a contemporary project on apprenticeships in the informal economy in Tanzania. In keeping with the Gramscian framework outlined in this section, I situate these projects in the context of broader political struggles over the political organization of subaltern populations.

The World Employment Programme and the ‘discovery’ of the informal

The concept of the ‘informal’ sector found its way into global policy discourses largely through the work of the World Employment Programme (WEP) of the ILO, started in 1968. From the perspective of the present study, then, looking at the historic conditions under which this adoption took place is highly significant. The ways in which ‘informal’ labour was first articulated by the ILO in the context of employment policy in Kenya, and in particular the ways in which the ILO’s report fed back into the politics of employment in Kenya after the ILO mission, are a particularly salient demonstration of the practical entanglement between policy discourses about the ‘informal’ and struggles to organize and mobilize subaltern populations in particular ways.

Many ILO officials locate the genesis of WEP in the ‘discovery’ that without widespread employment, economic growth did not necessarily lead to ‘development’ in the sense of greater human wellbeing.²⁴ Kenya seemed to exemplify very clearly the problem of ‘employment’ that WEP had identified. Kenya had managed to achieve rapid rates of growth in the ten years following its independence from Britain, but it was not at all clear that the benefits of this growth were reaching the vast majority of the population. This was generally understood as the result of the dichotomy between the ‘modern’ and ‘traditional’ sectors of the economy -- in short, poverty was understood in residualist terms. This understanding of unemployment as a result of ‘dual’ economies was clearly identified in the preparatory work for the mission.²⁵ The idea of the ‘informal’ sector introduced a new vocabulary, but it clearly built on these longer-standing understandings of poverty.

Significantly, the ILO mission took place in a context of ongoing struggles over the political organization of subaltern populations (including both ‘formal’ and ‘informal’ workers) and their relation to the postcolonial state. In the late 1960s, the Government of Kenya increasingly sought to subordinate the political role of organized labour to the ruling party. Kenya’s Central Organization of Trade Unions (COTU) was formed in 1965 when the government dissolved the Kenya Federation of Labour (KFL) and the rival Kenyan African Workers’ Congress. The KFL had split over interlinked personal disagreements among the leadership, questions of international affiliation, and the ‘political’ independence of trade unions. The new COTU was led by the factions aligned to the government, and it was prevented from pursuing ‘political’ action.²⁶

This set of struggles over the political role of organized labour coincided with efforts to institutionalize the differentiation of organized labour from other segments of subaltern classes. This was not necessarily always the case -- casual dockworkers, for instance, played a critical role in the early evolution of the labour movement in Kenya.²⁷ As the labour movement was increasingly formalized, however, unionism was increasingly restricted to urban wage workers. In fact, state actors explicitly seized on this distinction to limit the political scope of trade union activity. Trade unions were identified as a major source of unemployment in the 1970 report of

the Parliamentary Select Committee on Unemployment in 1970 -- high levels of wage disparity between urban and rural areas, partly 'as a result of the trade union activities' were blamed for excessive rural-urban migration and the resort of capital to labour-saving technologies.²⁸ The report recommended wage-restraint policies in urban areas.²⁹ Tom Mboya, a former union leader and key figure in the country's independence movement who served as Minister of Economic Planning and Development until his assassination in 1969, gave a lecture to the ILO's International Institute for Labour Studies in 1967 in which he contrasted organized workers with 'the "have nots" in society [who] are not normally well organized and *must rely on the government or political parties* to represent their interests'.³⁰ The broader point is that struggles over the political organization of subaltern populations were decidedly unsettled, and that mechanisms to institutionalize the segmentation of the workforce and restrict the political possibilities open to the union movement were crucial components of the state's (still tenuous) hegemonic project.

The original articulation of the concept of the 'informal' must be understood in the context of these struggles.³¹ The mission's employment plan for Kenya put its primary emphasis on 'linking' the formal and informal sectors:

'Our strategy of a redistribution from growth aims at *establishing links that are at present absent* between the formal and informal sectors... The various policies which we recommend... are intended to reduce risk and uncertainty on the part of those employed in the informal sector and to ensure a dynamic growth of this large segment of the Kenyan economy.'³²

Engineering 'dynamic growth' in the informal sector through appropriate policies reinforced the broader tendency towards the political marginalization of labour as the passive object of 'development' interventions. Moreover, the image of separate 'formal' and 'informal' sectors obscured power relations and linkages between the 'formal' capitalist economy and the 'informal' that already existed. As Colin Leys noted in a perceptive critique of the report:

'Smallholders provide cheap food crops, pastoralists provide cheap beef, petty traders provide cheap distribution, 'subsistence' transporters provide cheap communications, the makers of shoes out of old tyres and the bicycle repairers and the charcoal burners and sellers provide cheap goods and services designed for the

poverty life-style of those whose work makes the 'formal sector' profitable, and which enable them to live on their wages.'³³

In short, the 'informal' was already intimately connected to the 'formal', especially in ensuring the reproduction of labour. Emphasizing 'creating' linkages between the formal and informal sectors, however, obscured these power-relational aspects of poverty. The significance of the broader, ongoing struggles over the relation of the state to the subaltern is visible in the extent to which the idea of the 'informal' diminished the role of trade unions and organized labour in the development process. While the report did discuss the potential role of trade unions in agriculture³⁴ it had little or nothing to say about the possibility of organizing workers in the informal economy to have any kind of voice in policy-making, whether into existing union structures or independently.

Interestingly, COTU did contest these dimensions of WEP's work to some extent. It had sought to carve out a greater role in the build-up to the mission.³⁵ The federation also tried (unsuccessfully) in its formal comments on the report to have some recommendations included about establishing tripartite decision-making structures for wages and incomes policy and employment creation that would enable greater input from trade unions.³⁶ That the politically marginalizing effects of the report were contested is significant -- it underlines the conflictual nature of these efforts to organize subaltern populations. The concept of the 'informal' certainly reinforced one particular iteration of the politics of subalternity in Kenya, but the very practice of the ILO mission itself also opened up some opportunities, however marginal, for challenges to it. More importantly, the way in which the report itself was rolled out had distinct implications for ongoing struggles over the course of Kenyan development and control of the country's political system.

The Kenyan government published a sessional paper on employment in 1973 addressing the recommendations of the report.³⁷ While most of the report was accepted 'in principle', implementation of the ILO's recommendations was highly selective. Moreover, the Kenyan government's commitment to the 'have nots' seems questionable in light of the specific reforms that were *not* pursued: e.g. a progressive land tax and limits on individual landholding; the ending of demolition of slum housing (and consequently of informal business premises);

redistributive incomes policy; and an end to harassment of petty traders.³⁸

At this point, then, it would be possible to conclude that the Kenya mission report and the concept of the ‘informal’ more broadly were problematic because they were relatively superficial reforms that were implemented only halfway -- as Leys and other critics rightly suggested in the years following the mission.³⁹ However, to stop here would overlook the utility of *the report itself*, and the ways in which it was deployed by the Kenyan government as a means of reinforcing its position in ongoing struggles to organize subaltern social forces. Indeed, this was *enhanced* by precisely the things that prevented it having much impact on actual relations of poverty in practice. In short, the fact that the ‘informal/formal’ dichotomy occluded the structural or relational dimensions of urban poverty, the constriction of space for trade union input by the ‘technical’ and ‘non-political’ nature of the report, and (perhaps especially) the fact that the report came with a set of ambiguous policy recommendations and limited capacity for follow-up on the part of the ILO, *enabled* the Kenyan government to legitimize an ‘development’ framework that rhetorically placed the government as the protector of the ‘have nots’ in Kenyan society by claiming the moral sanction of the ILO (to the exclusion of opposition parties or politically active trade unions), despite the fact that many of the ILO’s actual recommendations were either rejected or watered down. The WEP report’s actual impacts, in short, were profoundly shaped by the encounter between the report and the historic patterns of struggle over the organization of subaltern social forces in Kenya’s political economy.

Indeed, further evidence for this view comes from a dispute with the Kenyan government stemming from a WEP working paper written by a junior ILO staffer in 1975. The working paper argued that the Kenyan state was not implementing certain recommendations of the report because the Kenyan government continued to ‘serv[e] the interests of the dominant classes’,⁴⁰ and that it was specifically ‘recommendations leading to fundamental structural change [that] have been rejected by the government’.⁴¹ It was, unsurprisingly, rather objectionable to the Kenyan government that this view should be published with the implicit endorsement of the ILO. The Ministry of Labour wrote to the Director General’s office to demand the retraction of the paper.⁴² In response to the complaint, the Director General wrote a letter of apology to the Kenyan Government, the ILO stopped circulation of the paper in question, and the employment

department changed its policies on working papers to prevent circulation outside the department without approval.⁴³ This coda to the mission is interesting because it suggests a deliberate effort on the part of the Kenyan Government to retain the aspects of the WEP report -- namely the residualist conception of poverty implicit in the concept of the 'informal' -- that were most useful to it in the context of ongoing struggles over the political organization of subaltern classes. It also suggests that the specific colouration and political consequences of policy discourses around the informal are not fixed or immutable, but rather fluid and strongly conditioned by ongoing political contestation. The most important evidence for this latter point, however, comes from the ways in which the 'informal' has shifted in the process of being circulated across time and space. The following section thus turns to a brief analysis of a contemporary programme on informal apprenticeships in Tanzania to elaborate this argument.

Governing informal apprenticeships in Tanzania

Since the early 1990s, the concept of the 'informal' economy has been circulated across the operations of the ILO in virtually all policy areas.⁴⁴ A comprehensive overview of these developments would be well beyond the scope of a single paper, instead this section considers one illustrative example of the ways in which contemporary applications of the concept have also been strongly coloured by political struggles over the organization of the subaltern, based on an ILO project on 'Upgrading Informal Apprenticeships'. The project originated in Tanzania, and has since been expanded across sub-Saharan Africa.

The ILO conducted some research on apprenticeships in the informal sector in the 1970s, but this was almost entirely stopped during the period of structural adjustment. The World Bank cut funding for vocational training in the 1980s and early 1990s, suggesting that governments should concern themselves with providing basic elementary and secondary education, while other training could be done more efficiently by private employers.⁴⁵ By the early 2000s, however, in the context of a growing emphasis at the ILO on unemployment, especially youth unemployment, officials in the ILO's Skills and Employability Department (one of three branches of the newly re-organized Employment Sector) re-opened investigations into training practices in the informal sector, focusing in particular on apprenticeships. The ILO hosted a workshop on informal apprenticeships in Africa in Geneva in 2007.⁴⁶ The workshop was

followed up by a large research project on informal apprenticeships in Mtwara and Lindi regions of Tanzania.

The Gramscian framework adopted in this paper suggests the need to place this project in the context of ongoing patterns of struggle over the political organization of subaltern social forces. The history of ‘informal’ work in Tanzania echoes that in neighbouring Kenya to some extent. Casual dockworkers played a critical role in the early development of trade unions;⁴⁷ while after independence, state-dominated ‘formal’ sectors of the economy were increasingly identified as terrains for trade union action and increasingly made distinct from ‘informal’ spaces. This separation was reinforced by government hostility to small-scale self-employment. This set of arrangements deteriorated in the 1980s and 1990s. Privatization and deregulation under structural adjustment have often greatly expanded the place of ‘informal’ activities in workers’ livelihoods. The result has been growing differentiation within the sphere of ‘informal’ work, and the growth of power relations within ‘informal’ economies between employers and employees.⁴⁸ Relations between formal and informal sector workers’ organizations remain difficult, with trade union interest in organizing informal workers varying widely by location and sector.⁴⁹

The growing importance of ‘informal’ employment also poses a significant set of political challenges for the state. While hostility and harassment of informal workers by local authorities has often persisted,⁵⁰ the government has increasingly sought out means of organizing and regularizing the ‘informal’ economy. The government started a de Soto-influenced programme for ‘Property and Business Formalization’ (commonly called ‘Mkurabita’, based on the acronym in Swahili) in 2004. At its root, the programme is aimed at re-articulating the relationship of the state to subaltern populations in the wake of the transformations of ‘informal’ work highlighted above. This is most plainly visible in the growing emphasis on developing mechanisms for taxation of informal economies:

Tanzania recognizes that a substantial amount of economic activities taking place in the small and medium business are not well recognized and regulated. Under the poverty reduction programs, Tanzania plans to increase the level of government expenditure and transfer payments to take care of the poorer sections of the population. Thus, government revenue may need to grow at a rate that exceeds the

growth of national income. With the limited revenue generated from the formal sector unable to cope with expenditure requirements, the extension of the tax net becomes a necessity.⁵¹

On a very basic level, then, the ‘formalization’ drive should be read as an effort to stabilize the relationship between the state and a vast swath of the population living in its territory. This is, evidently, a very broad strokes picture of the evolution of the ‘objective formation’ of informal work in Tanzania, but it does highlight a number of salient tendencies.

This history of struggle over the regulation of ‘informal’ workers played a considerable part in shaping the trajectory of the ILO project. This is visible in the first instance in the simple fact that target populations in Mtwara were often initially suspicious of the ILO project:

The informal master crafts people are very suspicious when someone comes from the government. They tried to hide their training because they thought it’s an illegal system. So it took a lot of effort to convince these guys that we need to collaborate, it’s okay, we want to improve this system.⁵²

The project that took shape thus ended up depending very heavily on finding local collaborators, ranging from the national vocational training authority to (surprisingly) an order of Benedictine monks that had been established in the region under German colonial rule. A number of potential collaborators, including national trade union federations, were uninterested. Indeed, one ILO official interviewed suggested that the relative disinterest of trade unions played a significant part in preventing the pilot project findings on working conditions and exploitation in apprenticeships (see below) from being carried forward.

The findings of the ILO project were outlined in a working paper published in 2009.⁵³ The emphasis was placed -- as with a good number of other World Bank and ILO interventions⁵⁴ -- on improving the institutional context of apprenticeships. The general thrust of the ILO’s proposals was that national and international policy interventions should proceed by ‘building on the traditional institutional framework, so that the incentives of [master craftspeople] and apprentices to participate in apprenticeships are sustained’.⁵⁵ This approach came with some significant limitations. A particularly indicative set of issues emerged around the unregulated nature of ‘graduation’ from apprenticeship. Simply put, it was normally up to the master

craftsperson to determine when an apprentice had completed his or her apprenticeship; during the period of the apprenticeship, however, the apprentice continued to provide cheap or free labour for the master craftsperson. The project found that:

There are some indications that MCs extend apprenticeship periods for some weeks or months in order to benefit longer from the difference between high productivity and low compensation of apprentices. A total of 42 per cent of MCs state that their apprentices are proficient some time before they terminate their apprenticeship... While apprentices undertake simple tasks during the first few months, and perform tasks requiring little skills during the following months, they are able to work independently with clients in the third stage of skills acquisition. At the third stage, apprentices demonstrate the productivity of a skilled worker, allowing the MC to recover training costs.⁵⁶

The study drew somewhat ambivalent conclusions about this practice:

MCs have the authority to determine the end of apprenticeship, thereby taking into account the ability and talent of apprentices. The advantage of this flexible arrangement is that MCs can adjust the period of cost recovery and ensure that apprentices achieve the desired standards of competence. The downside of flexibility, however, is the risk of MCs taking advantage of this situation in order to gain additional returns. Some interviews with apprentices indicated that apprentices did not always agree with the MC's decision on graduating the apprentice. This suggests that policies need to establish clear and transparent rules and criteria for termination of apprenticeship.⁵⁷

Here the ILO's project comes in contact with power relations between 'informal' workers, and issues of potential or actual exploitation *within* the informal economy. The problem is still understood, however, in terms of an absence: that there are no clear regulatory criteria opens informal apprenticeship up to abuse. This is, no doubt, partially true. But the argument that upgrading institutions should solve the problem does little to address the power imbalance between master and apprentice, to say nothing of the broader structural context of widespread unemployment that facilitates this relation of power. A number of key areas for 'upgrading' were identified in the 2009 report: recognition of skills earned in informal apprenticeships in the broader economy, social security provisions for apprentices, and working conditions in informal

workplaces.

As in the Kenyan case above, however, the actual emphases of subsequent interventions have reflected a relatively narrow subset of these concerns relatively well-aligned with ongoing state efforts at organizing subaltern populations, particularly emphasizing the recognition of skills. This is largely despite the broader efforts of the ILO. The Informal Apprenticeships project was oriented towards the delineation of common research methodologies, and a set of common training tools for policy-makers that would allow for a set of interventions that could be applied more widely.⁵⁸ Similar studies were conducted in Malawi, Benin, and Zimbabwe. The emphasis of this broader project, as in Tanzania, is on ‘strengthening the institutional framework’ around informal training, by helping design policies aimed at ‘strengthening incentives and benefits from apprenticeship training, improving the decent work component, and securing public funding to finance the training’.⁵⁹ The training guide aims to outline a set of ‘best practices’ for governing informal apprenticeships. Similar circulations of ‘best practices’ have also been carried out by more direct means, including by organizing study tours -- in May of 2010, for instance, officials from the ILO’s Pretoria office led a Zimbabwean delegation to Accra to study the existing arrangements for training in the informal economy in Ghana.⁶⁰ The ILO’s project, then, aims to secure the spread of a definite set of institutional forms throughout the region through the circulation of particular kinds of knowledge. The ILO, in short, continues to emphasize the broader agenda emerging from the initial report on Tanzania.

However, in terms of the actual implementation of follow-up initiatives, many of the concerns raised in the initial report about, say, exploitation and the rules around graduation have largely fallen from view. The most developed case in this respect is Tanzania. The main thrust of follow-up activity has been around ‘Recognition of Prior Learning’ (RPL).⁶¹ Broadly speaking, RPL programmes deal with the recognition and valuation of skills acquired in informal settings. As the Informal Apprenticeships project has progressed, the ILO has begun to pay increasing attention to the problems posed in this respect by the limited value often assigned to ‘informal’ learning by ‘formal’ employers – it is not enough for informal apprenticeships to simply produce better skilled workers, ‘whatever skills they have acquired need to be assessed and also certified’.⁶² In 2014 the Vocational Education and Training Authority (VETA) adopted a RPL

programme in collaboration with the ILO, in which VETA offers short courses to ‘artisans’ without formal credentials and certifies graduates.⁶³ In this sense it is the aspects of the ILO’s project on Informal Apprenticeships that hew closest to the broader strategy implicit in Mkurabita have been carried over into specific programmes in Tanzania -- in particular, the emphasis on translating ‘informal’ economies into legible spaces that can be governed effectively by the state. As in Kenya in the 1970s, this trajectory is best explained by the history of struggles over the mobilization and organization of subaltern populations in which it is enmeshed. As noted above, the kind of institutional economics through which the ILO project has been articulated is highly limiting in terms of its capacity to conceptualize relations of domination or exploitation in the workplace,⁶⁴ but even this relatively narrow agenda has been further constrained by the dynamics of ongoing struggles to organize subaltern classes in Tanzania.

Conclusion

This article has advanced a Gramscian interpretation of the emergence and development of the global governance of ‘informal’ economies. Previous critics have quite rightly pointed out that the ILO, World Bank, and others have relied on problematic, residualist readings of informal economies that elide the ways in which informal labour is produced by complex relations of domination and exploitation. This article complements these critiques by problematizing the emergence and circulation of the concept of the ‘informal’ itself. The durability of the discourse of ‘informal’ labour itself, despite its well-noted shortcomings, as well as the variability and mutability of the concept of the ‘informal’ across time and between different cases, suggests a need for more historically sensitive investigations of the ‘informal’ itself (and of like concepts). In tracing out the articulation of ILO interventions on ‘informal’ work in Kenya in the 1970s and contemporary Tanzania, this article suggests that these global policy frameworks are deeply coloured in practice by their interpenetration with more localized political struggles.

Gramsci’s conception of the ‘subaltern’ is a particularly useful resource for this task insofar as it offers a way of situating the political struggles in which global policy discourses are often enmeshed in a broadly class-relational perspective. This approach helps us to explain how the governance of informal economies actually works in practice by highlighting the importance of

political struggles over the subaltern. There is a growing need for studies that problematize the ‘local’ enactments of ‘global’ policy frameworks for governing poverty and irregular work, of which ‘informality’ is a significant example, focusing on struggles over the subaltern offers a useful means of approaching this task.

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Notes

1. ILO, *Decent Work and the Informal Sector; Transitioning From the Informal to the Formal Economy*; Blurch *et al.*, ‘The Informal Sector Revisited’.
2. Standing, *The Precariat*; Munck, ‘The Precariat: A View from the South’; Webster and Bischoff, ‘New Actors in Employment Relations’; Gallin, ‘Propositions on Trade Unions and Informal Employment’; Rizzo, ‘The End of Trade Unionism’.
3. Roitman, ‘The Politics of Informal Markets’; Rizzo, ‘Life is War’; Phillips, ‘Global Production Networks and “Adverse Incorporation”’; Meagher, ‘Social Capital or Analytical Liability?’; Taylor, ‘Conscripts of Competitiveness’.
4. Mead and Morrisson, ‘The Informal Sector Elephant’
5. Roitman, ‘The Politics of Informal Markets’ 679.
6. See ILO, *Decent Work and Transitioning*.
7. ILO, *Decent Work*, 34.
8. ILO, *Transitioning*, 7

9. Ibid, 10.
10. Selwyn, *The Global Development Crisis*; 'Elite Development Theory'.
11. de Soto, *The Mystery of Capital*.
12. Maloney, 'Informality Revisted'.
13. Rizzo, 'Life is War', 'The End of Trade Unionism'.
14. Meagher, 'Social Capital or Analytical Liability?'.
15. Phillips, 'Global Production Networks and "Adverse Incorporation"', on the concept of 'adverse inclusion' more broadly see Wood, 'The Faustian Bargain'; du Toit, "'Social Exclusion" Discourse'.
16. Taylor, 'Conscripts of Competitiveness'.
17. Gramsci, *Prison Notebooks*, 52.
18. Ibid, 52
19. Ibid, 52.
20. Ibid, 181.
21. Campling *et al.*, 'Class Dynamics'.
22. E.g. Ferguson, *Anti-Politics*; Escobar, *Encountering Development*. This literature has of course been much-debated, including in this journal: see Andrews and Bawa 'A Post-Development Hoax?'; Schaffer 'Post-Development and Poverty'.
23. Gramsci, *Prison Notebooks*, 465.
24. Morse, 'The World Employment Programme'; Saith, 'Interview with Louis Emmerij', 1168.
25. 'Basic Ideas for the High-Level Kenyan Mission', annex to Jorge Mendez minute to Dr. Ammar, 26 April 1971, ILO Archives, Geneva (ILOA), WEP 159-3-227-1. Emphasis added.
26. Amsden, *International Firms and Labour in Kenya*, 118.
27. see Cooper, *On the African Waterfront*.
28. Republic of Kenya, *Select Committee*, 3.
29. Ibid, 8.
30. Mboya, *Incomes Policies for Developing Countries*, 5. Emphasis added.
31. A footnote in the ILO report credits the Kenyan academics who had participated in the mission with advancing the concept (ILO, *Employment, Incomes, and Equality*, 6, fn. 1), and it had been used by Keith Hart in a paper presented to the Institute for Development Studies at Sussex (where the leaders of the ILO mission worked) in 1971 (see Hart, 'Informal Income and

Urban Employment in Ghana’). Who deserves credit for the term ‘informal’ is less interesting here, however, than the circumstances under which the Kenyan mission report used it.

32. ILO, *Employment*, 7. Emphasis added.

33. Leys, ‘Interpreting African Underdevelopment’, 426.

34. ILO, *Employment*, 259.

35. ‘Summary of the main points raised by the African delegates attending the International Labour Conference, at the meeting convened by the General Secretariat of the Organization for African Unity on ILO strategy concerning the Jobs and Skills Programme for Africa’, 2 July 1970, ILOA WEP 159-3.

36. Central Organization of Trade Unions (Kenya), ‘Initial Comments on: Employment, Incomes and Equality in Kenya: A Report of UN-ILO Team of Experts (Geneva 1972)’, ILOA WEP 159-3-227-1 (2).

37. Republic of Kenya, *Sessional Paper no. 10*.

38. Godfrey, ‘Prospects for a Basic Needs Strategy’, 41.

39. Sandbrook, *The Politics of Basic Needs*.

40. Asp, ‘Social Classes’, 2.

41. *Ibid*, 5.

42. J.I. Othieno to F. Blanchard, 16 March 1976, ILOA WEP 159-3-227-3-1 (3).

43. A. Béguin minute to Mr. Emmerij and Mrs. Mosimann, 5 April 1976, ILOA WEP 159-3-227-3-1 (3).

44. Bangasser, ‘The ILO and the Informal Sector’.

45. World Bank, *Vocational and Technical Education and Training*.

46. ILO, *Apprenticeship in the Informal Economy in Africa*.

47. see Illife, ‘The Creation of Group Consciousness’.

48. Rizzo, ‘Life is War’.

49. See, for instance, the debate between Fischer, ‘Revisiting Abandoned Ground’, and Rizzo, ‘Trade Unionism’.

50. Rizzo, ‘Life is War’, 1187-1188.

51. Tanzania Revenue Agency, *Review of Informal Sector for Taxation Purposes*, 2.

52. Author interview with ILO official, Geneva, 10 July 2014.

53. Nübler, Hoffman, and Grenier, ‘Understanding Informal Apprenticeship’.

54. see Taylor, 'Conscripts of Competitiveness'.
55. Nübler, Hoffman, and Grenier, 'Understanding Informal Apprenticeship', ix.
56. *Ibid*, 31.
57. *Ibid*, 33-34.
58. ILO, *Upgrading Informal Apprenticeship*.
59. *Ibid*, 1.
60. ILO, *Mission Report*.
61. Aggarwal, *Recognition of Prior Learning*.
62. Author interview, ILO official, Pretoria, October 8, 2014.
63. Alvar Mwakyusa, 'VETA to Train 5000 Artisans in Special Programme', *Tanzania Daily News*, 16 January 2016, available: <http://dailynews.co.tz/index.php/home-news/46062-veta-to-train-5-000-artisans-in-special-programme>.
64. This emphasis on improving institutions at the expense of considering dynamics of exploitation and domination is common to much of the ILO's programming, as several critics of the 'Decent Work Agenda' have noted, see Selwyn 'Social Upgrading'; Lerche 'Decent Work?'.

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