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Synthesis of Case Studies in the Gambia



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INTRODUCTION

1. The present document is a report for Output 2 of the Policy component of project RAF/87/042 for which ECA is the executing agency. It is a synthesis of pilot case studies conducted in the Gambia on the Policy, Statistics and Training components of the project, with a view to enhancing the role of women in the informal sector, with the Statistics component being executed by INSTRAW and pilot studies on the Policy component being implemented by ECA and OAU in collaboration with ILO as contained in the project document. The pilot studies conducted in the four countries involved:

- ▶ a review of existing explicit and/or implicit policies on the informal sector in general and on women's activities in particular;
- ▶ an assessment of the impact of restrictive and/or enabling legislation on women in the informal sector;
- ▶ an assessment of the incorporation of women in ongoing programmes concerning the informal sector; and
- ▶ an assessment of the policy environment and capability of governmental and non-governmental institutions to formulate policies and monitor their implementation.

2. The Statistics component executed by INSTRAW involved the formulation of appropriate methods and techniques for collection and analysis of data on the participation of women and their working conditions in the informal sector in Africa, with a view to assisting policymakers in the formulation of policies. The objective of the research was to produce two technical handbooks on data collection methods. Two countries, Zambia and the Gambia, were selected for pilot projects on methods of compiling data to be used in the production of two technical handbooks on data collection. The pilot projects:

- ▶ examined existing data sources and bases on the informal sector to identify gaps and biases in relation to women's participation;
- ▶ analyzed the structure and scope of the informal sector in relation to women's participation;
- ▶ analyzed the conditions under which women in the informal sector operate and formulated ways of compiling and presenting data which accurately capture the essence of women's participation;
- ▶ reorganized, refined and redefined basic existing statistical concepts, standards, criteria, methods and indicators to improve measurement of women's economic activity in the informal sector;
- ▶ created data bases on women's participation in the informal sector in industry, trade

- and services or updated existing data bases; and
- ▶ linked those data bases to the framework of the UN System of National Accounts (SNA).
3. The technical handbooks were thus compiled from data collected during these pilot projects and:
- ▶ collected, organized, processed and analyzed data obtained from secondary sources;
 - ▶ described the different methodologies instruments, sources and concepts; and
 - ▶ provided model tables and organized the contents into appropriate sections such as various women's activities or industry, trade and services in Africa and submitted for approval to the Regional Seminar for English-speaking countries held in Zambia from 23 to 27 July 1990.
4. With regard to the Training component, the four studies carried out on training and counselling also included an evaluation of:
- ▶ Women's training needs for business management;
 - ▶ Training needs of non-governmental organizations (NGOs) with a view to providing technical assistance in training and counselling for small-scale enterprise development and employment in addition to that provided by various institutions;
 - ▶ Training needs of government organizations and institutions, with particular emphasis on the need to reorient their activities to provide appropriate programmes and delivery mechanisms; and
 - ▶ Programmes and policies with a view to training counsellors, exploring other avenues of employment other than small-scale enterprises and promoting the integration of women in development. The pilot case studies should form the basis of pilot projects and two regional seminars (*one in English and one in French*).

1. METHODOLOGY

1. The Policy Component

5. The methodology employed consisted of data research at several levels and in particular a documentary study, direct observation in the field and an analysis and synthesis of data collected by the consultant.

a) Documentary Research

6. This was conducted partly in Addis Ababa, at the Reference Centre of the African Training and Research Centre for Women (ATRCW), in the relevant divisions of the ECA: Agriculture, Statistics, International Trade, Industry, Socio-Economic Research and Planning, in offices of other UN agencies: ILO/JASPA, PECTA, FAO, and by studying UNICEF and UNESCO publications.

7. Documentary research was conducted in the Gambia in governmental, non-governmental and international institutions. A list of the institutions consulted is included in the country report.

b) Direct Observation

8. Direct observation of women in the informal sector was made by the consultant recruited for this purpose in the Gambia for a period of six weeks. The study was conducted through guided interviews using questionnaires and semi-grounded interviews based on some questions which, in the opinion of the consultant were of major importance.

c) Data Analysis and Synthesis

9. A country report was prepared using the data collected at various levels in each country. The references for the reports are as follows:

- ▶ *Pilot Case Study on Enhancing the Role of Women in the Informal Sector (Burkina Faso) (EPSI/1/3/1989);*
- ▶ *Enhancing Women's Participation in the Unstructured Sector in Africa: Case Study of the Gambia (E/ECA/ATRCW/SPIS/2/3/1989);*
- ▶ *Pilot Case Study on Strengthening the Role of Women in the Informal Sector: Case Study of the Peoples Republic of Congo (EPSI/19/8/1989)*
- ▶ *Enhancing Women's Participation in the Informal Sector in Zambia (E/ECA/ATRCW/SPIS/18/8/1989).*

2. The Statistics Component

10. The method utilized has been determined by the amount of data available. In general, the macro-economic data have been compiled using detailed statistics on employment when possible in order to ensure that comparisons are valid.

11. In addition to tables on the participation of women in the informal sector, the analyses in the technical handbooks included available data from analyses of national accounts. Agricultural activities, which have their own particular characteristics, were not covered because of problems

posed when data on this sector is processed in the same way as data obtained in the industrial, trade or service sectors. The pilot case studies are summarized by INSTRAW in a separate report.

3. The Training Component

12. An indepth approach using open-ended questions was adopted which could lead to the identification of underlying issues which may otherwise not be immediately apparent when a purely statistical approach is used. In other words, the approach is qualitative rather than quantitative. Experimental training was selected as it emphasized learning by experience rather than observation and memorizing.

13. The results of this research was the subject of a draft report which is being finalized.

The objectives of the synthesis presented in this document are to:

- ▶ summarize the findings of pilot case studies on the components of policy, statistics, training;
- ▶ use these findings to examine relationships between the several components in terms of:
 - (a) common advances or lack of common advances;
 - (b) observed interdependence and mutual reinforcement of actions taken; and
- ▶ identify possible implications for combined policy options and strategies, including preconditions of action in one component for the success of action in others.

II. SCOPE OF THE STUDY

14. In this regard, the major issue is to define the informal sector. Due to the fact that several definitions of the informal sector have been proposed by a number of major research institutes and institutions concerned with the informal sector, the second meeting of the Project Steering Committee decided that for the purposes of the project the informal sector shall be defined as follows:

"home based and individual enterprises with very few employees. All activities covered by this definition except farming, may be regarded as informal, even though processing and marketing of agricultural products are regarded under the informal sector."

The informal sector may be partly or wholly defined as an enterprise which:

1. engages few or no non-family workers;
2. does not function within recognized laws and has no registered premises except the home;
3. is not registered;
4. does not keep accounts; and
5. uses traditional means of production.

15. The analysis made in the case studies could have lead to strategies for structural adjustment and strategies aimed at involving rural- and urban-poor in development efforts. However, in view of the insufficient data available on the field this was not possible. The results can be updated during the project through national and regional seminars and pilot projects.

III. POLICY ENVIRONMENT FOR THE INFORMAL SECTOR IN THE GAMBIA

A. Explicit Policies

16. It is apt from the outset to state that from an analysis of the various major policy instruments, for example, the two Five-Year Development Plans and other Government documents, no systematically formulated and comprehensive policy or blue print for action towards the informal sector exists in the Gambia. Also, our extensive discussions with the officials of the Ministry of Economic Planning and Industrial Development (MEPID), the Department of Statistics of the same Ministry, and other relevant Government Ministries and Departments confirmed the inexistence of comprehensive policy statement or document for action towards the informal sector.

17. The above notwithstanding, there is official recognition of the importance and the dominant role of the informal sector in the Gambian society. For example, in the two Five-Year Development Plans (1975/1980 and 1981/1982-1982/86), there are numerous references pertaining to the need to improve the overall performance of the informal sector. In other words, the Government seems to accept the fact that for various reasons discussed throughout this report, the formal sector is unlikely to absorb the rapidly growing labour force, both in the rural and urban areas. In the latter, there is rapid proliferation of micro businesses and enterprises associated with unprecedented rural-urban migration and the general inertia that has characterized the Gambian formal economy in the last two decades. For instance, in practically all the major streets of Banjul and Kombo St. Mery's, the informal sector operators are ubiquitous. In addition there are numerous home based informal sector operations sometimes referred to as "invisible" or "hidden" trade.

18. Thus the official recognition of the mounting importance of this sector dates back to the formulation of the First Five-Year Development Plan (1975-80) where it is stated *inter-alia*:

Underemployment, partly seasonal is the principal characteristic of the informal urban and rural sectors. Particular attention will be paid to the potential of small indigenous entrepreneurs in the informal urban sector for example by the provision of an advisory service. (Chap. 1:4)

While formal informal private sector will continue to play the dominant role. Government direction and support will continue. (and) increase. This will principally take the form of credit facilities advisory service supporting infrastructure, and project feasibility evaluation. Particular attention will be paid to agriculture, agro-industry, and the informal commercial and manufacturing sector (Chap.1 ibid).

Measures for informal sector will take various forms. The indigenous Enterprises Advisory Scheme will give business and technical advice directly to employers and workshop clusters,...offer training and employment opportunities for craftsmen and apprentices working in this sector. (Chap 11: 1)

Commercial and Development Bank will be directly assisted... and encouraged to assist credible indigenous entrepreneurs in establishing or expanding commercial or production activities in rural areas,... (Chap. 13 p.9)

The overriding national objective which runs throughout the plan is to reduce this (rural-urban) disparity by concentrating growth in rural areas...(giving) priority to educational and agricultural development, rural communications, utilities and Social services... Particular attention will be paid to rural-urban disparities in incomes and prices (Chap; 1 pp.2-3).

19. Also in the Second Five-Year Development Plan (1981/82-1982/86) official recognition for the informal sector - albeit outside policy framework - continues, as demonstrated by the following:

- ▶ to contribute to the reduction of rural-urban migration through a deliberate spatial allocation of manufacturing activities away from the capital: (P.302)
- ▶ to encourage domestic and foreign investments in industries based on use of agriculture and other natural resources, such as fish, meat, fruits and vegetables...(Ibid); and
- ▶ to establish Indigenous Business Advisory Service (IBAS) as a full-scale autonomous, and efficient business organization for the promotion and development of small-scale industry. (P.303).

20. It is possible to continue citing policy intentions stated in these and other government documents but for our purpose these will suffice. The critical point we wish to raise is the analytical distinction which must be made between, policy intentions and coherent and systematic policies in operation. The latter becomes the guiding principles through which policy interventions and implementation are carried out. While the former (*policy intentions*) are frequently conditional and situational and may or may not underpin a particular development policy.

21. Indeed, the importance of the analytical distinction called for here is pithily brought to the fore by the fact that the informal sector in the Gambia, despite the policy statement referred to above had yet to receive the attention it merited by the end of the First Five-Year Development Plan. Also, in the Second Five-Year Development Plan (1981/82-1982/86) the Gambia informal sector continued to be mentioned - albeit cursorily - as an important dimension in the overall development process of the country. In the latter document, it is stated, for example, that the expansion of the informal sector will be among the plan's priority areas. And yet, by the time of our mission (March-April 1989); which was exactly 14 years since the First Plan a Comprehensive and Coherent policy

towards the informal sector was yet to be formulated. In Summarizing the development of the private enterprise sector which at least in the case of the Gambia must perforce include small-scale and micro-enterprises one bilateral agency (*IDA, Ireland, n.d.:viii*) concludes:

While broad objectives are consistently stated updated, there is no effective mechanism for translating these objectives into specific goals and targets for the short and medium term. Accordingly, policy and programme development has been haphazard and uncoordinated while monitoring of the effectiveness of the state's human and financial resource commitment is virtually non-existent, coherence and accountability are largely absent in the implementation phase (emphasis provided)

22. The lack of a comprehensive policy towards the informal sector in the Gambia is particularly surprising given the fact that there is virtually no large scale private enterprise in the Gambia except the brewery which employs about 90 people. Other large-scale public enterprises (*Bastian, 1986: 4*) (2), the structural adjustment programmes called for by the IMF entailed massive reduction in public sector employment for a large proportion of the labour force in the Gambia: estimated at 289,000 (*review of Second Five Year Development Plan, 1988, Chap. 3 p.5*) in 1985.

1. Institutions Associated with Policy Objectives

23. Despite the lack of a comprehensive policy towards the informal sector in the Gambia, there are a number of government institutions whose operations ramify to impact on some - albeit very few - micro-businesses and enterprises in the informal sector. The most important of these are: Indigenous Business Advisory Service (*IBAS*); Gambian Artisan Marketing Corporation (*GAMCO*); and Gambian Commercial and Development Bank (*GCDB*).

24. *IBAS* (which is under *MEPID*) was established in 1976 (*Sylva 1985: 392*)¹ as a joint project between the Gambian Government, the International Labour Organization (*ILO*) and United Nations Development Programme (*UNDP*). The main functions of *IBAS* are to:

- (a) provide advisory services for local enterprises as a part of development and strengthen of the socio-economic infrastructure, especially the manufacturing sector which provides goods and services (*ILO, 1986:5*)
- (b) develop a reinforced and integrated assistance to small enterprises, including financial marketing, production, technical management and entrepreneurial advice, training, research and other services; and
- (c) review and reorganize the financing of small enterprises, seek new sources of credit and negotiate for funding of *IBAS* projects..., (*IBAS, n.d. 1-2*)

¹ John Sylva is currently the manager of *IBAS*

25. GAMCO is the marketing unit of IBAS. The main functions of this body is to improve upon the marketing of handicrafts, including tie and dye to tourists and also to other countries. In short, GAMCO has as one of its main functions, to promote and support sales of crafts products both in rural and urban areas and also in the United States and European countries, especially at international fairs and trade exhibitions.

26. GCDB has the responsibility of offering credit facilities to small-scale enterprises. However, for reasons to be discussed in a latter section, financial assistance to the small-scale enterprise sector by this institutions has been extremely limited.

2. Implicit Policies

27. The Economic Recovery Programme (*ERP*) adopted by the Gambia in 1985 is the logical outcome of persistent and unabated deceleration of the Gambian economy in the 1970's and the 1980's. This in turn necessitated the seeking of assistance from the IMF under a stand-by programme.

28. It is beyond the scope of this report to attempt any detailed analysis of the multitude of implicit policies that one way or the other impinge on the informal sector in the Gambia. Accordingly, we shall confine ourselves mostly - and even then only briefly - to some of the major ramifications of Structural Adjustment Programme on the small-scale enterprise sector in the Gambia. These include, *inter-alia*:

- (a) devaluation;
- (b) deregulation of price;
- (c) liberalization of trade;
- (d) reduction of Government expenditure; and
- (e) restriction in credit expansion.

29. All of these measures, even though not necessarily fashioned to impact on the informal sector, invariably have had definite and frequently negative repercussions on the informal sector at least in the short or medium-term.

30. Thus, one of the consequences of devaluation is to increase the prices of imported goods in order to reduce demand for such goods. Given the fact that some informal sector operations do have a foreign exchange component, and to the extent that technological structures and local inputs cannot be substituted for overnight (*UNECA, AAF-SAP, 1989*), devaluation impacts negatively on the informal sector in the short-term. This is because it necessarily leads to increases in the prices of

imported inputs and raw materials thereby affecting the production capacity of the informal sector operations, among other things. For instance, devaluation in the Gambia has brought about acute shortage of foreign exchange, affecting availability of essential commodities, including petrol which is often in short supply.

31. Deregulation of prices seems to be a universal recommendation for countries undergoing the structural adjustment process. Underlying this philosophy is the proposition that prices are better left to market forces. Thus, Government subsidies and price controls are, by definition, antithetical to a price liberalization policy. In the case of the Gambia, the structural adjustment regime being implemented to restructure the economy has entailed the removal of Government subsidies on most items including rice and fertilizers (*UNICEF, 1986*) This policy, as shall see later, has indirect ramifications for the informal sector.

32. Random removal of import restrictions intrinsic to trade liberalization is supposed, in the long run, to increase efficiency in the production process. In the short-term, however, trade liberalization has the effect of increasing competition for products of informal sector from imported goods.

33. Another feature of the Economic Recovery Programme is the call for reduction in Government expenditures and a general rationalization of the public sector. Among other things, the policy calls for considerable retrenchment of public sector employees. Reduction in Government expenditures has negative consequences for structures meant to support the informal sector development. Additionally, the retrenchment policy has the effect of increasing supply of labour into the informal sector with the attendant reduction in demand for informal sector goods and services.

34. With regard to the informal sector operations, restriction in credit expansion culminates among other things, into increased cost of credit. Of import, also is the fact that credit squeeze has the tendency to increase inflationary pressure on informal economies.

35. Before concluding this summary of implicit policies on the informal sector in the Gambia, it must be pointed out that the informal sector operators seemed to be relatively free from official harassment. This was our observation confirmed by the operators themselves, and a number of Government officials that we interviewed who argued that it would be counterproductive to apply any rules too rigidly. Indeed, the following statement from the First Five-Year Plan (*1975-1980 chap.13, p.10*) lends credence to our observation. It is argued that, "Application of the Statutes and regulations will continue to be influenced by the need to minimize unnecessary or ineffective interference in commercial activity,... (*and*) the need to support and encourage indigenous activity..."

As is well known, this is in sharp contrast to Eastern and Southern African countries where, and at best of times, there is ambivalence. Here, official harassment (*usually by police*) is prevalent which must, undoubtedly, compound the insurmountable and daunting problems that must be the lot of most informal sector participants.

36. This, in brief, indicates the overriding importance of policies, whether explicit or implicit, specifically, it underlines the overwhelming need to formulate coherent and comprehensive policies, which might pre-empt, or rather reduce the scope for haphazard and piece-meal interventions.

B. Impact on policy Environment on the Informal Sector

1. Explicit Policy Objectives and their Impacts

37. The impact of explicit policies towards the informal sector in the Gambia has been, on the whole, comparatively limited - *i.e.* in relation to the formal economic structure. This, as argued previously, is not unrelated to the fact that the Government thinking towards the sector, in general, has been epitomized by mostly uncoordinated policy statements. The sum total of this approach is that most of these objectives, as encapsulated in the two Five-Year Development Plans, remain to be translated into concrete policy actions in order for them to have the intended developmental effect.

38. To buttress our point, it is necessary to go back to the explicit policy objectives designed to impact positively on the informal sector in the Gambia. These can be broadly summarized as follows:

- ▶ To facilitate credit and infrastructural support (*e.g. training, rural communications, utilities and social services*) for agro-industry and the informal commercial and manufacturing sector; and,
- ▶ To Reduce in income disparities between rural and urban areas.

39. From our personal interviews with female and male Gambian informal sector operators and also from the survey we conducted, in Banjul, Kombo St. Mery's and in the rural areas of Western Division, scarcity of credit is clearly a major problem. Most of the operators (95%) in our survey and other interviews mentioned relatives and friends as their only source of loans. Many did not even know of any government facilities. Those who said they knew of government facilities thought it would be a waste of time to even attempt to secure such a loan since they lacked collateral. For instance in another major survey (9,239 rural and urban units) of small-scale industry in the Gambia -

those having 1-5 persons - Lempelius (1986, pp 25-26 and p.77) reports that none of the small manufacturers visited had obtained - on his own initiative - a loan directly from the bank so far. Loans obtained from informal financial markets - e.g., friends, relatives money lenders and the like, are usually for relatively short periods while interest rates are reported to be exorbitantly high.

40. Examining the trends in interest rates charges in the informal financial markets in developing countries, Chandavakar (*IMF, 1986:20*) observes that there are no consistent data to substantiate whether interest rates in the informal sector have declined over time. A sample survey of 13 countries concluded that the level of nominal interest rates charged by noninstitutional lenders had declined from an average of about 40 percent per annum in 1950's to an average of about 30 percent annum in the 1970's...

41. Again, infrastructural support structures to the small-scale enterprise sector and the agricultural sector are a major constraint. For example, there is an acute shortage of water and electricity in Banjul, the Capital city of the Gambia. This gives a fairly good indication of the availability of these services in the rural areas. While our trips to the countryside indicated that the rural roads are in a desperate state of a crippling and devastating effects on the informal sector operations.

42. Income differentials between rural and urban areas are now widely believed, among others, to be powerful explanatory factors for rural exodus. All the available evidence show that rapid rural-urban migration in the Gambia (*which has exacerbated urban unemployment*) account for the urban explosion in that country, especially due to disparities in income. It would seem to have had tremendous impact on the agricultural sector - especially in food production arena - since the Gambia is now importing more than half of her food requirements. The informal sector would also have benefitted immensely in that they would have been less entrants to compete for dwindling resources.

43. All the foregoing negative impacts on the informal sector in the Gambia have effected women more disproportionately than men. This stands to reason, for as argued previously, the informal sector in the Gambia is, as elsewhere in Africa, dominated by commerce, trade and services: this is where women preponderate.

2. The Impact of IBAS, GAMCO and GCDP

44. Persistent contraction in the Gambia economy has critically curtailed the activities of these institutions. Of IBAS intervention, an ILO (1986, pp 6 & 9) study on the impact of IBAS towards

the small-scale enterprise sector concludes that eventually:

IBAS could not provide financial assistance which has been so scarce in the country. IBAS clients were hopefully waiting for IBAS to finance their business activities... This is a major operational handicap as most enterprises are greatly dependent on available credit. This has negated the impact on other successful activities. In consequence, the strategies to assist the small enterprises sector have adversely affected growth in output and employment.

45. Another variable that adversely affected the operations and direct impact of IBAS was credit financing... This adversely affected the impact of IBAS from 1981 to the present... Without financing, start-up enterprises were difficult to encourage and the expansion of existing enterprises was hard to realize (*ibid:9*).

46. Our extensive discussions with officials of IBAS indicated that they operate under severe constraints. Some of these constraints have their anthology in the Gambian economic crisis while others adhere to the lack of systematic policy towards the small-scale enterprises sector. For example, IBAS is yet to acquire institutional status which must be an additional impediment to effective intervention. And yet, one of the policy objectives, in the Second Five-Year Development Plan (1981/82-1982/86), was "to establish IBAS as a full-scale autonomous, and efficient business organization...." Several years later (1988:31) the Government was still "... studying the possibility of upgrading the status of IBAS to a Semi-Autonomous Advisory Body..." During our visit (March-April, 1989), IBAS officials were hopeful that this objective will soon become a reality.

47. This together with mounting capital constraints, management difficulties and scarcity of the various infrastructural facilities *e.g.*, electricity and water severely limit any form of assistance to small-scale entrepreneurs. Again, ILO (*Ibid: 6*)

The classical and most direct effect on this situation (economic crisis) on business in general was the frequent cut-off of electric power and water supply. In fact this directly closed a number of enterprises using electrical energy for production. This was just one uncontrollable variable with adverse effect. There were others that seriously affected small business sector.

48. The net result of all this is that IBAS has more or less lost "... credibility among the clients on account of its inability to assist them financially" (ILO, *Ibid: 18*).

49. The relative ineffectiveness of IBAS in assisting micro-business and small-scale enterprises has effected female operators even more. A major explanation for this is the fact that most of the operations being assisted by IBAS are traditionally male - *e.g.* carpentry, metal work and fabrication, auto-mechanics, electrical repairs, building, transportation, and the like.

50. For example, data provided to us by IBAS (1989) indicate that out of the 192 loans disbursed

by IBAS, from UNCDF Revolving Loan Scheme, 62 (32%) went to male operators. As for the EEC/IBAS Revolving Loan Scheme, women *prima facie*, "seem" to fare better, in that out of the 120 loans disbursed, female operators received 58 (48%) as against the 62 (52%) that went to male participants. We say *prima facie* because an analysis of the actual proportions of the two loans that went to male and female entrepreneurs show that female operators received only a small fraction of the entire funds earmarked for small-scale enterprises.

3. The effects of implicit policy objectives

51. A careful analysis of policy instruments of most sub-Saharan countries is likely to reveal a myriad of implicit policy orientations which, one way or the other have significant impacts on the informal sector. Space constraints militate against an examination of most of such policies. On the other hand, the decision to offer a brief summary of the efforts of Structural Adjustment Programmes (SAP) - a consequence of prolonged economic contraction - is based on the fact that these policies are now a common denominator to many sub-Saharan countries.

52. Additionally, SAPs have become progressively controversial because of their devastating effects on social structures, particularly when applied rigidly and mechanically. African Alternative Framework to Structural Adjustment Programme (AAF-SAP, UNECA, 1989) for instance, and UNICEF's (19) studies, entitled Adjustment with a Human Face, are excellent examples of current thinking that is challenging the epistemology on which rigid implementation of SAP is grounded.

53. This, in brief, is the rationale behind our decision to summaries the effects of Economic Recovery Programme (ERP) adopted by the Gambian Government in its attempt to revive economic growth and development.

54. As indicated previously, the ERP adopted by the Gambian government in 1984 was necessitate by, among others, decreasing production levels of the Gambian primary commodity (groundnuts), consequent to frequent drought and the subsequent drastic (43%) fall in world prices of groundnuts, serious balance of payment disequilibrium and inappropriate management of the public sector (see e.g. Government of Gambia Report on ERP 1985:1) The combination of these and other factors led to restructuring measures some of which are discussed in this report.

55. Thus, removal of Government subsidies, inherent in deregulation of prices affected in the Gambia petrol, rice, transport and fertilizers, among others. And even though no concrete data exist to support our conjecture, its seems reasonable to conclude that this measure must have impacted

negatively on the agricultural sector. Indeed, the sharp fall in groundnuts production, in 1984/85 "... caused real GDP to decline by 9% and seriously exacerbated the acute shortage of foreign exchange" (*World Bank 1985: 14*). It is interesting to note that the sharp fall in groundnut production could not be accounted for by adverse climatic conditions. Since acute shortage of fuel is, among others, implicated in the groundnut case, (*World Bank, ibid*) it is possible that the same variable may have intervened to impact negatively on the general production of foodstuffs. Serious imbalances in the agricultural sector have singular and immediate repercussions for the informal sector, especially for female operators, who preponderate in the distributive sphere particularly that of foodstuff trading, both - in the urban and rural areas. Our contention is that all these effects may not be unrelated to the policy of price liberalization.

56. Also, price liberalization has the tendency to increase inflationary pressure, leading to a drastic fall in real incomes of those in the wage sector and a corresponding decline and reduction in demand for goods and services produced in the informal sector. Thus, in the 1988 Presidential Speech, it was observed "although we have brought the rate of inflation down very sharply, most Gambians have still not recover the purchasing power which they lost during the earlier years of the decade".

57. Devaluation has implication for the informal sector. For even though utilization of local inputs is an important feature of most informal sector operations, imported inputs are sometimes crucial to some processes. For example, tie and dye and batik are important informal sector activities for many Gambian women. During our mission, women operators complained vehemently of high prices of raw materials and lack of market outlets. Their products had become too expensive for domestic consumption, while most of them lacked access to European and American markets. We were told that many women in batik and tie and dye had been forced out of business. The negative effects of this policy were recently acknowledged by the Gambian Minister of Finance in his Budget Speech (1988: 19) when he stated "...no one doubts that the initial cost of the exchange rate reform were high..."

58. Trade liberalization which assumes comparative advantage and therefore calls for removal of import restrictions, has negative effects on the informal sector. Two examples here will suffice. The first has to do with the massive importation of foodstuff including fruits, vegetables into the Gambia, which amounts to more than half of her food requirement. Since women are the principal producers of foodstuffs, this policy has negative impact on all facets of their lives. For example, all the major tourist hotels in the Gambia continue to import the bulk of their food from European (see e.g. the Second Five-Year Development Plan, 1981/82-1982/86). And yet, we were informed, by an official

of CARITAS, in charge of Village and School Garden Programme, that women face difficulties in marketing a substantial proportion of their produce, which simply goes to waste especially vegetables since they cannot consume all their produce and they lack storage facilities. This has implication for their levels of incomes, morale and incentive to increase production.

59. The second example, which has already been mentioned, has to do with massive importation of second hand clothes into the Gambia from Europe. Thus, from the largest towns to the remotest villages in the country side, we found masses of European second hand clothes in practically all the markets we visited. And even though no research has been conducted to inform on the impact of this practice on the tailoring and dressmaking business in the Gambia, our personal interviews with a few entrepreneurs in this activity, both in towns and in the rural areas, indicated that the practice had a negative impact on their trade. As in the case of ERP foreign exchange regime, trade liberalization means that some locally produced goods face stiff competition from cheap imports (e.g. second hand clothes). If the raw materials used in the former are imported, as is the case with tailoring and dressmaking, the competition is all the more intense.

60. Drastic reduction in Government consumption and the general rationalization of the public sector has far reaching ramification for the informal sector. To begin with, it is usually the poorer members of any community that desperately need Government intervention in training, health, housing and like. For example, the Gambia has one of the highest infant mortality rates in Africa (*UNICEF 1986, World Bank, 1985 et.al.*). Drastic reduction in Government expenditure, to contain deficit financing, could only have made thing worse in this area and other areas of health care and similar social and welfare services.

61. Again, massive retrenchment of public sector workers in the Gambia affected mostly the lower cadre of the Civil Service. These workers had to remain unemployed or join the informal sector. This has negative implications for the informal sector, for it is now widely accepted that as the volume of people in the informal sector increase, there is a corresponding decline in productivity and incomes.

62. According to the Presidential address of 1988 and the finance Minister's Budget Speech, also of 1988, the Gambia economy is said to have gained considerable ground in the recovery process. However, neither of these two documents refer to the informal sector. Again, in line with the general dearth of information on the informal sector, we have not found data that inform on the actual effects of the recent economy recovery on the informal sector. However, our data indicate that ERP has had a negative impact on the informal sector and that it might take longer for the benefits of

ERP to be felt by small-scale entrepreneurs unless there was conscious intervention through systematically formulated policies.

63. It seems appropriate to conclude this section by quoting a statement in Khartoum Declaration (1988:21) which succinctly summarizes some of the issues we have raised here. There it is stated, *inter-alia*:

Structural Adjustment Programmes (SAPs) are incomplete because they are often implemented as if fiscal, trade and price balances are ends in themselves and are virtually complete sets of means to production increases. Human condition imbalances as related to employment, incomes, nutrition, health and education do not receive equal priority in attention to macro-economic imbalances. Unless and until they made the elimination of those human condition imbalances central targets.

IV. SUMMARY AND CONCLUSIONS OF CASE STUDIES

A. Policy

64. The analysis of the Gambian women's participation in the informal sector reveals a number of interesting factors, some of which are in harmony with data from elsewhere in Africa and developing countries in general. These indicate: (1) that women are disproportionately concentrated in "the community of the poor", where incomes are characteristically very low; (2) that their preponderance in the lower end of the informal sector spectrum is a function of their general lack of access to production resources e.g., education, skills, capital investment and the like; (3) that the work environment for a vast majority of female entrepreneurs is not conducive to physical and mental well-being; (4) because of the meager returns accruing women, many of them are, especially in the rural areas, and to a lesser extent in the urban areas, forced to combine a number of activities which do not necessarily bring their income levels above the primary poverty threshold; (5) that when we refer to unpaid family labour in the informal sector, we are primarily talking about women and children whose labour is commandeered by heads of households (especially husbands) because of specific cultural definition of a women's role in the family structure; and (6) that as far as domestic expenditures are concerned, women seem to be shouldering a greater share of the burden than the men.

65. In addition to the above, it is interesting to note the dominance of male entrepreneurs in some activities that are usually reserved for female operators in many other West African countries and also in other sub-Saharan African countries. This finding was of particular interest to us because there was no reciprocal situation where female entrepreneurs could venture, in significant numbers, into traditionally male operations, let alone dominate them. The practice has the tendency to reduce the scope of activities that women can enter, since they are already seriously disadvantaged by

disproportionately high levels of illiteracy among other factors.

66. Again available evidence indicates that in the past policymakers have not paid the agricultural sector the attention it clearly deserves, as evidenced by the fact that there exists substantial disparities between rural and urban incomes. A consequence of this has been a rapid movement of people from the rural sector to the towns in search of greener pastures. Since the industrial base in the Gambia is relatively small, a major survival strategy, both for men and women, has been the entrance into the informal sector which is said to be expanding much more rapidly than the formal sector. Thus, the urban informal sector in the Gambia is probably providing employment and incomes for more than 60 percent of the entire urban labour force.

67. The observed rapid increase of the size of the informal sector has created serious problems for the sector in general and for the women participants in particular. This is because a vast majority of the new migrants can only join the bottom rung of the informal sector which is usually dominated by women. The attendant effects of this scenario is to intensify competition, reduce productivity and lower incomes.

68. Despite the central role played by this sector in absorbing a rapidly growing labour force, this report shows that there have not been concerted efforts to formulate systematic policies that can adequately address the complex problems associated with this economy. In other words, the country lacks a specific institutional framework charged with the sole responsibility of working out modalities for intervening in this sector. Integral to such an institutional framework would be long-term policy formulation, development and implementation, including the co-ordination of other strategies which have components that impact on the informal sector in the Gambia.

69. The existing situation where international agencies, the NGOs, both national and international, work mostly without reference to each other is untenable. Since the scarcity of resources is the *raison d'être* of these organizations, we found that there is a pressing need for a combined strategy, both for the rural and urban informal sectors, in order to have a greater development impact.

70. Finally, and of import to the informal sector in the Gambia, is the fact that the country, like many other sub-Saharan countries has, until recently, been faced with a severe economic crisis culminating in the introduction of ERP which is still in force. Among the many consequences of prolonged economic contraction has been mounting unemployment and a progressive decline in real wages and incomes. This in turn has meant that a greater number of Gambians are now faced with

primary poverty. Women and children share a greater burden of this process.

71. There are two focal points of information on the participation of women in the informal sector: the statistical authorities, mainly the Central Statistics Department (CSD), and the organization of women, the Women's Bureau. Their activities complement each other as far as the former accept to deal with statistics on the informal sector and the participation of women and the latter recognizes that statistics are an indispensable tool for their aims. Progress has been reached in this sense, but much more is still to be done.

72. The main sources reviewed are classified in three groups: employment data, national accounts, and individual as well as institutional research studies.

73. The last data available at the time of preparation of the present report cover the year 1986. This survey is directed to establishments which employ 5 or more employees, which is the definition of formal sector used by CSD. In order to ascertain whether and how the contribution of the informal sector was included in GDP, it was necessary to review in detail the methodology available. This was especially tricky in the case of distributive trade because data concerning this activity were even scarcer than for other activities and consequently the assumptions and conjectures in the estimates were more numerous, as can be seen from the illustrations given below. It appears that as much as 10 percent of GDP at factor cost in distributive trade corresponds to local agricultural products. What is the participation of women in this sector? There are no adequate indicators to answer the question although everyone agrees that it is substantial and that it is carried out on an informal basis.

74. The government of the Gambia requested the ILO's Jobs and Skills Programme for Africa (JASPA) to undertake a survey of the informal sector in the Banjul and Kombo St. Mery's areas so that its findings could lead to policy actions and programme planning. The Government desired that the study should assess the role of the informal sector in the creation of employment and suggest ways and measures for improving its employment creation capacity.

75. The report is based on a sample survey undertaken in 1980 and covers the Greater Banjul Area, Banjul and Kombo-St. Mery's. According to the 1983 population census, 21 percent of the total population lives in this area. Using data from the 1974/75 Urban Labour Force Survey, the report estimated that the total employment in the category "Production and related workers, transport equipment operators and labourers" at the beginning of 1980 was about 8,970 persons and that the informal sector accounted for 3,740 of them. The report selected 13 activities which it assumed to

be those related to the informal sector. They were:

Tailoring	Carpentry	Mattress making
Fitting	Batik making	Radio repairing
Carving	Welding	Gold/silversmiths
Cobbler and	Watch repairing	Blacksmiths
Leather works	Barbers	

76. As can be seen, neither petty trade (be it in the market or on the street) nor "small bars and restaurants" are included in the list; two activities carried out intensively by informal units. For recent years tourism (services to tourists), should be added, as many unemployed or underemployed persons go around hotels during the tourist season looking for jobs as guides, performers, helpers, and the like.

77. The report stated that one characteristic of the Gambian informal sector is the extensive use of unpaid apprentices. It says:

Employment in the informal sector largely consists of self-employed persons and their trainees. The markedly large employment of apprentices indicates one of the important functions of the informal sector, namely, training.... to establish himself in self-employment, the working owner-proprietor must have a complete knowledge of the trade and he must be self-sufficient in production and in marketing. The edge of the trade is therefore of the utmost importance. It may even be regarded as being more important than capital, since the individual has to acquire the necessary training in the trade before the need for physical capital arises... apprentices afford the entrepreneur with cheap supplies of labour (meals only) which encourages the adoption of labour intensive techniques of production... All the apprentices learnt all the tasks in such a way that over time they all possess the full knowledge wielded by the master ... the master produces his own competitors... Thus lateral expansion of employment is inherent in the system. Informal sector firms proliferate, with each remaining small.

78. On the other hand, when the JASPA report describes the nature of informal sector employment. It presents very clearly the fundamental difference between the formal and informal sectors, namely the existence of salaried employees:

In studying factor productivity in the informal sector certain essential points have to be borne in mind. It is usually assumed that employment to the individual is only meaningful if it adds to production or/and it provides him with an income. Our examination of the employment status of persons engaged in the informal sector suggests that this assumption may not hold for all the employees. In particular the apprentices are working in order to obtain training which may entitle them to earn an income in the future rather than any present reward in the form of wages. Self-employed craftsmen may also take on apprentices for reasons other than economic criteria even though their motive for entering self-employment is to earn an income. Such reasons may include obligations towards the extended family.

79. The study on rural market acknowledges the limited documentation available about private

trade activities, especially in the informal sector and in the rural areas, and considered the traders operating inside the markets as part of the formal sector, hence all references made to informal sector in the study are related to traders outside these markets. It says that:

The informal sector consists of a very large number of petty traders operating in both rural and urban areas, distributing mainly non-durable and small durable imported consumer goods and some locally made goods. The trading of food crops, which are mainly produced for subsistence and marketed in small quantities, is done largely by individual producers and private traders on rural markets.

B. Training

80. The extent to which women participate in and benefit from economic and social development is an important goal in national development. To help achieve this aim a regional multi-agency project to improve the managerial and productive capacities of women in the informal sector has been developed in four countries in Africa. The Gambia is the country discussed in this report, the other three countries are Burkina Faso, Congo and Zambia. There are four components in the project, namely policy development, the development of statistical methodology to gather information on women in the informal sector, credit assistance and training. The Training component is the responsibility of the International Labour Organization and the subject of this segment of the report.

81. In the Gambia official policy is supportive of the informal sector. Although restrictive laws and regulations still exist, they date back to the colonial period and are generally not enforced. Informal sector policies in official planning documents are still vague and need refinement in concrete and practical terms so that goals can be more clearly defined. Human resource development policies insufficiently reflect the need to promote self-employment in viable business areas. Human resource policies for schools and non-formal training, therefore, should include the objectives of promoting an interest in self-employment, business management subjects, and - for women - a move must be made away from a concentration on training in non-lucrative traditionally Western female activities such as secretarial work and cooking only. To this end market research needs to be done to identify areas of training which can result in successful self-employment. More importantly, a working group of representatives of different institutions needs to be established in order to make proposals for concrete policies. Members of such a working group can also exchange experiences and develop specific programmes of assistance for the informal sector.

82. The Gambia has quite a number of institutions which already deal with the informal sector. Most programmes consist of skills training or the establishment of income generating projects in the rural areas. Most organizations have funding difficulties resulting in staffing, transport and material resource problems. Trainers in skills programmes tend to lack business management and feasibility

study knowledge. Most organizations would benefit from training on women in the informal sector issues, group dynamics, leadership and training methods. Within some of the organizations management problems also exist and there is a need to improve needs assessment, planning and monitoring and evaluation methods. Institutions which desire to improve their assistance to informal sector women would benefit from an organization development approach to improve their effectiveness. Attention also needs to be paid to staffing in those organizations where there are few women in professional positions. Women in the informal sector have needs in different areas including credit, marketing and training. Training should be understood to include counselling, group meetings and development as well as training courses. Training in business management, production skills in marketable areas and general development are needed. To identify management methods which will be applied within the local context experiential learning and group exchange must be emphasized. Many women would benefit from training in general development areas such as self-awareness and awareness of legal, fiscal and economic influences on their businesses. Planning of training should be done together with participants to ensure correct fit between the needs of the participants in terms of learning as well as logistical constraints such as time and place of training.

83. In the Gambia the concept of group formation is well established. Numerous groups of informal sector women exist. Most of them are self-initiated. Groups commonly have problems with adequate funds to operate their activities. Interpersonal problems are self-initiated. Groups commonly have problems with adequate funds to operate their activities. Interpersonal problems are common within groups and will need special attention. Inter-group rivalry is also frequent. Leadership, group dynamics, self-awareness and problem solving training would be useful. Those women wishing to start groups can be given training on group formation and group dynamics. Dependency on the input from formal organizations should be avoided and where it exists it should be phased out gradually by helping groups become more self-reliant. In this way groups can function more autonomously while freeing organizations to assist other groups, thus avoiding the waste of scarce resources on a limited number of individuals.

84. Gambian women are important contributors to their national economy and their families' income. Women in the informal sector should be provided with every means to improve their managerial and productive capacities. A concerted effort by existing organizations, women's groups and individual entrepreneurs will help ensure that informal sector women benefit more from their activities.

V. RECOMMENDATIONS

A. Policies

- ▶ In order to effectively aid the growth and development of informal sector in the Gambia, there is urgent need to establish an institutional framework specifically charged with the responsibility for the systematic formulation and development of policy towards the informal sector. Once this is done, the sector should form an integral part to any sectoral analysis that informs all the Gambian development plans.
- ▶ There is a pressing need to co-ordinate the efforts of the various NGOs, both national and international, in order to avoid duplication of efforts and to achieve maximum effect. To this end, we recommend that either the functions of Advisory Committee for Co-ordination of Non-Governmental Organizations (ACCNO) be resuscitated or a new body be created. In either case, such a body will require adequate funding if it is to function effectively.
- ▶ The NGOs who are involved in development work that affect women directly or indirectly need to co-ordinate their efforts more closely with those of the National Women's Council and the Bureau, since one of the latter's (the Women's Bureau) functions is to identify the precise areas that need attention and focus in order to effectively integrate the Gambian women into the development process.
- ▶ For the Women's Bureau to fulfill the functions for which it was created, there is need to strengthen this organization. For example, the Bureau needs additional manpower, especially qualified professionals, who can conduct more intensive investigations into women's issues. There is also need to increase the level of general staff in the Bureau's Secretariat, for one gets the impression that the few that are there are overworked. The Bureau also needs greater funding in order to give greater assistance to women especially, those in the agricultural sector.
- ▶ Again, since the Bureau is best equipped to understand the problem that affect the Gambian women, it is recommended that the Bureau be more actively involved in all the institutions that have components that deal with women's issues. In addition, the Bureau should be actively involved in the formulation of development plans so that issues that affect women can be given greater attention.
- ▶ Indigenous business Advisory Service (IBAS) needs autonomous status to function effectively. Again, IBAS needs funding in order to acquire the manpower it requires for the services it attempts

to render. Additional funding will also be necessary to attract the sort of qualified staff that IBAS needs to implement some of their programmes, including training and recovering of their loans. Likewise, Gambian Artisans Corporation (GAMCO) is in urgent need for additional funds in order to reach a greater number of female entrepreneurs in this industry. This organization also needs autonomous status to avoid delays in intervention and operations usually because of problems associated with large-scale bureaucratic organizations. GAMCO also needs additional support structures - e.g., equipment and more skilled manpower.

- ▶ Since IBAS seems to place greater emphasis on male enterprises in their intervention, and to the extent that GAMCO is specialized, there is need to create a similar organization with a specific focus on women in the informal sector which will cover both the rural and urban areas.

- ▶ Evidence from the Gambia seems to indicate that an overwhelming majority of women entrepreneurs are not aware of Government institutions set up to aid the small-scale enterprise. Greater effort should be made to make the women aware of any projects designed to give assistance to the small-scale enterprise sector.

- ▶ The Government of the Gambia should work out modalities for extending credit to small-scale entrepreneurs in the informal sector without the collateral prerequisites which are difficult to fulfill. Since the Gambian Commercial and Development Bank (GCDB) reports that women are conscious in repaying their loans, we recommend that this and similar institutions work out logistics of extending credit to women in the informal sector without long procedures and rigid security requirements.

- ▶ Since most financial institutions are located in the urban areas, the Government will need to work out ways of reaching the rural population since the country is still overwhelmingly rural. Again, since the informal sector operators are generally intimidated by all the formalities that are required before a loan is approved, less cumbersome ways have to be worked out in order to aid the rural informal sector.

- ▶ Because of the high level of illiteracy among female entrepreneurs, there is an urgent need to mount an aggressive campaign to reduce the level of illiteracy by introducing literacy programmes. This should be designed to take cognisance of the women's heavy domestic responsibilities.

- ▶ The work environment also needs attention. This should include the provision of toilets facilities, day care centres, drinking water, and where possible, provision of stalls in market places to

avoid prolonged exposure to sun.

The major recommendations based on the case studies of individual women, groups, institutions as well as human resources policies are, summarized below. Since the recommendations are presented here out of the context of the report and only in summary form it is important to review the text.

N.B. - training is referred to here in its broadest sense and may include experiential learning, counselling, group exchange and group development.

B. Training

a) Training contents needed

- ▶ Business-related subjects needed by some Gambian women are: functional business literacy and numeracy, the use of calculators and making correct change; product identification; steps in establishing a business; working capital and cash management; credit management; generating funds for investment; banking limited record keeping; price setting; methods of obtaining raw materials; methods of solving competition problems. For women who are illiterate family members should be allowed to attend record keeping training instead.

- ▶ Production-related subjects needed are: improved technical skills for current business; hygiene; development of new technical skills in marketable areas. Special attention needs to be paid to food processing and storage.

- ▶ General development training subjects needed are: planning self-awareness; empowerment; group formation; group dynamics; awareness of legal, fiscal and economic business influences and regulations.

- ▶ Since not all women have all of these needs specific needs of target women group need to be identified prior to planning training events.

- ▶ More systematic approaches for management skills within the local context must be developed. Appropriate solutions to business problems which will be applied can be found most effectively by fostering the development of creative ideas from entrepreneurs themselves in groups.

- ▶ Methods for identifying management methods successful in the local context should also be

identified by studying selected successful business women and the ways in which African foreigners make a success of their small businesses in the Gambia.

- ▶ Since certain external constraints exist which may impede application of what has been learned in training, these constraints must be taken into consideration in planning (e.g. constraints such as: lack of raw materials; an insufficient market; resistance from relatives, officials or customers).

- ▶ Once participants have determined that they wish to apply certain concepts despite external constraints they will need self-confidence to pursue those avenues of change regardless of possible resistance from external sources. If women lack self-confidence then awareness training may be needed first.

- ▶ Training alone will not solve problems related to lack of an adequate market (usually due to competition). Small-scale activities must be identified for which minimal imported input is needed and which have a market locally. General market and feasibility studies need to be carried out these activities.

- ▶ More research is needed to identify the business and technical problems of women in specific sectors.

- ▶ Training organizers should be aware that new needs may develop following successful training and other interventions, therefore continual monitoring of needs will be necessary.

b. Training methods and planning:

- ▶ Experiential and participatory methods for learning are recommended over more classic methods of training. Methods such as case studies, role playing, theatre, business games, field trips, meetings with successful businesswomen, discussions and action learning are recommended for business management, entrepreneurial skills and general development. For production skills other methods, such as on-the-job training and observation should also be used.

- ▶ Short part-time training is generally recommended. Successive short training activities may be organized with the same women. The exception is functional literacy and numeracy where more consecutive contact hours are necessary.

- ▶ Planning issues concerning logistics need to be reviewed with each group of potential participants prior to training to ensure correct fit between participants' practical problems and training. Women's dual role and family difficulties should be considered. Child miners may, for example, be needed; training may need to be near home or work-place.
- ▶ Promotion of training events can best be done through the radio or by going directly to women in markets and neighborhoods and spreading the information by word-of-mouth. Interest can then be gauged quickly and, although initial time investment may be greater, the ultimate effectiveness of training will be increased since more groundwork has been done.
- ▶ Training solely for women should be offered to ensure participation and freedom of expression in addition to training for gender mixed groups. Mixed group training is important to increase men's awareness of women's issues and should also be encouraged.
- ▶ Gender-mixed training should not be held under logistical circumstances that make it difficult for women to attend.
- ▶ Training solely for women on building self-awareness and self-confidence would be useful in helping women become more forthright about participating actively in gender-mixed groups.
- ▶ Institutions offering gender-mixed training should make special efforts to reach out to potential female participants rather than waiting until they present themselves.
- ▶ Follow-up assistance will be necessary to assist entrepreneurs to apply what they have learned. This may also include credit or other forms of assistance.
- ▶ Long-rang monitoring will be necessary to assess the effect of training on business development.

C. Group development

- ▶ Training should be channeled to existing women's groups preferably those which have been self-initiated.
- ▶ Since women expressed a need to obtain recognition of their groups and the social power to achieve their goals, training in empowerment is an important subject for group training.

- ▶ Problem solving mechanisms for intra- and inter-group relational conflicts must be developed. For groups with many such problems group dynamics training can be useful.
- ▶ Training for group leaders is recommended in order to exchange ideas and experience and develop ways to improve the functioning of their groups.
- ▶ Means must be developed to help women whose income is so marginal that they can not (regular) pay dues for group membership in cash.
- ▶ Existing groups, particularly those created by formal organizations, should be provided with training activities to foster a greater spirit of independence, self-confidence and problem-solving. Group independence should be one of the primary objectives of organizations - continued sponsorship creates dependence and wastage of resources.
- ▶ Groups need to be monitored, even on occasion after they start to function independently, to assess changing needs.
- ▶ Leadership, group formation and group dynamics training should be offered to women who express an interest in starting a group.
- ▶ Emergence of a group spirit through active participant interchange in technical or business training should be encouraged. Training facilitators should then try to determine whether a group can be formed out of former participants.
- ▶ Trainers should be sensitive to the group dynamics in training activities to identify natural leaders. These women may be encouraged to start groups if they themselves so desire.

d. Institutions

- ▶ A working group for the exchange of information and ideas on informal sector development should be established among representatives from interested national institutions and women's groups. Until the Advisory Committee for Coordination of Non-Governmental Organizations which coordinate NGO and governmental activities in fully functional the working group should be coordinated by the Women's bureau.
- ▶ Such a working group should initially pay particular attention to the proposal of government

policies which will encourage positive development of the informal sector.

- ▶ Organizations with the potential capacity and desire to develop or improve a program of assistance for women in the informal sector should receive support.
- ▶ For organization needing assistance an "organization development" approach is recommended which emphasizes the effective functioning of the institution and the target group as part of the same system.
- ▶ Organization development work will need to concentrate on: improvement of the management of the organization to meet its goals; needs assessment methods and programme planning monitoring and evaluation methods. Training should be organized to meet identified organizational needs.
- ▶ Training programmes should also be organized which are open to interested participants from different institutions, not only those involved in organization development.
- ▶ The existing institutions will need more training on gender issues, leadership, group dynamics and awareness as well as business management and feasibility studies.
- ▶ Subjects for training needed in some organizations also include: the role of the informal sector in national development; problems of the informal sector and mechanisms for assistance; train-the-trainers and training in specific technical skills.
- ▶ Staffing in gender-mixed organizations will need attention. Presently gender-mixed organizations have too few professional women. Since there is a lack of women with adequate qualifications in the Gambia a major effort needs to be made to provide intensive training in order to enable them to take up professional staff positions.
- ▶ In working with organizations external individuals need to emphasize exchange to develop future actions rather than use a top-down approach.

e. Human Resources development

- ▶ Human resource development policies need to include, on both a national and institutional level strategies to help women develop more varied productive skills.

► A move away from concentrating in human resources development on only traditionally Western female "home-making" activities must be made so the women can participate in more economically viable activities.

► Human resources policies should also stress the importance of teaching management subjects and other related subject areas such as project formulation, and "steps to take in setting up a business" rather than only teaching technical skills.

► Human resource policies need to stress the promotion self-employment in the formal and non-formal education systems through: skills training; training on starting a business; management; training; adult functional business literacy training. The promotion of the value of entrepreneurship at all formal school levels is vital. In secondary schools courses on establishing and managing a business are a necessity.

► Human resources policies should take into account practical constraints to the implementation of skills learned such as lack of raw materials and lack of an adequate market for specific products.

► Women who are organized into groups would benefit from having a greater understanding of how economic policies and laws affect them so that they can act to improve conditions for themselves as well as enable them to contribute more effectively to the nation as a whole.

VI. RELATIONSHIP BETWEEN THE DIFFERENT COMPONENTS

43. The coordination initially envisaged using the project document could not be maintained due to inter-institutional and adjustment reasons. However, it is expected that simultaneously improvements will be made by:

a) using data provided by pilot projects on the different components to complete the characteristics of women in the informal sector, their activities and the results of such activities. Simultaneous improvement could also involve:

(i) the establishment of a credit support system, however minimal, for the various pilot activities involving target groups to be selected by representatives of various institutions and groups concerned;

(ii) inviting institutions and individuals who participated in Project RAF/87/042 to participate in future activities.

b) the *sine qua non* of coordinating the various activities undertaken at the national level is selecting the same target group to participate in the various components of the project and for the formulation of legal framework policies for national governments

and aimed at enhancing the role of women in the informal sector. Such improvements would serve as an incentive to acquire new skills which could prove useful in developing an enterprise with a higher profile, particularly when an adequate credit source is available.

VII. POLICY OPTIONS AND STRATEGIES - RESULTS ENVISAGED

44. In view of the sensitive nature of the informal sector and the repressive official attitude towards this sector, information on the consequences will not be immediately available. A change in the mentality and attitudes and the co-operation of all participants are necessary for the implementation of new policies.

45. Some of the results envisaged are:

1. A higher profile for women in the informal sector;
2. An increase in the contribution made by women in the informal sector towards the economy in the form of savings;
3. An improvement in the socio-economic environment by improving the quality of services provided at the national and local levels;
4. Improved mechanisms for marketing local products in the main areas of intervention in the informal sector; and
5. A change in attitude towards the informal sector and women.

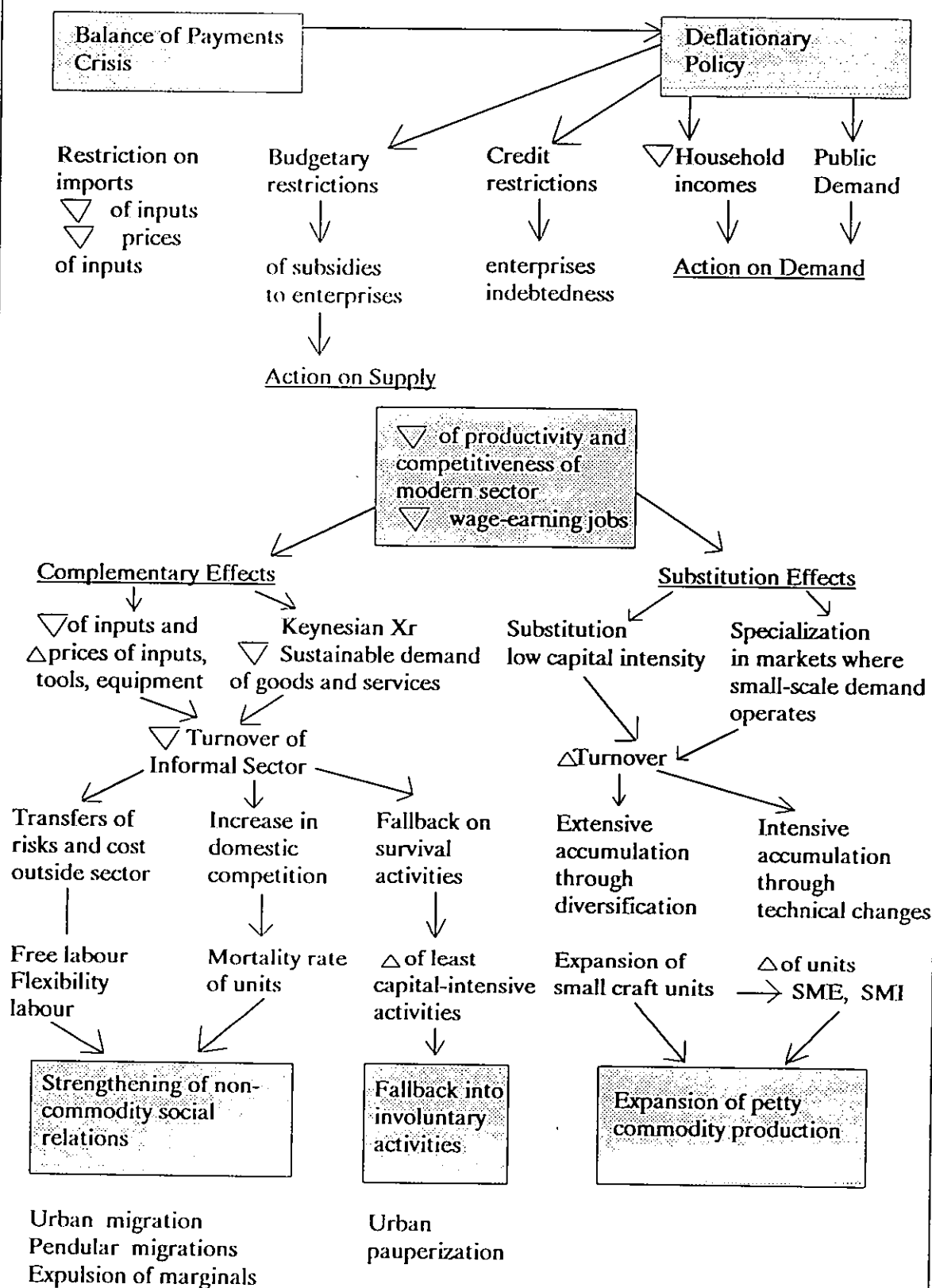
VIII. PRECONDITIONS FOR AN ACTIVITY UNDERTAKEN IN ONE COMPONENT TO ENSURE THE SUCCESS OF OTHER ACTIVITIES IN OTHERS

46. Taking as an example the Policy component, which is the topic of a national seminar, in order to ensure the success of other activities in other components:

1. A concerted political desire to train women in the informal sector should be expressed and clearly defined by legislation, measures and strategies. Furthermore, to analyse available data or data to be collected the chart proposed by P. Hugon in his study on the informal sector, *Women and Development Planning in Africa*² should be used (Refer to Box 1) with a view to obtaining more detailed information on the socio-economic and policy environments in which activities are conducted in the informal sector and on women's activities. In this regard, a knowledge of current trends in the following would be necessary:
 - ▶ public services and retrenchment;
 - ▶ enterprises in the modern sector - their performances and shortcomings;

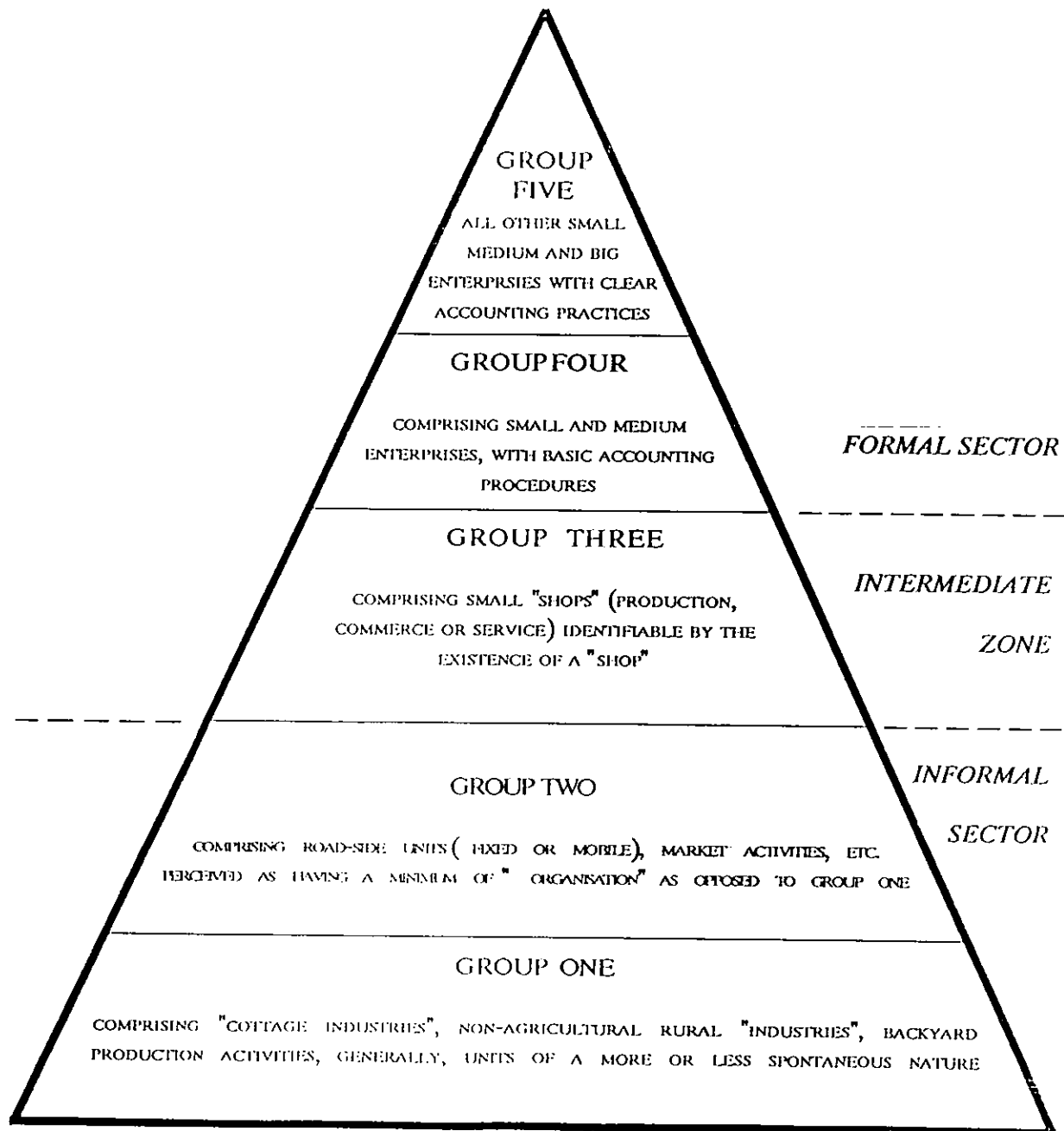
² Hugon, op.cit. p.54 and onwards

Effects of the Crisis and Adjustment Policies on So-called Informal Activities



Box 1:

- ▶ the activities of informal micro-enterprises; and
 - ▶ attitudes and other related behaviour.
2. The same target group should be selected for the activities of the different components. Bearing this in mind, the pyramid chart proposed by ILO should be studied:



3. The activities of the various components should be effectively coordinated. For example, the target group for the Credit project should also benefit from the training activities envisaged in the Training component as well as the strategies, legislation and measures envisaged in the component on policy.

IX. FINAL OBSERVATIONS

47. As a results of this survey on women in the informal sector in the Gambia and their activities and needs, definite steps should be taken to resolve the main problems relating to strategies and policies.

48. Firstly, the question of eventual national development (policy of definite programme change) through spontaneous, almost "ruthless" actions, should be adequately addressed. In order words, what benefits can be derived from profitable activities which can only be carried out *illegally*, particularly when the following obviously contradictory reasons, according to Hugon, exist:

- a) formalizing and legalizing small-scale and medium-sized enterprises in the informal sector will only leave others in the illegal sector and poverty;
- b) formalizing the informal sector may result in "killing the goose that lays the golden eggs."³ In other words, as a result of liberalizing operations in the informal sector, certain choices will have to be made: regulation or deregulation; the struggle against poverty and unemployment or improving the living conditions of the populations by making it possible for women in small enterprises in the informal sector to accumulate a certain amount of wealth in order to improve their business; how, for example, can the link between the development of these enterprises and improving the national economy and other economic sectors be maintained.

49. What supportive measures are envisaged and on which data source will new policies be based?

With regard to the theoretical environment, excessive generalizations should be avoided, without at the same time, adopting an exclusively feminist approach. For example, the observations made and facts established concerning the impact of structural adjustment policies, and in certain countries, industry, metallurgy and mechanical repairs could be valid for women's activities in the informal sector even though these activities are restricted to food processing, handicrafts or trade. In any case, when a socio-economic and policy environment conducive to the development of activities in the informal sector and which takes into account

³ P. Hugon, *op. cit.*

the contribution made by women in that sector is eventually created, detailed statistics on women's needs will be required on:

- ▶ Training/information;
- ▶ Credit/capital;
- ▶ Means of production; and,
- ▶ Markets and outlets.