



Labor and Globalization

Christoph Scherrer
Debdulal Saha
(Eds.)

The Food Crisis Implications for Labor



ICDD

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Edited by Christoph Scherrer

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Christoph Scherrer / Debdulal Saha

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Introduction: The Neglected Labour Dimension

Debdulal Saha and Christoph Scherrer

In recent years, food prices have gone up to prohibitive levels for many of the world's poor. They have remained high and volatile (World Bank 2012). While many poor city dwellers have had to switch their diets to include only very basic foods, the vast majority of those who are hungry in the world today (over half a billion) are working in agriculture, either as small landholders or as waged agricultural workers (UN 2008). Increased food prices may in principle provide an opportunity for agricultural labour; the majority of the food producers, however, seem not to have benefited from rising prices (FAO 2012). Apparently, the bargaining power of many producers, just as that of the end consumers, has been weakened vis-à-vis the buyers and retailers of agricultural produce (De Schutter 2009). In other words, workers as producers and consumers suffer from high food prices. While the world's overall food production could feed every human being on earth (FAO 2009), the harsh reality is that because of power asymmetries, hundreds of millions of people suffer from hunger and many die of it. As a number of contributions to this book will show, this powerlessness may not only be in the face of agribusiness but also of governments that fail to provide an appropriate infrastructure for smallholders and social protection for the poor among citizens.

The stark reality of widespread hunger shows the lack of determination by the governments of nations that make up the United Nations to realize the human right to be free from hunger and malnutrition (UN declaration of human rights in 1948) and to have access to adequate food (Right to Adequate Food 1996). It is furthermore a clear sign that the first Millennium Development Goal of the United Nations, to eradicate extreme poverty and hunger, which is scheduled to be met by 2015, remains so far elusive. One of the targets of this first Millennium Development Goal, to achieve full and productive employment and decent work for all including women and young people, embraces the decent work agenda of the International Labour Organization. According to the ILO, 'many workers contribute to feeding the world; others depend upon income to feed themselves, workers are critical to make the food system work, however from production to consumption they face many decent work challenges' (ILO 2011: 1). In particular, two items of the decent work agenda, adequate earnings and social protection (ILO 2008), are clearly not met when households suffer from hunger. It is further obvious that price increases for the most basic household items threaten the objective of adequate earnings. Less obvious is the impact of the decent work agenda on the realization of food security. The four dimensions of the decent work concept (creating jobs, guaranteeing rights at

work, extending social protection and promoting social dialogue) have not been formulated with food security in mind. However, as many contributors to this book argue, especially for the urban population, access to food is a matter of purchasing power. Purchasing power results from access to adequately paid jobs. The severe shortage of such jobs contributes in a major way to poverty and thus food insecurity.

In addition to decent jobs, social protection is increasingly deemed to be an important counter cyclical policy that can minimize the effects of crises and food price volatility. In cases of crises, safety net programmes help to maintain an adequate level of food consumption (FAO and ILO 2011). They furthermore prevent the poor from resorting to damaging strategies to cope with the crisis such as sending their children to work. There is evidence that households receiving social transfers spend more on food and tend to experience less hunger, leading to an increase in food security. Furthermore, vulnerable people, such as children, receiving social transfers tend to be generally better nourished (Samson *et al.* 2006; Adato and Bassett 2008).

In agriculture, the main employment challenge is that many jobs do not ensure decent levels of income and sustainable livelihoods (FAO and ILO 2011). Therefore, social protection in the form of employment guarantee schemes for certain periods in a year may safeguard against seasonality, economic shocks, and cyclical downturns. In addition, the labour expended in such schemes may enhance infrastructures in the long term (Devereux *et al.* 2008).

Structure of the book

Having discussed the aforementioned issues, the book is divided into three parts: food insecurity, decent work deficit and social protection. The aim of this section is to introduce these three themes of the volume and as well as each of the contributions.

Food Insecurity

The first part, titled ‘Food Insecurity’, sets the stage for the ensuing focus on labour by providing an introduction to the immediate and structural causes of the food crisis. The volume starts with *Jacklyn Cock’s* case study of the Gauteng province in South Africa “Addressing the ‘Slow Violence’ of Food Insecurity”. It provides ample evidence that food insecurity is not just a matter of distant rural areas. In this industrial heartland of Africa with Johannesburg as its most famous city, widespread food insecurity results from poverty. Here, as in most urban areas around the world, access to food is a question of affordability. The lack of jobs and other income opportunities lead to widespread malnourishment which the author aptly calls “slow violence” as malnutrition commits violence against the bodies of the afflicted and thereby also to their life chances. Against the background of her diagnosis of the structural causes of food insecurity, Cock assesses

the government's nutritional policies, such as support for urban gardening, and finds that they fall short of addressing the issue of poverty and powerlessness. These policies question neither the monopolized nature of the food regime in South Africa nor the lack of income opportunities. She therefore calls for food sovereignty, a concept which embeds the production and consumption of healthy and affordable food within the community.

The volume goes on to present an analysis of the region which was most severely impacted by the recent global food crisis: East Africa. In their chapter "The Origins of the Food Crisis: the Case of East Africa", Kenyan authors *Thomas Ogola* and *Jane Sawe* discuss the many factors that contributed to a serious shortage of foodstuff from 2007 to 2011. Their multi-dimensional analysis not only highlights global factors such as climate change, rising energy costs and financial speculation in food commodities, but also local governance failures. By adopting neoliberal policies, the East African states of Ethiopia, Kenya, Tanzania and Uganda have neglected smallholders and animal herders. In the 1980s and 1990s, they stopped providing subsidies for fertilizers and seeds, cut down on educational efforts through agricultural extension services and abolished marketing cooperatives. Access to credit for investments in agricultural technology has remained difficult for smallholders. Animal herders in sparsely populated areas have not been supported by decentralized milk storage stations and slaughterhouses or better roads to distant markets. This lack of infrastructure leads to enormous waste. Although in 2003 the African states committed themselves again to strengthening their agricultural base, few countries have actually increased their spending on agriculture to the agreed upon goal of 10 % of their public budgets by 2011. On the basis of their analysis, the authors recommend a number of policies which if implemented effectively would make the East African countries more resilient in the face of global food price inflation.

Akua Britwum's contribution "Market Queens and the Blame Game in Ghanaian Tomato Marketing" confirms the previous diagnosis of government neglect of agriculture for the West African state of Ghana. While the women traders and their leaders (the so-called Market Queens) are blamed by the government and much of the public for the plight of the tomato farmers in northern Ghana, Britwum identifies the liberalization of agricultural markets in the wake of the structural adjustment programs as a major culprit for the tomato farmers' loss of markets. The massive reduction of tariffs on the importation of tomato paste caused the closing of the tomato processing centers that had previously served as the major purchaser of Ghanaian tomatoes. Based on in-depth interviews, Britwum succeeds in making transparent the role of the Market Queens in the distribution of fresh tomatoes and in making visible their agency in dealing with public accusations. The tomato traders have established their own association and have formed an alliance with the Ghana Trade Union Congress which provides them with political leverage for the protection of their livelihood as working people.

Decent Work Deficit and Rural Labour

Part II, 'Decent Work Deficit for Rural Labour', contains contributions that not only highlight the plight of rural labour but also develop tools for measuring the decent work deficit in the countryside.

The first contribution returns to the province of Gauteng from which *Edward Webster* and *Mbuso Nkosi* have drawn a sample of 600 farmworkers. These workers are engaged in three types of agricultural activity: field crops, livestock and horticulture. The survey was accompanied by in-depth interviews and focus groups amongst farmworkers as well as interviews with employers and trade unionists. Excerpts from these interviews make for a lively reading of this chapter. While the standard ILO Decent Work Indicators are designed to measure decent work for a country as a whole, Webster and Nkosi developed a diagnostic tool at the sectoral level on the basis of the ILO's 10 indicators of decent work. The survey revealed that farmworkers do not come close to decent work: only 25 % have a written contract, 80 % cannot refuse overtime, hardly have access to medical insurance and almost all lack an institutional voice. These findings are echoed in the saying "you entered through that gate and you will leave through that gate", which clearly expresses the power the employers exercise over the farmworkers while they are on private property. The authors are clearly aware of the fact that decent work is not an easily attainable goal. However, they believe that by engaging with trade unions, government and employers could monitor and sanction violations of existing employment standards.

The second contribution turns to the workers on palm oil plantations in Indonesia. Indonesia has become the world's largest producer of crude palm oil. Employment increased almost in step with output, but as *Hariati Sinaga* has found in her field research in the Riau province (Indonesia's main production area for palm oil), the demand for labour did not diminish the decent work deficit. Labour rights violations are rampant, and even child labour remains prevalent. As in South Africa, the legacy of authoritarian rule is still strong in rural areas even in the age of democracy. The spread of palm plantations aggravates food insecurity because monoculture displaces subsistence agriculture and thereby forestalls alternatives to wage labour for accessing food.

The final contribution in this section highlights the plight of the hundreds of millions of farmers who cultivate only a few hectares of land, the so-called smallholders. *Lars Thomann* identifies the specificities of the rural decent work deficits and describes the challenges of putting the decent work agenda into practice in rural contexts. Since a few years ago, the International Fund for Agricultural Development (IFAD) has been implementing some rural development projects with explicit decent work components. Thomann examines the impact of these components with regard to the four dimensions of

the decent work agenda, i.e. employment creation and enterprise development, working conditions and social protection, rights at work, and worker and employer organizations and social dialogue. He concludes that the IFAD projects did improve employment opportunities for rural people but fell short of making a significant impact on the other decent work dimensions. He therefore calls for the implementation of the decent work agenda in a holistic and comprehensive manner.

Social Protection

In Part III, the focus shifts to the third dimension of the decent work concept: social protection. As Jacklyn Cock outlined in the beginning of this book, income security is a major precondition for food security. The previous chapters have shown, however, that for small landholders and workers on farms and plantations there is little in the way of social protection. In 2012, the International Labour Conference passed Recommendation 202 on National Social Protection Floors. The experiences of countries such as Brazil and India with the extension of social protection for the poor have provided an empirical reference point for Recommendation 202.

This section begins with *Frank Hoffer's* justification and explanation of ILO Recommendation 202. He makes the case for a more equal income distribution by means of minimum wage policies and universal social security coverage. These measures would ensure an income floor protecting people against hunger and extreme poverty. The recommendation on national social protection floors expresses the global consensus on the necessity, desirability and feasibility of universal social protection. However, he warns the reader that the transformation of this global policy consensus into national reality will not come about without a concerted push by governments, trade unions and other civil society organizations.

In his contribution “The Brazilian Food and Nutrition Security Policy: Concept and Results”, *Walter Belik* traces the genesis of the Fome Zero (Zero Hunger) program in Brazil which has earned the reputation of best practice around the world. Belik shows that the Fome Zero, launched in 2001, was a result of accumulated knowledge in the fields of health and nutrition. Effectively eradicating hunger in resource-rich Brazil meant moving beyond charity and targeted programs. It required a rights-based approach that includes labour market policies. It also meant overcoming the fragmentation of previous policies which mostly stood alone with sometimes contradicting results. The Fome Zero integrated 25 policies and 40 programs: at the structural level, policies for jobs and income generation; at the specific level, programs for alimentation such as Food Coupons; at the local level, programs according to the specific contexts in rural communities, small cities or metropolitan areas. After one decade, the Fome Zero could claim impressive results. The number of families facing severe or moderate food

insecurity was halved. It not only brought down absolute poverty but also relative poverty, leading to less concentration of income. In addition, child mortality decreased significantly. Nevertheless, as Belik points out, there is still room for improvement especially in regard to the promotion of healthier eating habits.

One of the core elements of the Fome Zero program, the conditional cash transfer Bolsa Família, caught the attention of activists for the poor in India. Their interest in the Brazilian program stems from dissatisfaction with the traditional way of combating hunger among the poor through a huge public food distribution system. Based on interviews among the urban poor, *Sharit Bhowmik*, *Indira Gartenberg*, and *Kanchan Sarker* illustrate in their contribution “Food or Cash: Assisting the Urban Poor in India” that the old system is fraught with corruption. Only a small percentage of the money allocated for the distribution system reaches the poor, and then only a fraction of the poor. The trade union Self-Employed Women’s Association (SEWA) has therefore initiated a pilot project on cash transfers for the urban poor. Our authors have been invited to evaluate this pilot program. On the basis of two surveys, they were able to establish that in contrast to much of the public debate, the poor have made good use of the cash and were significantly better able to satisfy their nutritional needs than under the old system.

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Part I: Food Insecurity

1. Addressing the ‘Slow Violence’ of Food Insecurity: The Case of Gauteng, South Africa

Jacklyn Cock

The Neo-liberal Food Regime

Food insecurity is deeply implicated in the existing crisis-prone, neo-liberal regime. As Susan George writes, “Food stands squarely at the crossroads of the ecological, social and economic/financial crises and provides a graphic example of how they reinforce each other” (George 2010: 111). The neo-liberal food regime has been described as a “social, economic and ecological catastrophe”; it is “a system based on profit. One that only profits those that run it, i.e. corporations” (Steel 2008: 310). It is a regime which is both ecologically unsustainable, because of its dependence on fossil fuels, and deeply unjust.

The co-existence of waste and the extent of food insecurity illustrate this injustice. In the USA for example, half of all food is wasted at different points in the supply chain. A British study found that 5 % of all food is wasted at the agricultural level, 7 % in processing and distribution, 19 % in retail and 33 % at the consumer level (Stuart 2009: 31). At the same time, globally some one billion people suffer from chronic hunger, and this number is only a crude estimate. It leaves out those suffering from vitamin and nutrient deficiencies and other forms of malnutrition. “The total number of food insecure people who are malnourished or lacking critical nutrients is probably closer to 3 billion about half of humanity” (Angus 2009: 1). All these people could be fed with just a fraction of the food which is wasted.

Food is where many issues converge; for example, inequality, climate change, globalisation, hunger, commodity speculation, urbanisation, health and so on. It is not usually associated with violence except in relation to food riots and the social protests which took place in some 30 cities around the world in response to the 2008 dramatic food price increases. However, this chapter argues that food insecurity involves a form of ‘slow violence’.

The chapter defines food insecurity and points to its extent in contemporary South Africa, especially among the urban poor of the Gauteng province. It argues that the key issue in terms of access to food in these households is affordability; in Gauteng, as in much of sub-Saharan Africa, the trend is for increasing dependence on purchased food

for household consumption. This means food insecurity will worsen as food prices are expected to rise dramatically. The chapter demonstrates that the main state attempts to address the problem are defensive and inadequate. It concludes that food insecurity is an aspect of poverty and powerlessness which requires alternative developmental approaches, as in ‘the green economy’ or, most effectively, in a ‘solidarity economy’ based on food sovereignty.

The ‘Slow Violence’ of Food Insecurity

Violence is usually understood as an event or action that is immediate in time, and explosive in space; but much damage takes the form of ‘slow violence’ that extends over time that is insidious, instrumental, undramatic, accretive and *relatively invisible*. Slow violence means ‘the long dyings’, “a violence that occurs gradually and out of sight, a violence of delayed destruction that is dispersed across time and space, an attritional violence that is typically not viewed as violence at all” (Nixon 2011: 3).

This assumption about violence leads us to think of food insecurity in terms of media images of skeletal and emaciated drought victims in Somalia. But, as Joubert writes, “food insecurity is far more elusive than this, particularly in our cities. Food and nutritional insecurity can hide beneath layers of clothing or body fat. Someone strolling down the street of the city might look plump and rounded but can still be undernourished” (Joubert 2012: 9).

The distinction between hunger and malnutrition is overlooked in the broad concept of ‘food insecurity’. Malnutrition is often obscured by obesity among poor urban people who rely on cheap food which is high in calories but deficient in vitamins and minerals. As Battersby maintains, “It’s feasible that a large portion of the population is chronically malnourished. And it isn’t evident to the eye. People can look healthy and live relatively functional lives while still being malnourished” (Battersby 2011: 13).

Food insecurity involves a form of ‘slow violence’ because its damaging effects on the human body are not only relatively invisible, but it means an erosion of human capacities and potentials that occurs gradually over time. This is most dramatically evident in the fact that in South Africa one in every four children under the age of six is showing signs of stunted growth (both physical and intellectual) due to chronic malnutrition (Frayne and Crush 2009: 39). A child can be actively fed with basic calories from bread or maize porridge, but “the absence of key elements like vitamin A, vitamin B, zinc or iron means the system is perilously corroded on the inside. The motor keeps running, but it is performing way below optimum” (Joubert 2012: 33). Furthermore, it is well known that if a child does not get the right nutrition in the critical formative months between

conception and the age of two, “they could suffer irreversible physical and cognitive damage” (*The Lancet* 18 January 2008, cited by Joubert 2012: 34).

Defining Food Insecurity

Food security exists when “all people, at all times, have physical and economic *access* to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life” (FAO 1996: 6). This widely accepted definition points to the four dimensions in food security: availability (production and distribution), access (affordability, preferences) utilisation (social and nutritional values, food safety) and stability (access to adequate food at all times).

Following Amartya Sen’s influential, *Poverty and Famines: an essay on entitlement and deprivation* (1981), this chapter stresses the dimension of access, or peoples’ economic ability to access food, rather than availability. Thinking about food security as predominantly about the availability of food means that the problem is defined as scarcity, as a rural agricultural issue, and the solution is increased food production. Also this stress on availability – on increasing production – is often linked to a stress on technological innovation. This can mean increasing support for genetically modified crop research, for example. In this process, questions about the role that genetically-engineered agriculture plays in exacerbating the structural causes of food insecurity, such as the privatization of seeds (which means increasing dependence of farmers on transnational seed corporations), are avoided.

Access to “sufficient food” is entrenched in South Africa’s post-apartheid constitution, but the extent of food insecurity is increasing.

The Extent of Food Insecurity in South Africa

Forty percent of South Africans are ‘food insecure’; in the city of Johannesburg, 42 % of households are classified as food insecure (Frayne *et al.* 2009: 1). This rises to 70 % of households in the poorest areas and 80 % in Cape Town (Battersby 2010).

Many obese people are malnourished and just over half of all people fifteen years or older are overweight or obese (Joubert 2012: 182). A 2005 survey reported that the *majority* of children in South Africa were getting less than half the recommended calories the very basic energy as well as the key micronutrients (calcium, iron, zinc, selenium, vitamin A, vitamin D, vitamin C, vitamin E, riboflavin, niacin, folic acid and vitamin B6) (Labadorios *et al.* 2007, cited by Joubert 2012: 36).

These children of poor, black families are the most obvious casualties of slow violence. This violence to the bodies of the poor is incremental, it is enacted slowly over time, it is

a violence that occurs gradually, is invisible to the powerful and damages human potential.

At the national level this form of slow violence reflects a growing crisis of social reproduction. Almost half the South African population are living in poverty. At present, 40 % of households are living on less than 418 Rand a person a month (about 40 Euros) according to the National Planning Commission, 2012.

At the same time, with a Gini-coefficient of 0.7, South Africa has one of the highest rates of inequality in the world (National Planning Commission 2011: 3). Unemployment, outsourcing and casualisation is increasing; the provision of electricity and water services is uneven and has been privatised in a system of cost recovery, which means hardship for many urban households.

This crisis of social reproduction is most evident in the households of the urban poor. According to the African Food Security Network (AFSUN), “urban food security is the emerging development issue of this century” (cited by Joubert 2012: 5). It is necessary to focus on the dimension of access to sufficient, safe and nutritious food in these households because that is the reality for the majority of South Africans. A total of 61 % of South Africans are now living in urban areas and this is expected to reach 71 % by 2030 (Crush and Frayne 2010: 24).

The key issue in terms of access to food in these households is affordability. In South Africa (as is the case globally), food prices have soared in recent years and increased by 10.6 % overall last year (Payne 2011). The increase in some basic food items was much larger. For example, the cost of maize meal rose by 30 %, white maize by 73 % and white and brown bread by nearly 13 % (cited by Joubert 2012: 8). At the same time, household incomes are falling. So food insecurity is at the centre of two realities: low incomes and high food prices. Low incomes means that here, as for many people throughout the world, good nutritious food is unaffordable. The urban poor often spend 70 % to 80 % of their meagre resources on food and are highly vulnerable when food prices increase (Interview, Professor Michael Rudolf 23 October 2011, Johannesburg).

Food prices are expected to continue to rise further in South Africa mainly due to seven factors:

1. Rising costs of the inputs of industrial agriculture such as electricity and water.
2. Rising and fluctuating oil prices. Increases in the price of oil raise the cost of oil based fertilisers, pesticides and long-distance transport. In 2012, the IMF warned that oil prices could double in the next 10 years (Macalister and Badel 2012: 18).

3. Climate change, especially the more extreme weather events such as droughts and floods which damage crops, particularly in Sub-Saharan Africa. According to a 2011 Oxfam research report, prices of staple foods will double by 2030 due to climate change. There is a vicious circle operating here because industrial agriculture itself is a major source of the carbon emissions which cause climate change (Oxfam 2011: 5).
4. The use of arable land for biofuels. In South Africa, agricultural land is being diverted to soya and sorghum (Radebe 2012).
5. Price fixing and collusion by corporations organised into powerful cartels (see below).
6. Commodity speculation. Several analysts have concluded that the main reasons for the 2008 increase in global food prices were commodity speculation and the push for biofuels (Largi *et al.* 2011: 5; Bell 2012). This crisis pushed millions of people into poverty but, as Susan George points out, the food crisis was not bad news for everyone: “in the last three months of 2007 one of the 3 major transnational cereals corporations, Cargill, increased profits by 86 %” (George 2010: 116). However, “commodity prices in themselves tell us nothing about the capacity of the world’s agricultural workers to feed themselves, or the urban poor. The key issues are vulnerability, volatility and the extraction of value along the food chain” (IUF 2008: 5).
7. The liberalizing of agricultural trade over the past two decades (IUF 2008).

One particular food item – bread – demonstrates the connection between these factors and between the local and the global. With increasing urbanisation, maize consumption is decreasing relative to wheat and bread is becoming a staple food, particularly in informal settlements where people lack access to sources of energy. The price of bread has increased 61 % in the last 3 years, which is devastating for the working class. This increase is partly because South Africa is a net importer of wheat (1.4 million tons last year) largely from Argentina, Brazil and Australia (South African Grain Information Service). The price is fixed on the Chicago commodities exchange and is subject to speculation and currency fluctuations. But the price rise is also because of price fixing among the four corporations that dominate milling and baking in South Africa and the market power of the 3 companies that dominate food retail (Cock, Joynt and Roman 2008). Since the deregulation of agriculture, the wheat to bread value chain has been globalised and characterised by this concentration of power at every node in the chain.

The way in which this is increasing food stress in poor, vulnerable households is illustrated by a focus on the economic hub of South Africa, the Gauteng Province in which Johannesburg is located.

Procurement of Food by the Urban Poor of Gauteng

This province has a Gini coefficient of 0.64 and food insecurity reaches 70 % in the poorest areas. “Income inequality measured using the Gini coefficient shows that a small percentage of individuals still hold most of the wealth in Gauteng”. The provincial government acknowledges that this income inequality “poses the greatest challenge” (DARD 2010a: 6). There is also the increasing pressure of urbanisation as the Gauteng province has a population of 11 million, forecast to reach 14 million by 2015 (DARD 2010b). A total of 2.4 million people in Gauteng live in informal settlements, which means no access to adequate housing or basic services, especially sanitation and water. The situation is further complicated by the HIV and TB co-infection epidemic in South African cities. In Gauteng alone, 1.5 million people are living with the HIV virus, and food insecurity has a significant impact on their health status. Malnutrition aggravates the disease.

As in much of sub-Saharan Africa, the trend is for increasing dependence on purchased food for household consumption. Only 3 % of households in the poor areas of Johannesburg currently grow their own food (Rudolf *et al.* 2008). This is not surprising as it is often due to lack of access to land, especially in very crowded ‘informal settlements’ (informal settlements are distinct from townships, which are comprised of formal dwellings and water, sewage and electricity are provided on a cost recovery basis). Furthermore, access to land is sometimes blocked by corruption in the form of local councillors “blocking access to land unless they receive financial kickbacks” (Washawsky 2011: 62). Growing crops means access to unpolluted land. Thousands of the poorest people in the Gauteng area live in desperate conditions, on or near mine dumps where the soil has been contaminated by heavy metals and radioactivity from the gold and uranium mines. Furthermore, water is not always available. Fencing being unaffordable means that household food gardens face problems of theft and marauding animals such as rats (interview with Gauteng government official, Melinda Swift, Johannesburg 18 May 2012). The outcome is that the vast majority of the food consumed by households in Johannesburg is purchased.

Over 90 % of surveyed households purchase some of their food at supermarkets, especially to secure staples like maize meal, sugar and oil. The South African food retail market is highly concentrated. Food retail is dominated by three supermarket retail chains with significant market power. With 520 stores in South Africa alone, Shoprite is Africa’s biggest food retailer. The chief executive, Whitey Basson, earned R627 million in salary, share options and perks in 2010, while the average wage for full time workers at Shoprite was R36,00 a month (*The Sunday Times* 26 February 2012).

At the same time, Johannesburg's poorer communities 70 % in one study participate strongly in the informal economy of street foods and roadside vendors. Street vendors have higher prices compared to supermarkets but are easier because of geographical proximity and the availability of small quantities (Frayne and Crush 2010). A problem here is that the informal economy is frequently a source of cheap food which is high in calories and deficient in vitamins and minerals. This dietary pattern is contributing to the growing prevalence of diseases like obesity, hypertension and diabetes among the urban poor" (Rudolph 2008: 12). Fat cakes (*magwinyas* or '*vet koek*') are for sale at many street corners. A 2008 study found that 84 % of elderly women in Sharpeville were obese despite being chronically food insecure, according to an African Food Security Urban Network Report (Frayne and Crush 2009: 32). There is also a relation between 'junk food' and the rising numbers of diabetics and heart disease patients in South Africa. Joubert points out that highly refined, processed food are sources of macronutrients (some fat, protein and carbohydrates) but lack the micronutrients we need. "There are plenty of calories but not much substance..." in these "highly refined, overly processed, sugared-up, heavily salted, high-fat foods that are loaded with preservatives for longevity" (Joubert 2012: 76).

Particular social meanings, such as the association of fried foods and restaurants like McDonalds and Kentucky Fried Chicken (KFC) with modernity perpetuate a pattern whereby some people get more calories than they need but are nutritionally undernourished. It has been reported that in Johannesburg, fried foods are "seen as a mark of modern living and wealth, while food that is boiled is considered inferior and demonstrates outdated customs" (Chopra and Puoane 2003, cited by Joubert 2012: 70). The McDonalds website claims that with 103 outlets, "South Africa is one of the most successful markets in McDonalds international history" (Cited by Joubert 2012: 79). Joubert writes, "For many people" McDonalds and KFCs are "about everything that is modern and sophisticated, KFC is one of the most prominent aspirational food brands and people often save up for weeks to buy a single meal... or they will take their family there as a special outing" (Joubert 2012: 80).

High global food prices are a precipitating condition for social unrest, especially in 2008 when more than 60 food riots occurred worldwide in 30 different countries (Largi *et al.* 2011: 4). One of the indicators of the desperation among the urban poor in South Africa is how many collective protests in townships throughout the country have involved attacks on informal sector shops, especially to obtain food items. These protests against the failure of the local government to provide basic services, such as refuse removal, adequate water, and sanitation have increased dramatically in recent years. Frequently, the violence has been directed against foreign traders in the township who have been

hounded out and their shops looted, with maize meal, bread, and cell phone airtime proving to be favourites of the looters (Von Holdt 2011).

There is some reliance on kinship networks and reciprocity, but the urban poor are becoming more reliant on non-familial relationships in the form of the owners of roadside vendors who allow credit, as well as soup kitchens and feeding schemes run by churches and other agencies in civil society (Joynt 2009). This is the context in which state and civil society are attempting to address food insecurity.

Interventions Addressing Food Insecurity in the Johannesburg Area of Gauteng

A gender lens is very important in describing these interventions. The vast majority of participants are older women. It is significant that very few of the participants in these programmes are young people between the ages of 18 and 30, although they make up 72 % of the unemployed. These social characteristics reflect the current gendered division of labour whereby women are responsible for household administration, and specifically food consumption. Furthermore, in traditional African culture women are responsible for crop production. The age dimension could also indicate the reliance of many poor households on the social grants payable to persons older than 65 years. The implication for state policies is that to attract young people, both male and female, to participate in these interventions to address food insecurity should also provide the participants with marketable skills. There is an elaborate policy framework, but little information is available on implementation, let alone impact. The focus of the *Green Strategic Programme for Gauteng* (DED 2011) is on “small-scale urban agriculture”.

The main state attempts to address access to food are:

- (i) Defensive and ameliorative measures such as feeding schemes and the distribution of food parcels, as well as food banks.
- (ii) Cash transfers in the form of state grants now reaching 16 million South Africans. Cash transfer to “the hunger afflicted” can empower them to use the flexibility and efficiency of markets to help solve their own problems... they can have a catalytic effect on many other income-gaining activities” (Ferguson 2012: 180). It is claimed that “these social grants play a major role in increasing household’s access to food” (DARD 2010b: 9). “Cash transfer programmes are the South African government’s most important mechanisms to confront poverty and food insecurity in cities” (Warshawsky 2011b: 10).
- (iii) Various Public Works Programmes. While not its explicit intention, the Community Work Programme (CWP) has a strong focus on food insecurity. “Food gardens have been established in almost all of the communities, in the

grounds of schools and clinics, on wasteland and in the backyard of vulnerable households...” (CWP Annual Report, 20 September 2010: 6). In a case study of Westonaria, a large Gauteng township, it was found that “the greatest positive impact of the CWP” was “how it assists participants to achieve food security” (Webster *et al.* 2011: 26). In this case, the vast majority of the CWP workers, 74.7 %, were women. One could argue that CWP increases dependence on the state and possibly strengthens the patronage networks which complicate local government in South Africa, but the participants choose what work to undertake, in terms of its usefulness to the community; working together is promoting co-operation and social cohesion and they are learning new skills. Overall, the programme is not only addressing hunger, but increasing social cohesion and promoting an ethic of care – both for the natural resources on which all economic activity depends and for vulnerable people. In this sense, it demonstrates the concept of *ubuntu* meaning an ethos of communalism and mutual obligation which was eroded by colonialism and apartheid. This increased social cohesion is very relevant because it has been reported that many households depend on informal social networks to access food (Battersby 2010: 12).

(iv) The support of household and communal food gardens through the Household Food Security Programme. The vast majority, 80 %, of the participants in these Household Food Security Community gardens are women (Ruysenaar 2009: 150). Overall, the stress here is on the quantitative; as one official told me, “there’s enormous pressure to pump up the numbers” (interview with Melinda Swift, Director Sustainable Resource Management GDARD 18 May 2012).

The Department is supposed to deliver 9,000 household food gardens every year. Success in implementation is claimed by the distribution of these ‘starter packs’. “Starter packs are free are but follow up is weak. They are often sold to neighbours and there is not sufficient training in how to use them. Extension officers are over-stretched” (ibid). Success is gauged only “on the number of packs handed out”.

“The starter packs contain a spade, fork, watering can, hand hoe, rake, hosepipe, shade cloth, organic fertiliser, compost, vegetable seeds, hose clamps, and a mist sprayer” (Ruysenaar 2009: 152). Obviously, several of these items are useless for people living in informal settlements without access to water.

There is a high failure rate (according to one report, 95 % within eighteen months) in both household and communal urban garden projects (Ruysenaar 2009: 209; Warshawsky 2011a). Thus there are grounds for scepticism about the Gauteng Premier’s recent claim that 20,300 household food gardens have been established in the last 3 years

(Advertisement, 'Gauteng is on the Right Track' in *The Sunday Independent* 16 June 2012).

Last year, the department placed large advertisements in local newspapers under the slogan "ONE HOUSEHOLD ONE FOOD GARDEN". These advertisements emphasised that "food security is a basic right". The Gauteng Government "wants to ensure adequate food is available to all and hunger is eradicated by encouraging households to grow their own food... MEC for Agriculture and Rural Development in Gauteng, urges Gauteng residents to plant food gardens and fruit trees..." (Advertisement in *The Star* 27 October 2011).

This emphasis on self help reflects a neo-liberal ideology and is problematic. While the Gauteng Government's encouragement of residents to plant food gardens is to be encouraged, it is simply not possible for many of our people living in informal settlements without access to adequate land and water. This individualizing of a social issue comes close to 'blaming the victims'.

It reinforces the stigma attached to hunger. A Cape Town researcher found that 80 % of poor households were food insecure but writes, "This isn't something people speak about... there's an element of shame in not being able to feed your family" (Battersby 2010: 13).

Furthermore, there are reports of negative social meanings attached to urban agriculture. "Vegetable growing is the antithesis to city living; it is not modern; it is old-fashioned, backward; it is not what you do when you leave the provinces. You came here to leave behind the life of a peasant – why would you want to return to the soil" (Joubert 2012: 173).

Support for Cooperatives and Communal Food Gardens

Some of the community food gardens are run as cooperatives, and here too the stress is on self help and on the quantitative - on numbers registered. The state support is uneven and insufficient and the approach is largely top down, hierarchical and marketised, meaning trying to break into the existing supply chains of the large retailers (Satgar and Williams 2011).

This is also the approach of many non-state interventions in their support of agricultural cooperatives. The cooperatives are not about creating alternative spaces of production and consumption based on cooperative principles and community benefit. Furthermore, breaking into these tightly co-ordinated, retailer-dominated value chains is very difficult. According to a buyer for Pick n Pay, "Breaking into these supply chains is almost impossible for small farmers – the listing fees, delays in payment – let alone quality

criteria” (Interview, Johannesburg 12 April 2012). In South Africa, there are between 100,000 and 150,000 small farmers who want to get their produce to the markets but cannot access the food value chain (Du Toit, cited by Joubert 2012: 54).

Bennie shows that contradictory pressures from the state are illustrated in the case of the support provided by the Gauteng Department of Agriculture to farming cooperatives in Ivory Park, such as the Boikanyo Worker Cooperative. The state approach to development is market based, so that “the aim that the Department has for this and other cooperatives is simply to supply conventional markets in the form of large retail chains such as Pick n Pay. This creates a contradiction where such cooperatives are located in communities that are poor and food insecure, yet supply distant and local retailers, rather than linking these farming cooperatives with the supply of affordable and healthy food directly to these communities” (Bennie 2012: forthcoming).

Nevertheless, there are a few instances of success. In the case of the Kondelelani Primary Agricultural Co-operative in Diepsloot, a very poor township area near Johannesburg, the success was short-lived. Formed in 2005, it has 2 hectares under cultivation using water-conserving drip irrigation, and formerly involved 53 people and supplied Spar and Pick n Pay with spinach, cabbage and beetroot. There are only 9 people now (7 of them are women). They failed to meet quality standards, experienced problems with transporting produce, and became dependent on a corporation, Prime Media, for funding and an individual who arranged meetings with suppliers (interview with agriculturalist, Francesca Mutekwa Diepsloot 4 November 2011).

Supporting cooperatives and small farmers is often part of corporate social responsibility programmes and is the topic of many empty claims. For example, one of the major food retailers, Pick n Pay, claims to be “bringing more and more small-scale farmers and producers into the supply chain... For Pick n Pay doing good is good business and is one of our key values”. (Gareth Ackerman, chairman of Pick n Pay, cited in *The Star* 8 November 2011). Their “flagship project” is the Balemi Ba Lekoa project in Sebokeng, Gauteng which supplies P and P stores only involves 5 women farmers. Furthermore, Pick n Pay has frequently been singled out as one of the worst exploiters of workers, both in terms of low pay and casualisation.

All these interventions to address food security are ‘picking up the pieces’ without trying to stop the breakage. “While they constitute important survival strategies, they represent very limited forms of empowerment,” meaning “the expansion of people’s ability to make strategic choices in a context where this ability was previously denied them” (Kabeer 2001: 86). None of these interventions involve a challenge to the existing food regime.

Food insecurity is an aspect of poverty, and powerlessness. It is a problem of a lack of access to income, and to productive resources such as water and land; it is the outcome of unscrupulous employers and traders operating in a food system that is increasingly unjust and unsustainable, driven by profit rather than social needs.

Clearly, to address food insecurity we need to re-imagine other food systems and an alternative development path. As Kovel asserts, “The deepest shadow that hangs over us is neither terror, nor environmental collapse, nor global recession. It is the internalised fatalism that holds there is no possible alternative to capital’s world order” (Kovel, cited in Kelly and Malone 2006: 116).

Two Potentially Important Alternative Development Paths

A Green Economy

The notion of a shift to an alternative ‘green economy’ is central to both national and Gauteng government policy. There are three positive elements in this: the stress on localisation, ecological factors and possibly, green jobs. These three factors come together in one claim that reducing food imports from the rest of the country and increasing local food production would create almost 500,000 green jobs (Spencer *et al.* 2010: 50). This figure is an example of one of the many triumphalist claims that are made about green jobs which are unsupported by any empirical evidence. However, critics maintain that this calculation is based on a number of problematic assumptions such as access to markets, the availability of land and water, and adequate skills (Rudolf 2011: 23). The discourse of ‘green jobs’ is one component of a new green capitalism which is trying to avoid fundamental change through an emphasis on expanding markets and new technologies, while keeping the existing institutions of power intact (Harris-White 2006).

Green jobs meaning jobs dealing with environmental threats could be as exploitative in terms of wages and working conditions as brown jobs. Furthermore, low wages, outsourcing and casualisation mean that jobs do not necessarily mean increasing people’s economic ability to constantly access sufficient, safe and nutritious food. With an unemployment rate of nearly 40 %, South Africa needs not simply green jobs but green, decent, useful, publically driven forms of work in a very different society.

The emphasis on localisation in the greening strategy is important. Attempts to re-localise the food system should mean that supply chains are shorter and geared toward meeting the needs of local communities. However, the Gauteng government ‘greening’ strategy stresses localism as part of a neoliberal model of development. There is no consideration of how this could lead to democratic control of production and

consumption. There is no redistribution of power envisaged such as systematically dispersing control to the community level.

It is evident that ‘greening’ is frequently being reduced to a marketing tool. This is why the latest formulation of the ‘green economy’ at Rio +20 has been described as a “wolf in sheep’s clothing” the wolf being green capitalism and its drive to further the commodification of nature (Lander 2011). The notion is being promoted by what Susan George calls ‘the Davos class’, the alliance of government leaders, philanthropists and corporate executives who form the “nomadic, powerful and interchangeable” global elite created by corporate globalisation (George 2010: 7).

Overall, the latest formulation of the concept of the green economy in the 2011 UNEP document is not an alternative development path, but “a sophisticated effort to demonstrate that it is possible to resolve the problems of the planet’s environmental crises without altering the existing power structures , nor the relations of domination and exploitation” (Lander 2011: 4).

It is green wash, “a green-tinted regurgitation of a failed and unjust economic system” (Lander 2011). The extent of food insecurity globally illustrates the extent of that injustice. For an alternative development path, we should be talking about deepening democracy, specifically about ecologically informed and democratic control of what food is produced and how it is distributed.

We should be talking about different ways of producing food, specifically about agro-ecology. This “works in accordance with patterns derived from biology: the recycling of biomass to balance the flows of nutrients, the maintenance of biodiversity, the recharging of soil organic matter and the control of pest and diseases with biological interactions. Agro-ecology utilises scarce resources efficiently to generate outputs that depend minimally on energy and other inputs from outside the farm system...” (Rudolf *et al.* 2012: 3). It avoids the negative impacts of industrial agriculture which include “contamination of ground waters, and of soils, declining fertility, eutrophication of rivers, dams and coastal waters, development of pesticide resistance, loss of genetic diversity and use of non-renewable energy” (Rudolph *et al.* 2012: 3). It could be a valuable tool in achieving food sovereignty, one of the foundational concepts of the solidarity economy.

The Solidarity Economy and Food Sovereignty

As Raj Patel expresses it, “food sovereignty is both a diagnosis and a prescription of the global food crisis” (Patel 2011: 45).

“Food sovereignty is the right of peoples to healthy and culturally appropriate food produced through ecologically sound and sustainable methods, and their right to define

their own food and agriculture systems. It puts the aspirations and needs of those who produce, distribute and consume food at the heart of food systems and policies rather than the demands of markets and corporations” (Angus 2009: 53).

The concept is a challenge to the present system of industrial agriculture and the weak and descriptive notion of food security cited above. The official definition (of food security) fails to ask the crucial questions; it says nothing about where the food came from, who produced it, what inputs they used, how big the farm was, and so on. It fails to ask who benefits from the production or distribution and who makes the crucial decision; it does not consider where, how and by whom the food was processed and sold, at what cost and at what price. As Susan George expresses it: “food security tells us nothing about who actually controls the whole food chain” (George 2010: 134).

For this reason, the notion of food sovereignty has been proposed as an alternative to the much weaker concept of food security by La Via Campesina, an umbrella body of small farmers and peasants organisations which operates in 56 countries. Simple access to food is not enough, they argued; what is needed is access to land, water and resources and power. The people affected must have the right to know and to decide about food policies. Food is too important to be left to the global market and the manipulations of agribusiness. Andrew Bennie states: “Instead of only focusing on the problem of hunger, the food sovereignty frame digs deeper to uncover its systemic causes and proposes a radical new path for eradicating hunger” (Bennie 2011: 5).

La Via Campesina’s original calls for food sovereignty included:

1. Guarantee everyone access to safe, nutritious and culturally appropriate food in sufficient quantity and quality to sustain a healthy life with full ‘human dignity.’
2. Give landless and farming people ownership and control of the land they work.
3. Ensure the care and use of natural resources, especially land, water and seeds. End dependence on chemical inputs, on cash crop monocultures and intensive, industrialised production.
4. Oppose WTO, World Bank and IMF policies that facilitate the control of multinational corporations over agriculture (Angus 2009: 43).

In their view, the current food crisis is “the result of many years of deregulation of agricultural markets, the privatization of state regulatory bodies and the dumping of agricultural products on the markets of developing countries” (La Via Campesina, cited in Angus 2009: 50).

Recently, they issued a statement warning that the Rio +20 meeting “will serve to deepen neoliberal policies and processes of capitalist expansion, concentration and exclusion that today have enveloped us in an environmental, economic and social crisis of grave

proportions. ... La Via Campesina ... will defend a different path to development that is based on the well being of all, that guarantees food for all, that protects and guarantees that the commons and natural resources are put to use to provide a good life for everyone and not to meet the needs of accumulation of a few” (CJN-South Africa 2012: 5).

Food sovereignty is a pointer to an alternative development path. Satgar has argued that building new social relations and forms of production through the solidarity economy is the key way to achieve food sovereignty. In the South African context it “exists as an anti-capitalist emancipatory practice” (Satgar 2011: 1).

Satgar and Bennie are involved in work to establish a local, alternative food economy based on food sovereignty in a poor area of Gauteng. This is based on linking the production and consumption of healthy and affordable food that creates jobs and circulates resources within the community, and involves democratic practices as well as having a strong normative commitment. It is grounded in anti-capitalist values and principles, “in realising ethical values (caring, sharing, self-reliance, honesty, democracy, equality, learning, environmental consciousness, social justice and openness) and principles (solidarity, collective ownership, self-management, community benefit and participatory democracy)” (Satgar 2011: 2).

This food sovereignty strategy involves “building a local food economy in Ivory Park to increase community control over production and consumption of food. It involves plans to increase food production through strengthening existing food producing cooperatives and starting new ones, increasing household food production, starting food gardens in schools and clinics, creating market spaces where locally food can be traded and establishing various forms of food processing cooperatives like cheap restaurants and bakeries” (Bennie 2011: 11).

This emphasis on alternatives is necessary to address the ultimate cause of the slow violence that food insecurity involves and the concentration of corporate power in the neo-liberal food regime.

Conclusion

The United Nations food agency reported a surge in global food prices in July 2012 (*Business Day* 10.8.2012). It warned that the world could face a food crisis similar to 2008 if countries restricted exports based on concern over a drought-fuelled grain price increase. In 2008, a mix of high oil prices, increases in the use of biofuels, more extreme weather events related to climate change, soaring grain futures markets and restrictive export policies pushed up prices, sparking violent protests in several countries. But much violence is of a different kind where the damage is calamitous but relatively invisible and developing slowly over time.

This paper has argued that the food insecurity of the urban poor in South Africa is a form of such slow violence, a concept coined by Rob Nixon. This social category also experiences a form of poverty and extreme social inequality that has been described as a form of 'structural violence'. Galtung, for example writes, "... violence is present when human beings are being influenced so that their actual physical and mental realizations are below their potential realizations... the violence is built into the structure and shows up as unequal power and consequently unequal life chances" (Galtung 1969: 168). Linking the arguments of Nixon and Galtung suggests that the poor are victims of a double violence: both structural and slow violence.

In relation to the needs of the urban poor, food insecurity is a weak and dangerous notion. It is weak in that it lacks explanatory power and, descriptively, it allows for very different definitions depending on the criteria and survey methods used. It is dangerous in that questions about the structural causes of hunger and malnutrition are obscured and avoided.

Access to food is not sufficient; people also need access to productive resources and, most importantly, to power. This means challenging existing power relations and establishing an alternative development path rooted in the notion of food sovereignty. And we have to do this because, in the words of a great German, "we cannot afford to sit in a burning house while the flames lick the rafters and singe our brows and question whether a new house is possible. We must abandon the old structure and seek to build a new one" (Brecht, cited by Foster 2009: 7).

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2. The Origins of the Food Crisis: The Case of East Africa

Thomas D. Ogola and Jane J. Sawe

The 2007-2008 food crisis and extended drought in East Africa was associated with catastrophic food supply shortages. At its peak, more than 14 million persons in the region required urgent food aid and other humanitarian assistance: 4.6 million in Ethiopia, 1.2 million in Kenya, 2.6 million in Somalia, 0.80 thousand in Djibouti, 0.7 million in Uganda, and Tanzania was also affected (BBC 2008; AFP 2008). The governments in the region had to spend a large part of their meager resources on food imports. Based on a sample of 83 markets in Sub-Saharan Africa the largest increases in domestic food prices occurred in maize (87%), wheat (65%), and rice (62%). The smallest increases occurred in plantains (9%), cassava (12%), and beans (41%) (Minot 2011: 16). The crisis fomented widespread anger that led to many protests. It undermined one of the most fundamental human rights – the right to be free from hunger and malnutrition, recognized under the International Covenant on Economic, Social and Cultural Rights and the Universal Declaration on the Eradication of Hunger and Malnutrition

Unlike previous food crises, which were seen as limited events mainly attributed to occasional hazards like droughts or floods, current crises have become more global in dimension. This is because food crises are compounded by a combination of global price trends, government policy and other crises such as the global financial crisis. The various crises impacted the willingness of countries to aid the worst affected. This in essence challenged the capacity of nations and humanitarian agencies to quickly secure a sufficient supply of food to respond rapidly to the humanitarian needs of the most vulnerable population groups. Joachim von Braun (2009: 9) noted that the 2007-08 food price crises not only increased food insecurity around the globe, but also exposed long-term failures in the functioning of the world food system. According to FAO (2006: 1), the Sub Saharan region as a whole remains susceptible to frequent food crises and famines which are easily triggered by droughts, floods, pests, economic downturns or conflicts. A deeper analysis of the relationship between protracted crisis and food security outcomes shows that factors such as income, government effectiveness, corruption and the number of years in crisis are significantly related to the proportion of the population which is undernourished (FAO 2008). For India, Bob (1992: 93) has already pointed out that whilst 'natural' factors can trigger a set of processes which may result in food crisis, it is only when the social, political and economic situations in the affected region are taken into account that we are able to understand why such a crisis

took place at a particular time and with a particular set of effects. Only when factors that contributed to the food crisis in East Africa are critically examined, can a targeted strategy be pursued. Following the food crisis in 2007-2008, numerous studies (Braun 2011; Headey and Fan 2010) among others have examined the causes as a global phenomenon. Despite the importance of smallholder agriculture in East Africa, the strategic conceptual and empirical analysis in the context of the crisis, which could guide policymakers and development practitioners in their efforts to revitalize agriculture in the aftermath of the crisis, is however sparse. This paper tries to bridge this gap by discussing possible contributory factors to the food crisis in the East African Region in the context of environmental, economic, social and institutional factors. The same distinction is employed in providing for measures that can mitigate future food crisis situations and food insecurity risks within the region.

Causes of Food Crisis in East Africa: A Critical Analysis

The factors that rendered East Africa susceptible to the food crisis may be grouped under the following sub-headings: — environmental, economic, social and institutional factors. They contributed to the food crisis in the following ways:

Environmental Factors

Global warming and climate change

The period from 2006 to 2011 was very dry. Lack of rain in the area of predominantly rain-fed agriculture reduced harvests in major grain producing areas (Nelson *et al.* 2009). This resulted in a general scarcity of food which led to high prices. The long duration of drought was attributed to changing weather patterns.

Generally, rainfall patterns vary significantly both spatially and temporally across the region (Oliver *et al.* 2011: 2). Current observations of climate change impacts from 1900 to 2005 in East Africa demonstrate increasing temperatures. Floods and droughts in East Africa are often unleashed by far-away events in the tropical Pacific - the warm (El Niño) or cool (La Niña) phases of the El Niño-Southern Oscillation (ENSO) (Nicholson and Selato 2000; Wolff *et al.* 2011). The East Africa Region is defined as primarily arid and semi-arid lands. The annual cycle of long and short rainy seasons, on which these largely rain-fed farmers depend, has become notoriously unreliable. While there are no long-term historical records of significant past trends in rainfall for the region, it has been generally observed that during the last 30 years, the frequency, intensity and severity of droughts have increased. For example, in the 1990s and 2000s, the frequency has increased from seven years to five years to almost every other year (Oliver *et al.* 2011: 2). Higher temperatures eventually reduce yields of desirable crops while encouraging

weed and pest proliferation. Higher precipitation can also damage crops by causing rotting of yields. According to World Wide Fund for Nature (2006) and Nelson *et al.* (2009), changes in regional precipitation ultimately affect water availability and may lead to decreased agricultural production and potentially widespread food shortages. Most studies have shown a negative impact of climate change on crop productivity in Africa (e.g. Challinor *et al.* 2007: 381). Clearly climate change is real and happening now and it threatens not only ecosystems but also the livelihoods that depend on them (WWF 2006: 1). African countries are likely to be among the most vulnerable to the impacts of climate change due to lack of economic, development, and institutional capacity (IPCC 2001: 1). Overall, the impact of climate change has been aggravated by an inefficient utilization of water resources for agricultural production, low capacity on rain water harvesting, and low surface water storage per capita in the East African Community (EAC) region.

Land degradation

Fertile land is central to agricultural production. Population growth, insecurity and conflicts have mounted significant pressure on land thereby contributing to land degradation. As the population has grown, farmers are forced to cultivate smaller and smaller plots, where the soil eventually becomes depleted, or they expand onto marginal lands like fragile hillsides, semi-arid areas and cleared forestland. Native vegetation, indigenous plants, animal biodiversity and plant cover is lost leading to soil infertility and a likely drop in moisture. Unequal land distribution aggravates this situation. During droughts poor households resort to cutting trees for charcoal or firewood for heating and cooking which becomes an alternative income generating activity especially with loss of means of livelihood such as livestock. According to United Nations Convention on Combating Desertification, deforestation destroys the trees that bind soil leading to intensified soil loss and eventually soil degradation (UNCCD 2011). The lack of clearly specified property rights and un-equitable access to land exacerbate the land degradation problem (Adeleke *et al.* 2010: 22). Changes in land use in East Africa have transformed land cover to farmlands, grazing lands, human settlements and urban centers at the expense of natural vegetation (Maitima *et al.*, 2009: 310). Pender (2009: 2) investigated the linkages between food prices, land degradation and land management, focusing on Sub-Saharan Africa (SSA). He established that land degradation was contributing to higher food prices by reducing available land and agricultural productivity over the long term. He concluded that during the period of the food crisis, world food production was down by about 12 % and food prices up by 30 % as a result of land degradation that has occurred over the past several decades. According to Gitau *et al.* (2008: 16) and Adeleke *et al.* (2010: 30), with increasing land degradation, land resilience has been reduced and the effects of drought and floods exacerbated. At country level, considerable work has

been done in Ethiopia using the universal soil loss equation (USLE) to measure productivity loss due to degradation (AU and UNECA 2009: 129). Findings show that the loss is high enough to call for additional investments in soil and water conservation measures at farm, community, national and regional levels.

Economic factors

Rising energy prices

Until mid-2008, the increase in energy prices had been very rapid and steep, with one major commodity price index (the Reuters-CRB Energy Index) more than tripling since 2003. Economic Report on Africa 2009 draws our attention to the fact that the lower average growth rate in Africa in 2008 was mainly the result of a notable slowdown in GDP growth in oil-importing countries, from 5 % in 2007 to 4.4 % in 2008. This downturn emanated mainly from the increased energy and food costs that resulted in larger import bills. Petroleum and food prices are highly correlated (Headey and Fan 2010). The rapid rise in petroleum prices exerted upward pressure on food prices as fertilizer prices nearly tripled and transport costs doubled in 2006–08 (FAO 2008). This is best illustrated for the Sub Saharan region by Minot (2011: 27); world food prices, the food crisis coincided with a sharp increase in oil prices, from \$71 per barrel in June 2007 to \$133 per barrel a year later. This led to higher costs for fertilizer, sea freight, and overland transportation, which raised the cost of both domestically produced and imported food. Given that the East African countries do not produce fertilizer but import them, any increase in the cost of fertilizer as a result of the fuel price would be passed on to the importing country and eventually the food producer. This impacted the cost of production for most of the farmers before and during the period of the crisis. Conventionally, fertilizers are packaged in large bags which are beyond the financial means of the vast majority of small farmers. There is likelihood that high fertilizer prices drove small-scale farmers not to use the recommended rates in planting crops, thereby leading to production shortfalls. In Kenya, Gitau *et al.* (2008: 17) largely attributed the deterioration in farming practices to the high cost of inputs, coupled with the intentional adulteration or blending of farm inputs such as fertilizers or seeds by using soil or selling non-certified seeds to increase a trader's bottom line/profit (so-called "economically motivated adulteration"). This coupled with lack of access to appropriate farm inputs (fertilizers, seeds and crop protection chemicals) and possibly information on the correct utilization of appropriate farm inputs. Farmers may invariably have been discouraged by the distances they have to travel to procure inputs of reliable quality or composition.

Speculation

Speculation is ordinarily understood to mean the purchase of a good for later resale rather than for use, or the temporary sale of a good with the intention of later repurchase in the hope of profiting from an intervening price change (Robles *et al.* 2009: 2). During the period of 2007 to 2008, private and public actors, responding to the general nervousness of the markets or for speculative reasons, engaged in hoarding or precipitating purchases in an already tense market situation (FAO *et al.* 2011: 11). According to Robles *et al.* (2009: 7), the excess price surges caused by speculation and possible hoarding could have severe effects on confidence in global grain markets, thereby hampering the market's performance in responding to fundamental changes in supply, demand, and costs of production. The impact of speculative activity on the food crisis in East Africa relates to the challenges that the East African nations and other organizations faced in securing crisis food stocks for their humanitarian operations.

Low adoption of technologies

According to the economic report on Africa, Sub-Saharan Africa ranks the lowest in the world in terms of yield-enhancing practices and techniques (AU and UNECA 2009: 125). Yield-enhancing practices include mechanization, use of agrochemicals (fertilizers and pesticides), and increased use of irrigated land. This is illustrated in the report of AU-NEPAD (2002: 47): the use of fertiliser is about 19 kg/ha per year, compared to 100 kg/ha in East Asia and 230 kg/ha in Western Europe. In terms of technology use, few farmers apply integrated pest management methods or any other pest control. No systematic records are kept on the use of improved seeds, but indications are that about 20 % of cropped area in Africa is sown to new varieties, while the rest of the area is sown to traditional varieties. With regard to livestock, while Asia uses about 50 % of the global market value of animal health products, including vaccines, Africa claims less than 3 % (AU-NEPAD 2002: 47). In Uganda, the respective use of improved seeds, fertilizers, agro-chemicals and manure was only 6.3 %, 1.0 %, 3.4 % and 6.8 % of the parcel of agricultural land (UNDP 2007: 7). In Tanzania, as a result of high costs of agricultural inputs and services, 87 % of Tanzanian farmers were not using chemical fertilizers; 77 % were not using improved seeds; 72 % were not using pesticides, herbicides or insecticides (agrochemicals). This at least partly explains why crop yields in Africa in general are far below average yields in other parts of the world (Adeleke *et al.* 2010: 27). Therefore, the food crisis in East Africa was a consequence of low adoption of technologies.

Lack of Access to Credit

Lack of formal credit is identified by small farmers as a major constraint on production (Tacoli 2002: iii). Gitau *et al.* (2008: 15) and Adeleke *et al.* (2010: 22) stated that lack of

affordable credit has partly contributed to food insecurity. Without access to credit, farmers opt for low input and lower yielding technologies rather than high input farm technologies. In Tanzania and Ethiopia, it has been established that access to formal credit is mainly confined to large urban centers where collateral requirements are high, while in Uganda high interest rates inhibit agricultural investments (Adeleke *et al.* 2010: 22). In Kenya, attempts have been made by the government to provide affordable credit to farmers through the Agricultural Finance Corporation (AFC), a parastatal established to give farmers favourable credit for farming, and by the Cooperative Bank of Kenya where most cooperatives affiliated with farmers have been frustrated by mismanagement and political interferences (Gitau *et al.* 2008: 16). Though micro-finance institutions have emerged, their reach is limited to a small proportion of smallholder farmers. They provide short-term credit and their effective lending rates are very high. Thus, most farmers cannot access commercial banks, national development banks, and even formal micro-credit institutions. Smallholder farmers therefore rely on savings for investment, but their low incomes do not allow for much savings and therefore investment. Some farmers also rely on incomes of friends and relatives, remittances, and informal money lenders which are not sufficient for efficiency enhancing investments. Agricultural production and research and development have also always been under-funded, leading to poor growth in the sector.

Following the structural adjustment program, many Sub-Saharan countries reduced government budget allocation to agriculture. This reduction was followed by reduced output in agriculture. Many governments were still spending an average of only 5 % of their budgets on agriculture (Eicher 2003). During the African Union Summit (AU) in 2003, leaders endorsed the 'Maputo Declaration on Agriculture and Food Security in Africa' in order to raise output (AU and UNECA 2009: 123). This committed African countries to increase agriculture spending to at least 10 % of annual budget by 2008. This initiative under the Comprehensive Africa Agriculture Development Program (CAADP) had the objective of reducing food insecurity and poverty in Africa and achieving the Millennium Development Goal of reducing poverty and hunger by half by 2015 (CAADP 2009). According to a validation workshop organized by the new Partnership for Africa's Development (NEPAD) in December 2008, only 19 % of African countries had allocated more than 10 % of their national expenditure to agricultural development (AU and UNECA 2009: 12). This was an indication that before the food crisis most countries were still not willing to raise investment in the sector to the agreed level. Notwithstanding the investment level, questions remain as to how the resources should be allocated in order to have the largest impact on agricultural growth and poverty reduction, and whether the pledged resources will be sufficient to meet the 6 % growth and Millennium Development Goal-1 targets (eradicating extreme poverty and hunger)

(Fan and Rosegrant 2008: 2). An area that governments could possibly invest in is the institution tasked with managing strategic grain reserves in East Africa as a tool to control spiraling food prices of mainly cereals. The unpredictability of fund availability to such institutions more often than not undermines their mandate. Minot (2010: 13) highlights that Strategic Grain Reserves (SGR) in Tanzania has not been successful in stabilizing grain prices. This is because the volume of purchases and sales in a given year is generally lower than 50,000 tonnes, which is small compared to the volume of grain produced (5 million tonnes) or marketed (about 1.25 million tonnes). By 2011 only nine African countries, namely Burkina Faso, Ghana, Guinea, Malawi, Mali, Niger and Senegal with Ethiopia and Kenya had fulfilled the Maputo pledge of achieving budgetary allocation of at least 10 % (Ongaro 2011: 6).

Post harvest losses

Significant volumes of grain in developing countries are lost after harvest, aggravating hunger and resulting in expensive inputs, such as fertilizer, irrigation water, and human labour, that are being wasted (World Bank and FAO 2011: XII). According to Rembold *et al.* (2011: 28), the average combined post harvest loss for the Sub-Saharan Africa Region in 2007 was almost 15.1 % of total annual production and in 2008, 17.4 %. Interventions in post harvest loss reduction are seen as an important element of the efforts of many agencies to reduce food insecurity in Sub-Saharan Africa (World Bank *et al.* 2011: XI). The report 'Missing Food: The Case of Post Harvest Grain Losses in Sub-Saharan Africa' shows that net imports increased almost four times for the period of 2000 to 2007 as compared to the 1970s (World bank and FAO 2011: XIII). The report estimates the value of post-harvest grain losses in Sub-Saharan Africa at around \$4 billion a year equated to minimum annual food requirements of at least 48 million people. In Kenya, mycotoxin contamination and weevils are a major concern with respect to grain storage (Josphert *et al.* 2012). Losses have also been seen in the livestock sector, when occasionally during the rainy seasons milk production exceeds the processing capacity leading to excess milk being poured. FAO (2004) estimated that around 95 million litres of milk, worth around US\$ 22.4 million, are lost every year in Kenya. Cumulative losses in Tanzania are about 59.5 million litres of milk each year (16 % of total dairy production during the dry season and 25 % in the wet season). In Uganda, approximately 27 % of all milk produced is lost, equivalent to US\$23 million/year. Reduction of post harvest losses may dispense with the necessity of increasing food production or food imports, especially for countries prone to food crisis.

Social factors

Rapid population growth

The population of East Africa has increased rapidly. For instance, the Ethiopian census revealed that the population of the country increased by more than 20 million from 1994 to 2007 (UNFPA 2008). In Kenya the last census shows that the population has been increasing at an annual rate of one million per year (KNBS 2009). As more than 70 to 80 % of the East African population is rural based and rely on agriculture, increased population has led to more land subdivision. The overall impact has been reduced areas for cultivation as well as lower incomes due to smaller land portion. Four surveys (1997, 2000, 2004, and 2007) show that farm sizes in Kenya declined by 15 % over the period of 10 years and about one-third of the smallholder farms have less than 1.0 hectare in size (Kirimi *et al.* 2011: 6). Rapid population growth combined with weak growth in food production has pushed the demand for food up, which has resulted in increased food prices. It has also resulted in rural farm households becoming net buyers of maize. The potential for transforming smallholder farmers into surplus producers of maize and other agricultural produce is becoming increasingly difficult as population growth and land pressures continue to grow faster than food production.

Conflicts

Conflicts aggravated the food shortage. In East Africa, Somalia was the main conflict area, but Kenya also experienced post election violence in the major maize growing area. Unequal distribution of land in Kenya was one of the reasons for the 2008 riots, which displaced 350,000 people, and 1,500 died (Kenya Red Cross 2007: 1). This led to reduced acreage planted and late planting due to displacement and high cost of inputs like fertilizer. In Kenya, in many areas with abundant wildlife such as Samburu, Trans-Mara, Taita and Kwale, there is also a human-wildlife conflict which has been intensified by population increase, land use fragmentation and the development of small-scale farming. In these regions, competition between local communities and wild animals for the use of natural resources is particularly intense and direct (Distefano 2004: 5). For example, IPAR (2005: 3) reported the most common source of human-wildlife conflict in Laikipia and Nyandarua as crop damage by wild animals (see also Pittiglio 2008). Adverse weather patterns play a major role in the conflicts especially when there is drought. According to a policy brief by IPAR (2005: 3), for the individual farmer the resulting damage to both crops and property can be quite devastating with serious impacts on expected income, food security and potential investments in agriculture. However, a comprehensive study quantifying losses brought about by human wildlife-conflict is still lacking.

Institutional factors

Reduced effectiveness of extension services

Government extension services are important in ensuring that farmers can learn about new yield enhancing technologies in farming emanating from research. However, this requires frequent contact between extension agents and farmers. Gitau *et al.* (2008: 16) observed that a sharp reduction in the operational budgets of the sector ministries contributed to reduced effectiveness of extension services in Kenya. In most African countries, the farmer extension ratio continues to dwindle, making extension inefficient. According to Adeleke *et al.* (2010: 26), extension in Ethiopia has focused on smallholder intensification through improved access to modern inputs like improved seeds and fertilizer. However, delivery systems have not performed as expected, which has caused delays in procurement and distribution of inputs. In Tanzania, services generally focused on increasing production through short-term technical packages, without paying attention to farmers' circumstances, markets, and sustainability. In Kenya, the effectiveness of extension services declined throughout the 1990s due to inappropriateness of the training and visit extension model used. This has been compounded further by delayed adoption of alternative models and sharp reduction in the operational budgets of the ministries of Agriculture and Livestock development Gitau *et al.* (2008: 16). Despite various attempts to strengthen them, the linkages between research, extension and training were weak and collaboration between public and private partners was limited (Adeleke *et al.* 2010). The reduction in contact between farmers and extension officers in East Africa may have weakened the dissemination of technological packages related to production, storage and disease. This would have contributed to food crisis.

Poor or inadequate information

The East African agricultural economy is mainly rain-fed. Therefore it is highly dependent on the use of climatic and synoptic weather information. Such information can be used in the development of proactive and responsive adaptation strategies that can minimize the adverse impacts of extreme climate conditions. Accurate and timely information on extreme meteorological events is critical to farmers in maximizing their production by making appropriate decisions in their production environment, setting up protective mechanisms and scheduling inputs and activities effectively. The responsibility of monitoring and sharing information on weather with potential users falls on the meteorological services in East Africa countries. However, seasonal climate forecasts issued for many years have not had expected impacts on agricultural production, especially among resource poor small-scale farmers (Mukhala 2000). This is because communication of weather information overall has not been effective. The

challenge for most farmers is that the information received from the meteorological department is either inadequate or complicated and sometimes not timely. Early-warning systems are also inadequate. Ground and satellite-based systems for forecasting medium-term weather and seasonal agricultural output as practiced in countries like India are rare in East Africa (Adeleke *et al.* 2010: 30). Farmers in East Africa are unable to adequately interpret information that will guide them in farming. This will continue to impact food production and therefore the food crisis.

Collapse of Cooperatives

One of the biggest challenges in agriculture in East Africa stems from the void in marketing. Farmer organization and collective action are often seen as key factors in enhancing farmers' access to markets (Hellin *et al.* 2006: 3). As producers, smallholder farmers have weak bargaining power such that upwards price swings do not normally benefit them and make them better off. As sellers, the farm gate prices that they get are much below the retail price. Increases in prices are mostly captured by traders and processors. Numerous success stories around the world have shown that rural institutions like producer organizations and cooperatives contribute to food security by helping small farmers, fisher folk, livestock keepers, forest holders and other producers to access the information, tools and services they need (FAO 2012b: 2). This allows them to increase food production, market their goods and create jobs, as well as to improve their own livelihoods and increase food security in the world (*ibid.*). The collapse and/or failure of government sponsored agriculture marketing agencies or cooperatives are leading to the abandonment of farming in favour of menial job opportunities in the urban centre (Hein de Haas 2008: 28). This leaves the challenge of feeding the nation to a less active aging population. Collapse of these marketing agencies has also contributed to the fear of commercial banks to lend farmers credit for fear of nonpayment. Because of the lack of collateral and/or credit history, most farmers are by passed not only by commercial and national development banks, but also by formal micro-credit institutions (Adeleke 2010: 22).

Inappropriate legal and regulatory framework

Adherence to neo-liberal policies based on the concept of the invisible hand has governed market practices for agriculture production in basically all countries. However, these policies are not adhered to wholesomely because of the sensitive nature of food security. Many governments retain the power to intervene in the market using various instruments. Common in the East African countries has been the use of tariffs and import quotas, especially with respect to food crops. Non-tariff barriers to regional trade in the region are also used. For example, a single entry document is essential for clearance at customs

for COMESA countries, but Kenya requires additional information causing delays at customs clearance. These include original invoice, import declaration form, pre-shipment inspection report, certificate of origin, phytosanitary certificate, quality standards certificate (issued by Kenya Bureau of Standards, KBS), and safety standards certificate, among others (Ariga *et al.* 2010: 13). The chronic maize deficits in Kenya mean that maize is imported from Uganda and Tanzania (Magnay 2004: 3) as well as international markets. Due to non-tariff-barriers and tariffs at the Kenyan border, informal imports account for a large fraction of the maize export trade (Ackello-Ogutuu and Echessah 1997: 45). Between 2005 and 2007, annual import of maize from Uganda was 167,000 tons (Benson, Mugarura and Wanda 2008: 8). This unofficial trade has additional transaction costs, bribery payments, and handling costs that on the one hand are imposed on Ugandan farmers in the form of lower producer prices and on the other hand are passed on to the consumers in Kenya. As late as 2011, a document by the World Bank assigned partial responsibility for the food crisis to the maize policy of Kenya's National Cereals and Produce Board (NCPB) for following a high price policy (World Bank 2011b: iii)

Governance

Governance describes “the process of decision-making and the process by which decisions are implemented (or not implemented)” (UNESCA 2009: 1). According to UNESCA (2009: 1) ‘good’ governance has eight major characteristics: it should be participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive, and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. The term *governance* can apply to governments as well as any corporation or association and to the interactions between them. Good governance is a critical policy requirement for a successful poverty reduction strategy and human development progress of any country. Where governance is poor it is difficult to imagine how equitable development can take place and where there is inequity the chances that some sections of the society will be left to live in poverty and misery are high (Sebudubudu 2010: 250). For example, in Kenya, lack of transparency in handling food import licenses has led to diversion of over 100,000 tons of imported maize to Sudan, and a lack of transparency in the sale of government subsidized grains has hurt poor people (AFRICOG 2009: 3). If governments in the East African Region could improve corruption control, then future food crisis situations may be reduced. Cooperatives and farmers’ organizations are vital for good performance of the agricultural sector by giving farmers advantages of economies of scale in dealing with credit and marketing of inputs and outputs. Poor governance and corruption in key institutions supporting agriculture or dealing with food security has led most such

institutions to collapse or has weakened them in terms of finances and manpower (Gitau *et al.* 2008: 16). Evidence from Uganda shows that the underlying factors that led to the collapse of many cooperative unions were the years of political instability, the inability of the union to compete on a liberalized market, accumulation of huge debt, and poor management. In contrast, the few cooperative unions that managed to survive did so due to the presence of strong leadership and proper management, gaining access to external financial support, undertaking efforts to develop new markets and marketing channels, maintaining a strong asset base, and retaining a strong membership (Nana and Patrick 2010: 4)

3. The Way Forward

The food crisis presented challenges in the functioning of food systems in the East African countries with respect to preparedness, mitigation, management and prevention. In light of population increase, climate trends and stress on natural resources prospects for the future of food production in the East African Region appear bleak. The likelihood that food crises will recur and even become more frequent and severe in East Africa is high unless urgent, determined and concerted action is taken. The realization that the food system operates within and is influenced by social, political, economic and environmental contexts is critical in developing intervention. These may include the following options:

Environmental strategies

- Most early warning systems tend to be used currently as alarm signals for emergency measures. There is need to incorporate strategies that go beyond emergency measures and address the causes of environmental degradation into these systems. Key to implementation of such a system is to set up a data processing and dissemination system. Train technicians and professionals in data compilation, processing and preparation and training farmers and extension workers in the proper use of the information products and advisories.
- To minimize the risk of total crop failure, farmers should be advised to grow several different crops. They may plant the crops in the same field at the same time ('intercropping'), or grow different crops in the same field from one season to the next ('crop rotation'). Scientifically developed hybrid crops and animals should be important, especially for high output, but local varieties of crops and indigenous livestock species should also be considered as they are best adapted for dry areas. Lately there has been clamour for the introduction of genetically modified foods (GMF) with enhanced desired traits such as increased resistance to herbicides, drought, pests, fungus or improved nutritional content as a way to

reduce the risk of total crop failure and ensure an adequate food supply. There are many challenges associated with the use of GMF, the main one being human health issues. Therefore, there is need to approach genetically engineered “fixes” for food production with caution and emphasize the importance of locally-based, agro ecological approaches to farming. The key advantages to this way of farming, aside from its acceptance and proven low environmental impact, is that it provides food even in periods of harsh climatic conditions and can be relied on even when inputs are not available.

- Long-term ecologically sustainable production is a key element of food security, particularly in resource-poor areas by undertaking natural resource/environmental management projects (forestry, soil and water conservation). Tackling land degradation by investing in soil fertility improvement and anti-erosion measures and research is key to reducing food insecurity. This should also include restricting the encroachment of cultivation into fragile ecosystems.
- Addressing water related issues which are fundamentally intertwined with most sectors of national economies. The development of water resources and increasing efficiency in water use is central to ensuring food security and will become increasingly important as the population increases. Fresh water resources in the Horn of Africa are under severe natural and social pressure. Lack of water is a serious impediment to intensifying agriculture and to opening up new land. Water delivery infrastructures, including small-scale irrigation systems and larger, more expensive dams, reservoirs and canal networks, need to be developed. There may be controls on the use of groundwater and surface water since building a dam may lower the water table downstream, changing the vegetation.

Economic factors

- An important indicator of governments’ commitment to eliminating famine and food insecurity would be the extent to which they have increased budget allocations to the area of food security, though this would require regular review and progress reports on implementation. Governments in the region need to reassess their overall budget expenditures, with a view to allocating substantially greater amounts to programmes and projects that focus on eliminating famine and addressing food security problems. Such budget allocation can include increasing allocation to research and extension with more focus on low potential areas, and on indigenous drought resistant crops and livestock.

- There is a need to make an adequate investment in infrastructure such as rural roads and marketplaces. Good infrastructure is essential for food security to ensure low food prices and efficient markets that can respond to changes in demand. Infrastructure reduces the costs of transporting produce and inputs (such as fertiliser), and food storage. It allows information transfer between producers and markets, and gives farmers access to new technologies.
- Another way to rebuild national food economies and to improve food security is for the East African countries to expand national or carefully determine food reserve capacities so that they can effectively implement regulatory mechanisms that stabilise market prices, such as national grain reserves. These need to be established preferably in supply depots closer to the places of occurrence of the disasters or located strategically. A code of conduct for the emergency reserves should be established and should be well-linked to effective information and early warning systems. Food reserve agencies should be credible and operate with well defined rules, i.e. no political influence. Emergency reserves should be established and replenished in a market-responsible way. The governments could also encourage development of private sector storage facilities. Concerted efforts must also include promoting effective post-harvest management. These include better post-harvest grain management, better pest management, and enhanced storage structures at the farm level. Value addition also needs to be targeted by providing an environment that enhances growth of small medium agro based industries. Diversification of strategic reserves to include dairy and meat products will even out over-production in rainy seasons and under production in dry seasons. This ensures that these products will be available at all times to consumers at affordable costs.
- Promote development of finance/insurance instruments to cover food production and supply and as a means of offsetting losses suffered by producers in the case of adverse weather events such as drought and floods.
- Enhance timely supply of quality agricultural inputs such as fertilizers, seeds, feeds and carry out regular checks to guard against adulteration or fake seeds in the market. Distribution/sale of appropriate small packs of agricultural inputs increases their affordability, safety, and quality. There should also be a concerted effort to promote access to assets and services, particularly for women farmers. Access to land, water, seeds, fertilisers, technology, loans, infrastructure, and energy which more often than not is insufficient, insecure, or too expensive.

Social factors

- There must be conscious effort towards conflict management. The focus would need to be not only on national problems, dealing with intercommunity or zonal conflicts. Countries, governments and organizations must strive to resolve armed conflicts to achieve political stability and prevent future conflicts. Mechanisms to promote conflict prevention and resolution would possibly include the setting up of systems for conflict early warning which should be linked with national and regional conflict resolution units.
- Promote family planning advocacy as a way of ensuring population control.

Institutional factors

- Promotion of good governance, because good governance is the single most important factor that can contribute to effectiveness in the operations of institutions associated with the improvement of the livelihoods of the populace. As mentioned earlier, good governance can only be achieved by transparency, accountability, rule of law, proper policy instrument, democracy and advocacy. Building the capacity of communities and local government structures, and integrating the drought plans into the district development plans.
- Provide an enabling environment by developing appropriate policy environment and creating awareness of the same; promoted policies should also strengthen institutional frameworks for cooperation and coordination and facilitate access by local people to appropriate information and technology.
- Implementation of land laws that recognize equal rights to land ownership, access and utilization without any discrimination on the basis of gender are needed for productive engagement in agriculture.

Conclusion

The multidimensional analysis of this chapter illustrates that the food crisis in East Africa can be attributed to a number of factors that can be grouped under environmental, economic, social and institutional factors. The emergence of phenomena such as the recent high food and fuel prices, the global financial crisis, and climate change, all highlight the need for effective implementation of policies and actions to address the root causes of hunger to save lives. Uncontrollable factors such as drought can only be considered to an extent in relation to the food crisis because they cannot be planned, but precautions can be taken to mitigate their effect.

It is apparent that the East African countries need to produce more food while using less land, water, fertiliser, energy and other inputs, and distribute that food more effectively, efficiently and equitably. There is a need to reduce losses and waste while ensuring environmental management throughout the food supply chain, from production to consumption. A balance must be achieved between the different uses of land, often with competing priorities, such as sustainably increasing food production while maintaining ecosystem services on which food production critically depends. Food must be safe, nutritious and affordable, and be supplied and distributed in ways that meet the needs and aspirations of consumers in different economic, social and cultural contexts. People need to be well informed and helped to make healthy choices. Thus for the case of the food crisis in East Africa, intervention strategies must entail all processes and infrastructure involved in feeding a population: growing, harvesting, processing, packaging, transporting, marketing, consumption, and disposal of food and food-related items. This can be done through increasing the land area under cultivation by using irrigation. At the same time it is important to increase research in the areas of crop and livestock. Introducing new and improved varieties coupled with enhancing strategic reserve capacities as well as the capacity of agricultural extension services for educating farmers would enhance production and have an effect on mitigating future food crisis. This however must be carried out in an environment of firm legal framework or policies to have any lasting effect.

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3. Market Queens and the Blame Game in Ghanaian Tomato Marketing

Akua O. Britwum

Women traders in Ghana operate in rural and urban informal markets to bring diverse goods to consumers in the absence of formalised distribution systems (KIT and IIRR 2008). These women, who trade under the leadership of market queens, ensure that food from the farm reaches consumers in all communities. They often make media headlines for several reasons, not least is their control over prices and seemingly exploitative credit relations with farmers. In recent years, they have been blamed for suicides among farmers in the Upper East Region (UER) of Ghana, a major dry season food production centre (Robinson and Ngelaza 2011). These Ghanaian farmers have lost markets to tomato producers in neighboring Burkina Faso and the processing plants which used to buy their products no longer provide a reliable market.¹ Traumatized farmers accuse traders of neglect. Traders, in turn, insist that their organisation is beneficial to farmers and point to the economic role they play in ensuring that fresh tomatoes reach urban market centres in Southern Ghana where the demand is high (Robinson and Kolavalli 2010).

This blame game is not recent. Since colonial rule traders have been assigned blame for the economic woes of the nation. Market traders have been accused of price manipulations and hoarding goods in order to create artificial shortages and benefit from the ensuing price hikes (Clark and Manuh 1991). In particular, women traders had to bear the brunt of such criticism. Clark reports evidence of women traders' scapegoating by colonial authorities during the worsening trade in the aftermath of World War II (Clark 2010). The colonial administration responded with price controls. In the late 1970s, scapegoating led to violent harassment of women traders by soldiers of the ruling junta (Clark and Manuh 1991). Women accused of hoarding were stripped naked and flogged in public by soldiers (*ibid*).

Abandoned by state institutions which continuously blame them for the economic malaise of urban consumers and rural farmers, women traders rely on self-help associations which embody support and regulatory practices to guide their trading

¹ See for example Kunateh, (2011) Inter Press Service report of August 30 2008, report on dailyguideghana.com August 29 2008 as well as that on the same subject August 27 2008 on freshplaza.com. Others include a GNA report titled "Let's Stop this Annual Tomato Farmer Suicide" (2009) as well as a February 13 2009 report by Frederick Asiamah in Public Agenda newspaper titled 'Tomato Farmers Commit Suicide'.

activities in urban markets. Some seminal ethnographic studies have captured the economic and political import of such market-based trade associations (Clark 1994). Others go on to contest their so-called exploitative relations and posit that they provide ready markets by ensuring wide distribution of farm produce, saving farmers the need to find buyers for their produce (Overa 2007; Clark and Manuh 1991).

Studies on women traders' organisations in general and tomato traders in particular, have attempted to understand the influence of traders over marketing chains as well as their political power beyond the market place. While some, taking an economic approach, focus on price distortions and market incentives (Amikumzuno and Donkoh 2012; Robinson and Ngelaza 2011; Adimabuno 2010), others have analyzed the social and political dimensions of traders' organisations (Clark 1994). Adimabuno (2010) and Issah (2007) as well as Robinson and Kolavalli (2010c) observe that trading in the tomato crop have received attention only in terms of sustaining the incomes and livelihoods of primary producers. These traditional analyses which focus on farmer vulnerability and trader power tend to ignore women traders' working rights and their ensuing need for livelihood support in the food security nexus. The actual import of market women's operations in the food marketing chain, beyond farmer income, continues to elude policy makers who prefer to cast accusing fingers at food traders. Often missed are the working rights of women traders and their entitlement to secure conditions to sustain their livelihoods. There is need to shift from assigning blame to re-situating the debate on the organisational forms employed by traders to secure their livelihoods within a marketing chain that is part of a larger international trade in food. Interrogating the connection between women traders' marketing challenges and how it impacts their ability to deliver wholesome tomatoes to consumers therefore is necessary to understand how their organisational agendas, their expressions of grievances and the rights they claim impact food security in Ghana. This chapter explores the activities of market traders within the context of the internationalised trade in fresh and processed tomatoes and how these factors relate to the negative impact of the recurrent seasonal tomato glut that hits farmers in the Upper East Region of Ghana for which they are blamed.

This chapter is based on results from interviews with the leaders and selected members of the Tomato Traders' Association from 3 markets in Ghana. Two were from the Cape Coast Municipality and Kasoa in the Central Region. The third were from Makola, the major market in the national capital Accra. The first set of interviews was conducted in September 2011 in Cape Coast and the second set covering the Kasoa and Makola markets was undertaken in May and June 2012. Information derived from the field study has been supplemented by existing literature on the subject as well as documents provided by the national leadership of the tomato traders' association in Accra. The rest of the chapter is composed of four sub-themes. The section after this introduction

provides an account of the impact of factors like market liberalisation on fresh tomato production and processing in Ghana. It identifies the main production and marketing centres of fresh tomatoes. In these discussions, attention is drawn to factors that hinder fresh tomato marketing in Ghana and raises issues about the soundness of the blame game. The second traces the tomato value chain by describing the trader system and outlines agents involved in carting tomatoes from farm to market centres. The examination reveals the relations of women traders with the numerous groups of service providers in the tomato value chain. The third section provides an overview of market associations, their origins and roles. The last explores how tomato traders use their organisational forms to engage various policy spaces to derive legitimacy and expand their political influence in order to control the market space and protect their livelihoods.

Market Liberalisation and the Tomato Value Chain

The major production centres for fresh tomatoes in Ghana are around Techiman in the Brong Ahafo Region (BAR), producing rain-fed tomatoes from June to December and Navrongo in the Upper East Region (UER), which provides dry season tomatoes from December to April through irrigation (Adimabuno 2010; Robinson and Kolavalli 2010b; Issah 2007). Irrigation facilities at Pawulugu, Tono and Veia in the UER support Navrongo tomato production. The greater Accra and Ashanti Regions produce some tomatoes from rain-fed and irrigation agriculture, however, production levels in these two regions are low. Fresh tomato supply in Ghana, as a result, switches in response to weather conditions from Tachiman during the wet season to Navrongo, in the dry season. Amikumzuno and Donkoh (2012) explain that this pronounced two seasonal weather dependent systems, which they refer to as the Navrongo-Techiman season, gives the tomato market in Ghana its unique characteristics. Another important factor is the distance between the main markets and the production sites. Accra, the national capital which serves as the main market for fresh tomatoes, lies at the southern end of the country. Tachiman has a central location and is therefore closer to Accra, while Navrongo lies further north, about 845 kilometres from the national capital.

A highly perishable product like the tomato requires a steady and reliable market, the best being a processing plant. In the 1960s and 1970s, tomato processing facilities located in major production centres offered producers the necessary buffer against seasonal glut that depresses prices (Adimabuno 2010; Robinson and Kolavalli 2010d; Haydnlaan n.d.). The liberalisation of the market for processed food as part of the structural adjustment programme (SAP), however, triggered the dumping of cheap processed food on the Ghanaian market, forcing the closure of these processing centres that were the main markets for commercial farmers (Clark 2010; Brown and Lyons 2010). The specific policy was tariff reductions on the importation of tomato paste from

99 to 10 % even though the World Trade Organization (WTO) Agreement on Agriculture had obliged developing countries to reduce average agricultural tariff lines only by 24 % from 1995 to 2004 (Issah 2007). In response, processed tomato imports increased by over 638 % from 1993 to 2003 (Haydnlaan n.d.). By the year 2004, Ghana had become the world's second largest importer of tomato paste after Germany (Amikumzuno and Donkoh 2012; Adimabuno 2010). Since Ghana did not commit itself to these tariff reductions within the framework of the WTO, the government could reverse its policy in principle (Issah 2007). The ruling National Patriotic Party government, however, has not made use of this policy space. In fact, it did not even comply with its pre-election promises to raise the tariff to 25 % (Robinson and Kolavalli 2010; Kufuor 2008). The government has argued that Ghana is constrained by membership in the sub-regional trading bloc ECOWAS, the goal of which is to have a common external tariff (Robinson and Kolavalli 2010d).

Farmers aware of the importance of the processing factories have consistently petitioned successive governments to restore the factories. The Government of Ghana, in response to farmers' pleas, has made several attempts to revive these factories. However, in the face of competition of cheap processed tomato imports from Europe and China, repeated attempts to reopen the processing facilities have proved a near impossible task. The facilities operating under ventures with European-based producers under the name Trusty Foods are only packaging imported processed tomatoes.

Beyond the dumping of cheap processed tomatoes allowed by liberalised trade, the tomato processing factories appear to have their fair share of challenges. The problems identified ranged from unstable electricity supply to poor road infrastructure to facilitate a timely carting of fresh tomatoes from the farm to the factory for processing (Robinson and Kolavalli 2010b). Haydnlaan (n.d) observed at the Northern Star processing plant:

...a lack of crates forced many farmers to resort to selling their tomatoes to the "Tomato Queens" from Accra, who had long-term contracts with truckers - despite the fact that they offered significantly lower prices than Northern Star (n.d. 6).

A major culprit of the shrinking fresh tomato market for farmers from the Upper East Region (UER) is the importation of the product from Burkina Faso. Fresh tomato supplies from Navrongo declined after 2004 as a result of crop failure in the UER. Unable to secure adequate supplies, market women turned to Burkina Faso. The importation of fresh tomatoes from Burkina Faso increased dramatically from 1,797 in 2004 to 7,890 tons in 2006 (ibid.). Custom statistics show that between 2008 and 2009, about 6,562.43 metric tons of fresh tomatoes were imported by Ghanaian traders across the Burkinabe border (Ghana News Agency, 2009). At the peak season, Burkinabe

imports supply about 70 % of Ghanaian fresh tomato needs (Robinson and Kolavalli 2010b).

It was an attempt to revamp the Northern Star Tomato Factory that precipitated the standoff between farmers and traders in Navrongo in March 2007. The Northern Star Tomato factory was not up to capacity to purchase the entire crop from farmers in 2007 and they risked rotting on the farms (KIT and IIRR, 2008).² Producers in Navrongo, outraged by market women who were rejecting their crop for Burkinabe tomatoes, proceeded to block the roads and deflate tyres of trucks carrying the traders and their assistants across the border to Burkina Faso. While traders cited longer shelf life and customer preference for Burkinabe tomatoes, farmers cried foul play explaining that tomatoes from the UER were the same as those grown in Burkina Faso. Other reasons given include a more rigorous sorting by Burkinabe farmers to remove low grade tomatoes that might rot before reaching the market (Robinson and Kolavalli 2010; KIT and IIRR 2008). It took the intervention of the police to avert an imminent violent clash. Further negotiations got the farmers to agree to allow the removal of tomatoes that might not last the trip to the market (KIT and IIRR 2008).

The structure of the tomato market in Ghana has inherent constraints that compound the challenges facing producers and distributors. These are the spatially disconnected markets and the clash of harvests.³ The absence of state support for production and distribution increases the risk involved in the marketing of the highly perishable nature of the product. International trade in both processed and fresh tomatoes, facilitated by trade liberalisation, continues to shrink the market share of producers based in the UER. The next section describes the tomato value chain in Ghana, highlighting the relations of women traders within this chain.

Traders and the Tomato Value Chain

The fresh tomato market in Ghana is described as a two level trader system where traders move directly to the farm gate to purchase tomatoes and transport the produce to consumer markets (Adimabuno 2010). Absent in such a system is an assembly market for bulk inspection and grading before trading (Robinson and Kolavalli 2010c). The advantage of this two level system is that it allows for the rapid movement of the highly perishable vegetable from farm gate to food plate (Robinson and Kolavalli 2010). Its draw-back, however, is that it has the tendency to concentrate market power in the hands of market traders.

² See KIT and IIRR (2008) for a vivid account of this standoff.

³ Tomato production in southern Ghana tends to peak, thereby creating a glut which has the tendency to depress producer prices.

Several agents operate the tomato value chain, performing different functions to facilitate the movement of the produce from farm gate to consumer. Robinson and Kolavalli (2010b) estimate that there are about 25 persons responsible for moving one tomato from plot to plate in Ghana. The first point is the farmer and a 2010 study estimates that about 90,000 persons are engaged in growing tomatoes on small farms in Ghana (Robinson and Kolavalli 2010b). Despite this large number, farmers do not constitute an organised group in the value chain. Producers in the Greater Accra and Ashanti Regions appear better organised and are more likely to exercise some control in their transactions with buyers (Issah 2007). UER farmers happen to be the least organised and as a result are the most vulnerable. Their distance from the main consumer markets in Accra and Techiman means that they are dependent on market queens for the sale of their products. The interview sessions revealed the presence of organisational heads among producers who negotiate with traders to set the farm gate price of fresh tomatoes. KIT and IIRR (2008) report efforts of the tomato traders' groups to get farmers organised to facilitate negotiations with them. The efforts, however, yielded little results. Over the years traders and farmers develop close ties and establish gift exchange as well as credit relations. Farmers advance credit sales to the traders and they in turn provide credit farmers to procure their agricultural inputs for farming. Farmers are obliged to sell their farm produce to the traders by way of defraying the credit advanced.

Leaders of the Tomato Traders' Association of Ghana report that they have a database on all tomato farms in Ghana and Burkina Faso. However, small farms tend to be scattered across the region and poor communication networks hinder the ability of traders to speedily identify tomato farms that are ready for harvesting. Lead boys link farmers with traders (Robinson and Kolavalli 2010; Adimabuno 2010). In the past, traders went to the farms and supervised the harvesting and sorting of tomatoes into baskets. This practice ceased as a result of reports of sexual harassment as well as other physical attacks. Female market traders no longer venture alone onto farms with the male farmers. Lead boys or porters become an important link between farmers and traders. A predominately male group, lead boys are on record as having the ability to speak at least five languages: Hausa, Kasim, Twi, Mori, English and French (Adimabuno 2010). These languages are important for connecting market queens from southern Ghana to producers in the UER as well as Burkina Faso. Lead boys are noted to have good negotiation and bargaining skills, often favouring traders in order to retain their jobs (Robinson and Kolavalli 2010). They are known to provide financial support to traders and act as guarantors for credit sales (Adimabuno 2010). They charge farmers commission on the volume of tomatoes sold. Lead boys have been fingered in the blame game. Some reports say they have good reason to prefer directing tomato traders to Burkina Faso since the farmers pay extra to have them bring traders to their farms. In fact, Robinson and Ngelaza (2011) report that

farmers perceive lead boys as the second most powerful agents in the value chain because they determine at any point in time whose fresh tomatoes will be collected and sold on the markets.

Once the deal is reached with farmers and the tomatoes are harvested, young females sort and pack the tomatoes into wooden crates,⁴ the traditional measure for wholesale tomato trade. Since tomatoes are sold in volume, the work of sorters has implication for farmers' or traders' margins. They determine the quality and quantity of tomatoes that go into a crate (Adimabuno 2010). They are paid in cash or sometimes in kind. Once filled, the first set of loading boys load the crates onto trucks at the farm gate and a second off-loads them at the market centres. Their skill in loading crates of tomatoes will decide, all other things being equal, whether tomatoes reach the markets whole or damaged during transportation (Adimabuno 2010). Loading boys are paid in cash by traders at the farm gate and those off-loading at the market centres are rewarded in kind with tomatoes which the loading boys sell to retailers to earn their income.⁵

Fresh tomatoes are transported in large general goods trucks to the markets. While the trucks are known to vary in size, the largest can load up to 400 crates of tomatoes per trip. The trucks are usually hired in Kumasi. Market traders travel from Accra and Kasoa in public transport to Kumasi where they board the trucks to the UER or Burkina Faso. Vehicles charge per trip and are paid in part before the journey.⁶ Full payment is effected when the tomatoes are delivered to the markets (Adimabuno 2010; Robinson and Kolavalli 2010). Interview reports noted that the current price of hiring a vehicle is 800 cedis.⁷ The hiring price is determined by the distance to be covered and is in no way influenced by the volume of goods being transported. Traders note that when some trips do not find adequate quantities to fill a truck, they still have to pay the full charge agreed before the trip. Over the years traders develop longstanding relations with drivers and some drivers become traders as well.

Transporting tomatoes from farm gate to the marketing centres is a risky venture because of the short shelf life of the crop and the absence of refrigeration facilities along the marketing chain. Any interruption in the movement from farm to consumer can wipe out trading capital (KIT and IIRR 2008). Most of the vehicles are in a poor state from lack of maintenance. The roads they ply are in a worse state. None of the traders have insurance

⁴ Since tomatoes are packed by volume, a standard size wooden crate filled with fresh tomatoes is estimated to weigh between 52 and 58 kilograms. See KIT and IIRR (2008) and Micah, Anokye and Britwum (2000).

⁵ Interviews with trader groups at Kasoa and Makola (June 2012) revealed that porters or 'loading boys' can earn up to 4 crates of tomatoes for off-loading a vehicle filled with 100 crates.

⁶ Interview with leaders of the Makola Tomato Traders' Association, June 2013.

⁷ At the time of data gathering GH¢1.00 was equivalent to US\$0.70.

and the vehicle insurance cover third party damages which does not extend to goods they carry.

Retailers are the last group of agents who handle the tomatoes before consumers. They operate in the market, take the tomatoes from the traders and sell directly to consumers by the volume. Retailers undertake some form of grading; they sort and sell the tomatoes by size, firmness and colour. They take the fresh tomatoes on credit and pay in instalments to the market traders at the end of the day's sales. Retailers in our study at Kasoa and Makola believed that they bear the greatest risks since they have the responsibility of ensuring that consumers purchase the tomatoes to allow the traders to collect money for their next trip to the farm gate. They explain that tomato shelf life appears to be falling and most last no longer than 3 days now. It used to be 6 days, they explained. Retailers are not members of the tomato traders association. Retailers are tied to particular traders and this trading relation is difficult to break.

The tomato chain therefore involves several players and as a result offers employment to a complex network of persons eclipsed in the projection of market traders as exploiters of vulnerable farmers. The striking aspect of the chain is the peculiar employment challenge that each group of players faces and how their interactions have, over the years, led to some form of structuring to facilitate the smooth transfer of tomatoes from the production sites to the markets. These activities are dependent on the traders and constitute costs that are passed on to the final consumer. This structuring has produced some code of operation clearly marking the jurisdiction of each player and some dependency relations that maintain the system. The vast majority of agents positioned in-between farmers and the market traders tend to be invisible in the discussions of the tomato trade.

Women's Informal Economy Organising: Challenges and Prospects

Food traders in Ghana belong to the sector of operation variously captured as the informal sector and later the informal economy (Hart 1973).⁸ Informal economy workers operate largely on the fringes of national policy and legislation, generating uncertainties for their economic engagements (Lindell 2010). They have resorted to organising as a mode for engaging policy spaces. There exist in several developing countries vast examples of informal economy workers' organisational efforts documented in a number of studies. Of particular interest have been three studies of traders' associations (Amikumzuno and Donkoh 2012; Britwum 2011; Meagher 2010). Such works have been instrumental in bringing to the fore not only the challenges of informal economy

⁸ Keith Hart's work in Ghana is credited with the conceptual identification of the informal economy and the subsequent introduction into the development studies discourse the various activities covered as legitimate economic undertakings of the workers in this sphere of the national economy.

workers, but also the potential of emerging organisational forms to change their political landscape and to direct the blame away from the traders towards policy makers.

The visibility of market traders' associations increased in academia in recent times (Adimabuno 2010; Clark 2010). The renewed interest in their activities stems from changing attitudes that now acknowledge the contribution of informal economy workers like market traders to the national economy. Research findings indicate that issues underlying informal economy workers organising, beyond the immediate motivating factors, include the focus and the outcomes of their collective struggles as well as their tools for engagement (Britwum 2011; Brown and Lyons 2010; Lindell 2010). In the area of their struggle, the focus has been the nature of power centres they engage and the types of unfavourable policies and regulations they target as well as the collective organisational forms they use (Boampong 2010; Brown and Lyons 2010; Britwum 2011). Informal economy workers, such studies recognise, are mobilizing bodies to engage with local authorities and institutions, undertake self-help initiatives, meet their credit needs and provide welfare support to members in times of crisis (Brown and Lyons 2010). The emerging agreement is that informal economy workers are, as Lindell (2010: 8) puts it, 'scaling up' and opening new potentials for political intervention. Of particular interest, however, is the ability of their organisational forms to shift the accusing fingers of policy makers and direct attention to the real socio-economic situation in which they operate.

The major organisational form used by traders in Ghana to pursue their concerns in the contested market space is the commodity group structure organised around the products they sell. Clark (1994) notes that the current commodity group structure was gradually formalised between the 1930s and the 1950s. Female heads of traders groups are called queens and male heads, presidents (Adimabuno 2010; Clark 1994). Clark (1994) explains that the term market queen, a shortened form of the word 'queen mother', was the original Rattray translation of the word '*ohemaa*' in the Akan language of Ghana. It is now used to designate female market leaders whose political strength and role received a further boost under President Nkrumah. He used the platform provided by traders' groups to mobilise market women in the nationalist struggle against colonial rule (Adimabuno 2010; Tsikata 1989). Since then, market traders have been recognised in Ghana as a strong political force (Tsikata, 1989).

According to Brown and Lyons (2010) and Clark (1994), market associations are rooted in the traditional cultural norms and the values of the communities in which they operate. The groups adopt the governance structures characterising Ghanaian traditional authority systems. They forge direct links with local chiefs and their elders (Clark 1994). A situation that Adimabuno (2010) insists is unavoidable because their transactions are conducted within a social setting. The leaders are installed by way of induction into

office as done for traditional leaders. Once inducted into office, the market queen has to officially report to the chief of the area where the market is located. Even though they are usually women with considerable experience in the trade who command respect and wealth and have good dispute resolution as well as negotiation skills, the position is hereditary and usually passed on from the incumbent to her daughter (Adimabuno 2010; Clark 1994). Market queens are not removed from office. They are replaced when they die or retire (KIT and IIRR 2008). Commodity queens are assisted by officers. There is considerable variation in the strengths of existing commodity organisations depending on their regional location and the economic importance of the commodity they trade in. The tomato traders' group happens to be one of the strongest commodity groups and has attracted a lot of attention in recent times as a result of the crisis farmers in the UER face in finding markets for their fresh tomatoes during the peak season.

Tomato Traders' Association: Origin and Organisational Form

Traders' associations serve as forms of occupational representation with varying degrees of political as well as economic influence. In the agricultural sector, such commodity groups play significant roles in the management of markets, maintaining the marketing infrastructure, allocating space and providing security and market knowledge to their members (Adimabuno 2010; KIT and IIRR 2008). They provide in addition welfare, savings and loan functions. The most important function of the associations, however, is to ensure the economic viability of their trade. This they do by controlling the volumes of produce that reach the markets. The association determines when traders can bring goods to the market to sell and how many traders to admit to each market.

During the interview sessions, the leaders of the traders associations in the 3 markets shared schemas indicating days of the week on which individual members could bring fresh tomatoes to the markets for sale. Other functions include maintaining the credibility of the marketing system, like providing information about the creditworthiness of traders and farmers, and holding members to account to ensure that they honour payment agreements with farmers. They have also attempted to join existing pension and health insurance schemes that have hitherto only covered formal economy workers like the Social Security and National Insurance Trust as well as the National Health Insurance Scheme (KIT and IIRR 2008). In addition, their leaders lobby state institutions and local government to ensure that policies serve their interests. Such policies include the final sites of markets, tariffs and levies as well as the activities of foreigners they consider detrimental to their trade.

Interviews revealed that the Makola Tomato Traders' Association (TTA), formed in 1982, was motivated by the need to honour credit sales and bring what was termed as

‘discipline’ into the market system.⁹ This fact is supported by a study conducted by Adimabuno (2010), who states that the association was formed to protect the traders from price fluctuations and the risk of peak season fresh tomato prices falling below purchasing and transportation costs. Once formed, the leaders undertook to convince traders in other regions to form local associations. The Cape Coast TTA was formed in 1991 and Kasoa’s, which was 15 years old at the time of the study, was inaugurated in 1997.¹⁰

In 2003 the national body, Tomato Traders’ Association of Ghana (TTAG), was formed in response to the exigencies of cross-border trade in fresh tomatoes.¹¹ The leaders interviewed cited challenges such as extortion from customs officials at Ghana’s borders, highway robberies, and frequent vehicle breakdowns which delay the transportation of tomatoes from the farm gate causing the goods to rot. Accidents and challenges involving identifying the bodies of dead colleagues and subsequently handing the bodies over to close relatives were cited in interview sessions as necessitating the formation of TTAG.¹² The national body TTAG is, however, male headed and operates from Kumasi. In 2003, TTAG developed a partnership with the drivers’ group and formed the Ghana National Tomato Traders and Transporters Association (GTTTA). The president of the Ashanti Region Cargo Drivers’ Union of the Ghana Private Road Transport Union, an affiliate of the Ghana TUC, was appointed to chair the organisation. The main function of the GTTTA was to manage the transportation challenges women traders faced. The TTA was granted affiliation to the Ghana Trades Union Congress (TUC) in 2008. This affiliation, according to the leaders at the Makola Market, was initiated four years ago. The Ghana TUC offers training, represents tomato traders in engagement with policy makers, and provides advice on securing their operations against risks like taking out insurance coverage and accessing the national pension scheme. They also participate in May Day activities of the Ghana TUC. TTA is, in addition, an affiliate of Streetnet International, an international NGO based in South Africa. Streetnet offers capacity building and leadership as well as assertiveness building to the market traders.¹³

⁹ Interview with leaders of the Makola Tomato Traders’ Association, June 2012.

¹⁰ Interview with leaders of Cape Coast and Kasoa Tomato Trader’s Associations, September 2011 and June 2012.

¹¹ Interview with leaders of the Tomatoes Traders Association of Ghana, May 2012.

¹² The leaders, during the interview sessions, shared a number of pictures showing vehicles carrying tomatoes that had been involved in accidents causing several hundreds of crates of tomatoes to rot. Other pictures showed bodies of dead colleagues in accidents.

¹³ Interview with leaders of the Makola Tomato Traders’ Association, June 2012.

Traders Organising and Claiming Rights

Tomato traders, even though embedded in traditional practices, have to confront formalised public institutions. Leaders of TTA at Makola Market, for example, insist that they derive authority to regulate the volume of tomatoes traded in the market from the local government legislation that governs the Accra Metropolitan Assembly (AMA).¹⁴ As support, they cite provisions which state that it is the statutory duty of Local Governments to assist traders in their localities with regulatory and monitoring mechanisms. These provisions specifically outline some of the functions of the Assembly in various sections such as:

21. To provide for the control, regulation, inspection, supervision and licensing of
(iii) any premises or land in or upon which any profession, occupation trade or business is carried on;

38. To fix days and hours during which a market may be held and prevent the sale and purchase of goods in markets on any other day or at any hour except those fixed (Accra Metropolitan Assembly Establishment Instrument 1995 (LI 1615) section 37).

The TTA is therefore the recognised body for implementing some of the rules and regulations with regard to tomato trading. This suggests some collaboration of the TTA with the AMA. They are also in close contact with the Ministry of Agriculture. In the same manner, they have to respond to Ministry of Trade and Industry requests to a meeting to provide input on the regulatory framework that allows them to trade across Ghana's borders, in Burkina Faso; this is a fact that brings them into contact with the foreign ministry as well as customs officers at the Burkinabe borders.¹⁵ In March 2011, for example, a delegation from Burkina Faso visited Ghana to discuss a draft protocol to regulate cross border trade with their Ghanaian counterparts. The TTA was an important participant in this discussion (Kunateh 2011). Such meetings between farmers, traders and public institutions of the two countries have been reported by other media like the Ghana News Agency (Ghana News Agency 2010; Wedam 2010). Deaths from road accidents and indebtedness bring them into contact with the police service. Disputes over rights to sell in the markets sometimes end up in the law courts and they have to use the judiciary to settle differences and enforce their right to operate the quota systems in the markets.¹⁶

¹⁴ The AMA is the local government authority responsible for development related issues in Accra, the regional capital.

¹⁵ Interviews with leaders of the Tomato Traders Association of Ghana, June 2012.

¹⁶ Interview with TTA, June 2012.

The constant interactions with formal institutions call for group cohesion and levels of organisational capacities that were usually considered beyond the remit of informal economy groups. Affiliation with the Ghana TUC and Streetnet International expands the political clout of TTA. That the tomato traders' groups have been able to survive using whatever resources available is testimony to the relevance of the group in the daily activities of its members. But the main external challenge, perhaps emanating from the hostile attention, appears to be government inability to offer support to the tomato trade. All traders interviewed wanted the government to build storage facilities to prolong the shelf life of the vegetable at the centre of their trade. This request comes second to demands to provide support to the processing plants.

The tomato traders' groups within the markets are women dominated. The intrusion of men as a result of the merger with the drivers groups has, however, not reduced the female numerical dominance. Men dominate in the ownership of the means of transporting the tomatoes. While it is not clear what dynamism this is introducing into group identity and internal politics, for the moment the strength of the national association TTAG is waning within the operations of the market and regional based groups. It is the TTA that remains dominant and is identified as relevant to the trading activities of the market women.¹⁷ The female character of the groups does not insulate members from sectional interests. Group dynamics, however, hover around ethnic identities and the threat to livelihoods. Already within the TTA group at Kasoa in the Central Region, cracks are beginning to show in group cohesion. The contention here is the regulation of the market place and use of authorised structures assigned to traders. The declaration of the Greater Accra TTA criminalises any trader who sells tomatoes outside scheduled times or beyond markets for which they have been granted licence to trade.¹⁸ Interview sessions revealed divisions along ethnic lines. During fieldwork, a group of traders from Kumasi in the Ashanti Region was reported to be challenging the authority of the Makola and Kasoa TTAs by refusing to adhere to the schedule for delivering fresh tomatoes. Leaders of the Makola TTA were at pains to show how the Kumasi traders were threatening to undermine their authority. The Kumasi traders refuse to adhere to the TTA's schedule for regulating the volume of fresh tomatoes on the market. By flooding the markets with tomatoes, they depress prices. Repeated police intervention had failed to stop them. This situation is set to introduce an additional dimension to tomato trading in Ghana.

¹⁷ Interview with Cape Coast and Kasoa TTA, 2011 and 2012.

¹⁸ Declaration of the Greater Accra Tomato Traders' Association (GATTA 2005) paragraphs 7, 13, 17, 18 and 21.

For the moment, the energies of the TTA have yet to be directed towards pursuing government to improve the marketing infrastructure to protect the fresh tomato in order to extend its shelf life. They remain fixed on reducing competition to protect prices. The greatest threat they perceive therefore remains market flooding. It is this threat that engages their attention and informs their organisational focus. The construction of rights of tomato women traders is therefore structured around price stability. The survival of the trade is hinged on this. Group formation and organisation is based on discipline which is enforced using the coercive powers of the state the police. The government of Ghana is ready and willing to provide the traders support to enforce the restriction of trading only to registered traders. As the economy shrinks and new entrants push the borders in order to take advantage of the trade in fresh tomatoes, new tensions emerge, sometimes calling into question the legitimacy of the TTA to monopolise the trade in fresh tomatoes in some markets. Wary of the impact of the trade on farmers, especially commercial farmers in the UER, the government is at pains to respond to the concerns of the tomato traders. Their position is further strengthened by the desire of the Burkinabe government to support the emerging fresh tomato production. The potential strength of the TTA therefore remains high.

Conclusion

The tomato traders rely on a combination of traditional and formalised relations for organising their associations and maintaining the tomato value chain. These organisational forms prove effective for policy engagement within the formalised spaces with state institutions like the agriculture, trade and foreign ministries as well as local government, customs and the police. In the same way, market women use formalised systems to enhance and legitimise their political power. Affiliation with the established workers' movements like the Ghana TUC at the national level and Streenet at the continental level provides the leverage for their political influence and, in addition, underscores their right to protect their livelihood as working people. The diversity of organisational forms like the TTA, TTAG and GTTTA are organisational strategies used by the traders to multiply their influence and forge the cooperation of other agents in the value chain.

The political potential of their organisational forms is immense and stands to place tomato traders in a position to direct accusing fingers away from their activities as the cause of the UER farmers' shrinking market share. In this way, they stand in a better position to direct national development goals at strengthening the tomato trade in ways that promote the livelihood of the myriad of agents along the value chain. This examination of their activities and in particular the challenges they face in their marketing activities has highlighted the fact that institutional as well as policy weakness

is positioned within unfair international trade in processed tomatoes. Poor road networks as well as the lack of marketing infrastructure like refrigeration to prolong the shelf life of tomatoes are additional challenges that face market traders. To switch the direction of the blame game, however, is contingent on their use of the various power sources away from market protectionism. They could engage the Ministry of Agriculture more forcefully, for example, for the construction of cooling facilities at production and marketing centres as has been done for fishing communities. Their fixation on guarding their market space to ensure price stability for tomatoes, however, prevents an appropriate utilisation of their political influence to protect their rights as workers in the international food market chain.

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Part II: Decent Work Deficit and Rural Labor

4. You entered through that gate and you will leave through that gate: The Decent Work Deficit amongst Farm Workers¹

Edward Webster and Mbuso Nkosi²

The South African agricultural sector is highly uneven with an advanced and developed commercial sector existing side by side with a subsistence sector located in the underdeveloped rural areas. This ‘dualism’ is the result of a process of primitive accumulation whereby African people were dispossessed of their land to become wage labourers (Wolpe 1972; Legassick 1974; Nzula 1979). But when Africans were dispossessed of their land, many became sharecroppers who paid rent to white landowners either through cash or in kind through the system of labour tenancy or sharecropping (Morris 1976). Labour tenancy was a paternalistic system that exploited women and children in particular, as they did not earn a wage outside the one distributed by the men in the household (Nkadimeng and Relly 1994).

The number of farm workers employed on commercial farms in South Africa declined from 1.1 million in 1993 to 796,806 in 2007. In 1993, however, the number of farm workers employed in commercial agriculture in the province Gauteng was 34,302 compared with 34,936 in 2007, a small 2 % increase. The national pattern is explained by large decreases in other provinces. For example, in KwaZulu-Natal and the Free State, the number of farm workers in the commercial sector declined by 39 %. The largest decline was in Mpumalanga with a percentage of 45 (Stats SA 2007; SAIRR 2011).

In spite of an estimated 34 unions organizing in an agricultural sector of nearly 800,000 workers nation-wide, union density is only 3 % (NALEDI 2011). Some explain this lack of success to the unequal power dynamics, suggesting that the rural farming sector in South Africa is characterised by feudalistic social and economic relations (SAHRC 2003: 172–5). Others argue that employment relations in commercial agriculture have

¹ We use the metaphor of the ‘gate’ in the title as it is constantly evoked by farm owners and farm workers as a symbol of the tight boundaries through which employers exercise their power over the entry and exit of employees to their private property.

² The survey results in this chapter are drawn from a research report commissioned by the Gauteng Department of Economic Development (GDED) and written by Webster, E, Nkosi, M, Budlender, D, Williams, L, and Orkin, M. We would like to thank Mark Orkin in particular for his assistance with data analysis.

undergone significant change under the impact of trade liberalization and withdrawal of the subsidies provided by the apartheid government (Hall 2009). “Historically the agricultural sector relied heavily on permanent workers that lived and worked on the farms. Farmers are increasingly moving away from employing permanent (and resident) workers and instead are employing seasonal and temporary workers” (Clarke, Godfrey and Theron 2002: 39). By 2007, the percentage of workers employed on a continuous full-time or part-time basis (permanent workers) had dropped to 54.2 while that of temporary workers employed for a specific period of time (seasonal workers) and casual workers (intermittent or ‘stand by’ workers) had climbed up to 45.8 % (Stats SA 2007).

70 % of workers in agriculture in South Africa are male (DoL 2010 cited in NALEDI 2011). In Gauteng, 64.7 % of the farm workers are male. Although some have attended high school, only 25.1 % have completed their high school certificate (Provide 2009: 24). While only 15.7 % of workers in the agricultural sector in Gauteng can be classified as skilled, 29.45 % of the non-agricultural workforce has a high school certificate, and 11.98 % have a post-high school certificate (Provide 2009).

The unions have generally been unable to access workers because they “move from farm to farm and from region to region” (NALEDI 2011: 66). The National Labour and Economic Development Institute (NALEDI) cites a key informant with almost thirty years of experience of organising in this sector, saying that the rise of atypical employment has had grave consequences for unions’ ability to organise farm workers:

It has had a devastating impact on the ability of unions to organise farm workers. Casual and seasonal workers have no stability, they move from farm to farm and from region to region depending on where they can find work. Labour broker workers on the other hand belong to no one and as an organiser you do not know who their employer is (NALEDI 2011: 66).

Another informant told NALEDI researchers that the impact of atypical employment on union organising had been most profound in the farming sector:

More than any other sector of the South African economy, the impact of atypical employment has been most pronounced in relation to farm workers. In most areas, farmers prefer seasonal workers for example in citrus and avocado farms. Unions are unable to establish relationships with such workers and it is difficult to recruit them. There is also the problem of migrant workers who are exploited extensively by farmers (2011: 66).

The provincial government has committed itself to a strategy that would promote large-scale food production that would increase the current agricultural workforce in Gauteng from 30,000 to 100,000 by 2020. It also entered into a Rural Social Compact Plan in

January 2012 with all the key rural stakeholders, inter alia, to “defend and advance the human condition” (GDARD 2012).

In 2009, the Minister of Economic Development in Gauteng commissioned the Society, Work and Development Institute to develop a policy framework through which decent work could be progressively realised in the province. We argued that decent work should be seen as an objective to aspire to and not an immediately achievable goal (Webster *et al.* 2009). We suggested that progress could be measured through the identification of a global template of qualitative and quantitative indicators that could be used to measure progress towards decent work over of a period of time.

Drawing on a sample of 600 farm workers in the province of Gauteng, we present the findings of a questionnaire administered to workers engaged in the three types of agricultural activity in the province: field crops, livestock and horticulture. In order to capture the experience of working life, we undertook parallel qualitative studies using in-depth interviews and focus groups amongst farm workers. We also interviewed employers, employer organisations (AgriSA) and members of the Food and Allied Workers Union (FAWU).

What makes this research instrument distinctive is that it focuses on individual workers in a particular occupation at sector level. This contrasts with the standard International Labour Organisation (ILO) Decent Work Index, which is an instrument designed to measure decent work for the country as a whole (Leschke and Watt, with Finn 2012; Mun de Bustillo *et al.* 2011). By developing a diagnostic tool at sector level, the social partners will be able to develop evidence-led strategies to overcome the decent work deficits. The outcome of these sector level strategic plans is designed to be part of a programme to progressively realise decent work (Webster *et al.* 2009).

Our chapter is divided into three parts. First, we discuss our research methodology; second, we examine our findings on working conditions; third, we briefly explore the implications of the diagnostic tool as a measuring instrument for progressively realizing the goal of decent work.

Research Methodology

We began our research by selecting nine of the ten indicators of decent work developed by the ILO expert group (ILO 2008):

1. Employment Opportunities
2. Stability and Security at Work
3. Adequate Earnings and Productive Work
4. Decent Hours of Work

5. Combining Work, Family and Personal Life
6. Equal Opportunity and Treatment
7. Safe Work Environment
8. Social Protection
9. Promotion of Social Dialogue

The overall aim was to create an index of decent work that could be measured at the level of the individual worker and then aggregated to the sector or sub-sector level. As noted above, this is different from the national decent work indicator set which is calculated at the national level. Many, if not most, of the national level indicators are not applicable at individual level, or even sector level. In designing the questionnaire, we attempted to develop two or three questions for each domain. The aim was to make questions as ‘objective’ as possible, i.e. reports of facts rather than opinions. Where such questions were not possible, we used questions that asked interviewees to say whether they agreed or disagreed with simple statements that captured aspects of the domain. For example, for the equal opportunity domain we used questions of the form: *Domain 6. E.g. Q 48, My employer treats South Africans and non-South Africans equally (y/n).*

We also wanted questions that would be convertible into a y/Yes or n/No answer indicating that a particular characteristic was present or not for the given worker (in some cases, we also allowed for halfway responses that indicated the characteristic was partially present). For the most part, this meant that we wanted questions with categorical rather than continuous answers; as with continuous variables, the question would arise as to what constituted a yes or no. For the monthly earnings variable, we determined a cut-off more or less equal to two-thirds of median earnings in the South African labour market as this is the definition of low pay commonly used for national level decent work measurement.

The items for all domains were scored (e.g. 1 for yes, 0 for no) and summed and the indicators rescaled to run from 0 – 1; 1 was the maximum score and 0 was an absence of decent work, i.e. a decent work deficit.

We kept questions other than those that would be used in devising the index to a minimum. We included only those questions that might be directly useful for the decent work analysis. This approach resulted in a short questionnaire that took a limited time to administer. This was particularly important for vulnerable workers who would likely be unable to negotiate time off to participate, might be penalised if caught participating in a survey, and would be eager (after often long hours spent on the job) not to spend a long time before or after work or in precious meal breaks answering questions.

The limited scope of the questionnaire was balanced by the more in-depth qualitative research, which was done in each of these three sectors.

Agriculture is notorious for difficulties in accessing workers as some farmer employers will not allow outsiders to come onto the farms, which they regard as private property. A further difficulty with agriculture is that it is concentrated in particular parts of Gauteng, an overwhelmingly urban province. The first step was to obtain a list of sub-places, which consist of a varying number of Enumeration Areas classified as commercial farming from Statistics South Africa (Stats SA). This list was used for sampling purposes, and Stats SA then provided maps of the selected areas.

Fieldworkers were asked to try to locate farm workers in locations where they were likely to gather, such as churches, shebeens (informal taverns), sports grounds and informal settlements where those living off-farm stayed (they were advised to ensure that only sober workers were interviewed at shebeens!). They used a snowball method in which they asked each interviewee where they might find other farm workers. To avoid clustering, both the fieldworkers and fieldwork supervisors were asked to ensure that no more than three workers from any single farm were interviewed. They were also asked to ensure that they interviewed both male and female workers. In practice, at least in some parts of Gauteng, more workers could be interviewed on the farm where they stayed than had been expected. The random sampling of sub-places also provided a good spread across different forms of farming.

For each respondent, the 2-3 items for each of the nine indicators were simply summed, and scaled to run from 0-1 for comparability.

For the qualitative data, twenty-five interviewees were selected through snowball sampling. They were interviewed by the second researcher in their mother-tongue, using a semi-structured interview schedule, i.e. a range of issues relevant to the dimensions of decent work, but allowing for other issues arising to be canvassed. Written notes were taken and, where possible, a recorder was used and the respondents were assured of anonymity. The qualitative interviews typically lasted an hour and were transcribed.

The qualitative analysis initially proceeded “on its own terms”, i.e. themes that recurred across interviews were identified and extracted. However, qualitative material was also brought by the researchers into intersection with the quantitative material in interactive fashion. On the one hand it was found that certain themes, as reported below, powerfully illustrated or nuanced quantitative findings, i.e. providing “triangulation”. On the other hand, the data suggested areas for more refined quantitative investigation.

The quantitative analysis proceeded first via an inspection and discussion of frequency distributions and relevant cross-tabulations, such as gender and type of farming, drawn on the separate question items (mindful of the qualitative insights) by the researchers and assisted by colleagues in a seminar setting; then by consideration of the nine indices, also differentiated by gender, type of farming, and so on.

In sum, the study could be characterised as a single case study (farm-workers) with an embedded survey triangulated with qualitative interviews.

Given as many as nine indicators at play, a factor analysis was a convenient and insightful approach to examine the possible relations among them. Using Stata, a varimax rotation to simplify the pattern of the loadings and a default selection of the number of factors were applied. The outcome was insightful, so that further choices of analyses were not required.

Findings on Decent Work

Theme One: Employment Opportunities

All farm workers were asked if they agreed or disagreed with a number of statements. More than half of all farm workers (58 %) believed that it was difficult to find a job as a farm worker in Gauteng. This division arises from the fact that farm work is based on seasons. If one is searching for work during the season, it might be easy to get a job as the comment below illustrates:

Jeff³: After a while, yes it is easy to get a job, but not too quickly. When the mealies (maize) start to dry out, they cut it and they'll hire people to pick up the mealies because machinery can't pick it up from the ground (Interview, 31 March 2012).*

Theme Two: Stability and Security at Work

Approximately one in five farm workers (19 %) had a written contract. Farm workers who had contracts were asked to specify the nature of their contracts, i.e. continuous/permanent, fixed term/temporary or casual. Three in four farm workers (75 %) said they had 'permanent' contracts.

Most workers interviewed indicated that they were 'permanent', but their understanding of permanent is that they had a job on a continuing basis for an indefinite period without a written contract. This lack of clarity regarding their job status made them feel insecure, not knowing whether they would have a job the next day or not. The unclear and precarious nature of their employment status is illustrated in the comments below:

Makhwezi: This is how my boss operates (referring to verbal means of employment). He doesn't want us knowing the finer details, he just employs us and that is it. This makes it easy for him to fire us (Interview, 11 March 2012).*

³ All the names of the interviewees cited in the text are pseudonyms.

Nthabiseng: No, I was just hired. I do not know my status [referring to the verbal contract], but I am full time ... because the boss wants to be able to fire anytime he feels like it (Interview, 11 March 2012).*

Qenehelo: Uh uh ... He just hired me and I started working, that is all ... I am a permanent worker, not a casual worker... There were no contracts involved, I do not even know what a contract looks like (Interview, 01 May 2012).*

Most workers understood they were employed on a continuous basis, even in cases where they were seasonal workers or temporarily employed. They described the seasons when they did not work as a “four month” leave:

Makhwezi: Any day I can simply be told to go on leave depending on how the boss is feeling. Leave is usually given in May, June, July or in August and so this means that none of us really knows when exactly leave will be given. I usually go on leave in July ... (Interview, 11 March 2012).*

Malindi: That 4 month break we go on is called leave. I don't know of a leave for 4 months, I know of a 3 weeks leave. And in those 4 months I don't get paid for 4 months because I'm doing nothing (Interview, 15 April 2012).*

Farm workers were asked what, if any, procedure was followed if employers wanted to dismiss workers. Only one in five workers (21 %) said employers issued workers with a verbal or written warning. Most interviewees confirmed that there was no set procedure, and anyone with a quarrel with the employer was shown the “gate”. The comments below refer to the gate metaphor, which is an indication of the power the farmer has; the farm is his (private) property and workers fear raising any concerns because of the “gate”:

Moses: He tells you to leave through the same gate you came in so I just hang in there just so I can stay here. I hang in there ... I have tried telling him about the working conditions, but the problem is the gate ... The gate! You must just head straight for the gate. If you came in through it, leave through it that is what he will tell you (Interview 25 March 2012).*

Jeff: No, we are afraid to tell him because you never know whether you'll get fired from work for bringing up issues. We just keep quiet. Even when he reprimands us, we just keep quiet and do not answer back (Interview 31 March 2012).*

Johannes: The boss would threaten to punish you if you raise problems and say 'you know the gate you used ... I will show you the gate now!' (Interview 01 April 2012).*

The metaphor of the gate also came up in our interview with one of the employers and in a conversation with a union organiser:

Union organiser from FAWU 2: We as the union encounter the problem of the gate. If it is closed the question is: how do we get access to the workers? This gate is a problem in*

the farms, but we need to find strategies to find workers outside the gate (Conversation 04 May 2012).

Joe: The principal thing in this place is that you come here because you want to work. If you feel this is too much, I tell them that 'the gate is open' (Interview 19 April 2012).*

Theme Three: Earnings and Training

There is a sectoral determination in terms of the Labour Relations Act which stipulates minimum wages for farm workers. The official (starting from 1 March 2012) minimum wage for farm workers is R1540 month based on a 45 hour work-week rate⁴ (DoL 2012). However, the minimums specified for the period up to March were R7.04 per hour, R317.51 per week and R1375.94 per month. These minimums are relevant for the survey as the fieldwork was conducted in February and the first week of March 2012. It is therefore likely that workers would have reported earnings for February rather than March.

Workers were asked to state their take-home pay, excluding overtime. Almost half (299) of the workers reported earnings below the monthly minimum. The mean earnings were R1602, excluding overtime. The median (the earnings of the person in the middle) was lower at R1382, which suggests clustering at the smaller amounts in the income range, with a few larger amounts pulling up the mean.

Employers are reluctant to negotiate wages, as these comments illustrate:

Chauke: The problem is that on the farm, the white people are not very generous in terms of money, you know how it works. Like here, what happened last time, the people were on strike ... You can ask the guys sitting on the other side. When you ask for more money, you were just fired (Interview 01 April 2012).*

Alfred: Telling the boss that you aren't happy about the working condition ... Actually, telling him your problems ... He won't listen. I'm the one who came here looking for a job. He'll tell you that if you're not looking to work then it is best you leave. I won't ... I'm not going to lose my job just because of water. No! I work because my family needs to survive. My child has to eat, you see ... So it is very difficult to tell the boss that you have such and such a problem (Interview, 15 April 2012).*

We asked workers if the employer rewards them in kind as the sectoral determination provides for 10 % of the wage in food. This provision has led to an ambiguous situation where some owners provide food for their employees, while in other cases workers simply help themselves as the following comments illustrate.

⁴ An employer must pay a farm worker 15 or older but not younger than 18 who works 35 hours per week or less at least the hourly rate specified in the determination (DoL 2012).

Makhwezi: In all honesty, we steal from them; they are not given to us. They have their own shop where they sell their products anyway (Interview 11 March 2012).*

Mbali: No, we steal them if we get caught we have money deducted from our pay (Interview 15 April 2012).*

Nthabiseng: We get them by stealing them. Other than that we get nothing (Interview 11 March 2012).*

In addition, workers were asked to state their take-home pay including overtime. The mean amounted to R1690, which was not very different from mean earnings excluding overtime. The median was lower at R1400, which, as previously explained, suggests clustering at the smaller amounts in the income range, with a few larger amounts pulling up the mean. Similar to the previous findings, workers involved in mixed farming tended to earn less including overtime, while those involved in livestock farming earned more than those engaged in other forms of farming.

More than three in every four workers (77 %) reported the same wages including overtime as they had reported excluding overtime. This is partly explained by the fact (see below) that almost three quarters of workers did not usually work overtime. There are also over a quarter of farm workers who seem to be working excessive unpaid overtime (see working hours).

The sectoral determination specifies that employers must pay their workers overtime at 1.5 times the normal wage or the worker may agree to receive paid time off. Any overtime worked on a Sunday or a public holiday must be paid in accordance with the provisions for Sundays and public holidays. But, during the first six months of employment, an employee is only permitted one day of paid sick leave for every 26 days worked (DoL 2012).

Farm workers were asked to indicate if their earnings changed a lot, changed a little or stayed the same from week to week or month to month. Only 2 % of workers said their earnings changed a lot, but double this proportion (4 %) of workers in horticulture indicated the same. More than three in four workers (79 %) noted that their earnings stayed the same.

We asked all farm workers to indicate when they last attended work-related training. The overwhelming majority (96 %) said they had never attended work-related training. The proportion was slightly higher for livestock and field crop farm workers (both 98 %) than for the other two types of farming.

For the 24 respondents who attended training, we asked who paid for the last training they had attended. Sixteen farm workers who went for training said their employer paid for the training and four respondents indicated that training was paid for by the

government. None of the workers reported more than one source of payment for the last training.

The 24 respondents who attended training were asked to specify the duration of training in years, months, days or hours. One farm worker specified the duration of training in years, stating that the training lasted one year. A total of six farm workers specified the duration in months, with the duration ranging from one to six months. Sixteen farm workers specified the duration of training in terms of days, with responses ranging from one to 30 days. One respondent specified the duration in hours (4 hours).

We asked all farm workers who had ever attended training whether they acquired skills during the training that they could use in another industry. Out of the 24 workers who attended training, 17 farm workers said they acquired skills that could be useful in another industry.

Theme Four: Working Hours

The study asked about the number of hours worked in a week excluding overtime. The mean number of hours worked was 52 hours per week. The median was lower at 50 hours. Those who worked on livestock farms tended to work more hours per week (mean = 55 hours and median = 54 hours) than workers on other types of farms.

The stipulated working hours in the Basic Conditions of Employment (1997) are 45 hours a week; 9 hours a day if a worker works 5 days or less and 8 hours a day if a worker works more than 5 days a week (Venter and Levy 2011: 225-235). The survey revealed that more than three in four workers (77 %) reported the same wages including overtime as they had reported excluding overtime, which suggests that more than one in four farm workers are working long hours without being paid. Some workers were not aware of working overtime because the working time in agriculture changes according to seasons and another worker indicated that he was aware that he was working overtime, but his employer did not pay:

Alfred: To be honest, I don't understand how many ... hours I should be working a day. I start work at 07H00 and knock off at 17H30, so I don't know if there's overtime here or not because according to the boss, check in is at 07H00 and check out is at 17H30. Sometimes in certain seasons we start at 06H00-17H30 ... (Interview 15 April 2012).*

Mamtsekuoa: During summer, we work from 07:00am till 17:30pm. But as of today, we work from 08:00am till 17:00pm. So I cannot tell you exactly what overtime is (01 May 2012).

Johannes: [laughs] We work overtime, but we never get paid. That is how it operates in that place (Interview 01 April 2012).*

Farm workers were asked how many overtime hours they worked in a week. Just over a quarter (28 %) worked overtime. Just over a third of women (32 %) compared to over a quarter of men (27 %) said they worked overtime. The mean hours of overtime was 7.7 (median was six hours) with those on horticulture farms working for slightly fewer hours than those involved in other types of farming (mean=7.0 hours and median = 6)

Theme Five: Work, Family and Personal Life

Farm workers were more or less divided on their perceptions of the sufficiency of free time to spend with their family. A larger proportion of workers on horticulture farms (55 %) compared to those on other types of farms said that they did not have enough time to spend with their family. An analysis of this statement by gender revealed that a larger proportion of women (57 %) than men (42 %) agreed that they had sufficient time to spend with their families.

Farm workers were asked to indicate the amount of time spent on housework per week. Almost one in ten workers (9 %), primarily male, did not spend time on housework. The average farm worker spent 577 minutes on housework per week, with the median at 480 minutes. Workers involved in horticulture and mixed farming spent on average more time on housework than those on other types of farms.

Analysis of time spent on housework by gender shows that women farm workers (mean = 681 minutes) tended to spend more time on housework than their male counterparts (mean = 533 minutes) as evident from the larger mean and median. Furthermore, women who lived with male adults tended to spend more time on housework than women who did not live with male adults as evident from a larger mean and median (with male adults: mean = 736 and median = 600; no male adults: mean = 591 and median = 510). In contrast, men who were not living with adult women tended to spend more time on housework than men who lived with women (no female adults: mean = 608 and median = 480; with female adults: mean = 465 and median = 420).

In addition, we asked workers to indicate time spent on childcare per week. More than three in four male workers (79 %) compared to approximately one in five female workers (21 %) reported that they did not spend any time on childcare. The majority of these workers (95 %) were not living with their own children (under 18 years of age). Analysis of time spent on housework by gender shows that women (mean = 634 minutes) farm workers tended to spend much more time on childcare per week than male workers (mean = 195 minutes). Workers involved in horticulture reported more time spent on childcare than workers engaged in other forms of farming.

The Department of Labour (2012) specifies that workers may not be forced to work overtime, unless by agreement with the employer, and may not work more than 15 hours

of overtime a week. Farm workers may not work for more than 12 hours on any day. We asked employees if they could refuse to work overtime. The majority of farm workers (80 %), with the proportion highest for field crop workers (89 %), could not refuse to work overtime.

We then asked workers if they had ever refused to work over time. Approximately three in four farm workers (73 %) said they had never refused to work overtime. The percentage of field crop workers who had never refused to work overtime was substantially higher (at 86 %) than for livestock farm workers (66 %) and horticulture workers (67 %). Over one-fifth of farm workers stated that the question was not applicable, probably because they had never been asked to work overtime.

In terms of the sectoral determination, pregnant workers are permitted at least four consecutive months of maternity leave. Workers are permitted to take one month maternity leave before their due date (or earlier or later) as agreed due to medical reasons.

We asked all farm workers if female workers were given maternity leave by the employer. Approximately one-fifth (21 %) of farm workers noted that women were not given maternity leave. The proportion was highest for women working on field crop farms (26 %) and lowest for those working on horticulture farms (17 %). About a quarter (26 %) of respondents worked on farms where there were no female workers and 29 % said that they did not know about the maternity leave arrangements on the farm where they were employed. Of those that said they did not know, a larger proportion were men (31 %) than women (23 %).

Theme Six: Equal Opportunity and Treatment

Six in ten workers (60 %) felt that their employers treated women and men equally. However, smaller proportions of workers involved in mixed farming and livestock agreed with the statement. More than one quarter (28 %) of farm workers said that only one gender worked on the farm which made the question not applicable to them. Those who disagreed with the statement felt that one gender received preferential treatment in terms of better working conditions and generous salaries. Half of these responses (24 out of 49) noted that men were favoured in this way while about a third (17 out of 49) felt that women were favoured.

Approximately six in ten farm workers (61 %) agreed that their employers treated South Africans and non-South Africans equally. Non-South Africans (81 %) were more inclined than South Africans (57 %) to agree with the statement. Those who were involved in mixed farming tended to agree to a lesser extent with the statement than other workers, as the proportion who agreed was lower (51 %). The statement did not apply to

approximately one in three farm workers (32 %), as there was only one nationality present on the farm. Seventeen out of 49 farm workers who disagreed with the statement felt that non-South Africans were paid less and worked for longer hours than South Africans. In contrast, 17 out of 49 said that non-South Africans were favoured because they were less likely than South Africans to report employers for exposure to poor working conditions; they obtained higher paying jobs and were perceived by employers as harder working than South Africans.

In the qualitative interviews, the question of foreigner's wages on the farm came up and the following quotes capture the discussion:

Moses: [pause] He's not jealous (i.e. discriminates) of me being there just because I'm not from South Africa. Maybe, the problem is reflected on my wages, maybe the reason why I earn little is because I'm not from South Africa. I still earn R200 a week (Interview 25 March 2012).*

Silvier: I say that because with foreigners, they are less troublesome in terms of money. In terms of money, they are less troublesome, that's what I can say (Interview 01 April 2012).*

Alfred: You see the thing is with this farm, they are looking for people from outside the country. I do not know if it is because people from this country do not like to work ... Maybe it is because of how foreigners live or cheap labour. I do not know, but they do prefer foreigners ... We are from Zimbabwe we are people who work hard. That is what we do, we work but the money is problematic (Interview 15 April 2012).*

Tumelo: He cheats you of your money. If you give him a letter of complaint he says 'Fuck off! Your mother's cunt, I'm robbing you?' That's what the boss says. What can you do to him? 'I'm robbing you? Fuck off. Because here he hires people who have no right who are not from here in South Africa. He wants foreigners, he wants us. He hires us so he can make us his slaves. South Africans do not work here. The only South Africans that work here are those that were born here on the farm, those that were not born here do not work here. He gets foreigners. When we try to speak to him about the problems we have, the problems he causes, then we threatened to be fired (Interview 15 April 2012).*

Theme Seven: Health and Safety

We asked all farm workers if they had been injured at work in the 12 months prior to the study. The majority of farm workers (89 %) had not been injured at work in the 12 months prior to the study. In the in-depth interviews, we asked whether they knew of any instances during which their colleagues had been injured at work. It was found that most workers knew of instances of injury or death at work in the past 12 months, whereby people fell off the trailer or the tractor, or died due to exposure to insecticides

because they did not have masks (London 1992). In the qualitative interviews, we also spoke with a worker who fell off the trailer attached to the tractor. The comments below capture how the workers feel the employers responded to the accident:

*Mantaote**: He asked me what had happened and I told him everything regarding the accident. He responded and told me he was not there at the time of the accident, therefore it does not affect him in any way (Interview 15 April 2012).

*Qenehelo**: The only thing I would say is detrimental to our health is that whilst working in the fields, they tend to pour some insecticide all over the field and it does not sit well with us (Interview 01 May 2012).

*Nthabiseng**: Yes we (she and her colleagues) went to the hospital and I was assisted. It wouldn't matter if you go to the boss for help because he would not be of help at all (Interview 11 March 2012).

*Luvho**: These nose caps are not good. They gave us yesterday and will get another set next week and we work with dust in our section. Sometimes we are told to stay in the chicken coop even when we are done with the task we are forced to stay in the coop and we find ourselves having difficulties with breathing (Focus Group 08 May 2012).

*Xoli**: It gets very hot and we get sick. The insecticides used make those using them very sick as well, others die but there's nothing they can do (Interview 01 April 2012).

We asked all farm workers if they had suffered from a health problem or consulted a health worker which resulted in absenteeism from work in the past twelve months. Approximately one in three farm workers (32 %) had suffered from a health problem that resulted in absenteeism. We asked all farm workers if they were given any clothing or equipment for protection. Only two-fifths of farm workers (41 %) received protective clothing or equipment, with a substantially lower percentage for those working on field crop farms (28 %) than for the other types of farming. Those who received protective clothing and/or equipment were asked to describe what they were given. The majority of workers (65 %) received a combination of overalls, boots, safety caps and safety masks, but 28 % reported that they received overalls only.

In most cases the employers do not give the employees safety clothing, but they are required to buy it; sometimes the safety clothing is not in good condition because it is used for a long period of time. If workers are given protective gear, they are sometimes given clothing and other items that wear out easily. The participation of labour brokers in the sector also leads to differences in the distribution of protective gear, because those hired by labour brokers buy their own gear. The comments below illustrate this:

*Mbali**: The protective gear we have is not in good condition. It costs R50 for boots, R40 for raincoats. We are exposed to insecticides for long periods without masks (Interview 11 March 2012).

Jeff: Yes we buy our own. The boss doesn't give them to us... The boots are expensive. R50. Other places you pay R80. They are very expensive (Interview 31 March 2012).*

oli: Boots? Others buy their own. There are two groups, there are those employed by the labour broker and there are those employed directly by the farm owner. Those under labour brokers buy their own uniform and workers employed by the farm owner do not (Interview 01 April 2012).*

Masibube: There are heavy rains. We do not have raincoats. Sometimes they do provide us with raincoats but they do not help much because they leak and a lot of water comes through (Focus Group 01 April 2012).*

Farm workers generally felt safe at work with slightly over six in ten (63 %) agreeing with the statement that they felt safe at work. However, workers on horticulture farms appeared more insecure about their safety at work, as a smaller proportion (59 %) agreed with the statement.

The question of safety in the qualitative interviews indicated a different understanding of safety by workers. When they spoke about safety they referred to the weather and/or fears of losing a cow (for those in livestock).

Mbali: No, the fridges are always open. You get flu easily (Interview 11 March 2012).*

Nobuntu: I am not free; I am uncomfortable.... Always bending in this hot sun, how can you be safe (Interview 31 March 2012).*

Mamtsekuoa: Yes, most of the time we get severe colds and arthritis. Sometimes we get high-blood pressure because of the sun temperature.*

Maweni: We are always sick here... all of us suffer from high blood pressure we do not know whether is it is the dust from the chicken coop or it is the fact that we stay without nose caps in the coop.*

Fezeka: During lunch we are exposed to extreme heat because we eat out in the fields (we have no shelter) (Interview 31 March 2012).*

Theme Eight: Social Protection

The sectoral determination does not make reference to the provision of a provident fund or a pension fund for farm workers. However, there is currently a provident fund for farm workers employed by members of AgriSA. The fund is administered by the commercial bank ABSA and provides provident fund benefits, including funeral cover (ECC 2012: 16).

Table 1: Benefits Received by Farm Workers

Benefit	Outcome in Percentage
Annual bonus	40 %
Medical aid scheme	2 %
Pension fund	8 %
Funeral benefits	6 %
Paid annual leave	17 %
Paid sick leave	24 %
Housing subsidy	4 %
Transport allowance	4 %

Total= 600. Source: Based on Primary Data.

The Department of Labour (DoL 2012) stipulates that worker annual leave should consist of 21 consecutive days, one day for every 17 days worked, or one hour for every 17 hours worked. DoL also stipulates that employers may reduce annual leave for paid days off granted. An employer may not require or permit a worker to work during any period of annual leave (ibid).

Farm workers were asked to specify, by answering yes or no, whether they received various work-related benefits. Table 1 shows that only 2 % of farm workers belonged to a medical aid scheme. Only 4 % of all farm workers were receiving a housing subsidy and transport allowance, respectively. Overall, four in ten workers (40 %) received an annual bonus and one in four farm workers (24 %) said they were receiving paid sick leave.

In addition, workers were asked if their employers deducted money from their wages for the Unemployment Insurance Fund (UIF). Approximately one third of farm workers (32 %) said their employers made deductions for UIF. However, almost half of workers (45 %) on horticulture farms said that UIF was deducted from their wages.

In terms of paid sick leave, some workers reported in the qualitative interviews that an employer would allow a sick employee to miss work, but would not pay even if presented with a doctor's note.

Fezeka: Should there be a problem or an emergency and you need to go to hospital, all the boss is concerned about is the proof of having been ill. He requires a medical certificate at all times, but he does not pay regardless of whether or not you have produced a medical certificate (Interview 11 March 2012).*

Moses: No forget it. No work, no pay! [Referring to the fact that even when one has a doctor's note, there is no payment] (Interview 25 March 2012).*

Malindi: My problem is that if you were sick and you went to the doctor and you present the doctors note to the employer he will not pay you. I know in other places people get paid if they present a doctor's note, but we do not get paid (Interview 15 April 2012).*

Alfred: Even if you fall sick, go to hospital and come back with a letter stating that I was ill, he won't pay you. You did not work, it is all the same. You were not at work, you see (Interview 15 April 2012).*

Table 2: Deductions for Unemployment Insurance Fund (UIF)

Types of Agriculture	Livestock	Field crops	Horticulture	Mixed farming	Total
Yes	30 %	28 %	45 %	30 %	32 %
No	60 %	64 %	43 %	48 %	57 %
Don't know	10 %	6 %	12 %	22 %	11 %
Total	100 %	100 %	100 %	100 %	100 %

Total= 600. Source: Based on Primary Data.

Theme Nine: Social Dialogue

A key indicator of decent work is social dialogue, i.e. the extent to which workers have an institutional voice at their workplace in the form of a trade union. An overwhelming majority (97 %) of farm workers said they did not belong to any trade union, with the proportion similar across all types of farms.

The statistics are a confirmation of the problems of organising in this sector. In the in-depth interviews, Manthotho* commented that trade unions have failed to cater for seasonal or casual workers. Despite the problem of trade union strategies, some workers indicated that when unions organise strikes for increases in wages, workers would be fired despite union membership. As a result, many have decided not to join the union for fear of losing their jobs. Some do not trust trade unions because they believe it gives workers a false sense of hope.

Manthotho: Being a member of a union is not necessary in my line of work because when we go on leave we come back after a very long time. So the money I could be using for my transportation and other things will end up going to the union because there's a fee one has to consistently pay in order to continue being a member (Interview 15 April 2012).*

Nthabiseng: The only problem with joining a union is that these people from the unions come here and give us hope. We give them money in the hope that they will represent us and help change our work conditions and just when we think they are going to fulfil their promises, they vanish and we never see them again. There was one who was here not so long ago and we had his numbers so we could call him when we had a problem.*

Whenever we called him he'd tell us that he is in Johannesburg and cannot come this side. We never saw him again, even to this day (Interview 11 March 2012).

Xoli: There was a union but I really didn't understand what was going on with it. A lot of people have been fired from work because of the union. They were demanding better pay for the work that we do but nothing changed so they went on strike and a lot of them got fired then.... I was one of the 'rats' because I knew that I would be fired as well if I followed the ways of the trade union (Interview 01 April 2012).*

However, we did encounter farm workers who were members of FAWU and believed that union membership has led to solutions to workers' problems and significant improvement in working conditions. The comments below illustrate this point:

Sophia: Since FAWU came to the farm people who joined them have been represented, if the employer tries to dismiss them. For example there was a tractor accident here on the 21st of December 2011, five people got hurt. All those workers we knew them to be permanent workers, but when they were hurt only two were recognised by the employer as permanent and were able to get compensation. The other three were not compensated, the employer claimed that they were casuals, and yet they worked for more than five years. The two were able to get what was due to them because they are members of the union [FAWU]. The union fought for their rights and they received their monies ... You see the farm over there [points], there was a lady who got hit by a tractor and she is not working now. If they had a trade union their conditions would be much better, but the owners of that farm do not want trade unions, they hire Zimbabweans (Interview 01 May 2012).*

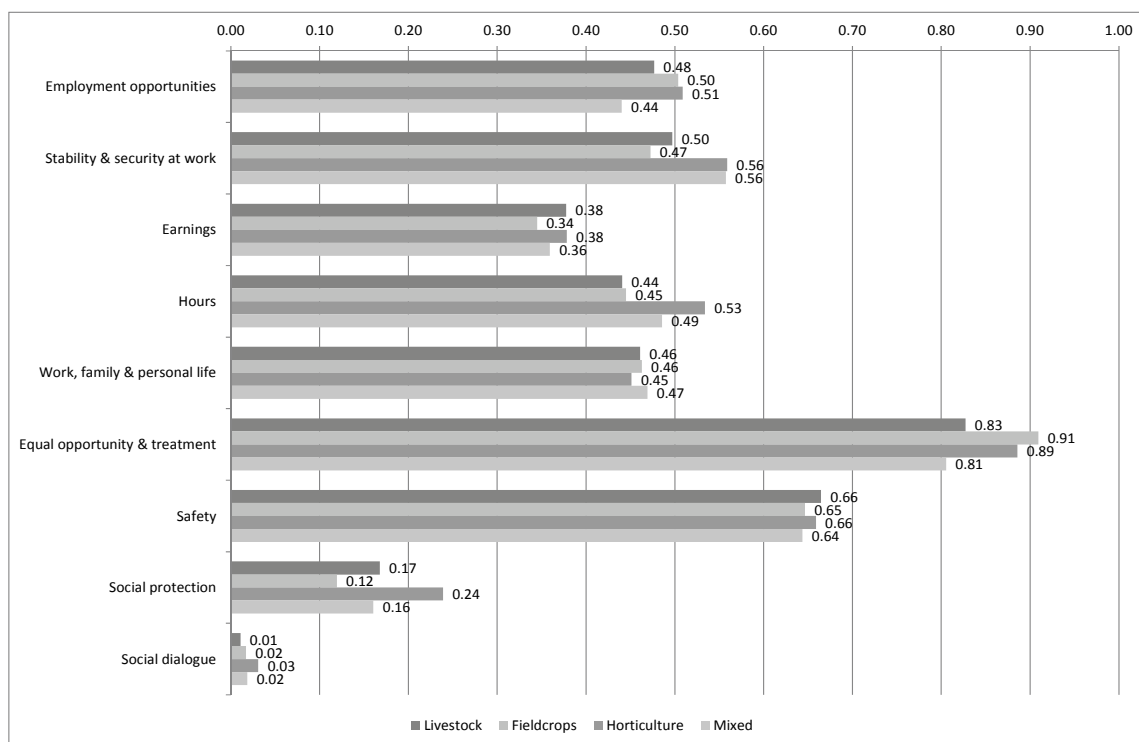
Qenehelo: The union has been helpful [referring to FAWU]. Initially, we had no maternity leave or normal leave whatsoever. If one was absent from work and presented a doctor's note, he/she would not get paid for the days missed at work, but now we get paid as long as we present the relevant documents. It has also helped us in that we now get supplied with working clothes whereas long ago we had to buy them ourselves. This union has been very helpful. It has made us aware of the rightful salary we are supposed to be earning and they are doing their best to ensure that our salaries get increased accordingly. It is a slow process but at least we see progress (Interview 04 June 2012).*

Decent Work Indicators

Figure 1 illustrates each of the nine indicators, the construction of which was described in the research methodology section, by type of farming. It can be seen, for instance, that horticulture scores better than all other types of farming for hours, social protection, and (marginally) employment opportunities. Field crops farming outperforms the rest on equal opportunity and treatment (but see caveat above in terms of sample size). Livestock is not the top scorer in any of the domains, while mixed farming achieves this (but only marginally) in the area of work, family and personal life. In turn, the overall mean score

across the nine indicators may be taken, showing that horticulture has a mean index of 0.47 while the other three types all have a mean of 0.44.

Figure 1: Decent Work Index by Type of Farming



Factor Analysis

The ILO concept of decent work is elaborated in terms of nine indicators, for which we have compiled aggregates that are scored to run from 0 for least decent work, to 1 for most decent work. With a concept like decent work that is conceptualised by as many as nine indicators, it is possible to use the statistical technique of factor analysis to see how the indicators relate to each other empirically, i.e. whether and how strongly some of the indicator scores may be inter-correlated. If the pattern of correlations among a subset of indicators also makes conceptual sense, it can be inferred that the indicators in the subset are the separate observable manifestations of a joint underlying construct, or ‘factor’. The technique also serves as a guide as to how many of such factors are necessary to account for the variations in the data. By this means, ‘data reduction’ is achieved, in that it may thereafter be convenient or revealing to contemplate the much fewer underlying factors, rather than always grappling with the numerous indicators simultaneously.

The application of this technique to the nine separate indicators of decent work turned out to be illuminating.

The table shows that, if the convention of attending to loadings greater than 0.33 is applied, four of the decent work indicators (rendered in bold) load strongly onto Factor 1, i.e. by virtue of their strong correlation with each other:

- Stability and Security at Work
- Earnings
- Social Protection (i.e. benefits)
- Social Dialogue.

Table 3: Factor Analysis of Decent-Work Domains for Farm Workers

Decent Work Domains/Indicators	Factor 1	Factor 2
Employment opportunities	0,06	0,03
Stability and security at work	0,48	0,04
Earnings	0,47	0,09
Hours	0,11	0,32
Work, family and personal life	0,03	0,34
Safety	0,23	0,2
Social protection	0,62	0,03
Social dialogue	0,34	-0,07

This means that across the views of all the farm workers, these are the most strongly inter-correlated aspects of ‘decent work’ in the workplace. The ‘construct’ underlying this factor is that these four aspects form the ‘core’ of the concept of decent work as farm-workers actually experienced it. In other words, these are the aspects that are indicated empirically by the workers’ own responses as deserving prime attention in policy, intervention, or further research, e.g. in other sectors.

Policy Implications

We have suggested in this chapter that decent work is an objective to aspire to and not an immediately achievable goal. We have developed an instrument to measure progress and develop realistic job creation strategies through surveying farm workers in Gauteng. We used a questionnaire built on nine of the 10 ILO decent work indicators, with substantial samples and triangulated it with qualitative interviews.

Our survey revealed that farm workers experience a number of decent work deficits: only one in four has a written contract, 80 % cannot refuse overtime, the long hours impact negatively on family life, and workers have limited benefits and lack an institutional voice. We have also identified the core of decent work for these vulnerable workers: earnings, job-security, benefits and social dialogue or voice.

Is it possible to reverse this ‘bad jobs trap’? We believe there is ‘discretionary space’ for a concerted effort by government and employers to enforce and enhance existing employment standards by introducing a partnership with labour to co-regulate the inspection of workplaces. By relying on the incentives of unions and high wage farms to patrol their sector and labour markets for unfair competition, violators will be detected. Some would argue that there is a trade-off between the requirements of decent work and profitability. But the example of Brazil suggests otherwise, in the positive impact of decent wages on wider growth (Seidman 2010). We draw on the notion of tripartism to introduce a new enforcement regime that involves giving workers’ organisations equal standing with government and employers to supplement complaint-driven and targeted inspections. The logic of direct participation in enforcement by organisations with the greatest incentive to police their labour markets is self-evident. As Fine and Gordon (2012: 205) argue of such a partnership in California:

“Worker centres and unions have access to information about sectors that are otherwise hard for the government to penetrate, knowledge about industry structures and the capacity to reach workers and document complicated cases. They demonstrate from case studies that these organisations have the incentive to want to be helpful and that “when entrusted with authority, organisations wield it responsibly”.

However, the dilemma of co-regulation is that unions do not have sufficient members to represent farm workers and win recognition from the employers; but in order to recruit members, unions require access to the farms. As we have argued in this chapter, access is difficult because of the power of the employer, rendering the statutory right of freedom of association limited. In order to overcome this dilemma, a different organizing strategy is required. Sikhula Sonke, a Western Cape social movement union, has succeeded in raising the living standards of farm workers by systematically addressing paternalism and gender inequalities on the farms. Instead of focusing only on employment issues, they address non-labour issues such as evictions, gender inequality, identity documents, social grants, and alcoholism (White 2011; Ngungu 2012; Scully 2012). As White (2011: 31) argues: “at the heart of paternalism is the idea that workers and the farmer share a common interest,” but “paternalism is not always a harmful relationship; farmers can provide a fair wage package and, for example, medical care, education, transport and crèches” (White 2011: 31). However, transforming this paternalistic relationship into a more equal employer-employee relationship will require the collective power of farm workers in alliance with social movements. Sikhula Sonke has already begun to exercise this power; 600 people drawn from social movements and union members marched through the streets of Stellenbosch demanding a moratorium on evictions by taking the demands out of the workplace and into the public domain. In drawing on this new source

of power, which some have called moral or symbolic power, Sikhula Sonke has gone beyond traditional trade unionism (Lambert *et al.* 2012).

What then are the policy implications of our research for the stakeholders in the agricultural sector? *From the point of view of organised labour*, two implications stand out. The first is that the traditional chief foci of union mobilisation are indeed those that have most purchase with vulnerable work: earnings, job security, benefits, and voice. Regarding the first three, at the time of writing (November 2012), there has been a sudden but rapidly spreading wave of strikes by farm workers (Western Cape) demanding that minimum wage be raised from R69 70 a day to R150 a day. In our data from Gauteng, the mean of the respondent wages was R1602 per month. Almost half (299) of the workers reported earnings below this monthly minimum. The median, the earnings of the person in the middle, was lower at R1 382, which suggests clustering at the smaller amounts in the income range, with a few larger amounts pulling up the mean. Not long before the farm workers strikes, 34 striking mine workers were shot dead at Marikana. Their demands were for significant wage increases and for the inclusion of benefits, as the workers frequently live in unpleasant squatter camps and also sustain a second household in the deep rural areas from which they are recruited.

But the fourth core factor, voice, was also an issue. During the strikes, the farm workers took to the streets claiming that unions had failed to adequately represent members. These actions highlight the lack of organised representation experienced in demanding a decent wage but also a realistically sustainable wage. And in the case of the farm workers, it is notable that despite casualisation, on-the-job violence, and demeaning conditions, the *demand* for representation remains strong even with the relative lack of union presence.

Next, *from the point of view of employers*, it should be noted that a prime consideration remains to provide decent conditions for the reproduction of labour: wages, benefits, and security. This is evidenced by rapid and overdue financial responses of farm employer associations. However, the other aspects of decent work remain relevant: work-life balance, and matters that could jeopardise it like hours and safety. Moreover, the empirical evidence is powerfully illustrated by the widespread nonprocedural strikes in the agricultural sector in the Western Cape, where weak trade unions could not contain the violence, arson and destruction of farm property by unorganised workers. This unregulated industrial conflict confirms that it is in employers' interest as much as workers that there be a 'voice' and that it be meaningfully organised.

Finally, *from the point of view of the state*, it has the responsibility to manage both of these perspectives, labour and employer. Some would argue that there is a trade-off between the requirements of decent work and profitability. To a partial extent this may be

true; the decent work diagnostics may help to indicate where policy needs to be prioritised, and where reasonable trade-offs may be secured in the face of resource constraints.

This is why, in turn, the additional aspect of *progressive realisation* is important. Comprehensive worker demands across all aspects of decent work most likely cannot be immediately met across the spectrum of decent work indicators. But the diagnostics from the nine indicators, and their empirical prioritisation, provide guidance to the stakeholders about where to proceed first, and in what sort of balance; notably, that fostering the extension of organised worker representation is not costly and can assist in co-operative achievement of sustainable and peaceful progress on the other core indicators and their complements. As noted in the recently launched National Development Plan created by the National Planning Commission:

Achieving full employment, decent work and sustainable livelihoods will depend on making choices during various phases to 2030. The ability to do this is a function of leadership among all social partners. The achievement of the objectives and targets in this plan will be to the benefit of all, but each sector of society needs to agree on the contribution it will make and take turns to carry the heavier part of the load (National Planning Commission 2012: 155).

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5. Indonesian Oil Palm Plantations: Decent Work Deficit Despite Employment Growth

Hariati Sinaga

Since 2007, Indonesia has been the world's largest producer of crude palm oil (CPO), overtaking Malaysia (Richter 2009: 3). For the country, the sector is not only an important source for foreign reserves, but is also a main instrument for poverty alleviation and rural economic development (Rist *et al.* 2010; Susila 2004). This impressive picture of the Indonesian palm oil sector is, however, blemished by environmental degradation, so-called land grabbing (Casson 1999; Surambo 2010; Colchester *et al.* 2006), and a decent work deficit. This chapter focuses on the situation of workers on the oil palm plantations. It is based on extensive field research in Riau, Indonesia, a province with the largest oil palm plantations in the country. I interviewed workers, independent smallholders, and estate representatives, representatives from trade unions and representatives of NGOs in the year 2012.

This chapter confirms that despite the rapid development of the oil palm plantation sector in Indonesia, the situations of workers in the sector remain deplorable. The decent work deficit also has ramifications for food security. The monoculture of the plantations makes it difficult for local people to grow food crops. As such, the local people, including workers on the plantations, cannot rely on subsistence farming anymore, forcing them to buy their food from the market. For the local people, this change clearly causes an increasing cost spent by households for foods, which can also be considered as a food crisis at the micro level. As for workers on plantations, their low wages hinder access to food from the market even more.

This chapter is organised into several parts. The first part lays out the historical background of the oil palm plantations sector in Indonesia. This description also explains main actors involved in the sector. In the second part, I briefly discuss the performance of the oil palm plantation sector in Indonesia. I use the concept of decent work in understanding the situations of workers in the oil palm plantation sector in Indonesia. The concept of decent work as well as the operationalisation is described in the third part. The fourth part exhibits the situation of workers in the Indonesian oil palm plantation sector.

The Indonesian Oil Palm Plantation Sector

A wet tropical climate with temperatures between 24 and 32 C throughout the year is very favourable for growing oil palm trees. Such a climate can be found between latitudes of around ten degrees north and south of the equator, at altitudes below 700 meters. It takes three to four years for an oil palm tree to mature. When the tree is mature, large bunches of palm fruits grow in the armpits of palm leaves each year, which are called fresh fruit bunches (FFBs). FFBs may contain 1,000 to 3,000 individual fruits, together weighing 10 to 20 kg. Every oil palm tree produces several FFBs every year, with fruit yield per hectare amounting to 10 to 35 tons. The oil palm fruit looks like a plum; the outer fleshy mesocarp produces palm oil, while the kernel (which is inside the hard shell), produces palm kernel oil and palm kernel meal. A palm tree has a productive age from 8 to 25 years. Afterwards the tree reaches a height that hinders harvesting activities (van Gelder 2004: 4).

Oil palm was firstly introduced to Indonesia in 1848 when four seedlings were brought by the Dutch and planted in gardens at Buitenzorg (now Bogor, West Java; Santosa 2008: 454). The seedlings were then cultivated in Deli (East Sumatra) and showed the satisfactory result that the trees grew faster and bore a richer fruit than their counterparts in Central and West Africa, thanks to the more optimal soil, rainfall and sunshine conditions in Southeast Asia (ibid.). This success inspired traders to commercially plant palm oil trees in Southeast Asia, establishing the first commercial oil palm plantation on Sumatra in 1911.¹ The plantations expanded through the support of Dutch capital and the country became the world's largest exporter by 1938 (Rasiah and Shahrin 2006: 21). After Indonesia gained its independence in 1945, the Dutch plantation system was abandoned since plantation owners no longer had support from the colonial government and labour migration was no longer carried out under government assistance. Moreover, then President Sukarno pursued a protectionist policy, called *Demokrasi Terpimpin* (Guided Democracy), which was against the entry of foreign investments or foreign loans (van Gelder 2004: 18). In 1957 all of the colonial plantations were nationalised under the control of *Perusahaan Perkebunan Negara* (parastatal company; Santosa: 454). During this time, the oil palm plantation went through declining production periods (van Gelder 2004: 189).

Until late 1979, large-scale plantations dominated the oil palm sector. In 1979, the government initiated a contract-farming-based scheme, called Nucleus Estate and Smallholder Development Project or PIR-NES, using funding from the World Bank

¹ The Agrarian Law adopted by the colonial government in 1870 enabled the establishment of state-owned plantations as the Law declared all land not under permanent cultivation as "waste land" (van Gelder 2004: 18). Thereafter, Dutch developers were also offered as much land as they needed on 75-year renewable leases at nominal rent (ibid.).

(Casson 1999: 13; Badrun 2010: 63). Under this scheme, the state offered access to forest and village lands, infrastructure development and credit at concessionary rates for plantation development. The state provided financing for smallholders plantings, initial living expenses and housing, while the nucleus estate was responsible for extended services as well as for collecting and processing fresh fruit bunches (McCarthy 2010: 828). The nucleus estate (called '*inti*') would obtain 20-40 % of plantation plot development, while participating smallholders (called '*plasma*') would obtain 40-60 % of the plot called a 'satellite', typically around 2 ha, as well as 0.75 ha for home garden intended for food crops, and 0.25 ha for housing (Rist *et al.* 2010: 1011; McCarthy 2010: 828-9). The smallholders would get the fully privatised rights of their smallholdings upon completion of their development loan (McCarthy 2010: 829). As these plots matured, the operations were then transferred to the smallholders, who cultivated the plantations under the supervision of *Inti* developers (Casson 1999: 13). The *plasma* farmers could also entrust the plot to be cultivated by *Inti* developers (Rist *et al.* 2010: 1011). *Inti* developers were then required to purchase fresh fruit bunches from the smallholders. While waiting their plots to be mature, *plasma* farmers were employed on the oil palm plantation (either 'nucleus' or 'satellite') as wage labourers (Zen *et al.* 2005: 7). This program was then followed by similar state programs, such as PIR *Khusus* and PIR *Lokal* (Badrun 2010: 64). Between 1986 and 1995, the government released a similar program that involved migrants from other islands, mostly from Java, through a scheme called PIR-Trans. All these schemes have become important milestones in the participation of smallholders in the Indonesian oil palm plantation sector (Surambo 2010).

In the the mid-1980s, driven by the desire to outperform Malaysia as the world's largest palm oil producer, the government offered vast tracks of forest areas to large Indonesian business groups and foreign investors (van Gelder 2004: 19). The government granted access to credit at concessionary rates for estate development, new crop planting and crushing facilities (Casson 1999: 13). In 1995, before the Asian Crisis, the government attempted to expand the development of oil palm plantations in the eastern part of Indonesia through the KKPA scheme (*Kredit Kooperasi Primer untuk Anggota/ Primary Cooperative Credits for Members*), which was a government-supported private sector and cooperative investment (Casson 1999). Under this scheme, private investors were required to join partnerships with cooperatives formed by groups of smallholders, aiming at achieving economies of scale and efficiencies (Rasiah and Shahrin 2006: 22). The scheme required local landowners to give up a third of their land to nucleus estates, whereas the remainder plot was developed and returned to them in the form of oil palm smallholdings in satellite areas (McCarthy and Cramb 2009: 116).

Responding to the Asian Crisis and the International Monetary Fund (IMF) policy recommendation, the government passed a directive to remove barriers for foreign investment in oil palm plantations (Casson 1999: 18). This was an important step, particularly after realising that there was generally a reluctance of foreign investors and banks to invest in Indonesia due to an unstable political and economy situation following the Asian Crisis and the fall of Suharto² (van Gelder 2004: 26). Yet, in the wake of the *Reformasi* era following the fall of Suharto's regime, the forest sector went through a reform process, which led to changes that detrimentally affected investment in the oil palm plantations (van Gelder 2004: 25). Despite these changes, the oil palm plantation sector saw an increasing participation of foreign investors after the Asian Crisis.

In 1999, the central government discontinued financial assistance for smallholders, and thus left them in the hands of the plantation companies (McCarthy and Cramb 2009: 117). The contract-farming-based schemes remained. However, these were then fully initiated by the private sector. The plantation companies provided agricultural inputs (seedlings, fertilisers, etc.), prepared the oil palm plots and taught and supervised oil palm cultivation (Zen *et al.* 2008: 2). The new partnership policy offered greater flexibility on how smallholders might access benefits from their landholdings, with nucleus estates required to develop not less than 20 % of their total development areas for smallholders. This shows changes from the previous schemes, which required land sharing system where 70 % of land was set aside for smallholders and 30 % for nucleus estates (*ibid.*). Moreover, plantation companies worked directly with smallholders to resolve land property problems, provided extension and training services to cooperatives, and established infrastructure without direct state engagement (McCarthy 2010: 830-1). This policy encouraged the rising numbers of independent partnership smallholders, i.e. contract farmers (Badrun 2010: 65). These policies contributed to a spectacular growth in palm oil production.

In sum, parastatal plantation companies were the only players after independence. As the sector developed, especially through government policies, other players have also joined in, such as private (foreign and local) plantation companies, *plasma* and independent smallholders.

The various schemes implemented in the oil palm sector fostered production and exports. Production of crude palm oil (CPO) reached 22 million tons in 2010 of which 16.3 million tons were exported. This marks a significant increase of around 3000 % in CPO production as well as of around 200 % in CPO exports compared to the numbers in 1980

² The oil palm sector was unpopular with foreign banks between 1998 and 2002 since they had to accept write offs on the loans extended in the 1990s (Friends of the Earth 2004: 26). Moreover, critiques from environmental activists have started to put pressures on the foreign banks (*ibid.*).

(Directorate General of Estates 2011: 3, 5). A major reason for palm oil's growth is its competitive advantage over other oils in terms of production costs and yields (Mather 2008: 61; Susila 2004: 108). Moreover, palm oil producers are not vulnerable to consumers' concern about genetically modified organisms, which is a potential case for soybeans. Additionally, compared to other oils, palm oil lacks trans fats (Mather 2008: 61).

In 2010, the five major CPO export destinations were India, Malaysia, the Netherlands, Italy, and Singapore, altogether comprising 84 % of Indonesia's CPO exports (Directorate General of Estates 2011: 56). Malaysia serves as both a competitor and destination country for Indonesia's CPO exports due to the growing Malaysian oil processing (downstream) industry. Nonetheless, Indonesia has the advantage to focus on the upstream part, thanks to its vast land area and cheaper labour (Goenadi *et al.* 2005).

The Notion of Decent Work

The International Labour Organization (ILO) has recently laid out a decent work agenda as a new approach to highlight the importance of labour standards. The concept reflects, "the understanding that work is a source of personal dignity, family stability, peace in the community, democracies that deliver for people, and economic growth that expands opportunities for productive jobs and enterprise development" (ILO webpage). The four pillars of the decent work agenda include employment, workers' rights, social protection, and social dialogue. These broad concepts pose the question of how to operationalise them for an analysis of the extent to which they are realised by the respective countries. Anker *et al.* (2003) propose an interesting answer to this question. According to them, the concept of decent work contains six dimensions, namely: (1) opportunities for work; (2) freedom of choice and employment; (3) productive work; (4) equity in work; (5) security at work; (6) dignity at work. The first two dimensions cover the availability of work and the scope of work, whereas the latter four dimensions deal with the extent to which the work is decent. This provides a basis for the authors to develop 11 indicators of decent work, which consist of: (1) employment opportunities; (2) unacceptable work; (3) adequate earnings and productive work; (4) decent hours; (5) stability and security of work; (6) fair treatment in employment at work; (7) safe work environment; (8) social protection; (9) combining work and family life; (10) social dialogue and workplace relations; (11) economic and social context of decent work.

I will adapt Anker's indicators for an exploration of the workers' situations in the Indonesian oil palm plantation sector. On the opportunities of work, I will focus on employment on the oil palm plantations. On the freedom of choice and employment, I will concentrate on the issue of child labour. As for productive work, I will look at wage

and working hours. On equity of work, instead of looking at the prevalence of discrimination at work, I will look at the gender division of labour. This observation will then be combined with an observation of balancing work with family life. With regard to security at work, I will concentrate on occupational safety and health issues on oil palm plantations. As for dignity at work, I will focus on freedom of association and collective bargaining. Table 1 illustrates this operationalisation.

Table 1: Operationalisation of Decent Work

No	Dimensions	Descriptions	Aspects
1	Opportunities for work	It encompasses all forms of economic activity, including self-employment, unpaid family work and wage employment in both the informal and formal sectors.	Employment
2	Freedom of choice and employment	This means that bonded and slave labour as well as unacceptable forms of child labour should be eliminated as agreed by governments in international declarations and labour standards	Child labour
3	Productive work	Essential for workers to have acceptable livelihoods for themselves and their families, as well as to ensure sustainable development and competitiveness of enterprises and countries	Wage and working hours
4	Equity in work	It encompasses absence of discrimination at work, access to work and ability to balance work with family life.	Gender division of labour
5	Security at work	The need to help safeguard health, pensions and livelihoods, and to provide adequate financial and other protection in the event of health and other contingencies	Occupational safety and health
6	Dignity at work	Workers' freedom to join organisations representing their interests collectively	Freedom of association and collective bargaining

Source: Anker *et al.* 2003: 6-7, with some adjustments.

Workers' Situations on Indonesian Oil Palm Plantations

The descriptions of the workers' situation are mainly based on findings from my field study on three company-operated plantations (henceforth, estates X, Y, Z) as well as on smallholder-owned (both *plasma* and independent) plantations in Riau in April 2012. Riau is a province in Indonesia that has the largest oil palm plantations in the country. In 2010, oil palm plantations covered 2 million hectares in the province, producing almost 30 % of total crude palm oil (CPO) output in the country (Directorate General of Estates 2011: 9). A parastatal company (henceforth, company X) manages estate X. The parastatal company operates 77,064 hectares of oil palm plantation in Riau and employs around 19,000 workers. Estate X covers areas amounting to 2,813 hectares, with 484 workers working. Private plantation companies operate estates Y and Z (henceforth, companies Y and Z). These companies are subsidiaries of two foreign-owned company groups considered as "big" players in the oil palm sector (both upstream and downstream) in Indonesia and Malaysia. Both of these groups operate a substantial number of oil palm plantations in Indonesia. Company Y operates 208,000 hectares, of which estate Y manages 2,928 hectares and employs 495 workers. Company Z operates 182,840 hectares, of which estate Z manages 1,288 hectares, employing 248 workers.

This study employs qualitative methods, especially in-depth interviews and observations on the plantations. I interviewed 21 workers, 6 *plasma* and independent smallholders, 12 estate representatives, 2 representatives from trade unions, and 3 representatives of NGOs. I chose plantations operated by parastatal and private companies. Access to workers on company-owned estates in many cases was only allowed under the supervision of field supervisors. They guided me to the plots where plantation activities were conducted. This was how the respondents were selected. It was only on estate X that I could manage to find other times to interview workers without the supervision of the field supervisors. However, I did not find much difference in terms of the results of the interviews. I suspect various results would occur only if I stayed longer with the workers. Meanwhile, access to workers on smallholder-owned estates was much easier. I went through the plots of smallholder-owned estates and interviewed workers whom I encountered. There was only one case in which the smallholder owner was also present during the interview. This is because the smallholder was usually working together with the workers. Among the workers interviewed, twelve are women aged mid-20s to mid-50s. The majority of these women are working as maintenance workers. Casual employment composes the largest share of the employment status of these women, whereas four of them serve as unpaid workers and only one has a permanent employment status. Meanwhile, the male workers are between mid-20s and mid-30s. Among these male workers, there is only one worker who does not work as a harvester. Additionally, only two of these male workers have casual employment status. Aspects of the workers'

situations observed and analysed are based on the operationalisation discussed in the previous section.

Before I describe the situations of oil palm workers, I will briefly outline the work process on oil palm plantations. There are basically three main phases on an oil palm plantation. The first phase involves preparation activities such as land clearing, seedling preparation and planting. The second phase starts after seedlings are planted. Activities in this phase include maintenance and harvesting activities. The third phase occurs when palm trees reach their industry limit. This phase includes replanting activities. In this chapter, I will focus on the activities in the second phase.

Maintenance activities include weeding, spraying and fertilising. In the plantations visited, I encountered three more activities. The first one is called “nangkos”, a word coming from “jangkos”. This activity basically means the spreading of empty bunches to the soil in the plantation. The second one involves pouring a pesticide into a spraying tank. In some plantations, they do not need manpower to do this activity as they use a truck with a large tank filled with pesticides. The third one is the loading and unloading of the FFBs.

Employment and Employment Status

The oil palm plantations in Indonesia are labour-intensive. Around 1.95 million workers are employed on plantations operated by parastatal and private companies, while about 1.7 million farmers toil on smallholder-owned plantations (Indonesian Palm Oil Board 2010: 36). However, this number might not include casual and unpaid labour working in the sector. Indeed, casual labour is quite common in the Indonesian oil palm plantation sector. Meanwhile, the permanent employment status of plantation workers is different from the permanent employment status of administrative workers or the so-called “staff”. A study on the labour rights situation on large-scale oil palm plantations in North Sumatra (Siagian *et al.* 2011: 5) describes the structure of employment status on the oil palm plantations as a pyramid, with “staff” on top of the pyramid. “Staff” refers to what we commonly consider as permanent workers. They have working contracts and receive pay slips. Below the staff category is the category of workers with an “SKU” (*Syarat Kerja Umum*/ General Work Requirement) employment form. Although workers in this category are also considered as permanent workers, they sometimes do not have working contracts and/or receive pay slips. Permanent workers working on the plantations fall into this category. At the bottom of the pyramid, there are casual and unpaid labourers. There are two types of casual labourer employed on the oil palm plantations. The first one is a casual labourer directly hired by the company, so-called “BHL” (*Buruh Harian Lepas*). The other one is a casual labourer brought in by plantation workers to help them with

activities on the plantations. Siagian *et al.* (ibid) call it “*kernet*” or assistant. In the pyramid, the position of a BHL is higher than an assistant.

This structure is confirmed on the plantations operated by private and parastatal companies visited in Riau. On estate Y, while plantation workers are called SKU Harian Tetap (fixed daily SKU), workers at the supervisor level, such as foremen, fall into the SKU Bulanan (monthly SKU) category. However, the structure remains similar to the pyramid described above. On estate X, BHL workers are children or family members of SKU or staff workers. Estate Y has not hired BHL workers since 2007. The company does not hire any workers with BHL status. The company told me the main reason is because it was not allowed after the plantation received an RSPO (Roundtable Sustainable Palm Oil) certification. Nonetheless, one of the foremen interviewed mentioned that there is a possibility that workers bring someone (i.e. assistant) to the plantations to help them, especially for harvesting activities. Assistants are usually responsible for collecting individual fruits or so-called *brondolan*. A manager assistant of estate X told me that the employment of an assistant is the responsibility of the workers who employ them, and not that of the company. A similar statement was also made by a supervisor on estate Z. The employment of assistants shows that casual labour is still prevalent on this plantation. Meanwhile, unpaid workers are commonly workers’ family members (e.g. wife, children) who help workers on the plantations. In most cases, they are helping workers carry out harvesting activities.

On the three plantations visited in Riau, the SKU employment status is predominantly the case for workers engaged in harvesting activities (harvesters). Only on estate Y did both harvesters and maintenance workers have SKU employment status. This is the plantation that is already RSPO certified. On estate X, there are some maintenance workers that have SKU status, but most of these workers are BHL workers. An explanation for this situation is that the plantation will be replanted in the near future and thus the company decides not to carry out maintenance activities every day. On this plantation, the majority of harvesters are SKU workers. On one block of the estate, 30 harvesters work under SKU status, whereas 7 harvesters work as BHL workers. A similar case also applies on the other blocks. I interviewed two SKU harvesters on this estate and both of them mentioned that they previously worked under BHL employment status. It seems that BHL status is an initial form of employment before they are hired as SKU workers. On estate Z, all of the maintenance workers are BHL workers. This estate has the smallest area compared to the other two company-operated estates. The company that operates estate Z told me that the reason for hiring BHL workers for maintenance activities is the relatively small-scale plantation area; hence there are not so many maintenance activities. In a given month, these activities can be finished within 10-15 days. The choice is that either the company reduces the number of maintenance workers but hires all maintenance

workers with SKU status, or keeps the workers but offers BHL status. The company opted for the second choice. BHL workers on this estate told me that they are fighting for an increase in working days as this implies more income for them. Additionally, workers engaged in *nangkos* on estate X are also BHL workers. In the same vein, workers who pour pesticides into spraying tanks on estate Z are also employed with BHL status.

On the plantations operated by plantation companies, the career path from BHL to SKU status is not clear and sometimes even difficult. On estate X, two SKU workers interviewed mentioned that they previously worked under BHL status for 1 year and 4 years respectively. A BHL harvester on this estate told me that he has worked as a BHL worker for 7 years. He described how he has tried so many times to apply to become an SKU worker but never succeeded. He concluded by saying that workers need to know somebody in management in order to get support in their efforts to become SKU workers.

On the plantations operated by *plasma* smallholders, workers are by and large employed under BHL status. This confirms what a large body of studies in this sector have revealed (Siagian *et al.* 2011; Chamim *et al.* 2012). I interviewed two workers on the plantations owned by *plasma* smallholders and both of them work under BHL status. A similar situation is likely to apply in the case of workers on plantations operated by independent smallholders. Workers on plantations owned by smallholders can also be family or relatives of the smallholders. The two workers interviewed mentioned that they work on 2-3 *kaplings*³ in a day. It implies that workers are often hired by more than one *plasma* smallholder. These workers also bring their wives in order to help them with their work. This practice seems to be quite common for harvesters on plantations, both owned by *plasma* and independent smallholders.

Working Conditions

With regard to wages, the system that applies to SKU workers consists of a basic salary and premium (or so-called *premi*). Each SKU worker has a daily target to meet. When these workers are able to achieve over the target, they will receive *premi*, as an additional payment apart from their basic salary. For example, wages for SKU workers on estate X are based on the minimum wage for the oil palm plantation sector in Riau as mentioned below. The daily target for harvesters is 700 kilograms/day. If workers are able to harvest more than this target, there are several layers of possible achievement. The first layer is between 701 and 840 kilograms, which is called P1. In this achievement, workers will receive a *premi* of Rp 22/kg. The second layer is between 841 and 1050 kilograms. In

³ *Kapling* refers to a plot of 2 ha. According to the NES scheme, each *plasma* smallholder is given 2 ha to cultivate palm trees.

this achievement, the *premi* is Rp 25/kg. The third layer is more than 1050 kilograms, in which workers will receive a *premi* of Rp 30/kg. *Brondolan* collected are calculated separately. The *premi* for *brondolan* ranges from Rp 150/kg to Rp 300/kg.

On estate Y, SKU workers receive Rp 1,133,500 in a month as their wage. The estate sets a target for harvesting amounting to 1300 kilogram/day. If workers can harvest over this target, they will get a *premi*. On this estate, harvesters do not only receive a *premi* but also an incentive amounting to Rp 13,500 when they are able to harvest more than the target; like on estate X, on this estate, the *premi* for *brondolan* is also calculated separately. The estate offers Rp 125/kg as a *premi* for *brondolan* collected.

In harvesting activities, this system triggers the employment of assistants or unpaid workers. Harvesters clearly desire to get as many *premi* as possible. A foreman on estate Y mentioned to me that harvesters employ assistants when the daily target is increased, especially during peak seasons. These assistants can be their relatives or friends. However, in normal cases, harvesters usually bring their wives and/or children to the plantations. One of the SKU harvesters told me that when his wife does not help him, his yield in a day will drop as much as 50 %. Another SKU harvester revealed that he has to work 2 hours longer if his wife does not come and help him on the plantation. A BHL harvester interviewed reported that around 24 % of his income is contributed by the work of his wife.

Nonetheless, I found that estate Z does not apply this payment system. Instead of using the above system, the company distributes the same scale of working plot (or so-called *ancak*) amounting to 2.5-3 hectares for harvesters. SKU harvesters on this plantation are paid at a rate of Rp 46 x 1.5 ton (harvesting capacity expected by the company) x 25 days, meaning Rp 1,725,000⁴ in a month. This payment system implies that SKU harvesters do not receive fixed wages; they are paid by their output.

Meanwhile, the payment system for BHL workers on the plantations operated by plantation companies is based on the yield of the workers. On estate X, the rate for BHL harvesters is Rp 1000/FFB. A harvester can usually collect 1 ton of FFB in a day, assuming that the average weight of an FFB is 10 kg. This means that BHL harvesters could receive Rp 100,000 in a day or Rp 2,600,000 in a month (assuming that workers also work on Saturday). One of the BHL harvesters on estate X told me that he is currently able to harvest 1300 FFBs in a month compared to 2000 FFBs in the past. This implies that he receives Rp 1,300,000 in a month. One of the SKU harvesters on this estate told me that the rate for BHL harvesters in the past was Rp 26-30/kg. This rate is actually better than the current rate because the current rate does not take into

⁴ USD 1 ≈ Rp 10.000.

consideration the weight of the FFB. In the meantime, workers engaged in *nangkos* activities on estate X receive Rp 30,000 per truck of *jankos*. These workers told me that they are able to finish applying a truck of *jankos* in a day if they work full time or if it is not raining. Under less than ideal circumstances, it will take those 2 to 3 days. Assuming that they can finish applying *jankos* daily and it is not raining, these workers could receive Rp 780,000 in a month. However, these workers told me that they are able to apply only 12 to 13 trucks of *jankos* in a month, meaning that they receive only Rp 360,000 to Rp 390,000 in a month.

Apart from wages, SKU workers on plantations operated by plantation companies are also entitled to other benefits such as housing, electricity, water and subsistence support (i.e. rice). All the three estates visited offer these benefits. On estate Z, however, water is not provided by the company as a benefit in addition to wages. Workers have to pay for this utility. Estate Y provides rice in the amount of 15 kilograms/month to a worker, with an additional 9 kilograms/month for his wife, as well as 7.5 kilograms/month for each child to a maximum of 3 children. Housing is provided generally in semi-permanent houses. However, once workers are retired, they have to leave the housing. This may become a problem for workers who are not able to spend some of their income to prepare their own housing. On estate X, I was informed that few workers were able to save money to build their own houses. Meanwhile, BHL workers on these estates are not entitled to these benefits. BHL workers who stay in worker housing are either the spouses or family/relatives of the workers. One former BHL worker told me that although as a BHL worker he was able to stay in the worker housing, this is because the worker entitled to the house where he stayed already owned a house. Another facility formerly provided by companies is transportation such as pick up cars, as the distance between worker housing and the plantations is often quite far. However, nowadays most of the workers have their own motorcycles, mostly bought through credit. Companies support this mechanism and sometimes help workers to get credit.

BHL workers interviewed on the plantations of *plasma* smallholders receive Rp 100.000/ton. In a day, these workers are able to harvest 1 ton of FFBs. Assuming that they also work on Saturday, this means that these workers receive Rp 2.600.000 in a month. One BHL worker told me that he receives Rp 125.000/ton, which is higher than the normal rate for BHL workers in that area. As the worker revealed, this higher rate is because he and the smallholder employer are cousins. Another BHL harvester mentioned that he receives Rp 1.500.000 per month. Moreover, some of these BHL workers might have additional income. Smallholders might let their workers take *brondolan* with them. Workers then sell *brondolan* to traders nearby. Apparently, not all workers have this possibility and it really depends on the willingness of the smallholders. One of the BHL harvesters told me that he is only able to take *brondolan* with him if the employer does

not know or does not watch. I observed that BHL workers who have family relations or are relatives of their employers have more possibility to do this. Additionally, unlike SKU workers on company-operated plantations, BHL workers on smallholder-owned plantations are not entitled to other benefits such as housing, water, electricity and subsistence support (i.e. rice).

A manager assistant of estate X told me that the wage level offered by the company is sufficient for workers to live decently. If we compare the above numbers to the minimum wage for the oil palm plantation sector in Riau, amounting to Rp 1.389.450 as of 2012, it seems that these workers are better off, except for workers on estate Y. However, there are three issues worth noting in regard to the minimum wage level (either sectoral or provincial) in Indonesia. The first problem is that the majority of the minimum wage level does not meet the decent living needs. In Riau, the decent living needs for Siak and Kampar (the two regencies where the visited plantations are located) were Rp 1.455.340 and Rp 1.230.491, respectively in 2011 (the data for 2012 were not accessible). We can see that while the above sectoral minimum wage applies to the oil palm plantation sector in Riau is slightly above the decent living need for Kampar regency, such a minimum wage is actually lower than the decent living need for Siak regency. If we compare the payment received by workers mentioned above to decent living needs in these two regencies, it appears that these workers are better off, except for *nangkos*⁵ workers.

A highly contested issue is the indicators used to set decent living needs. The indicators of decent living needs are set up by the central government under Permenakertrans No. 17/2005. The regulation lists 46 items that serve as the basis for a decent living needs survey at the regional level. Workers had been demanding the government to revise the regulation by including 122 items into the indicators. The revision was eventually conducted in 2012. Under Permenakertrans No. 13/2012, the government lists 60 items for the decent living needs indicators. However, this was not yet applicable during the time of my field research. Furthermore, the current indicators only take into account the living needs of single workers and thus disproportionately affect workers with spouses and children. Some cases described above demonstrate the income of workers with spouses and children. Although their income might be higher than decent living needs level in the regency, it is worth noting that such decent living needs are applicable only for single workers. As such, it is questionable whether the income of these workers actually meets their decent living needs. This might also explain why these workers pursue as many *premi* as possible. The third issue is that the minimum wage is supposedly used as a floor in determining the wage level between workers and

⁵ *Nangkos* comes from the word *jankos*, which literary means empty bunches. The activity of *Nangkos* refers to the activity of spreading or applying empty bunches onto the plantation plots. In this way, empty bunches are treated as organic fertiliser for the plots.

companies. This is illustrated in the regulation, which states that minimum wage applies to workers whose working period is below 12 months. In practice, however, minimum wage is used as a maximum standard in determining the wage level.

For SKU workers on estate Y, their wages are even below the minimum wage for the oil palm plantation sector in Riau. This wage level is stated in the collective agreement negotiated between the trade union and BKS-PPS (*Badan Kerja Sama Perusahaan Perkebunan Sumatra/* Cooperation Board of Sumatra Plantation Companies), an association of plantation companies in Sumatra. Further details about this issue are discussed in the sub-section on freedom of association and collective bargaining. Meanwhile, despite the fact that their income is higher than the minimum wage for the oil palm plantation sector in Riau, SKU workers on estate Z do not receive fixed wages. This estate does not set a daily target that serves as the basis for the basic salary of SKU workers. Instead, the calculation of the salary received by these workers relies completely on worker productivity.

For BHL workers on smallholder-owned plantations, they inevitably face the issues with minimum wage as mentioned above. Although it seems that these workers receive income higher than SKU workers on company-operated plantation, the main problem for them is certainly their employment status. This also means that they do not receive regular income.

As mentioned, harvesters on company-operated plantations receive a *premi* when they are able to harvest more than the daily target, except for the case of estate Z. The *premi* serves as a reward for their productivity. However, a reward is always accompanied by punishment. Indeed, harvesters are sanctioned when they do not carry out their harvesting tasks properly. The sanctions are usually fines deducted from the harvester salaries. On estate Y, there are 20 activities that can result in sanctions. Only 2 of these 20 items are related to occupational safety and health, while the rest refer to improper harvesting activities. Every day, after working hours, a foreman has to prepare a working sheet, which contains the productivity (which determines the *premi*) as well as the sanctions of his subordinate harvesters. This sheet will become the basis for calculating the harvester salaries.

Table 2: Comparison of worker income, minimum wage and decent living needs in Riau

Type of Worker	Estate X	Estate Y	Estate Z	Plasma Plantations	Minimum Wage	Decent living needs ^a
SKU workers	Rp 1,389,450 + <i>premi</i>	Rp 1,133,500 + <i>premi</i>	No fixed (basic) wage. Rp 1,725,000 ^b			Rp 1,230,491 for estate X and <i>plasma</i> plantations.
BHL workers	Rp 2,600,000 ^b	-	Rp 1,387,670 ^d	Rp 2,600,000 ^c	Rp 1,389,450	Rp 1,455,340 for estates Y and Z

Notes:

^a As determined by the government. Figure for 2011.

^b This amount of salary requires workers to harvest 1.5 tons of FFBs.

^c Assuming that the average weight of an FFB is 10 kg (workers normally can harvest 1 ton FFBs in a day) and that workers also work on Saturday.

^d This amount results from the total maintenance expenses for April 2012 (Rp 87,423,210) divided by the number of BHL workers as of the end of March 2012 (63 workers).

Regarding the issue of working hours, workers commonly start working at 7 a.m. On estate X, some harvesters finish their work at 2 p.m. and others at 5 p.m. There is no fixed break time. The wives of the harvesters might come together with their harvester husbands or a little bit later. These wives might also finish working at the same time as their husbands or finish earlier. SKU maintenance workers on this plantation work from 7 a.m. to 11 a.m. There is also no fixed break time as long as the target is met. They work from Monday to Saturday and working on Sunday is considered overtime. As such, if these workers work on Sunday, the payment is on a *premi* basis. One worker on this plantation told me that workers can choose whether or not to work on Sunday, but he himself feels that it will be a waste if he does not work on Sunday. On estate Y, the working hours of harvesters are similar to those on estate X. Harvesters might work until 5 p.m. to collect their *premi*, but they are strongly discouraged to work over this working hour. Maintenance workers work from 7 a.m. to 2 p.m. with a 30-minute break. These workers were spraying pesticides when I visited them. While doing this activity, they get 5 extra minutes of break every time their spraying tanks are being refilled. In a day, they have to refill their spraying tanks eight times. As such, they get an additional 40 minutes of extra break time. On estate Z, SKU harvesters work from 7 a.m. to 12 or 12:30. Apparently, the estate was experiencing a low yield season during the time of my visit. During the high yield season, harvesters work until 4 p.m. BHL maintenance workers work every day from 7 a.m. to 3 p.m., except on Friday when they work from 7 a.m. to

12. When it is the time for them to spread fertilisers, they have to be at the company warehouse before 7 a.m. as they need to load fertilisers onto transporting trucks first. They work from Monday to Saturday.

BHL workers on the plantations operated by *plasma* smallholders work from 7 a.m. to 12 or 1 p.m. It is important to note that these are harvesters who are also helped by their wives. It takes 3 hours for them to harvest 1 *kapling*. Therefore, if they harvest 2-3 *kaplings* in a day, they will work for 6 to 9 hours.

Although the length of working hours seems quite modest in the sense that there is no excessive overtime like what might happen to factory workers, it is worth noting that plantation work is physically demanding. For example, harvesters have to carry a long sickle weighing an average of 8 kilograms during the harvesting activities. As will be mentioned below, maintenance workers must carry 10-15 litres of liquid in spraying tanks on their backs during spraying activities.

Regarding the occupational safety and health issue, plantation workers are certainly exposed to some dangers. On the plantations, workers could come across some dangerous animals, such as leeches, centipedes, pests and even snakes. One of the harvesters told me that he sees snakes on the plantation almost every day. Another harvester confirmed this issue, saying that it is possible to meet snakes on the plantations. In the harvesting activities, workers are particularly exposed to sands or even FFB falling from the palm tree. Workers engaged in maintenance activities, such as spraying and fertilising, are exposed to pesticides and fertilisers. In both activities, workers are also vulnerable to injuries due to slippery soil, particularly on oil palm plots with sloping land. From three visited plantations operated by plantation companies, only estate Y has strict regulations on safety equipment in the plantation. Workers are not allowed to enter the workplace without the required safety equipment such as helmets, boots, uniforms, aprons and masks. This is the plantation that is already RSPO certified. On the other two, I found that: (1) some harvesters were not wearing their helmets and glasses; (2) some maintenance workers were not wearing masks and aprons. On these plantations, although safety equipment is provided by the companies, the foremen do not require workers to wear the equipment. When I asked the companies, they claimed that workers do not feel comfortable wearing safety equipment, and hence it hinders their productivity at work. On estate Z, one of the harvesters told me that his head was once injured by the falling palm leaves midrib. On these two plantations, maintenance workers are also not given aprons that will help them cover their body from exposure to pesticides and fertilisers. These workers were nonetheless wearing masks, boots and gloves. On estate Z, workers even have to provide their own working equipment. When I asked the company, they told me that formerly provided this equipment but then stopped because they observed that

workers do not have a sense of responsibility towards their working equipment, demonstrated by many cases of workers losing the equipment. However, the company provides loans for purchasing the equipment.

One of the workers I interviewed on estate Z was concerned about the pesticides left on her body after she engages in spraying activities. My interview with an activist from Sawit Watch, a non-governmental organisation engaging in social issues in the oil palm plantation sector in Indonesia, revealed a case in which pesticides hurt the female genitalia of a maintenance worker. In the meantime, BHL workers and even assistants have to be in charge of their own safety equipment. In a similar vein, BHL workers on smallholder-owned plantations are not only in charge of their safety equipment but also of their work equipment. From my observation, these workers often do not wear sufficient safety equipment. Being in charge of their own work equipment cuts noticeably into their wages.

Moreover, company-operated plantations offer health facilities, such as health clinics within the plantations as well as references to local hospitals in case the health clinics cannot handle the situation. On estate Y, these facilities substitute health insurance, whereas the company still provides insurance with regard to death and occupational accidents. While the SKU workers are entitled to health facilities in the case of accidents in the workplace, this is not the case for BHL workers and assistants. From my observation and interviews, in the case of BHL workers on the plantations operated by plantation companies, there are few cases in which companies provide health facilities for these workers when occupational accidents occur. One SKU harvester on estate X, who previously worked under BHL status, told me that based on his experience the company will pay the medical treatment costs of a BHL worker injured on the plantation. However, another BHL worker on the same estate revealed that the company does not provide health facilities to BHL workers. Studies (Chamim *et al.* 2012) confirm the exclusion of BHL workers from health facilities. Meanwhile, BHL workers on smallholder plantations did not mention that health facilities are provided by their employers. This is also the case for assistants.

Child Labour on Oil Palm Plantations

Child labour in the oil palm plantation sector in Indonesia seems to be rampant. During my field visit to three plantations operated by plantation companies in Riau, I observed children workers on estates X and Z as well as on plantations owned by smallholders. The children that I observed came along with their parents to the plantations. Some of these children were helping their mothers collect *brondolan*, while some others were playing around their parents' workplaces. Together with their mothers, children serve as unpaid labour, contributing significantly to the performance of their fathers. As

mentioned above, the practice of unpaid labour is triggered by a remuneration system applied particularly for harvesters. The presence of children on plantations also means that the children are exposed to the dangers of the workplace as mentioned above. Despite the dangers on the plantations, workers who bring their children revealed that they do not worry about their children helping or playing on the plantations.

Besides children, there are also teenage labourers employed on the plantations. On estate Z, I found this kind of labour, for example for the task of pouring pesticides into spraying tanks. Their parents are smallholders residing outside this estate. They sometimes work on their parents' plantations. But since it is a small plantation, they do not work there every day. Hence, they also work as BHL workers on estate Z. On estate Y, workers are only allowed to bring along their children if these children are over 17 years old. Workers sometimes bring these children along during school holidays, in order to help with harvesting activities. On this estate, children below 17 years old are strictly prohibited on the plantations.

There are some factors that might be at the root of the prevalence of child labour in this sector. The first factor has already been mentioned above, that is, the remuneration system applied to harvesters. Pursuing as many *premi* as possible has led harvesters to bring their children into their workplace. This is likely to happen when the mothers are helping the fathers in the plantations. This factor might intertwine with the absence of a day care facility in the workplace. Only one of three plantations operated by plantation companies provides an organised day care. Workers are not allowed to bring children to the plantation. They have to bring their children to the day care. Another plantation provides a female worker responsible for taking care of children whose parents have to work on the plantation, but this is apparently not compulsory. I found a harvester on this plantation who also brought his children along to the plantation, although he has a possibility to send his children for care by the woman assigned for this task. He told me that he decided to bring his children along because he is afraid that his children will quarrel with other children in the day care. It is worth noting that a day care only exists on plantations operated by plantation companies. Hence, harvesters working on plantations owned by smallholders do not have any other option but to bring their children along to the plantations. The third factor is whether or not schools are present on the plantations. From my observation, children of school age and where a school exists are likely to go to school rather than come along with their parents to the plantations. I found a harvester on estate X who brought 2 of his 4 children because the other two children went to school. However, when children reach a higher grade (i.e. high school), it is less possible for them to attend school and, therefore, it is more likely that they will be working, in most cases helping their parents. The workers who pour pesticides into spraying tanks are high school age.

Freedom of Association and Collective Bargaining

There are two notable trade unions in the Indonesian oil palm plantation sector. The first one is FSP-BUN (*Federasi Serikat Pekerja Perkebunan/ Federation of Plantation Workers*). It was established on 14 April 1998, slightly before the fall of the Suharto Administration. The purpose of the formation is to defend labour rights as these were limited during the Suharto era (interview with FSP-BUN, 5 April 2012). The members of FSP-BUN are workers of parastatal plantation companies,⁶ including those that operate oil palm plantations. The members of FSP-BUN at plant level, also called SPTP-BUN (*Serikat Pekerja Tingkat Perusahaan Perkebunan*), have successfully negotiated for collective agreements with these companies. SPTP-BUN, in a parastatal company visited in Riau, has negotiated collective agreements with the company since 2000. During that time, there have been many significant changes in the collective agreement, particularly on issues concerning wage level. Since the implementation of sectoral minimum wage in Riau, SPTP-BUN has negotiated wage levels with reference to such sectoral minimum wage as applied in the province. Other aspects of workers' rights are also subject to the union's struggle over time, such as facilities for workers (housing, water and electricity), uniforms and occupational and safety kits.

Despite these achievements of SPTP-BUN, there are a few critical points worth mentioning. First, rather than defending workers, the union tends to be on the employers' side. The vision that the union adopts is "*Perusahaan Sehat Karyawan Sejahtera*", which literary means that if the company is healthy, then workers will be prosperous. By putting emphasis on this motto, the union seems to perceive that worker prosperity (which also includes the protection of workers' rights) is the result of the well-being of the company and hence the well-being of the latter should come be in first place. An interview with SPTP-BUN pointed out that while the union is fighting for worker protection, such struggles should also go hand in hand with concerns towards the company's situation. The second critical point is that the union does not cover any other type of worker than permanent workers. This is certainly a significant shortcoming since a large share of plantation workers are casual workers. It seems that SPTP-BUN turns a blind eye to these casual workers. Regarding the issue of child labour, which widely occurs on oil palm plantations, SPTP-BUN admits that it should be prohibited; however, the union stated that preventing child labour is the responsibility of the workers because of the remuneration system based on daily targets and *premi*.

The second notable trade union is FSP-NIBUN (*Federasi Serikat Pekerja Pertanian dan Perkebunan/Federation of Agriculture and Plantation Workers Union*). This union is

⁶ These parastatal companies are called PTPN (PT Perkebunan Nusantara). There are currently 14 parastatal plantation companies in Indonesia.

affiliated with KSPSI (*Konfederasi Serikat Pekerja Seluruh Indonesia/Confederation of All Indonesian Trade Union*). In the case of the oil palm plantation sector, members of FSP-NIBUN are workers on the plantations operated by private companies, including estate Y.⁷ On plantations in Sumatra, including in Riau, the union has successfully negotiated collective agreements with these companies, which in this case are represented by BKS-PPS, an association of private plantation companies in Sumatra.

Again, some shortcomings of this trade union should be noted. First, the union is under the umbrella of KSPSI, which was formerly a yellow union. This raises questions about its sincerity in defending workers' rights. An interview with an activist of Sawit Watch (interview 20 June 2012) mentioned a case involving a worker in which FSP-NIBUN took the company's side. This situation may, therefore, not really be different from FSP-BUN. Second, members of the unions are mostly those with formal employment (i.e. permanent workers). As mentioned, on estate Y, whose workers are members of FSP-NIBUN, it was discovered that the company has stopped employing BHL workers since 2007. However, the presence of assistants, whose employment status is even more vulnerable than that of BHL workers, remains in place on the estate and this does not seem to be addressed by the union. Third, even though the union has successfully negotiated collective agreements, we can see from the previous explanation on working conditions on this estate that the wage level stipulated in this collective agreement is lower than the minimum wage for the oil palm plantation sector in Riau. This clearly shows a violation, as the minimum wage should be treated as the floor for negotiating a wage level, particularly in collective agreements.

There are actually two issues worth noting when we discuss unionisation in the oil palm plantation sector particularly and in the agricultural sector in Indonesia in general. The first issue is that the country experienced tight labour control during Suharto's era (1967-1998). This control was lifted when the country underwent a significant economic downturn as well as political change through a reform process (or so-called *Reformasi*). Since the establishment of democracy, the union movement in Indonesia has been trying to revive itself. Currently, unions are still in that struggle. However, unions in agriculture seem to be lagging behind compared to their counterparts in manufacturing. This sets the context of the union movement in the oil palm plantation sector in Indonesia. The second issue is related to the characteristics of the oil palm plantation sector itself. Oil palm plantations are mostly located in remote areas, far away from the cities. Workers are lodged in company housing within the plantations. They also go to the markets located within or near the plantation. Children go to schools provided by the company or located

⁷ Actually, there is also another union exists on the estate, namely SBSI, but unlike the SPSI, the members of the union are not the majority of the workers.

near the plantation. The whole family goes to mosque or church within or near the plantation. Therefore, a plantation company can easily control its workers. My interview with Sawit Watch (20 June 2012) revealed that companies can install spies among workers; use security staff, or even use schools, mosques or churches as instruments to exercise such control. Lumbanraja (2011: 54) reports the presence of spies on oil palm estates.

Gender Issues

Many women work on oil palm plantations in Indonesia. They are working either as paid or unpaid workers. As paid workers, women are usually involved in maintenance activities. Harvesting is supposedly too physically demanding for women. Thus there is a gender division of labour on oil palm plantations: harvesting is male-dominated, maintenance is female-dominated. These women workers might be SKU or BHL workers. As mentioned above, on plantations managed by plantation companies, most of the maintenance activities are carried out by BHL workers. Only estate Y hires women for maintenance work under SKU contracts. The foremen, however, remain male workers. The company claims that women workers lack leadership capabilities. On estate X, women workers involved in maintenance activities are the wives of harvesters responsible in that area. Another type of work carried out by women workers on plantations is day care work, provided that a day care exists on the plantations. This is pretty straightforward, as gender discourse in society perceives women as responsible for domestic and reproductive work. As unpaid workers, women are working as helpers of their harvester husbands. There was only one women worker whom I found helping her son in harvesting activities. Again, this is attributed to the remuneration system. On plantations, these women are collecting *brondolan* and they are pushing the carts full of FFBS from the place where FFBS are harvested to the place where the bunches will be loaded onto trucks. On plantations owned by smallholders, women workers predominantly serve as unpaid workers helping their harvester husbands.

In terms of wages, it is clear that female workers are in a more precarious condition compared to their male counterparts. Although working as paid workers, the fact that women are mainly BHL workers implies that they do not receive regular income. On estate Z, the issue is not only that these BHL women workers do not receive regular income, but also work for too few days in a month for a living wage. As mentioned, on estate Y, maintenance workers are also SKU workers, which means that women workers on this estate are SKU workers. However, as mentioned above, SKU workers on this estate receive wages below the minimum wage for the oil palm plantation sector in Riau. Furthermore, besides facing the issues related to minimum wage as mentioned in the previous subsection, SKU women workers are also disproportionately affected by the

fact that decent living needs indicators used to set minimum wage levels are gender-biased and, thus do not take into account the decent living needs of women. As unpaid workers, the income of women workers is tied to the income of their husbands. These workers play a significant role in increasing the income of their husbands. As mentioned, one harvester on estate X told me that he would receive as much as 50 % less income if his wife does not help him. A harvester on estate Y revealed that he has to work until 3:30 p.m. or 4 p.m. if his wife does not come along. Similarly, a harvester on estate Z has to work 1 hour to 1.5 hours longer if his wife does not help.

Women workers have to carry a double burden: work on the plantations and at home. At home, they have to engage in household chores as well as reproductive activities. As such, every day, working women have to wake up earlier and go to bed later than their husbands. Most of the women workers interviewed only cook once a day because they do not have the time and energy. Only one of the women workers interviewed cooks two times in a day. A study (Surambo *et al.* 2011) compared the activities carried out by a household woman who works with those in a household not working in the oil palm plantation sector in Central Sulawesi province. The study revealed that while the woman in the former household has more activities than in the latter household, there is no significant difference between the activities carried out by men in both households.

Women on the plantations, either doing maintenance or helping harvesters, are exposed to several dangers. In maintenance activities, women are exposed to pesticides and fertilisers. As mentioned above, only estate Y provides proper safety equipment for maintenance workers. The other two estates do not even give aprons to maintenance workers. This means women workers on these plantations are more exposed to the use of pesticides and fertilisers. In spraying pesticides, women have to carry a spraying tank of approximately 10-15 litres on their backs. On estate Y, these workers have to refill their spraying tanks eight times in a day. This means that they might carry 80-120 litres in a day. When I asked these women whether they have trouble with it, most of them said it was painful only in the beginning and they got used to it after some time. There was only one woman worker who felt the activity as a physical struggle during the work. On estate Z, women not only spray pesticides and spread fertilisers, but they also load and unload fertiliser to and from transporting trucks. This is because they are afraid that their workload will be increased if there is extra manpower needed for the loading and unloading task. At certain times, women have to spread certain fertiliser with a texture like powder and thus it can be easily inhaled by women while spreading the fertiliser. This shows an even higher risk for the health of women workers. Women as unpaid workers are in an even more vulnerable position than their paid counterparts. Women as helpers are not entitled to any safety equipment. Helping their harvester husbands on the plantation, most of these women I met during my visit did not wear helmets and only a

few of them wore boots. I even found a woman who still wore her nightshirt when she helped her harvester husband on the plantation. The foremen seem to turn a blind eye on the occupational safety of these unpaid women workers.

Table 3 provides a summary of worker situations on the oil palm plantations according to the dimensions of decent work discussed above.

Table 3: Worker Situations Based on Six Dimensions of Decent Work

Dimensions	Aspects	Findings
Opportunities for work	Employment	(+) Oil palm plantations provide a significant number of jobs for Indonesian people. (-) A large share of employment is however in the form of casual employment (-) Members of family in general also help on the plantations as unpaid family labour
Freedom of choice and employment	Child labour	(-) The prevalence of child labour on oil palm plantations is rampant (-) Children on plantations are exposed to a dangerous workplace
Productive work	Wage and working hours	(+/-) While SKU workers on estates X and Z as well as BHL workers on estate Z and smallholder owned plantation manage to earn above the sectoral minimum wage, SKU workers on estate Y and BHL workers on estate Z receive below the sectoral minimum wage. Meanwhile, casual workers do not receive regular income. (+/-) The working hours are generally between 7 and 10 hours, 6 days a week. Some maintenance workers may work less. Work is physically demanding.
Equity in work	Gender division of labour	(-) Women work either as maintenance workers or unpaid family labour (-) As maintenance workers, women are exposed to harmful chemicals (-) Women workers are responsible for domestic as well as plantation work
Security at work	Occupational safety and health	(-) Oil palm plantations are dangerous workplaces, In general, workers are not equipped with sufficient occupational safety kits (-) Casual workers have no access to company sponsored health facilities. Health facilities are absent on smallholder-owned plantations

Dimensions	Aspects	Findings
Dignity at work	Freedom of association and collective bargaining	(-) Revitalisation of labour movement in the agricultural sector has been lagging behind (-) The two major unions on plantations in Sumatra have close ties with plantation companies. Companies where these two unions exist treat trade union favourably. (-) The unions focus on organising permanent workers, leaving casual workers unorganised. (-) Certain characteristics of oil palm plantations (e.g. location in remote area, obscure dividing line between working and living spaces) require distinct strategies to organise workers

Conclusions

Oil palm plantations play an important role in Indonesia's agricultural sector. It is widely held that they contribute significantly to the development of rural livelihoods in Indonesia. Nonetheless, whether the expansion of the oil palm plantations has also benefited workers remains in question.

Drawing evidence from the oil palm plantations in Riau, a province with the largest oil palm plantations in Indonesia, this chapter concludes that workers have found employment but under unsatisfactory conditions. First of all, not only are casual workers still rampant in the sector, but there is also no fixed form of employment (and payment) practices in the sector. Despite the presence of a common employment (and payment) structure, each plantation company may have its own form of employment practices. Second, labour rights violations, especially in regard to working hours, occupational health and safety and child labour remain prevalent. The current initiatives toward sustainable oil palm plantations in Indonesia should also be used as a channel to put more pressure on stakeholders to improve labour rights on the plantations. Third, facing such problems in the oil palm plantation sector, workers have a relatively weak position to defend their rights due to little working class consciousness, the tendency of the major unions to be a company union, and strong control exercised by plantation companies. So far, only administrative staff and permanent workers (SKU) are organised, leaving out casual and unpaid workers who make up the largest share of workers in the sector. Indeed, after tight labour control was lifted during the *Reformasi* process, worker mobilisation in the agriculture sector in Indonesia has lagged behind compared to that in the manufacturing sector. Furthermore, the obscure line between working and living spaces characterising the oil palm plantation sector has resulted in strong control of plantation companies toward workers. These situations urge labour activists not only to

revitalise trade unions on oil palm plantations, but also to search for alternatives for organising oil palm plantation workers, while at the same time seeking ways to build up a working class consciousness. The workers' position is further weakened by the monoculture of the plantations. The monoculture displaces subsistence agriculture and thereby forestalls alternative income sources for workers. Fourth, the oil palm plantation sector is gendered as women participating in the sector, either as paid or unpaid workers, bear the brunt of working and living conditions.

These conclusions provide an important aspect for the food crisis discussion. Oil palm cultivation paves the way for changes in land use from polyculture to monoculture farming. This in turn makes it difficult for workers or local people to grow food crops. As a result, subsistence farming will not be attractive anymore and thus workers or local people have to rely on the local markets for their food supply. This certainly increases living cost, which may lead to food crisis at the micro level. The situation for plantation workers might be worse since their low wages further limit their access to food from the market.

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6. Rural Development and the Decent Work Agenda: The Role of Smallholders and the Rural Poor

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Decent work is the existence of opportunities for women and men to obtain productive employment in conditions of freedom, equity, security and human dignity (ILO 2008). Unfortunately, decent work remains a mere theoretical concept for many people in developing countries, most of them living in rural areas. The question is how to put the decent work agenda into practice in rural contexts. In most developing countries, the proportion of people living and working in rural areas is still larger than those in urban areas; around 70 % of the world's very poor people are rural (IFAD 2010a). Although the world is increasingly urbanising and the proportion of people living in rural areas will decline, the total rural population is expected to continue to grow until 2020. In South-Central Asia and Sub-Saharan Africa the rural population will grow until 2025 and 2040s respectively (Proctor and Lucchesi 2012). Particularly affected by rural poverty and the decent work deficit are smallholder farmers and rural wage workers who often fail to secure a fair and sustainable income. Worldwide, approximately 500 million smallholder farmers support roughly 2 billion people. In some countries agriculture presents the main source of income for 70 % of the population (IFAD 2012). Smallholders are small-scale farmers, pastoralists, forest keepers, and fishers who manage areas from less than one hectare to ten hectares (FAO 2012a). Smallholder farmers are typically self-employed, have access to or control over only a limited size of land, and hire few casual labours on a seasonal basis.² These characteristics of smallholder farmers present a challenge for implementing the decent work agenda, aggravated by the uncertainties associated with rising and volatile food prices.

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² The most commonly used definition of small holder farmers is farmers cultivating or controlling less than 'x' hectares, varying across regions; in Asia it is typically less than 2 ha, in South America it may be less than 50 ha; as a global figure some refer to less than 10 ha. A definition in terms of hectare cultivated or controlled is of course meaningless for fishers, forest dwellers or pastoralists. According to the ILO's Rural Workers' Organizations Convention No. 141, 1975, Article 2 'the term rural workers means any person engaged in agriculture, handicrafts or a related occupation in a rural area, whether as a wage earner or, subject to the provisions of paragraph 2 of this Article, as a self-employed person such as a tenant, sharecropper or small owner-occupier.' Excluded from the scope of the Convention are those who do not (a) permanently employ workers; or (b) employ a substantial number of seasonal workers; or (c) have any land cultivated by sharecroppers or tenants.

Rural poverty is a multidimensional problem that is influenced by historical, social and political relations among different societal groups and market actors. Although the livelihoods of poor rural households are distinct and diverse across regions and countries, most of them derive their living from smallholder farming, agricultural wage labour, self-employment or wage labour on rural non-farm activities, and migration (IFAD 2012). Many of the underlying, structural root causes of rural poverty contribute to the persistent decent work deficit in the rural sector and represent a push factor for rural-urban migration.

The creation of decent work opportunities in the rural sector, particularly for smallholders and family farmers but also including rural wage workers, has only recently become a topic on national and international policy agendas, which reflects to a certain extent the overall neglect of rural areas by many national policy makers over the last decade (ILO 2011). The food price spike of 2007-2008, during which international food prices almost doubled, has exacerbated the plight of poor rural (and urban) households. If global food prices remain high and volatile for the next decade as expected (OECD and FAO 2010), achieving decent working and living conditions in rural areas and ensuring food security at the same time will remain a challenge.

But higher food prices also create opportunities for increasing productivity and moving towards high-value crop production. In the context of food security this becomes even more important. Already smallholders provide a large share of the food supply, in some regions such as Asia or Sub-Saharan-Africa accounting for up to 80 % of the overall food supply (FAO 2012a). Strangely enough, however, a significant share of the almost one billion food-insecure is actually involved in food production, either as smallholders, landless labourers, or pastoralists. If growing food demand caused by population growth is to be met, agriculture in developing countries will need to play a much larger role in production than today, which means in many cases smallholder farming (IFAD 2010: 32). However, if smallholder farming is to play an increased role in contributing to food security, this requires that smallholder farmers not only have productive employment opportunities, but also decent ones. Creating decent work opportunities also matters for another reason: never before has the youth population (aged 15 to 24 years) been higher than today and in many countries the youth population will continue to grow, particularly in rural areas. In many developing countries, however, urban labour markets are only insufficiently capable of generating enough decent employment opportunities for young people. Thus, in order to prevent rural youth from migrating to urban areas (or abroad) decent working opportunities have to be generated in rural areas themselves. Without such employment opportunities also in rural areas, whether on- or off-farm, the livelihoods of many rural youth are unlikely to improve and potential for social unrest prevails. Still, agriculture represents roughly 40 % of the overall employment in many

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regions in the world (Proctor and Lucchesi 2012). If this share were to decline further, the food security challenge would be aggravated even more in the future.

Previously, approaches to combating rural poverty were not directly linked to the decent work agenda, but focused on productive and/or technological aspects of smallholder farming, thus increasing output production and subsequently farmer income. Therefore this chapter will argue that the decent work agenda has to be considered as a crucial element of rural development because it has the potential to improve the livelihoods of the rural poor. The chapter contends that the decent work agenda can have a positive impact on the living and working conditions of smallholder and family farmers in particular which increases their ability to contribute to greater food security if the right policies and development programmes are in place. Achieving lasting and sustainable effects, however, requires implementing the decent work agenda in a holistic and comprehensive manner, meaning to address all four pillars of the agenda.

In doing so, the first section of the chapter gives an account of the specificities of the rural decent work deficits and describes the challenges of putting the decent work agenda into practice in rural contexts. It follows a discussion of repercussions of high and volatile food prices particularly for the rural poor. The section continues to discuss each of the four decent work pillars and the particular challenges for the rural poor. The chapter then examines the impact of selected rural development programmes with regard to the implementation of the decent work agenda and its four pillars, i.e. employment creation and enterprise development, working conditions and social protection, rights at work, and worker and employer organizations and social dialogue. This section draws on experiences made by the International Fund for Agricultural Development (IFAD) in implementing different rural development projects and programmes with explicit and implicit decent work components.³ In a last section the chapter provides recommendations for policy makers for adjusting strategies and initiatives towards addressing the decent work deficit in rural areas.

Decent and Productive Work in Rural Areas

Decent work, Rural Poor People and the Food Crisis

Decent work was introduced by the Director-General of the ILO with a report to the International Labour Conference (ILO 1999), and since 2008 has been mainstreamed throughout the United Nations (UN) system (as well as development agencies) with its incorporation into the Millennium Development Goals (MGDs) as target 1 B (ILO 2011:

³ Decent work is one of the five strategic objectives of IFAD: “Poor rural women and men and their organizations able to manage profitable, sustainable and resilient farm and non-farm enterprises or take advantage of decent work opportunities” (see IFAD 2011).

107). Decent work rests on four pillars which relate to employment creation and enterprise development, social protection, standards and rights at work, and governance and social dialogue. Improving living and working conditions in rural contexts through a decent work approach means promoting interventions that focus on increasing productivity in agriculture through economic and social investments, including skills development and training, but also the creation of non-farm employment opportunities. Decent work centred interventions focus on improving occupational safety and health standards and working conditions in general, and on ensuring access to social security. Finally, the concept also implies improving social dialogue by actively involving local authorities as well as worker and employer organizations (ILO and IFAD 2012).

However, before the food crisis of 2007-2008, putting the four pillars of the decent work agenda into practice was already a difficult undertaking particularly in the agricultural sector. Out of the developing world's 5.5 billion people, 3 billion live in rural areas; out of these, 2.6 billion live in agricultural households and 1.5 are smallholders (World Bank 2007). On a global scale, it is estimated that 450 million people are waged agricultural workers, given a total agricultural workforce of 1.1 billion (ILO, FAO and IUF 2007: 32). Still around 1.4 billion people live in extreme poverty, meaning on less than USD 1.25 a day (United Nations 2010), and close to 1 billion suffer from hunger; of the world's very poor, at least 70 % are rural. The need for creating more decent work opportunities in rural areas is all the more pressing as the working age population continues to grow and an increasing number of young people enter the labour market, mostly in developing countries where employment creation already lags behind population growth (ILO 2010). For rural youth agriculture is increasingly becoming unattractive as an employment opportunity, due to lacking incentives, low incomes, and the hardship associated with rural life (IFAD 2010c). The unattractiveness of rural areas and agriculture for rural youth have in turn led to an increase in rural-urban migration, although urban labour markets in developing countries are largely saturated, and can only insufficiently absorb these migrants, which then adds to increased informal employment.

Many rural poor are smallholder farmers or rely on casual agricultural labour or a combination of both (IFAD 2012a). The rural poor are by no means a homogenous group; they do share some commonalities, but also have different characteristics. A smallholder might be at times also a casual wage worker, like many landless labourers. However, landless labourers have to rely solely on their labour, often in semi-feudal employment relationships, without any access to land. Landless agricultural labourers who work on large agricultural undertakings (e.g. plantations) in contrast most often work under better conditions than do other landless agricultural wage workers. With regard to the rural decent work deficit, we thus have to bear in mind that different rural poor are affected in different ways by the rural decent work deficit. There is no

commonly agreed upon definition of what exactly a smallholder farmer is. However, smallholders share a range of common characteristics. Apart from the fact that access to cultivated land is limited, smallholders use family labour for production, apply low technology means of production, hold limited resources in terms of capital, skills, risk mitigation, produce subsistence and/or commercial commodities, with both off- and on-farm sources of income, have limited capacity of storage and food processing, and are often the weakest link in value chains. Although some of these rural households find themselves in persistent poverty, a large part only falls into poverty due to particular risks such as ill health, poor harvests, social expenses, or conflict and disasters (IFAD 2010b:4). The probability to prevent such risks and to move out of poverty is not only related to personal characteristics such as education or access to physical assets, but also depends on economic growth, local markets, and infrastructure and institutions.

Throughout the 1980s and 1990s, the agriculture sector in the developing world experienced a significant under investment, while at the same time official development assistance disbursed to agriculture also declined (Fan and Breisinger 2011). It was only in the aftermath of the food price spike of 2007-2008 that this has changed, and strong calls for an increased investment in agriculture were heard, not only with regard to large scale investments but particularly addressed at poor rural farmers (FAO 2012b; HLPE 2013). One concrete international outcome of the food crisis has been the creation of the High-level Task Force on the Global Food Security Crisis to assist in the coordination of global efforts against the food crisis, which for that purpose has elaborated the Comprehensive Framework for Action (IFAD 2011: 21; HLTF 2010).⁴

However, with the world's population expected to surpass 9 billion people by 2050 (UN 2011), global food availability will have to rise by 60 % (Alexandratos and Bruinsma 2012). Large-scale food producers in the developed world alone will not be able to provide the surplus food availability, but a significant share will have to be provided by developing countries' agriculture, which in many cases is built on smallholder production. So far evidence suggests that smallholders have only weakly engaged in markets, also during the recent food price spike (IFAD 2010: 37). The food price spike of 2007-2008 has been attributed to various factors, among others: high oil prices, bio-fuel policies, mainly in the US and the EU, more frequent extreme weather phenomena associated with climate change, commodity futures trading, as well as increased food demand due to changing dietary patterns in emerging economies such as India and China (Cohen and Smale 2011; Singh 2009). Not only the level of food price rises but also the factors shaping food prices differ considerably across regions and countries. High oil prices for instance have increased not only transport costs, but also impacted input costs

⁴ For more on the Comprehensive Framework for Action, see <http://www.un-foodsecurity.org/node/842>.

such as fertilizers. In other countries, civil unrest has further undermined production and transportation, pushing up food prices. Most of all however, food prices are still determined by production levels; severe droughts and floods have repeatedly reduced production in recent years (FAO 2011: 11).

High food prices affect the rural poor, as in most cases they are both buyers and sellers of food. Although at different times of the year, smallholders can be cash crop producers and thus net food buyers, others are net food producers but sell their food immediately after harvesting, whereas in the time before harvesting they are obliged to buy food. Whiles some of the rural poor, such as landless labourers as well as smallholders, are net buyers over the years, others are net sellers. Food price rises vary across countries, depend on the crop in question, but are also related to people's diets. Where these are more diversified and less dependent on staples such as rice, wheat or maize, people were less affected by rising food prices (IFAD 2012a: 95). Poor people, including many smallholders, spend a large amount of their available household income on food, sometimes more than two-thirds. Therefore, higher food prices have a direct household level effect on the availability of income, at least in the case of net food buyers; for net food sellers, higher food prices should in theory generate higher incomes (FAO 2011: 15). Higher food prices for net producers, however, require that higher market prices actually reach the farm gate, which so far has not always been the case. Food consumers, including smallholders and family farmers have adapted their diets and have either cut back on quality and/or quantity of food intake. This adaptation often has the effect that the diet is becoming less diverse, and input of proteins and micronutrients is cut back, with the overall nutritional status declining (FAO 2011: 16).

High food prices on the one hand affect poor food consumers most, but could on the other hand profit food producers, provided that increased prices actually reach farmers also in more remote areas. However, volatile food prices create uncertainty and thus negatively affect both food consumers and producers: food price volatility might force consumers with small but stable household incomes to abrupt dietary changes with detrimental effects on nutrition and alimentation; producers in contrast might be inhibited from investing in higher value crops or technologies due to the uncertainty associated with price (and market) volatility. Against this uncertainty, many food producing smallholder and family farmers have adapted their production systems. Given that rising input costs, for example for fertilizers, have not been compensated for by rising producer prices, many farmers in various countries, in particular smallholders and family farmers have shifted away from market-oriented production towards home use crop production with lower input costs, but also lower output. Thus, higher and more volatile prices have had a negative effect on many farm-level investment decisions, exacerbated by lacking access to credit for many smallholder farmers. In the short term, the risk averseness of

smallholders can be rational, given the limited amount of investment capital available, but on the other hand, lacking investments in new technologies prevents smallholder farmers from profiting from longer-run returns (FAO 2011: 19).

Although negative effects of high and volatile food prices have impacted the rural poor, smallholders have the potential to profit from higher food prices, and have a potential for growth, contributing to global as well as their own food security. This however requires that smallholder farmers have secure access to land and water and to financial services in order to acquire seeds, tools and fertilizers. It is also important that the infrastructure allows them to get their products to the market, and that smallholder farmers have access to technology which allows them to receive and share market information. Finally, smallholder farmers are in need of stronger organizations, in order to increase their bargaining power vis-à-vis other market actors along the value chain, and to be in a better position to influence regional and national agricultural policies. Thus, for smallholders to actually overcome poverty and enhance food security, productive and decent working conditions in rural areas need to be improved. If the decent work deficit in the rural sector remains, more smallholder farmers will be pushed into poverty and hunger, or into urban and outbound migration.

Decent work approaches not only differ from urban to rural contexts, but also within rural areas. Decent work opportunities and challenges differ quite distinctively depending on whether we are talking about smallholder farmers, or people in rural employment, which includes agricultural and non-agricultural activities. In some cases these types of work or categories of workers overlap, which further complicates matters. In contrast to smallholder farming, for instance, commercial farming is characterized by features that offer a more enabling environment for putting decent work into practice. Commercial or larger farms: adapt to technological innovations more quickly; are located near towns or main roads; have better access to infrastructure such as irrigation or roads; have better access to capital and credit; show some degree of income or cropping diversification; have moderate access to markets; contain households that are typically better educated; and finally are better equipped with risk management techniques and tools. Thus, in such larger commercial farming enterprises, opportunities for employment tend to be greater, working conditions could be better and less dangerous, access to social security and services as well as forms of social dialogue could exist. Nevertheless, also smallholder agriculture, which already provides the basis of many rural economies, has the potential to generate pro-poor growth, benefitting the rural and non-rural economy as a whole. In order to not only make the smallholder sector more productive, but in more general terms, rural livelihoods also attractive for younger generations, it is here that decent work opportunities have to be created (IFAD 2010c).

Employment Creation and Enterprise Development

The share of agriculture in total global employment is declining: in 1991, 45.2 % of total employment was found in agriculture, whereas in 2007 this number had dropped to 34.9 %. These figures are a clear indication of a shift towards industry and services, but also reflect demographic changes and rural out-migration in the rural labour force (ILO 2008: 28). Still, despite global declining trends, for most regions in the world agriculture remains also in the nearer future a major sector of employment (Proctor and Lucchesi 2012). Employment patterns in rural areas vary from region to region and across sectors, but most smallholders are self-employed, mostly as subsistence farmers on their own small-scale or family farms (FAO 2010). In fact, many rural poor derive income from various sources, including on-farm production, as well as agricultural wage labour and non-farm wage labour and self-employment (IFAD 2010a: 54). Particularly the agricultural sector is characterized by high degrees of 'vulnerable employment', considered as the sum of own-account workers and unpaid family workers, which to a large extent includes rural youth. A high incidence of vulnerable employment is often associated with a large share of workers in (often subsistence) agriculture (ILO 2012: 42).

For smallholder farmers, increasing decent work opportunities includes two things: enhancing productivity and creating rural on- and off-farm employment opportunities. High degrees of informational asymmetries, alongside lacking physical, human and social assets hinder smallholder farmers from improving their productivity, diversifying their incomes, using improved technologies, or from striving for new markets and marketing opportunities along the value chain. Lacking assets for smallholder farmers include limited access to land,⁵ skills and education, capital and financial services or technologies.⁶ These shortcomings, aggravated by poor rural transport infrastructure and limited market information, represent obstacles for smallholder farmers, for instance, to accessing new markets.

Particularly with regard to smallholder farmers, as well as rural workers, opportunities of decent and productive employment are scarce, and a high prevalence of unemployment and underemployment exists (FAO 2010: 4). Rural labour markets are characterized by demand for unskilled labour with little formal education and training, which makes agricultural wage work generally low-paid. Average wages in agriculture, fisheries and

⁵ Land tenure insecurity often hinders the rural poor from diversifying their livelihoods by using their land as collateral, renting it out or even selling it; furthermore, insecure land tenure affects investment decisions, for instance whether commercial or subsistence crops are grown (IFAD 2012c).

⁶ Unequal land distribution is one example of economic, social and political power asymmetry that characterizes rural labour markets; employers are often not only large land owners, but they also control other assets required by workers, such as housing, water, credit, animals, storage, or even health-care facilities (ILO 2008: 16).

forestry, where most rural people are occupied, are often lower than urban informal sector wages. In a number of countries, agricultural workers are specifically excluded from minimum wage protection; other countries exclude specific categories of workers, most frequently found in agriculture, from such protection, for example casual workers, part-time workers, piece workers, seasonal workers, or tenant farmers (ILO 2008: 37). Access to higher-productivity as well as higher-wage employment opportunities are still limited for smallholder farmers and rural workers alike. In theory, higher food prices should fuel demand for unskilled labour on farms, which in turn could positively increase rural wages, and thus benefit households that (partially or completely) rely on wage labour for their income. In practice, however, the precise effect of higher food prices on rural wages seems to be ambiguous, and depends for instance on the importance of the agricultural sector to the overall economy (FAO 2011: 15).

Already, waged employment in rural economy areas is becoming increasingly important, be it informal or formal, or farm or non-farm work. Commercial farming is likely to fuel labour demand in agro-industries and distribution and retail sectors (FAO 2010: 1). If more non-farm employment is created, the supply of agricultural labourers will decline, implying a theoretical increase in wages (ILO 2008: 47). Typically, non-agricultural, non-farm activities require higher skills and training than low-wage agricultural employment, which is why continuous training and skill upgrading is necessary to make the rural poor better qualified for non-agricultural activities. Such training also includes managerial and entrepreneurial skills development, necessary for supporting particularly micro, small and medium enterprises, be it in agribusiness-related activities or not. Training and acquiring new skills and innovative technologies is also vital for increasing the productivity for smallholder farmers, particularly if they adapt their production systems towards growing more high-value crops. New knowledge and skills training is also needed for smallholder farmers to adapt to the effects of climate change, already felt in many developing countries in increased climate variability and incidence of extreme weather events, which are likely to worsen in future (IFAD 2010: 83). In some cases these risks can be off-set by new and innovative technologies or tools,⁷ provided, however, that smallholder farmers have access to these, and once they have gained access, know how to effectively use these tools.

Labour market institutions in rural area often do not offer adequate, modern contexts and demand specific skills training. In order to increase decent employment opportunities and to foster enterprise development in the rural sector, support for vocational education and

⁷ New technologies include the use of disease-resistant new plant varieties, or the construction of improved drainage and irrigation systems; small-scale storage facilities can be improved, so that particularly smallholder farmers face fewer post-harvest losses; finally, market-based insurance schemes can alleviate risks and provide a tool for making production decisions (FAO 2011: 37).

training programmes that teach employment-related technical and business skills is called for, with a particular focus to the needs of the rural poor, including smallholder farmers. Weak (or even absent) rural labour market institutions more basically lack the capacity to gather and analyse disaggregated data on rural (and urban) labour markets, which is vital in terms of developing more efficient, fair and just rural labour markets and also in order to provide information on alternative urban employment opportunities.

Working Conditions and Social Protection

Working conditions for rural people, in particular smallholders and casual wage labourers, are often poor, depending on the specific rural context they work in. Where high degrees of informality and self-employment prevail, producers and workers tend to work under precarious health, safety and environmental conditions, given the many hazardous activities in agriculture, such as dealing with pesticides or machineries. Indeed, agriculture is one economic sector in which high levels of informality exist, although sound statistical information and exact figures of its extent are scarce. The situation is aggravated by the fact that domestic labour legislation is only inadequately, if at all, enforced, given that labour inspection and monitoring systems in rural areas tend to be weak (FAO 2010: 5). Informal, casual and seasonal employment relationships are particularly prone to poor working conditions, given that no employment contracts exist, in which the exact terms and conditions of work could be established. On the other hand, we see that in comparison plantation workers for instance (e.g. tea, bananas) enjoy relatively high conditions, provided that a strong worker organization protects their interests.⁸

Lacking or limited savings and/or access to capital inhibit smallholder farmers and landless peasants from investing in social protection schemes which could leverage against risks and reduce vulnerability: agricultural work typically is physically demanding, shows high incidents of work-related accidents, and seasonal variation in food and employment. Lacking awareness and information on the proper use of equipment and chemicals increase the risk of work-related accidents (ILO 2008: 77). Again, lacking capital or access to credit hinders smallholder farmers from investing in better, modern tools and technologies for improving occupational safety and health conditions. In effect, however, rural workers and smallholder farmers belong to the group

⁸ However, it is also often the case that agricultural workers, particularly casual, temporary or seasonal workers working on plantations, are paid at least in part on a piecework basis, meaning per kilo of crop picked, row weeded, or hectare sprayed, rather than by hourly rates (ILO 2008: 36).

least protected in terms of access to basic health services,⁹ worker compensation, disability insurance, or pension schemes (ILO 2008: 40).

Rural employment relationships, be they on- or off-farm, are characterized by high degrees of informality, which represents another obstacle for smallholder farmers and rural workers to enter into social security schemes that are linked to holding a formal employment status. In general, access to social protection systems and services in many developing countries is limited, particularly in remote rural areas that are distant from economic and political centres. In such an environment it is more difficult to provide social protection schemes because of inadequate infrastructure, weak market integration and an overall under provision of public services (ILO 2008: 81).

Smallholder farmers are particularly prone to suffer from poor working conditions, either because they are self-employed or work informally. They typically do not possess the means, knowledge, skills, technology, or assets to improve these, or they are informally, casually, seasonally employed where working conditions are not negotiated (or negotiable) with employers. Again, weak labour legislation and even weaker enforcement hinder working conditions in the rural sector to improve, despite its often hazardous nature. Smallholder farmers, however, also have very limited abilities to actually secure themselves against the risks associated with agriculture, foremost being poor and ill health. Self-employed workers most often do not have the extra means to pay for any social security contributions, whereas small producers and informal economy workers are not covered by any social protection schemes.

Rights at work

Looking at rural areas, we find that often fundamental rights at work do not apply: trade unionists and those that organize among rural workers are threatened and become victims of violence; the prevalence of child labour is still highest in agriculture; forms of bonded and forced labour practices continue to exist, particularly in rural areas; and women and minorities continue to be discriminated against. Thus, the set of internationally recognized fundamental labour rights – freedom of association and collective bargaining, abolition of all forms of forced labour, end of child labour, particularly its hazardous forms, and the prohibition of discrimination at the work place – are particularly prone to noncompliance in rural areas and the agricultural sector (Thomann 2011). As mentioned before, the rural poor are particularly affected by weak domestic labour legislation and labour market institutions, and weak law enforcement agencies do not enforce existing legislation sufficiently and adequately. Again, high degrees of informality, thus lacking

⁹ Most rural poor have little extra sources to pay for services, such as health, which in turn leads to under provision of such services (ILO 2008: 67); rising and volatile food prices leave the rural poor with even less extra capacities that could be used once risks materialize.

formal employment contracts, leave rural workers unprotected by national labour legislation (ILO 2002a). Thus, it is the informality of many rural employment relationships that leaves rural workers in a precarious situation, and which makes the practical application of national labour laws in rural areas particularly difficult.

It is however not only their employment status (as self-employed, smallholder farmer, casual or seasonal worker) that leaves this particular group unprotected. In many cases they are outright excluded from the scope of application of national labour laws. Indeed, in many countries the scope of the application of labour legislation is still divided into non-agricultural and agricultural workers, granting the latter group lower degrees of protection than the former group (Thomann 2011). Thus, often factory workers legally enjoy more rights than those employed in the agricultural sector. In other cases, rural workers are excluded in practice, because they belong to particularly vulnerable groups, such as women, migrant workers, or indigenous peoples.

A particular problem related to labour rights, apart from the legal aspects, is the fact that most often rural workers (as well as smallholders who are casually employed) are not aware and do not possess the knowledge of existing laws and regulations or are unaware of legal remedies available to them (ILO 2008: 85). Weak or absent labour inspection aggravates this situation further, as does the often weak presence of worker organizations in rural areas. Worker organizations would have a particularly important role to play in the education on and information about workplace related rights. Where employment relationships are characterized by asymmetrical power balances, lacking awareness of labour rights leaves workers even more vulnerable.

In contrast to casual agricultural workers (landless or smallholders), the situation regarding labour rights presents itself slightly differently for agricultural workers employed either on large plantations or commercial agribusiness. In these undertakings, labour rights tend to be more respected, also due to the more active presence of worker organizations. Thus, increased commercial agriculture fuelled by higher demand for higher value food could help to increase respect for workers' rights, as these businesses tend to be formal enterprises.

Social dialogue

Another characteristic feature of rural work is the existence of low degrees of organization and unionization among smallholder farmers as well as wage labourers. Still today, many countries have legal provisions in force, preventing rural workers from joining trade unions and bargaining collectively (ILO 2004). Legislation or administrative regulations for instance prohibit the establishment of more than one trade union to represent the same economic category; states require a certain number of

organizations to form federations and confederations; rural worker organizations are also limited in choosing their own organizational structure; trade unions are required to represent at least half the workforce of an enterprise or bargaining unit in order to gain recognition or be allowed to bargain collectively (ILO 2008: 87). Thus, similar to the situation concerning rights at work, in many regions and countries workers in rural areas are subjected to worse conditions than their urban counterparts in terms of freedom of association and collective bargaining. However, worker organizations and the right to organize are prerequisites for ensuring that labour legislation is complied with. But even where national legislation actually recognizes and protects the right to organize also in the rural sector, this right may either be weakly or inadequately enforced, due to the aforementioned lack of functioning labour inspection systems in rural areas (ILO 2003).

Practical barriers to unionization and organization include the remoteness of many rural areas, but also the seasonal character of much agricultural work. However, lacking organization or unionization of the rural poor prevents them from increasing their bargaining power. Only through collective bargaining procedures is it possible that agricultural workers are enabled to improve their terms and conditions of employment. Lacking organization also prevents them from better understanding rights at work as well as working conditions. This is because many collective agreements incorporated on the enterprise level are relevant to provisions of the labour code, for instance on working time, leave, and medical care, thus creating a common understanding among workers and employers on the rights and duties of employers and workers. Particularly smallholder farmers could profit from increased forms of social dialogue and collective bargaining, as they could increase their bargaining capabilities. Given the self-employment status of many smallholder farmers, a possible way to achieve this would be a focus on cooperatives: by bundling their forces and productions together, smallholder farmers not only could improve productivity (also through sharing tools, and other assets), but more importantly higher overall output will enhance their bargaining position in the market.

Addressing Rural Decent Work Deficit in the Practice of IFAD

IFAD is an international financial institution and a specialized agency of the United Nations, based in Rome. Established in 1977 in the aftermath of the food crises in the early 1970s as a direct outcome of the 1974 World Food Conference, IFAD has a total membership of 172 countries, comprising OECD and OPEC members, as well as developing and middle-income countries.¹⁰ Since the beginning of its operations, IFAD has invested approximately US\$ 14 billion in grant and low-interest loans to developing countries through specific projects and programmes. By mid-2012 IFAD had a total 271

¹⁰ For the list of member states, see <http://www.ifad.org/governance/ifad/ms.htm> (30 June 2013).

investment projects running, with total IFAD financing of US\$ 5.5 billion; in addition, IFAD had 389 grants in its portfolio with a total value of US\$ 246 million (IFAD 2012b). As of December 2012, IFAD supported 43 countries in Sub-Saharan Africa with 119 on-going programmes and projects; in Asia and the Pacific, 19 countries with 60 on-going programmes; in Latin America and the Caribbean 19 countries with 39 on-going programmes and projects; and in Near East, North Africa, Central Asia and Eastern Europe 16 countries with 38 on-going programmes and projects (IFAD 2013). Actually, IFAD is one of just a few development agencies that produces an annual independent evaluation report (IFAD and IOE 2012). The evaluation process - carried out by the Independent Office of Evaluation (IOE), which reports directly to IFAD's Executive Board - creates accountability and transparency but in addition offers the opportunity for IFAD to learn from past experiences, and thus continuously improve its rural poverty reduction operations by adjusting future projects accordingly. Since 2002, the IOE has completed 170 such independent project evaluations (IFAD and IOE 2012: 11).

IFAD's mandate is to improve rural food security and nutrition, and enable rural women and men to overcome poverty (IFAD 2012a). For that purpose IFAD has set up several strategic objectives, that transferred at the project level help rural people become more resilient to climate change, environmental degradation and changing markets. The project also assists in accessing services that help to improve the nutrition and raise the income of the rural poor. Projects further take advantage of opportunities for decent work or entrepreneurship both on and off farm, and finally projects intend to influence policies and institutions that govern the livelihoods of rural people (IFAD 2011). IFAD rural development projects typically have the comprehensive objective of improving the livelihoods of the rural poor and smallholder farmers. IFAD's project interventions focus on increasing access to assets (knowledge, skills, land), improving technology (better seeds, fertilizers), offering capacity building and technical assistance, providing better access to credit and finance, as well as improving the overall employment situation and livelihoods of rural women and men. Thus, IFAD rural development projects are rural poverty alleviation and food security projects, the impact of which is measured against a set of indicators, including household income and net assets, food security and agricultural productivity, natural resources and environment, human and social capital end empowerment, and institutions and policies (IFAD 2012b).

Given the focus on rural poverty alleviation and food security, IFAD's rural development projects and programmes are diverse and are adapted to national, regional and local circumstances, which make comparisons of projects within and across regions rather difficult. Looking at IFAD's global project portfolio reveals considerable variety and diversity in terms of focus and type of project interventions. IFAD's project portfolio is comprised of interventions that focus on: natural resource management; rural finance and

microenterprise development; improved agricultural technologies and effective production services; financial services; transparent and competitive markets for agricultural inputs and produce; improved access of poor rural people to markets; meeting basic human needs; supporting social inclusion; scaling up and South-South cooperation; strengthening sustainability; agricultural markets and off-farm rural development; and local and national policy processes (IFAD 2012a: 9).

Against the background of IFAD's operational focus on rural poverty alleviation and food security, it comes as no surprise that so far the decent work agenda and its four pillars have only indirectly been addressed by IFAD projects and programmes. In addition, the decent work agenda is a relatively new concept in the international developmental community, and thus still has to be mainstreamed throughout different developmental agencies. Still, this is not to say that IFAD projects and programmes do not have any impact on each of the four pillars of the decent work agenda. In order to actually evaluate the possible impact, a joint initiative between IFAD and the ILO reviewed five on-going IFAD-funded projects and programmes in Egypt, Madagascar, Nepal, Nicaragua, and Senegal between 2010 and 2012 for promoting employment and poverty reduction in rural areas in detail, with a view to their effect on the four decent work pillars (IFAD and ILO 2012).¹¹ The selected projects and programmes are fairly typical and representative for the work of IFAD, as well as other organizations working in rural development.

The West Nubaria Rural Development Programme in Egypt (WNRDP) was implemented from 2002 to 2013 with a total budget of US\$ 54.8 million, of which IFAD provided US\$ 18.5 million. The overall project goal was to enhance the livelihoods of the target population by increasing sustainable economic activity and developing greater social self-reliance. Specific project goals included: attaining social cohesion and creating a sense of community; developing reliable and equitable access to public support services; developing diversified and profitable farming based on more efficient water use; establishing self-sustaining arrangements for the provision of credit services; and strengthening and diversifying the local economy (IFAD and ILO 2012: 7).

The Leasehold Forestry and Livestock Programme in Nepal (LFLP) was an eight year programme, which ran from 2005 to 2013, with a total budget of US\$ 12.8 million, US\$ 11.7 million of which was provided by IFAD. The overall project goal was to achieve a sustained poverty reduction in targeted households by allocating leasehold forestry plots for increased production of forest products and livestock. For that purpose, the project aimed at ensuring that leasehold plots were managed to meet household subsistence and income needs, and protect the environment. Livestock in addition contributed to

¹¹ For detailed project information, see <http://www.ifad.org/operations/gmaps/index.htm>.

household food and income needs, rural financial institutions were created to provide financial services, and the government was to develop the capacity to implement leasehold forestry as a gender sensitive poverty reduction programme (IFAD and ILO 2012: 9).

The Support Programme for Rural Microenterprises Poles and Regional Economies (PROSPERER) in Madagascar was a seven year programme, with a total budget of US\$ 30.3 million, of which IFAD contributed US\$ 17.7 million. The overall project goal was the promotion of increasing incomes by strengthening rural microenterprises. The project included four project components: identification and mobilization of rural microenterprises; business development services and vocational training; rural finance and risk management; and market infrastructure and investments (IFAD and ILO 2012: 11).

The Programme for the Economic Development of the Dry Region in Nicaragua (PRODESEC) was a four year project with a total budget of US\$ 25 million, of which IFAD financed US\$ 14 million. The overall project goal was the promotion of entrepreneurship and support services. In doing so, the project focused on the promotion and financing of local employment and businesses, rural financial services, and the strengthening of rural developmental policies and institutions (IFAD and ILO 2012: 13).

The Promotion of rural entrepreneurship project in Senegal (PROMER II) was a seven year project (from 2006 to 2013), with a total budget of US\$ 21 million, of which IFAD contributed US\$ 14 million. The overall project goal was to contribute to rural poverty reduction by creating or consolidating micro enterprises. The project's components were: non-financial support services for the development of microenterprises; the facilitation of financial services access; strengthening professional organizations; and the provision of information services (IFAD and ILO 2012: 15).

The IFAD/ILO review chose the above mentioned projects on the basis of a first desk review of a broader number of projects. From the above, it becomes obvious that the selected projects were rather diverse in design and implementation. Two projects – WNRDP in Egypt and LFLP in Nepal - were general socio-economic rural development projects, whereas PRODESEC in Nicaragua and PROSPERER in Madagascar provided assistance to youth directly but also worked with producers and entrepreneurs. PROMER in Senegal had rural micro and small enterprises as target groups, with a priority for women. Methodologically, the review was carried out through separate country reports for each of the projects. In a first phase, project information was gathered and project staff interviewed with the purpose to prepare the field phase. In the second core field phase, interviews followed by focus group discussions were carried out with youth, producers and entrepreneurs and local community leaders. Interviews and focus group

discussions gathered information on the perception of interviewees on how specific projects had contributed to the promotion of decent and productive work opportunities. In total, 730 interviews were carried out with youth, 363 with producers and entrepreneurs, and 326 with local leaders.¹²

Overall, the interviews as well as the focus group discussions have shown that all five projects have to varying degrees had an impact on decent and productive employment. WNRDP in Egypt and LFPL in Nepal seem to have had the lowest impact in terms of employment: in Egypt 16.5 % and in Nepal 16.2 % of those interviewed reported an improved employment situation. Most likely, this is related to the fact that both projects were general rural development projects without a specific employment component. In Madagascar 100 %, in Nicaragua 76 % and in Senegal nearly 100 % of interviewees reported an improvement in their employment situation. Overall, 45 % of all youth interviewed found that their employment situation had improved, and 44 % were of the opinion that the probability to find employment had risen. Even more, namely 56 %, found that the projects had provided good training opportunities. Also producers and entrepreneurs identified a positive impact of the projects: 85 % reported that the production had increased throughout the project. 50 % reported that employment opportunities for young people had increased and that roughly half of all new employees hired were youth. 43 % of producers and entrepreneurs also found that training opportunities had improved. Local leaders supported these perceptions: 63 % were of the opinion that employment opportunities had increased, and 74 % found that training opportunities had improved (IFAD and ILO 2012: 55).

The review also revealed how specific activities contributed to increased employment. In Madagascar, youth reported that they had overall increased their capacities, whereby their negotiating power was strengthened. Profit margins were increased due to better management, productivity was increased through improved production processes, and production capacity was increased due to provision of equipment, financial support and access to micro-credit. In Nicaragua PRODESEC was designed to promote entrepreneurship and to support rural enterprises, producers and entrepreneurs. Activities included support to establish cooperatives and their legal formalization, the preparation of business plans, technical training, and training in managerial skills. In Senegal project activities included literary classes (given high rural illiteracy rates), and financial support (IFAD and ILO 2012: 62).

Interviewees however also pointed out shortcomings of the projects, and made suggestions as to how improve the employment aspect of decent work. In Egypt, direct

¹² Of the producers and entrepreneurs interviewed, 100 % of businesses in Madagascar, 86.5 % in Egypt, 78.9 % in Senegal and 33 % in Nicaragua were informal (IFAD and ILO 2012: 48).

support for increased agricultural production, diversification and alternatives to agricultural work were called for. Furthermore, management and entrepreneurship training, and credit schemes in support of self-employment should be supported. Producers called for business management training and support to business for acquiring legal status. In Nepal, discussions revolved around the question of how to increase local production and how to develop market demand-based training, supplemented by access to funding, technical/legal support for self-employment. In Madagascar emphasis was placed on the need for continued training on technical, managerial and entrepreneurial skills, but also computer training and improved access to financing. In Nicaragua, further capacity building and enterprise and business development were recommended, together with improved access to credit.

The five projects analysed showed a mixed picture regarding their impact on working conditions and social security, mainly due to the fact that only one of the projects, PROMER in Senegal, specifically addressed these issues. Overall, 39 % of youth interviewed found that their income had improved, 24 % were of the opinion that working hours and other working conditions had become better, whereas only 8 % noted an improvement in terms of social security. In Nepal, youth mentioned that no noticeable change could be seen in terms of improved social security, occupational safety and health, and other working conditions. Local leaders pointed to three interrelated reasons for this: first, the government monitoring and enforcement functions remained weak in rural areas; second, given a labour surplus, employers were not willing to offer better working conditions; thirdly, youth were in general not aware of their rights as employees. In Nicaragua, it was noted that some improvements in working conditions had taken place, mainly through the provision of protection equipment as well as worker friendly production methods. Regarding social security, it was mentioned that so far the newly established cooperatives and enterprises did not have enough financial capacity to introduce social security schemes. In Senegal, occupational safety and health was part of the training activities carried out, as a result of which most interviewees felt an improvement in this regard. As recommendations concerning working conditions and social security, participants of the focus group discussions pointed to the following aspects: awareness raising among employees, producers and employers with regard to occupational safety and health; providing tools, equipment and technologies to improve work safety; finally, ensuring the provision of health services in the rural sector (IFAD and ILO 2012: 65).

Interviewees however noted that only 15 % of their employment contracts had actually improved; and around 28 % noted that respect and awareness among employers regarding workers' rights had improved in the course of the project intervention. The focus group discussions urged informal enterprises to acquire formal status, but also

asked for increased awareness-raising among employees and employers on workers' rights. Finally, an improved labour inspection system to monitor compliance with existing legislation was called for. Regarding social dialogue and the strengthening of worker and employer organizations, only 2.7 % of the youth interviewees noted an increase in trade union membership or progress in terms of collective bargaining. However, producers and entrepreneurs stated by 53.4 % that dialogue and collective bargaining had improved. 33 % of all producers and entrepreneurs were members of an employer or producer organization (IFAD and ILO 2012: 93).

The IFAD and ILO review, of course, has its limitations in terms of generalizability and representativeness, but the findings of the study nevertheless offer valuable insight into the possible effects, and of IFAD rural development interventions on the four pillars of the decent work agenda. Thus, the review allows conclusions to be drawn that could serve as the basis for future rural development projects and programmes with a more explicit focus on the decent work agenda. It is evident that although all four pillars of the decent work agenda were actually positively affected by the analysed projects, this effect showed great variation with regard to the four different decent work pillars, as well as between different projects.

The greatest impact was noticed with regard to employment creation and enterprise development, which was positively affected in all projects. This was reflected in improved employment situations, a positive perception of the probability to find jobs, and with regard to training opportunities. The second pillar – working conditions and social protection – was already less positively influenced; concerning rights at work and worker and employer organizations and social dialogue, the impact was felt least among interviewees. We see that even for rural development projects that do not have an explicit decent work component, each of the four pillars of the decent work agenda can nevertheless be positively influenced. Thus, it is likely that projects with specific and explicit decent work components would even fare better in terms of impact.

However, the findings of the IFAD and ILO review also show that most projects only had partial effects on the four decent work pillars, and that the interventions (so far) seem insufficient to address all four pillars in a comprehensive manner. If the decent work agenda is to make a meaningful difference for the rural poor, it is indispensable to approach all four pillars in a comprehensive manner. For the decent work agenda to be put into practice what is needed are general political and sectorial measures, and processes of labour organization. Such measures, however, go beyond the reach and the capacity of what IFAD rural development projects typically can deliver.

Recommendations

Alone, smallholder farmers and rural workers are unlikely to actually overcome the decent work deficit. Rather, particular policies and targeted interventions are needed on the national, project and international level. On the national governance level, policy makers should take up rural employment and development issues in national employment policies after having consulted organizations of rural employers and workers with regard to the formulation and implementation of rural development policies. Basic services and investment in rural areas need to be improved and promoted, particularly in terms of health, education, transport and communication. In order to enforce existing labour legislation also in rural areas, labour administrations and labour inspection services need to be adequately staffed and equipped. For policy makers to formulate adequate and targeted rural development policies, reliable data on the livelihoods of rural households need to be collected.

On the project level, the decent work agenda has to be implemented with specific measures and activities that directly address the rural decent work deficit. More importantly, all four pillars of the decent work agenda need to be taken into account in a comprehensive, integrated and encompassing way. Regarding employment and enterprise development, production based on local resources should be supported, and packages of market-based training activities provided, including managerial and entrepreneurial skills. Furthermore, skills development including lifelong learning and vocational education should be supported and training for both farm and non-farm activities provided. Education and skills training should be made more accessible and universal, and adapted to the specific needs of the rural economy. More generally, sustainable small and medium sized enterprises, or cooperatives and other forms of community-based organizations should be promoted. For smallholder farmers, access to land, funding (capital/finance) and technology is of particular importance.

What is needed with regard to working conditions and social protection is awareness-raising among enterprise owners, including producers and entrepreneurs, to abide by national legislation. This should furthermore be supported through training in technical and legal aspects of occupational safety and health issues. Access to tools, equipment and technologies needs to be facilitated. More generally, access to essential health care services, as well as health insurance schemes needs to be ensured also in rural areas, which means the promotion of the extension of social protection to all. Finally, legislation needs to be adequate and include the rural sector, but most of all, adequately staffed labour inspection systems that ensure compliance with relevant legal standards need to be in place.

Concerning rights at work, governments should promote the formalization of work in rural areas without hindering the livelihoods of the rural poor. Furthermore, it needs to be ensured that national legislation guarantees fundamental principles and rights at work for all workers and employers, irrespective of how and where they work. This includes the promotion of the extension of national labour laws to all rural workers. Further needed are information campaigns to better inform rural employers and workers on their rights and responsibilities at work. With regard to the social dialogue pillar of the decent work agenda, workers, both self-employed and entrepreneurs, need encouragement regarding the value and benefit of forming or joining such organizations. In this context employer and worker organizations should extend representation in rural areas in order to be able to assist their members. It is furthermore important that linkages between rural worker and employer organizations and their national and international counterparts are strengthened.

For a rural development organization like IFAD, several options are available for further increasing the significance of the decent work agenda in its operations. As an international financial institution that works mainly with loans and to a lesser extent grants to developing countries, IFAD could take greater advantage of political dialogues with governments interested in receiving a loan or grant. IFAD could and should use these political dialogues with governments to push for the decent work agenda and to broaden and deepen its significance for IFAD projects and programmes. Using the political dialogues, the four pillars of the decent work agenda could become a framework for the formulation of rural development programmes unlike now when the four pillars are addressed in an isolated way and only partially in some IFAD projects. In particular, some specific project components have to be amplified and expanded, so that all four pillars of the decent work agenda are impacted. This is especially the case with regard to the second, third and fourth pillars of the decent work agenda, which so far have only insufficiently been addressed. One could think of IFAD introducing some kind of conditionality in its loan negotiations, for example with regard to the effective application (or formulation) of labour legislation also in rural areas where IFAD projects are operative. Such “conditionality” would give IFAD considerable leverage in further promoting the decent work agenda also in rural contexts.

Finally, we should bear in mind that the decent work agenda is a relatively new concept on the international agenda, and that the process of norm diffusion across different international institutions is still on-going. For IFAD this means that the learning process with regard to the decent work agenda has only just begun. The decent work agenda has to become an integral part of rural development, not only to improve the livelihoods of the rural poor, but also with a view to food security and the expected increased role of smallholder agriculture.

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Part III: Social Protection

7. Food Security Requires Income Security: The Case for Universal Social Protection Floors

Frank Hoffer

Speculation, inflation, climate change, biofuels, population growth, increased meat consumption, droughts and floods, soil degradation, and food wastage are all served as explanatory factors for persistent malnutrition of millions of people and the cyclical catastrophic food crises. No doubt, these factors influence food prices and food supply, and increase market volatility. However, public debate and media coverage sometimes imply that hunger is a fatal consequence of one or several of these trends. Nothing could be further from the truth. In most instances, the problem is not one of absolute shortage of food, but that of an increase in food prices that excludes the poor from food consumption.

Food security is first and foremost a question of distributive justice. There is a serious risk that, due to further environmental degradation, arable soil will shrink to a level that might result in a return to an absolute shortage of food, but this is not the reason for hunger today (World Hunger 2012a). Thanks to massive productivity growth in food production, absolute shortage of food is no longer the problem it was. The days when people died of hunger because there was simply not enough food for all available are gone. It is therefore shameful that after decades of productivity improvement, increases in global per capita income, and massive wealth production, there are still on any given day hundreds of millions of fathers and mothers desperate to feed their children (World Hunger 2012b).

A global economic system that produces incredible wealth, but cannot ensure 'zero hunger' on this planet is deeply flawed. Today people die of hunger because of political non-decisions. If universal human rights are not only meant to be a propaganda tool of the most affluent societies to put additional demands on poor nations, zero hunger or the right to food must be a global obligation and no government, and no nation, can exculpate itself from this moral minimum of global solidarity. Hiding behind the undoubted primary (but not sole) responsibility of national governments to ensure income security for their people is just no excuse.

People suffer from malnutrition or hunger not because there is no food in the market, but because they simply do not have the money to buy it. When all is said and done, income

security is the crucial safeguard to enable people to put a decent meal on the table. If the real incomes of the poor improve, the demand for food will increase accordingly and hence the incentive not only to produce more food, but also to deliver quality food to the poor will grow. The change in the composition of aggregate demand caused by an increase in real income of the poor, will lead to a reallocation of productive resources. Investment in other goods and services might decline while investment in quality food for the poor might rise. But there is no reason to assume that greater distributive justice will have a negative impact on overall economic performance. And even if there were a trade-off between protecting everybody against hunger and economic growth, there is no justifiable reason to give higher priority to economic growth than people's lives.

The paper discusses the key role of income security in ensuring access to basic goods and services including food for all in need. It reflects on the mainstream arguments against redistributive policies and argues that there is no necessary trade-off between greater equity and efficiency. Finally it introduces the new ILO Recommendation on social protection floors and discusses in particular the potential role of trade unions and other civil society actors to increase the relevance of this universally agreed international consensus to provide income security to all in need.

Ensuring sufficient and stable income is an obvious and simple solution

Food security is an indispensable element of any meaningful concept of socio-economic security, but a life in dignity does not stop with food security. Clothing, housing, and a basic public infrastructure including clean water, schooling, and healthcare, are not only an indispensable social minimum but there is also no meaningful concept of freedom and democracy without them. Some of these basic needs and services are best provided through universal public services, however, for others cash transfers that guarantee basic income security but leave the individual the choice to make the purchases he or she regards as most urgent would be less paternalistic and preferable to provisions in kind.

Except for the privileged few, income security can only come from work or through social transfers. While work is the main source of income for most people during active age; children, the sick, the handicapped, the elderly, pregnant women, the unemployed, and the underemployed are in need of either intra-family or public transfers. Particularly poor families with limited capacity for intra-family support and risk pooling cannot escape extreme poverty and hunger without the support of societies at large. Today more than 200 million children (ILO 2010a) are deprived of play and proper education during their childhoods as they have to work for a living. There are no global figures about old age deprivation and extreme poverty. But there can be no doubt that both rapid

urbanization and rapid aging of low and middle income countries will result in a growing number of old people in need of public transfers.

Billions of people are too poor to afford essential healthcare. While today a large part of the global middle class, as well as the majority of workers in the rich nations enjoy protection through compulsory health insurance or national health services; health related costs and loss of income together push more than 100 million (ILO 2011: 14) people annually into poverty according to the WHO. The poor are often forced into the bitter choice between food and medicine; trapped in a vicious circle where poor health reduces their productive capacity and ability to earn sufficient income for adequate nutrition and healthcare. For them, 75 % of healthcare payments are out-of-pocket payments, while the better off can rely on collective security systems and pay less than 20 % directly (ILO 2011: 14).

Providing income security for children and the elderly, as well as essential healthcare are indispensable for a life in dignity. Furthermore, a basic concept of income security needs to include maternity protection as well as support for those who cannot work because of disability, or who can, want, and should work, but cannot find a job or have to engage in survival activities that do not provide a living wage. Policies that focus on generating employment, while disregarding the income it provides, are insufficient. Indeed such primitive employment generation is done without any policy intervention by the poor themselves out of pure desperation. In the free labour market of the slums of Mumbai, there is no 'unemployment', only millions of people heavily overworked and bitterly underpaid. It is also not a world that should be romanticised as something dominated by somehow friendly, neighbourhood-like informal arrangements freely chosen by both sides:

“[t]hose engaged in informal sector competition under conditions of infinite labour supply usually stop short of a total war of all against all: conflict, instead, is usually transmuted into ethno-religious or racial violence ... the informal sector, in the absence of enforced labour rights, is a semi-feudal realm of kickbacks, bribes, tribal loyalties, and ethnic exclusion ... the rise of the unprotected informal sector has too frequently gone hand-in-hand with exacerbated ethno religious differentiation and sectarian violence” (Bateman 2012; Chang 2012: 27).

Two labour market failures are regular features of capitalist economies: wages below poverty levels (ILO 2010-11) and unemployment (ILO 2013a). Unfortunately there is the deep rooted error that we have to choose between higher levels of employment and lower wages or vice versa. The unfortunate translation of the undisputable daily experience at enterprise level that wage concession can protect jobs leads to the wrong theoretical generalisation that what is true for one enterprise must also be true for the economy at large. This leads to policies that waste sustainable growth opportunities.

The theoretical misconception of a trade-off between wages and employment is the most powerful argument against fairer distribution by those arguing against progressive redistribute policies. It is at the heart of the resistance against raising the income floor through minimum wages or social transfers. However neither practical, theoretical nor empirical anyone has been able to show the truth of an theory that assumes full employment can always be achieved as long as market forces are applied without any restrictions.

In fact, empirically societies with comparable per capita income have very different wage structures with similar levels of employment and the majority of recent research sees no correlation between an increase of minimum wages and the level of unemployment (ILO 2010-11: 68). Obviously the overall income growth in a society depends on its overall productivity growth; however this neither determines the distribution between profit and wages nor, even more importantly the wage structure in a society. There is considerable policy space in any society to create a more equal wage structure.

The existence of poverty wages is more an expression of long established traditions, the balance of power in the labour market than an objective and hence inevitable market outcome somehow based on the individual marginal productivity of a worker. The well-known fact of gender and racial discrimination are vivid examples of wage fixing unrelated to economic fundamentals.

In the world of neoclassical economics all workers are paid according to their marginal productivity and therefor equal pay for work of equal value should be automatically secured under competitive markets. Either neoclassical economists have to argue that lower wages for women are due to their lower marginal productivity or they have to admit that non-economic reasons like prejudices, discrimination or traditions determine wage setting. If the latter is the case there is no reason to assume that merely wage differentials between women and men are determined by non-economic factors while all other wage differentials are based on marginal productivity.

When a theory ignores its logical inconsistencies and empirical evidence it is no longer a theory but a belief. It is a religion or an ideology, but nothing that can sustain the argument that there is an inevitable trade-off between economic efficiency and zero hunger.

Moving beyond market fundamentalism

Historically advanced societies have recognised that it requires the visible hand of government instead of the Adam Smith's famous invisible hand to build and maintain inclusive societies. Despite all ideological free market campaigns no government in any of the advanced economies dared to leave the labour market entirely to the forces of

supply and demand. They moved from free/informal labour markets to more democratic labour markets governed by protective laws, and complemented by social security provisions EU and other developed European countries today spend nearly 30 % of their GDP on social security (ILO 2013b: 64).

Lasting income and food security requires statutory minimum wages, employment guarantee schemes, social transfers or other state guaranteed benefits to address market outcomes like unemployment and starvation wages. Neither traditional informal support systems, nor an inherently volatile and cyclical market will provide the necessary security and stability. Increasingly individualistic societies with weak family bonds and high labour market mobility requirements undermine locally based extensive family support or other traditional, often repressive, semi-feudal survival arrangements. Hence, the need for public transfer systems will grow in order to preserve a minimum of social cohesion and social peace.

The majority of people work most of the time during their active years and are able to cater for themselves and their children. However the reality of market societies is also that rarely more than 95 % of those seeking employment are actually employed, and during big recessions this figure has even been below 80 % (ILO 2013b: 6). It is this inability of market economies to guarantee permanent employment at a decent wage level for all the people, all the time that many people cannot escape poverty or fall back into poverty and hunger.

Except the very rich, most people are unable to take sufficient individual precautions to protect themselves against the risks of illness, old age, poverty, maternity, and unemployment. Hardly any worker can save enough to sustain a living standard above poverty during a long period of unemployment or a serious illness. In the absence of collective risk-pooling, individual precaution also pushes savings rates up to an unnecessarily high level (Chamon 2011; Liu 2011; Prasad 2011). It limits peoples' disposable income and nevertheless does not achieve the objective of income security in case of an individual or an overall economic crisis.

The most successful system to ensure the required protection in modern societies is a welfare state that provides basic benefits for those in need, and is financed through compulsory payments (contributions or taxes) by all members of society. Systems might be organised in different ways, but at the end of the day all systems are based on the ability of the State to impose on its citizens the obligation to contribute to them.

There is just no practical example in the world that voluntary insurance systems, charity or traditional intra-family support can achieve a sufficient coverage of the poor. The credibility of any compulsory system is based on the implicit social contract that all contribute in accordance with their means and receive in accordance with their needs.

Large-scale tax or contribution evasion is as detrimental to a system as large scale welfare abuse.

In the industrialised countries the welfare state has developed over more than a century from its early days of a Bismarckian social insurance pension for industrial blue-collar workers, towards systems with comprehensive, though unequal coverage. This led in the past to the assumption that a similar process would be possible in middle and low income countries outside the OECD. However, this has not happened. Informal employment proved to be much more persistent than expected, and the lack of a stable employment relationship excluded many workers *de facto* from contributory systems and limited their extension. Indeed, as the experience of Latin America showed, the systems failed to reach the bottom 50 % (ILO 2008) of the population and therefore had hardly any redistributive effect towards greater equality and lower poverty levels.

The ILO's social protection floor initiative

Reflecting on the experience that very few advances were made to move from free/informal labour markets to rights-based employment in many developing countries it became increasingly clear that progress to extending coverage would be slow, if it depended solely on the growth of formal employment. This led to intensive social policy debates at national and international levels and within the UN system, particularly at the ILO.

After a decade of research, analysis of country experiences, field work, expert meetings and political discussions at several International Labour Conferences, in 2012 the ILO adopted the new Social Protection Floors Recommendation (ILO 2012a) to provide policy guidance to member states towards rapid extension of social security coverage in the form of adequate basic income security guarantees and essential healthcare.

... can it make a difference?

The Recommendation was unanimously adopted by the ILO's tripartite constituency of governments, and workers' and employers' organizations from 185 member states. In their closing speeches representatives of workers, employers, and governments highlighted the importance of rapid extension of social security coverage and expressed their sincere hopes that this Recommendation would be followed up by action.

"You can be assured that the Employers' organizations will play their part in helping to make a success of the aims behind this instrument. In fact we are proud of being part of a

measure that could make a real difference to the lives of people who need support” Mr. Kris De Meester (ILO 2012b).¹

“After decades of economic growth, the world has long passed the question of affordability. The world is rich enough to provide social protection floors to all. Recommendation No. 202 sets out the principles and provides the guidance for building social protection floors as part of national social security policies. What is needed now is the political will to move forward rapidly, to collect the necessary taxes and revenues, to create a transparent, efficient and accountable social security administration and to build social security, not only for the people, but with the people” Ms. Helen KELLY (ILO 2012b).²

“The Committee has prepared an instrument which can contribute to changing the lives of millions of men, women and children in our countries. I am heartened by the experiences shared by Government, Employer, and Worker members of our Committee. They have described the progress already made in their countries towards extending social protection to all. I am also encouraged to note the strong commitment of governments, employers and workers to work jointly towards making universal access to social protection a reality everywhere, to ensure that children are well fed and can go to school, that people can access essential health care without fearing that their health bills will push them and their families into poverty and to ensure that older people receive a pension at the end of their working lives” Ambassador Jean Feyder (ILO 2012b).³

Given the myriads of well-worded international agreements, instruments, and declarations it is a legitimate question whether this Recommendation will make a difference. What makes it potentially different from the Millennium Development Goals, the International Covenant on Economic, Social and Cultural Rights, the earlier ILO social security Conventions, and what does it add to realise the human right to social security?

It has the potential to make a difference because the recommendation is politically timely, technical simple, focussed on practical solutions and most importantly there can be no doubt that today’s world is rich enough to protect billions of people in need against hunger and poverty and many countries do have considerable policy space to provide basic social security to their people (ILO 2011: 80).

¹ Belgium, Employer; Vice-Chairperson of the Committee on the Social Protection Floor.

² Worker, New Zealand; Worker Vice-Chairperson of the Committee on the Social Protection Floor.

³ Government, Luxembourg; Chairperson of the Committee on the Social Protection Floor.

Recommendation 202

Offers a Unifying Concept of Inclusive Social Security Systems

Recognizing that a system solely for the poor tends to be a poor system, the Recommendation endorses the ILO concept of simultaneously pursuing the vertical and horizontal extension of social security.

“Members should formulate and implement national social security extension strategies, based on national consultations through effective social dialogue and social participation. National strategies should:

(a) Prioritise the implementation of social protection floors as a starting point for countries that do not have a minimum level of social security guarantees,

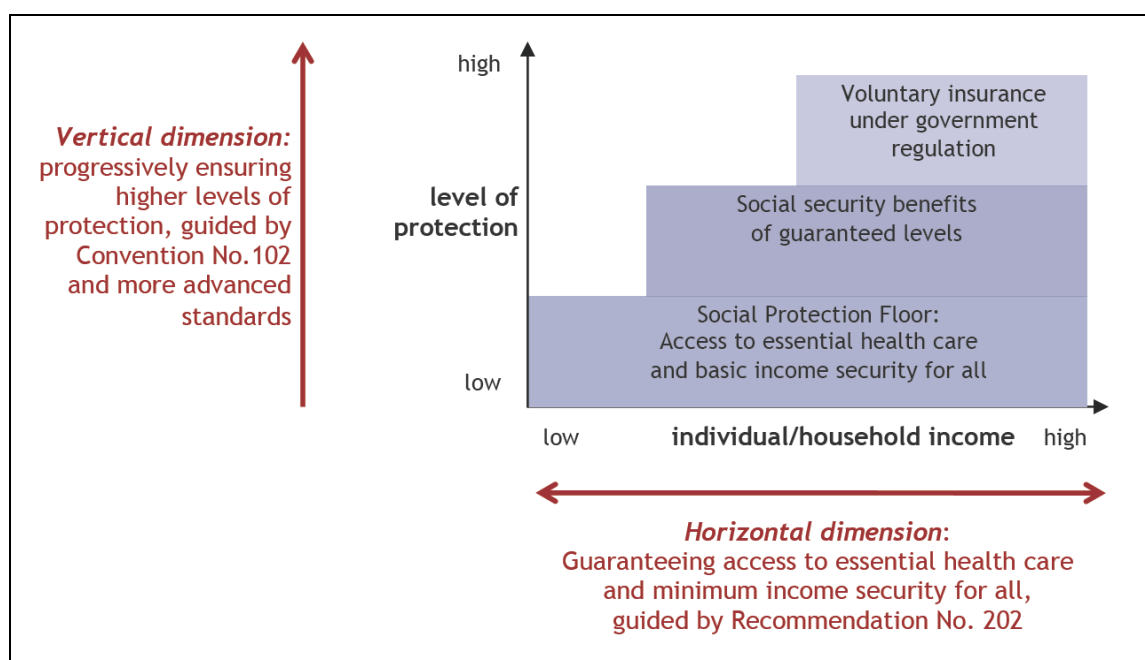
(b) Seek to provide higher levels of protection to as many people as possible, reflecting economic and fiscal capacities of members, and as soon as possible”(ILO 2012b).⁴

Social protection floors are not designed as stand-alone anti-poverty measures, but as social rights that are a first step towards comprehensive social security provisions at least at the level of the ILO’s Social Security (Minimum Standards) Convention, 1952 (No. 102).

Embedding social floors in an overall concept of solidarity avoids the split between beneficiaries (deserving poor) and taxpayers. The floor also provides last resort protection for middle class people without levelling everybody down to a basic income grant or social assistance provision. This opens the opportunity for broad-based political support and ownership.

⁴ Article 13(1) of the 14 Provisional Record of 101st session of the International Labour Conference (2012).

Figure 1. Recommendation 202: vertical and horizontal extension of social security



Source: ILO Social Security Department.

Is an Expression of the Zeitgeist

Ultimately social reforms do not happen because they are somehow necessary, possible, and desirable, but because the poor demand them and/or the elites are worried that the patience of the subordinated might come to an end. The deep global economic crisis has shaken the dogmatic beliefs and naïve confidence in market fundamentalism. There is therefore a window of opportunity. New ideas can no longer be dismissed so easily.

The current obscene levels of inequality are unsustainable. In most poor countries, rapid urbanization and large cohorts of young people entering the labour market increase the pressure to provide at least some basic social security as a preventive measure against potential discontent. In this respect, the Arab Spring is emblematic. In addition, the electoral successes of governments that implemented large-scale cash transfer programmes in countries such as Brazil, or India (*see the contributions of Belik and Bhowmik/Gartenberg in this volume*) also it contributed to the growing popularity of social protection floors among policy makers. In short, it might be an idea whose time has come.

Identifies an Ambitious, but Focused, Policy Agenda

Aiming at social security coverage for all is ambitious, but it is much more focussed than over-arching strategies such as the Millennium Development Goals or the ILO’s wider Decent Work Agenda. Universal social security coverage on its own is certainly

insufficient to secure a positive development process, but it is indispensable for it. Instead of asking for too many policies at the same time Recommendation 202 proposes the progressive implementation of comprehensive social security provisions, as a well-defined and tangible policy objective.

By recommending a rights-based floor that guarantees essential healthcare and income security, the basic requirements of R 202 go well beyond the limitations of ad hoc emergency relief action or time-bound social safety nets, but they remain firmly anchored in the world of achievable policy results.

“Social protection floors are nationally defined sets of basic social security guarantees which secure protection aimed at preventing or alleviating poverty, vulnerability, and social exclusion.

The social protection floors ... should comprise at least the following basic social security guarantees:

access to a nationally defined set of goods and services, constituting essential healthcare, including maternity care, that meets the criteria of availability, accessibility, acceptability, and quality (UNCHR 2000);⁵

basic income security for children, at least at a nationally defined minimum level, providing access to nutrition, education, care and any other necessary goods and services;

basic income security, at least at a nationally defined minimum level, for persons in active age who are unable to earn sufficient income, in particular in cases of sickness, unemployment, maternity, and disability;

basic income security, at least at a nationally defined minimum level, for older persons” (ILO 2012b).⁶

What might be regarded as a weakness the ‘narrow’ focus on social protection might actually be one of the greatest strengths of the instrument. Development is a complex process that in an ideal world simultaneously requires the right economic, industrial, fiscal, monetary, trade, education, housing, infrastructure, and social policies, but in a real world often only a limited number of policies can be pursued successfully at the same time. As there is no policy initiative that does not create counter-pressure from negatively affected vested interests, mostly only those progressive policies that can mobilise sufficient public support surmount these resistances. While ‘piece-meal’

⁵ The terms “availability, accessibility, acceptability, and quality” are based on the definition provided in paragraph 12 of the General Comment No. 14 (2000) - The right to the highest attainable standard of health (article 12 of the International Covenant on Economic, Social and Cultural Rights).

⁶ Articles 4 and 5 of the 14 Provisional Record of 101st Session of the International Labour Conference (2012).

reforms lack the visionary power of the grand design of a comprehensive development agenda, they might be sufficiently focussed and practical to translate ambition and vision into policies and tangible results. The call for simultaneous vertical and horizontal extension of social security with a social floor for all as a priority to reach those not currently covered is a pragmatic attempt to specify and operationalise a crucial pillar of the ILO's Decent Work Agenda.

Is Anchored in Successful Practices in different Countries, not in Wishful Thinking

The Recommendation is in itself the reflection of a global debate. It is an International Labour Standard on social security that is not trying to generalise the experiences of the North, and Europe, in particular, but strongly builds on the positive experiences and innovations of many middle-income and developing countries such as Brazil, India, Thailand, Namibia, or Ghana (ILO 2010b: 75). It combines the European tradition of rights-based social security with the innovative experience of large-scale cash transfer programmes such as the Brazilian *Bolsa Família*, or employment guarantees such as the Indian Mahatma Gandhi National Rural Employment Guarantee Act (NREGA). No other ILO social security standard has been based to a similar extent on the practical experiences of countries from all parts of the world. This gives it a great potential to be applied universally.

Proposes Basic Social Security Provisions that are Universally Feasible and Affordable

For the vast majority of countries covering over 85 % (the G20) of the world's population there can be no question that these nations have the level of economic development that make a social floor affordable. These countries are so rich that they have no 'economic excuse to leave part of their population in extreme poverty. The fact that large-scale social security programmes are implemented in China, India, and Brazil but also Ghana, Namibia, or Vietnam, attests to this (ILO 2010b).

The world has made sufficient economic progress that the vision of 1948s Universal Declaration of Human Rights (UN 1948) can become a reality far beyond the industrialised world. Even for the least developed countries, as ILO research (ILO 2008) has shown, a basic social security floor is not out of reach. However some countries might need international solidarity and transfers to complement their own efforts (ILO 2012b),⁷ something wealthier countries might want to do not only out of altruism, but also to slow down the migration pressures from countries that are unable to provide even the most basic income security for their people.

⁷ Article 12 of the 14 Provisional Record of 101st Session of the International Labour Conference (2012).

Derives its Guiding Policy Principles from the Experience Accumulated in different Social Security System over decades

The Recommendation does not only define desirable policy goals, but provides guidance on how to achieve them. Article 3 of Recommendation 202 offers a comprehensive list of 19 policy principles that can be summarised in five major points:

- the State has the primary responsibility to guarantee universal social protection for all;
- benefits shall be a universal right provided on a non-discriminatory basis;
- systems need to be well managed, accountable, and based on sufficient progressive taxation to ensure overall financial solidarity and sustainability;
- there need to be targets and timeframes for progressively achieving universal coverage; and
- people need to have voice and representation through cost-free individual complaint mechanisms, as well as through collective organizations.

Only the State has the power to guarantee adequate social protection as a right and has the coercive power to tax accordingly. However, the potential for mismanagement in large social security schemes is always present whether they are private or public. Therefore transparency, efficiency, and public accountability are as important as the overall capacity to finance social security. Indeed the former may be the greatest bottleneck to successful implementation.

Quality public service is in extreme short supply in many countries. Therefore systems need to be kept as simple as possible. This is a strong argument against means-testing or contributory systems for the basic floor. Both are costly to manage and means-testing in particular potentially gives huge abusive power to civil servants.

Abstains from any Preconceived Preferences that Market-Based Solutions are Per se Superior to State Provisions in Social Security, and Vice Versa

“In providing the basic social security guarantees, Members should consider different approaches with a view to implementing the most effective and efficient combination of benefits and schemes in the national context” (ILO 1974).⁸

Recommendation 202 deliberately avoids a determination as to whether the schemes should be run by the State, by local communities, mutual assistance schemes, or private insurance companies. It avoids an ideological presumption that either the State or the market is *per se* superior to deliver on the social floor.

⁸ Article 9(1) of the Constitution of the International Labour Organisation (1974).

The World Bank (and for obvious self-interested reasons, the insurance industry) promoted the privatization of social security (World Bank 1994) for decades without sufficient empirical evidence of its superiority (Orszag 1999; Stiglitz 1999).

On the other hand insider coalitions sometimes defended public, but exclusive systems (Filgueria 2005). The ILO has taken the pragmatic view that what matters most are the outcomes: universal coverage by social protection floors for all, and guaranteed benefit levels at least in accordance with Convention No. 102 for higher social security provisions.

Whatever works to deliver basic social guarantees effectively and efficiently to all is a good Social Protection Floor. While in any case the State has to provide a conducive regulatory framework and has in this sense the primary responsibility to achieve universal coverage, the practice shows that this can be achieved through combinations of different approaches and schemes, developed in specific national circumstances. This commitment to pragmatic pluralism is an indispensable precondition for creating the broad coalition and political support to extend social security. Existing schemes and new proposals should all be judged against one simple criterion; do they deliver to extend income security and essential healthcare to all in need?

Is the Outcome of a Broad-Based, Transparent and Democratic International Deliberation Process

As an UN organization, the ILO is much more democratically structured than the World Bank or the IMF which are controlled by the industrialised countries under the leadership of the United States. Initiated by the ILO, the United Nations System's Chief Executives Board for Coordination (UNCEB) adopted, in April 2009, the Social Protection Floor Initiative, as one of the nine UN joint initiatives to cope with the effects of the economic crisis, and convened a high-level Social Protection Floor Advisory Group headed by the former Chilean President, Michelle Bachelet, to promote the debate for the extension of social security to all.

The ILO organised a large number of regional and national meetings to develop and discuss the idea of a social protection floor as part of an comprehensive vertical and horizontal extension strategy that identifies basic social security for all as a stepping stone towards higher and more comprehensive social security provisions, at least at the level foreseen in ILO Convention No. 102.

Furthermore, the ILO is the only international organization that provides non-state actors with an institutional voice. Contrary to all other forums where consultations are undertaken with a selective group of NGOs but decisions solely taken by governments; at the ILO, workers' and employers' organizations have two-thirds of the vote in

Conference Committees where International Labour Standards are negotiated, and half of the vote in the Plenary of the Conference that adopts any new instrument. This ensures a broader deliberation process, and broader ownership, than for many other multilateral agreements that are hammered out by government civil servants only.

Was Adopted Unanimously by the ILO Tripartite Constituencies

In the light of the largely negative attitude of the employers to any major policy initiative at the ILO during the last decade, their positive attitude to the Social Protection Floors Recommendation is quite remarkable. The universal support for the SPF provides the new Director-General of the ILO with a unique mandate and opportunity to mobilise the Office, and member States to lead a major global policy initiative. It also offers a unique chance for trade unions and employers to show to governments, but also to civil society at large, that tripartism in the 21st century is not an institutional left-over from the industrial corporatism of the 1950s and 1960s, but a genuine asset of the ILO to obtain broad support for fairer, and more inclusive societies.

The promotion of the Recommendation offers at national and international levels, the opportunity for the ILO to be at the centre of a broad alliance for universal social security coverage. The ILO Office and its non-State constituencies have an organizational self-interest to make the SPF a policy priority of the ILO to proof their relevance to societies at large.

The Social Protection Floors Recommendation addresses the urgent needs of the billions of people who lack any social security and are predominately in the informal economy, and reaches far beyond the needs of the core membership of employers' and workers' organizations in the formal economy, by addressing the needs of all workers including those who are not organised in any unions and who do not have any formal employment. Having the ILO championing the SPF and coordinating the efforts within the UN System could create the persistency and visibility needed to maintain the momentum for social security extension policies.

Is subject to the ILO Supervisory Mechanisms

Critics of the ILO tend to highlight the lack of enforcement mechanisms of ILO standards,⁹ while its proponent's underline that the 'weak' ILO supervisory mechanism is

⁹ For example Asia Monitor Resource Center, ALU interviews Lee Cheuk Yan (2002), Available on www.amrc.org.hk/alu_article/international_labour_organisation/alu_interviews_lee_cheuk_yan (accessed on 4 March 2013)

Or Jessica Tuchman Mathews, President of the Carnegie Endowment for International Peace. The ILO "has indeed been around forever, but it also has done nothing forever, so it is not terribly interesting"

still the strongest within the UN system (ILO, 2013c). Whatever its limitations, it offers trade unions and other civil society organizations an opportunity to push for policy action at national level. Obviously in no way does it provide a substitute for national action, but Article 19 of the ILO's Constitution demands follow-up steps from the Office and member States to give effect to an adopted Recommendation:

- (a) the Recommendation will be communicated to all Members for their consideration with a view to effect being given to it by national legislation or otherwise;
- (b) each of the Members undertakes that it will, within a period of one year at most from the closing of the session of the Conference or if it is impossible owing to exceptional circumstances to do so within the period of one year, then at the earliest practicable moment and in no case later than 18 months after the closing of the Conference, bring the Recommendation before the authority or authorities within whose competence the matter lies for the enactment of legislation or other action;
- (c) the Members shall inform the Director-General of the International Labour Office of the measures taken in accordance with this article to bring the Recommendation before the said competent authority or authorities with particulars of the authority or authorities regarded as competent, and of the action taken by them;
- (d) ... the Members shall report to the Director-General of the International Labour Office, at appropriate intervals as requested by the Governing Body, the position of the law and practice in their country in regard to the matters dealt with in the Recommendation, showing the extent to which effect has been given, or is proposed to be given, to the provisions of the Recommendation and such modifications of these provisions as it has been found or may be found necessary to make in adopting or applying them (ILO 1974).¹⁰

An internationally adopted ILO Recommendation gives greater visibility to policy issues and provides the opportunity to mobilise political support. It also mandates the ILO to provide global comparative analysis and reports on the implementation, and hence the state of, social security coverage in the world. The process of adopting and promoting the ILO's Domestic Workers Convention No. 189, adopted in 2011, is a good example of how the debates at the ILO, and the new standard, helped to put the issue on the agenda of governments and helped domestic workers to build and strengthen their own organizations (Pape, forthcoming).

in Charnovitz the International Labour Organisation in its 21st Century (2000) pp. 148, Available on http://www.mpil.de/shared/data/pdf/pdfmpunyb/charnovitz_4.pdf (accessed on 4 March 2013).

¹⁰ Article 19(6) of the Constitution of International Labour Organisation (1974).

Would Institutionalise Regular National Consultation Processes to Discuss Progress for National Implementation

“Members should regularly convene national consultations to assess progress and discuss policies for the further horizontal and vertical extension of social security” (ILO 1974).¹¹

Recommendation No. 202 will ultimately only make a difference to people’s lives if it is taken up at national level. The call on governments for an inclusive national consultation process with all relevant stakeholders is a suggestion to create, at national level, the broad coalition that is needed for overcoming political resistance against extension and to increase governments’ accountability that commitments to increase social security coverage are followed by action, and real results. It provides trade unions and other civil society organizations with an opportunity to request governments to follow-up back home on the promises they gave in Geneva by voting for the Recommendation.

Offers a Unifying Agenda for an Inclusive Labour Movement

Being strong and passionate advocates for a universal social floor at the ILO, the trade unions put the interests of all workers and their families above the interests of their narrower membership base. Some trade unions, based on the bitter experiences during structural adjustment programmes, feared that an SPF might be abused by governments to level down existing social security provisions.¹²

However there is a growing consensus among trade unions that the improvement of existing social security provisions and the extension of at least a social floor, are not mutually exclusive but actually reinforcing each other. If trade unions want to stop the erosion of the formal economy, and the rise of the precarious and informal economy, then they have to organise and represent all categories of workers. And they have to address the problems and issues that are central for these workers.

The potential to improve the conditions of informal economy workers through traditional forms of collective bargaining are absent or at best very limited. Other forms of collective action and mobilization are required. This is not first and foremost a question of organizing techniques, but of demands and solutions that address the needs and concerns of the working poor. The Social Protection Floor is an opportunity for trade unions to become a more inclusive movement and to mobilise and organise informal economy workers. It is also a great opportunity to empower informal economy workers

¹¹ Article 9(1) of the Constitution of International Labour Organisation (1974).

¹² This was in particular a concern voiced by trade unionists from Latin America at several preparatory workshops and in the workers’ groups’ discussions during the International Labour Conferences in 2011 and 2012, in which the author participated.

who are the most brutally exploited on our planet. Providing people with some basic security strengthens their ability to organise and stand up against employment practices that defy any form of respect, decency, and human dignity.

Conclusion

The ILO Recommendation represents the conclusion of a global deliberation process, how to ensure a vertical and horizontal extension of social protection. It identifies a set of policies and principles that can guide policy makers in making the necessary steps to achieve not only food security but basic income security for all.

Increasing the purchasing power of the poor will increase the aggregate demand for food products and everything else being equal- stimulate increased production and supply of food products for the poor. Relying on market demand generating the necessary supply can be a powerful instrument to change current production patterns. It is also less paternalistic than direct food supply or subsidizing certain food items. However it would obviously be wrong to rely on market mechanisms for any emergency situations caused by natural disasters, wars, etc. where direct food supply will be indispensable as cash transfers would merely translate into price hikes.

Whether the Social Protection Floor Initiative remains another piece of paper, or will make a difference, will ultimately be decided by the commitment and determination of governments to put social protection floors into place. This is not only a question of resource allocation, but also of system design, transparency and accountability. Making social protection floors a priority and making bureaucracies working for people will be determined by the mobilizing power of civil society and organised labour in particular.

The organised voice of the working people alone might not be sufficient to achieve universal social protection floors, but without a labour movement fighting for it, it will assuredly not happen. Historically progressive social policy has seldom happened without the pressure of organised labour. The SPF is a chance for the labour movement to broaden its base, and a strong labour movement is the best chance for the SPF to become a reality for all. A win-win opportunity for labour should not be missed.

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8. The Brazilian Food and Nutrition Security Policy: Concept and Results¹

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The Food and Nutrition Security (FNS) concept is relatively new, but not without some historical precedence. It can be traced back to food supply schemes used in European countries affected by the shortage and dependence on food in the early 20th century. While the author of *Geopolítica da fome* (1951), Josué de Castro, already included many elements of modern food security concepts in his proposals for combating hunger in Brazil, the concept of Food and Nutrition Security Policy entered the vocabulary of Brazilian public policies only in the 1980s in spite of high rates of malnutrition among the Brazilian population.

Food and nutrition security became, however, part of the post-dictatorship Brazilian government agenda in the 1980s only from the perspective of supplying food to the poor by donations. Considering the situation in countries with problems supplying food to their population, there was a myth that Brazil, affected by high peaks of inflation, would have many problems expanding its food supply. Thus, in 1985 after more than 20 years of military dictatorship, the Ministry of Agriculture of the first civil governmental administration launched the National Food Safety Policy; it was brought into the center of the discussion on combating hunger along with popular campaigns sparked by the political campaign “Eleições Diretas”² (Guedes De Vasconcelos 2005: 451), with the objective to supply the food needs of the population and reach national self-sufficiency (Costa and Pasqual 2006: 2).

The plan of the authorities of agriculture, taken broadly to the national space, joins the efforts made in the combat against malnutrition, anemia and other issues associated with

¹ The first part of this article is a revisited and updated version of the chapter “Projeto Fome Zero: O Desenho de uma Política de Segurança Alimentar e Nutricional para o Brasil” published in Volume I of “Fome Zero: uma história brasileira” organised by A.V. Aranha and published by the Ministry of Development and Combat to Hunger in 2010.

² The “Eleições Diretas” campaign was a popular movement started in 1984 with the objective to promote free and direct elections after 20 years of a military regime. Following the rules of transition to a democratic regime, the military president preserved the norm on democratic exception leading the President of the Republic to be elected indirectly by the National Congress, controlled by politicians who supported the military regime. The “Eleições Diretas” campaign intended to persuade members of the parliament to accept the change of Brazilian laws by promoting and supporting a popular election in 1984. In spite of popular and public mobilization, the proposal to change the electoral legislation was not accepted. However, a civil president was appointed by the members of the parliament, ending the military cycle in Brazil in 1985.

the growing concentration of income in the previous decade. In fact, in 1976 during the military dictatorship, National Institute of Food and Nutrition (INAN) in the scope of the Ministry of Health was established as the responsible organization for the administration of the National Food and Nutrition Programs, which comprised a series of coordinated actions in the area of nutrition for workers, schools, pregnant women, direct purchase from the producer, sanitary and nutritional vigilance and others. According to L'Abbate (1988), the creation of INAN was actually a way to replace the influence that Josué de Castro - living in exile - still had on CNA (National Food Committee), which was created in the 1940s and is active to this day. The majority of the programs designed within the scope of CNA, such as school lunches and food for workers, were maintained and improved with INAN. However, these programs were no longer seen as a right for all; instead, the programs were targeted to specific societal groups (Guedes De Vasconcelos 2005).

The demand for food and nutrition started to take shape with the First National Conference on Food and Nutrition and the 8th National Conference of Health, promoted by the government with the participation of representatives of civil society in 1986.³ As society went through the aggravation of families' nutritional situations caused by super inflation and by the successive economical programs which implied the retention of assets, an intense political discussion was starting to take place. It would establish the patterns and direction of the new Brazilian Federal Constitution. Those two events prevailed in the debate panels of the Constitutional Committee, when the creation of SUS (National Unified System) was proposed by the National Conference of Health to reinforce the need to focus on the right to health. The theme of food safety and the acknowledgement of the right to food, which would be secured by the creation of the Food and Nutritional Safety System (Sistema de Segurança Alimentar e Nutricional - SISAN) present in the discussion on the new Constitution was not properly looked at and never came to implementation (Couto and Lisboa 2003; Grande De Arruda and Grande De Arruda 2007).

Thus, Article 6 of the Federal Constitution, promulgated in 1988, stipulates that: "the social rights are the rights to education, health, work, leisure, security, and social security, protection of motherhood and childhood, and assistance by means of this Constitution". As noted, the issue of nutrition would not be mentioned in the new constitution, although Brazil has been a signatory to the International Covenant on

³ The conference received this name after the development of one of the thematic areas of the 8th National Conference of Health. A document containing 15 pages was produced with recommendations for the government and the National Assembly in charge of the new Constitution. In this document there are more than one hundred proposals covering the regulation of prices of basic products to the creation of a Food and Nutritional Safety System similar to the model that had been proposed when health issues were addressed in the conference.

Economic, Social and Cultural Rights, which had acknowledged the “fundamental right to be free from hunger” in 1976. Decades later, in 2010, the Constitution was eventually amended with Constitutional Amendment 64 by adding the word “nutrition” with the reference to the right to health, contemplating the demand established by the Food and Nutrition Conference held in 1986 almost 25 years later. Transformed into a right by the Brazilian law, a new institutional level was established for food safety policies in Brazil, consolidating the results accomplished over the past years. Hence, this paper aims to present, in detail, the innovations brought by the Fome Zero (Zero Hunger) Project, searching to demonstrate how it differs from other policies that preceded it. We want to emphasise the following two main aspects among many other differences:

- a) The Fome Zero (FZ) Project was conceived as a real food safety policy, incorporating the most modern aspects of this concept and considering the need to universalise the action of the State by opening the way for the recognition of rights; and
- b) As a political action, the FZ presents an articulation between its various programs that differs diametrically from the focused and isolated programs of the previous period.

In addition, we also intend to look at the challenges to be faced in the future, fully aware that the FZ failed to satisfactorily resolve some of the problems associated with the creation of its project.

The following text provides a brief description of the debates that preceded the preparation of the Fome Zero project demonstrating that the project was a result of the accumulation of knowledge that had been articulated since the 1980s with the health conferences and later, with the parallel government and discussions of the First National Conference on Food and Nutritional Safety in 1994. The preparation of the Fome Zero also benefited from social mobilization resulting from the work of sociologist Herbert José “Betinho” de Sousa, in charge of the organization “Ação da Cidadania” and later with the creation of the Brazilian Forum on Food and Nutritional Security (FBSAN).

This chapter has been divided into three sections: (1) description of the main elements of the Fome Zero project emphasizing its internal logic and (2) analysis of how this project could be reconsidered in view of new debates that arose about food security policy in the last years; (3) defining some topics for the improvement of the Food and Nutrition Policy (FNS) which is now more consolidated institutionally.

Food and Nutrition Security (FNS) in the 1990s: A Prelude

The starting point for the use of the modern concept of FNS was the International Conference on Nutrition, in 1992, supported by the United Nations (UN) which defined a direct plan of action for combating hunger in the world. In the documents and final

statement of this meeting, a strategy which included the participation of the international community was introduced which contained nine topics. This theme aimed to answer the most urgent questions pertaining to health which included the combating of malnutrition as well as preventive actions in sanitation and public health. There was also a main concern about the quality of food consumed by populations and about food safety in households and communities as a way to make more explicit connections between nutrition and agricultural development.⁴

In 1996, the International Nutrition Summit took place in Rome and established the goals to reduce the number of people poorly fed on the planet. The greatest advancement accomplished by the meeting was that several important aspects were addressed. On the one hand, Food and Agriculture Organization of the United Nations (FAO) focused on the reduction of malnutrition; on the other hand, questions related to the quality of food were also raised in the meeting. The first paragraph of the Work Plan approved at the summit by 180 countries established a broader definition for FNS as follows: “Food security is observed when people have physical and economic access to safe, nutritious of food all the time, which is sufficient to supply their basic and particular needs in relation to nutrition, so they can have an active and sane life”.⁵ It continues: “In order to improve access to food, it is imperative to eradicate poverty. The majority of people poorly fed cannot produce or buy enough food” (Item 2). The final statement includes the nations’ commitment to adequate nutrition, and the guarantee of the fundamental right to nutrition as stated in the International Covenant on Economic, Social and Cultural rights of 1966.

The International Summit on Food was a milestone in the formulation of an approach to food security which is structured on three levels: nations, households, and individual. In addition, it implied that food security should comprise four dimensions of public policies: availability, accessibility, stability, and use of food. We should also highlight that an association between poverty and malnutrition is clear in this statement, while governments were made responsible for guaranteeing the human right to nutrition. Another noteworthy element is the use of the term “adequate nutrition”, which opens the door to the incorporation of the term “sovereignty” to matters associated with nutrition.

As we leave the sphere of semantics and diplomatic declarations and enter real life, new practices related to nutrition were tested and promoted in Brazil and worldwide, which would come to have a direct influence on the creation and direction of the social programs in the following decade in Brazil. We highlight two initiatives which will be discussed in detail: the introduction of community programs for the allocation of funds to

⁴ See: <http://www.fao.org/docrep/V7700T/v7700t02.htm#TopOfPage>.

⁵ FAO. 1996. Plano De Ação Da Cúpula Mundial Da Alimentação, Rome: FAO.

combat poverty (Campinas between 1993 and 1996, in Brasília from 1995 to 1998 and in Recife, from 1997 to 2000) and the integration program for production and consumption of food by the city administration in Belo Horizonte (1993-96).

Transference of Income

The programs of cash transfer introduced in Brazil in the 1990s were based on domestic resources, the result of local tax payments. The funds were transferred to registered families at risk, setting patterns of health, education and job training. Other municipalities such as Sao Paulo and Ribeirao Preto, a city of 500,000 inhabitants located in the state of Sao Paulo, were added to the pioneering cities (Fonseca 2009). In 1997, Federal Law No. 9533 was approved which authorised the executive to grant funds to “municipalities which establish programs to guarantee minimum income associated with socio-educational actions”. Later, in 2000, the federal government also approved Constitutional Amendment No. 31 establishing the Fund to Combat Poverty (Fundo de Combate à Pobreza) to be composed of funds generated by tax rates and tax contributions, as well as transfers from the Treasury, and resources from the sale of state owned companies. These resources and the good results measured by such pioneering programs resulted in quick expansion.

At the national level, the critique of the old assisting programs associated with workfare or donation of food packages (Lavinias 2000) and the new source of funds made available led to the National School Grant Program in 2001. It emulated the city programs of income transfers.

Inspired by the visit of technicians of the World Bank, who had come to Brazil to analyze the community programs, the Program for Education, Health and Nutrition (Programa de Educação, Saúde e Alimentação - PROGRESA) was launched in Mexico in 1997. The Mexican program was a pioneer in Latin America and used for the income transfer tax resources resulting from the elimination of the former subsidy of tortillas⁶ (Andretta 2002). Other similar programs were created afterwards in Honduras, Nicaragua, Colombia, Equator, Jamaica, Argentina and Chile (Belik 2007; Fonseca 2009).

The discussion surrounding the launch of the Fome Zero as a national policy, however, was inspired by the programs of income transfers associated with the purchase of food modeled after the Food Stamp Program in North America. The program was based on the granting of food to low income families during the Great Depression in the 1930s. In 1960, President J. F. Kennedy transformed the initiative into a federal program. Approved by the American Congress in 1964, the Food Stamp was then “purchased” by

⁶ One of requirements for the integration of Mexico to NAFTA, signed in 1994.

the beneficiaries who paid a price for the stamp which was set in proportion to their financial condition.

The U.S. Food Stamp Program achieved two major objectives. On the one hand, it provided food security for low income families. On the other hand, it created a market for producers. It thus supported small businesses and raised income in locations affected by the Depression. At the end of the 1990s, 20 million persons benefited from food stamps. Reports issued by the Agriculture Department, responsible for the administration of the program, showed positive results in terms of increase in consumption and a wider perception on food security.⁷

The reports, however, also indicated problems such as the lack of integration between the Food Stamp and other socioeconomic programs such as The National School Lunch Program (NSLP), Breastfeeding Promotion and Support, Child and Adult Care Food Program (CACFP), and Supplemental Nutrition Assistance Program (SNAP) among others (Bickel and Andrews 2002).

In this context it is important to highlight the evaluations of the “Programa Nacional do Leite para Crianças Carentes” (PNLCC) in Brazil. The program pioneered the implementation of a direct channel between the low income public and the government through the donation of coupons for the purchase of milk in the local markets, modeled on the Food Stamp Program in the USA. The “Milk Ticket”, as it was named by the population, had a short duration, but it is worthy to mention its national application during the early 1990s; it served five million children in 259 municipalities with a positive impact on the demand for milk, 3 million liters per year (Instituto Cidadania 2001: 35). The program was criticised for issues related to the misuse of coupons, the creation of a parallel market based on the tickets and the partiality in relation to the choice of the eligible public (Cohn 1995). However, studies demonstrated positive and favorable results in terms of improvement in the level of nutrition among children and the incentive to local livestock activity (Torres Filho and Carvalho 1989).

Food Distribution

The issues associated with the distribution of food represented a challenge in the discussions about food security. On the one hand, the traditional identification of food security exclusively with the production and distribution of food was considered to be

⁷ If a family doesn't have income, they may receive up to US\$ 341 per month (data for families of three in 2001). In 2000, the average grant was US\$ 73 per person and almost US\$ 173 per family. The coupon may not be exchanged for money and cannot be used to buy alcohol, cigarettes and items that are not classified as foods. There is a strict policy of inspection in the sale establishments which receive the coupons. Infractions are regulated by civil laws, punished with impediment to register in the program, legal action and even closing of the commercial establishment.

inadequate. On the other hand, the conditions of production and distribution had been rapidly transformed in the period of 10 years and the proposals remained the same as in the previous decades.

With the objective to illustrate this dichotomy, we will use the report and proposals presented by the Parallel Government⁸ on FNS in October 1991, the content of which was written by José Gomes da Silva and Luiz Inácio Lula da Silva. In spite of the fact that the content of the report was far more advanced than the other contributions due to its inter-sectoral approach, the focus of the text was on matters associated with agricultural production, which was considered “unsatisfactory and unstable” (Silva and Silva 1991: 6). The report bemoaned the demise of the traditional small shops at the expense of big retail chains because these retail chains were imposing very low prices on their suppliers, especially the family farms. It proposed a set of policy measures which comprised the intensification of the agrarian reform to “end the monopolization in the sector and to increase market competition” (ibid: 16).

There is no question that the items proposed by the Parallel Government were far advanced and the fact that it served as a foundation for the proposal of the Fome Zero Project is not a coincidence. Nevertheless, in terms of food distribution, the late 1990s experienced the dismantling of the food wholesales system that had been set up by the military dictatorship in the 1960s. It consisted of the government owned supermarket chain Companhia Brasileira de Alimentos (COBAL) and wholesale food warehouses in most cities (Sistema Nacional de Centrais de Abastecimento - SINAC). Due to a lack of investments, the supermarkets as well as the warehouses had been run down. In their place, big private supermarket chains came to dominate the food supply for all social strata. From the perspective of agriculture production, there was also a major advancement. The production of grains and oilseeds, for example, had an historical increase of 50 million to 100 million tons (harvest 1990/91 comparing to harvest 2000/01) although it is demonstrable that part of the growth was the result of the production of soy.

The Local Administration of Food Distribution in Belo Horizonte (capital of Minas Gerais with 2.3 million inhabitants in 2000), in turn, influenced the adjustment of the isolated programs by aiming the supply of food along the lines of street markets, and wholesale and food loads distribution as outlined in the 1970s. In Belo Horizonte, the Municipal Secretary of Food Distribution concentrated 18 programs in an articulate form (Cunha *et al.* 2000), applying strategies of regulation (of prices, quality, commercial flows and partnerships), subsidised food (popular restaurants, donations from institutions, school meals) and education and promotion of nutritional practices (educational nutrition,

⁸ A “shadow cabinet” created by the opposition in 1990.

reduction of waste, urban agriculture). The program implemented in Belo Horizonte was innovative and also adopted good practices of distribution as the private distribution companies. Studies demonstrate that the cost of implementation of those programs was relatively low in relation to the area of distribution and articulation strategies. Still, the experience also demonstrated that there would be more room for cost reduction and improvement in the program's focus (Coelho 1996; Nabuco and Guimarães s.d.).

In general, the new distribution policy was to take into account the changes which had taken place in the economy and in businesses in the last decade. The end of the high inflation period had made superfluous the mechanisms for price settlement used previously. Audits were also no longer necessary concerning price setting. They could focus on sanitary aspects and the conditions of work in the sector. Likewise, the supermarkets had gained importance in the wholesale market of food (Belik 2004). Through the installation of platforms of distribution and direct negotiations with producers and suppliers, the chains of supermarkets gained space in relation to traditional state-run wholesale food warehouses. The greatest challenge was, therefore, to develop a distribution policy to serve the urban areas and which could be aligned with the supermarkets system and serve the population with alternatives to maintain local nutritional habits.

Fome Zero Program: An Outline

The Fome Zero Project was launched as a major Food and Nutrition Policy for Brazil in 2001. It was the outcome of a collective effort which gathered nearly one hundred technical experts, attempted to contemplate the questions raised above, and aimed to be introduced to the population in a didactic form. Sadly, the attempt to make it more comprehensible resulted in the over simplification of the project. Many, including the non-specialised press community, considered Fome Zero to be a large donation campaign.

When we analyze the internal logic of the program, we can observe that the proposal was presented on three levels: structural, specific for nutrition, and local.

At the structural level, general policies aim at transforming life conditions of the population and securing the benefits of economic growth, a more equal income distribution and reforms in the job market as proposed by the Instituto Cidadania.⁹ It is

⁹ Instituto Cidadania is an NGO created in the 1990s originating from the experience of the Parallel Governmental and the organization "Caravanas da Cidadania" headed by Luiz Inácio Lula da Silva after his defeat in the elections of 1989. The main objective of the Institute was to develop a "think tank" gathering intellectual representatives of Brazilian society to think about the processes of development. In that sense, the Instituto Cidadania was not an integrated part of the "Partido dos Trabalhadores", and provided a forum for a diversity of opinions.

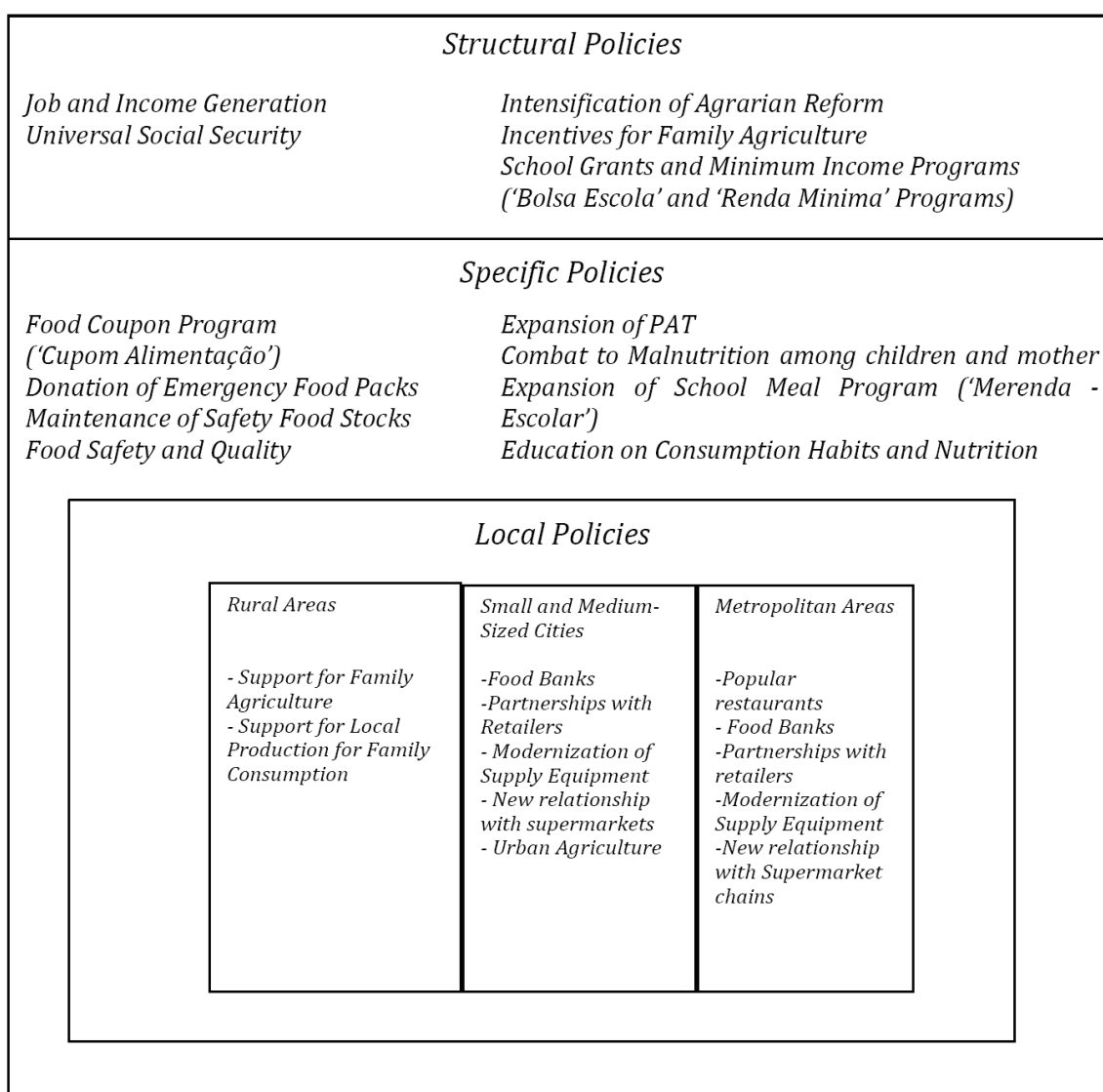
noteworthy that the Fome Zero Program was the second large project developed by the Instituto Cidadania, following the “Projeto Segurança”, which addressed violence and security issues in Brazil. Later, the “Projeto Juventude” was implemented with proposals for education, professional qualification and insertion of young citizens into the labor market.

At the specific level, there were actions which addressed the increase in food demand, the facilitation of access of the population to food, and all aspects associated with quality. Here there was a concentration of propositions addressing emergency support to the public vulnerable to food insecurity. The implementation of programs associated with these two levels resulted in the dimension of the “twin track strategy”, as the FAO names the combination of emergency¹⁰ and structural strategies against hunger.

At last, the local peculiar conditions of metropolitan, non-metropolitan, and in rural areas were examined. In all these, actions were proposed with the involvement of local actors while considering the differentiating institutional conditions for implementation. Diagram 1 shows a summary of the implementation of all programs offered by the Fome Zero Project.

¹⁰ “He who is hungry, is in a hurry” the popular saying of Betinho in the Campaign to Combat Hunger in the beginning of the 1990s.

Diagram 1: Fome Zero Plan



Source: Instituto Cidadania 2001.

From the chart above, we can observe that the Bolsa Escola Program¹¹ is presented as a policy based on structure, aiming at the provision of income to families with the necessary counterparts, transitioning to a minimum income scheme based on the models of what had been previously proposed by Senator Eduardo Suplicy in 1991, but not approved until 2004. In the Fome Zero Project, the support for minimum income appeared side by side with other social programs such as the Agrarian Reform and the Program for Generation of Jobs and Income. It is interesting to highlight that the document of the Instituto Cidadania separated the Bolsa Escola program from the new

¹¹ “Programa Transferência de Renda Condicionada”, a program of benefits conditional on attendance to school, executed on a national level from 2001, and addressing a limited number of families in a state of poverty.

program of conditional income transfer which was planned to be implemented: the Food-Coupon, later named the Food-Card. The new program, as mentioned earlier, aimed to address nutrition issues by overcoming deficiencies observed in the previous programs of nutrition developed by the government.

Until the launch of the Fome Zero project, the main program addressing nutrition issues was under the management of the Ministry of Health and was developed as well as managed by an organization associated with the Catholic Church, the Pastoral for the Child organization. The program received 70 % of its funds from the Ministry of Health and the other part was generated by TV campaigns which aimed to collect donations for children.¹² In relation to this program, critics raised the argument that the “minimix” supplement (prepared with manioc leaves, egg shell powder and rice and whole grain powder) to be administered to new-born children would have a significant effect only on those suffering severe or critical conditions.¹³ Other religious denominations criticised the use of the program for catholic purposes, especially since meetings took place every month and were preceded by a Mass and Catholic orientation, which was addressed to the mothers participating in the program.

In response to this experience, the food cards were designed as an income transfer program with the specific goal to make people eat better. In contrast, the Bolsa Escola promotes structural changes including a reduction of the poverty level. In addition, the food cards are managed locally in order to protect local development in a “Keynesian” way (creating demand through production in the same locality), while the Bolsa Escola would maintain a centralised structure of concession to beneficiaries.

The Fome Zero project also includes donations of food packs to specific populations in a state of emergency, such as the inhabitants of the territories occupied by the Agrarian Reform movements, the Landless Movement or to elementary schools in the nutritional education programs.

Among the local programs, Fome Zero entails an interesting new approach to distribution. The proposal was based on the realization that the modern wholesale market is well-structured in medium and big cities and that it would not be sensible to create parallel mechanisms for food distribution. Instead, supermarket chains would sell popular products from family farms in return for fiscal benefits. There were two successful examples in the 1990s: an aisle of popular products in the supermarkets of the “Empresa

¹² It is worth mentioning that TV channels in Brazil are a concession of the Federal Government.

¹³ Pastoral for the Child has operated through a system that privileges monthly reunions with mothers in poor communities. Every low-weight child receives a nutritional supplement and their health conditions are monitored. The results are presented and discussed in these reunions regarding better nutrition to the children at risk.

Baiana de Alimentos” (EBAL) in Bahia and the “Programa Verticalização da Pequena Produção Familiar” (PROVE) developed by the administration of the Federal District of Brazil (DF).

Another local action proposal aimed at the installation of Food Banks in all medium and big cities in Brazil. It was a tentative proposal, because it was not clear how the government should become involved in the operation of the banks. The greatest challenge was how to involve city administrations and federal governments in the request for and the administration of donations. In all the examples observed in other countries, such a strategy would be developed by NGOs from other countries and the respective governments played only minor roles. In Brazil, the few existing food banks were managed by NGOs or private institutions which administered the programs independently. The government should, therefore, participate by encouraging the flow of donations and ensuring quality of the products distributed to the institutions. In that sense, among the main activities, the Fome Zero is the approval by the National Congress of PL 4747/1998, known as the “Good Samaritan Act”, an instrument which facilitates the donations and reduction of waste in the production chain.

One last but not least program to highlight is the “Popular Restaurants”. These provide the workers in the metropolitan centers and big cities with balanced nutrition for the price of R\$ 1.00 (approximately US\$0.50). The experience was relatively successful operating in heavily frequented places. In cities like Belo Horizonte and Rio de Janeiro huge restaurants operated near bus and train stations and served up to 5,000 meals a day to all citizens, with no need of previous registration or any other kind of categorization. Considering the low costs of this strategy and the impressive social impact, the program was incorporated into the Fome Zero project with ambitious goals.

It’s very common to present public policy that lacks suggestions for implementation. This invites a lot of criticism and destroys the confidence in everything intended to be initiated. In relation to the implementation of Fome Zero, the staff involved fixed goals and preliminary calculations of the amount needed to execute the established plans, which was US\$ 8 billion a year for eight years. The three levels of government and sources of money did exist. In the Federal Annual Budget, for example, budget items such as the Fund to Combat Poverty had not been utilized for their intended purpose.

An interesting case happened with the voluntary donations. When former President Lula announced the Fome Zero Plan in his first speech after taking office, the conservative press and the middle class understood that it would be another donation campaign like many others sponsored by churches or TV channels. Although the new government had arranged special warehouses to receive food donations and a bank account for donations in cash, nobody was expecting the tremendous reaction from the Brazilian population.

Soon the government realised that it was almost impossible to manage all the donations, but at the same time the people's enthusiasm couldn't be discouraged. However, in contrast to the initial perception of the media, Fome Zero is a rights-based program. This focus on rights to benefit from these FNS programs had been absent from the proposals of the Parallel Government and of the sociologist Betinho in the 1990s.

President Dilma Rouseff, former minister of the Lula administration, took office in 2011 with the objective to reinforce previous social policies through the plan "Brasil sem Miséria". Considering that poverty is a multidimensional problem, this new plan is attempting to reach the remaining population affected by poverty. Poverty is not only a matter of income. So, the new Brazilian plan against extreme poverty is mapping the location of people in need in order to rescue them through a new set of public actions. Preliminary studies undertaken by the government show approximately 16 million people in extreme poverty, with no official program of assistance. These people were not registered in the public lists and authorities working in health and education were not successful in making programs reach this group.

The new plan "Brasil sem Miséria" has three simultaneous objectives: to increase income, expand services and citizenship policies, and to develop the productive inclusion of families in a state of extreme poverty. Considering the parameter of R\$ 70,00 per capita as the line of extreme poverty (more or less corresponding to the poverty line of the World Bank and also the minimum requirement for registration in the Bolsa Família), it is possible to observe that most of the population living in poverty are concentrated in the northeast; 25 % are living in the countryside, are predominantly young (50,9 % are 19 years old or older) and black (70,8 %), with an illiteracy rate three times higher than the average of the Brazilian population. About half of residences are not connected to sewage or served with clean water. Considering the population in extreme poverty, the new government decided to reinforce important programs in the area of infrastructure, such as supply of electricity and the construction of water tanks for the consumption of clean water. In terms of income transfer, there was an increase in the granting of "Bolsa Família" as well as in the number of children with the possibility of inclusion in the program and extension of the benefit for adolescent children. At last, in terms of programs to promote productive inclusion, the government reinforced a series of programs in the rural areas of the country, such as school meals. In urban areas, new programs were developed to promote technical qualifications and to simplify the start-up of new businesses.

Accomplished Results

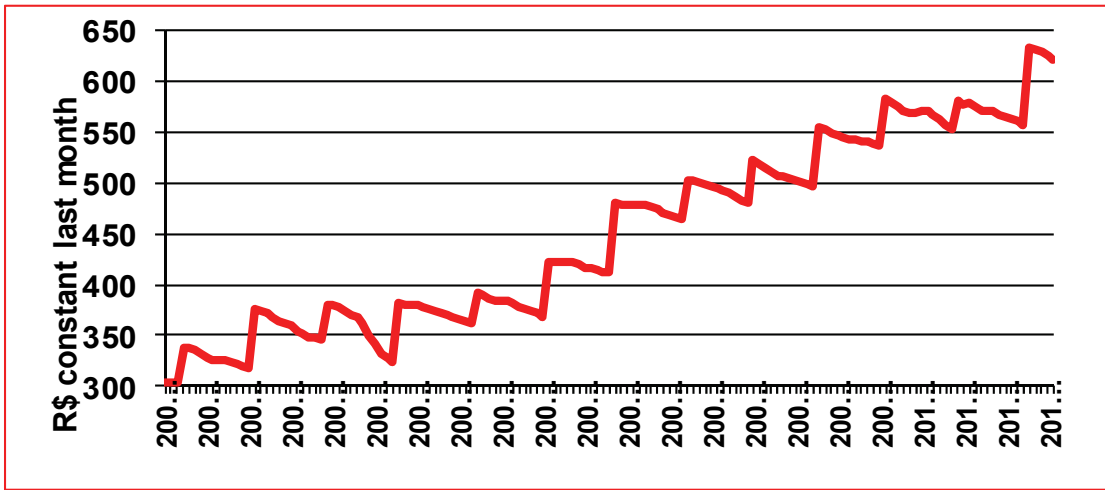
The Fome Zero programs were implemented quickly. They also produced quick results. Some indicators of vulnerability rapidly reversed. There was a significant reduction in the level of poverty in relative terms and in the concentration of income according to the Gini Index. The explanation for such changes can be found not only in the mentioned social politics. Economic policies were also promoting economic growth, generating more jobs, increasing salaries and leading to a virtuous cycle of prosperity.

The original Fome Zero Project anticipated the need to promote economic growth and income increases. Brazil experienced accelerated growth in the period between 2002 and 2012: annual income per inhabitant rose from US\$ 3,760 to US\$ 11,082.¹⁴ However, aside from the statistical illusion promoted by the depreciated dollar during the present decade, we can observe an impressive growth in the minimum wage in real values. As observed in Graph 1, over the past decade the government has increased the minimum wage ahead of inflation which gave workers more purchasing powers.

Considering the period from 2000 to 2011, the minimum wage has doubled and because it is the base for the wages of different categories of workers, the raise also benefited workers earning more than the minimum wage. In addition, in a period of low inflation, in contrast to the decades of the 1980s and 1990s, the fluctuations and the loss of purchase power between the dates of adjustment were also reduced, raising the consumption rate among the low income groups and transforming the real rate of purchasing power into an engine for a virtuous cycle of development. As a result, the unemployment rate dropped from 12.6 % in 2002 to 6.0 % in 2011. Not even the international financial crisis which started in 2008 reduced the general tendency of falling job rates, although the unemployment rate has oscillated upward. In addition to the increased number of jobs offered in the last decade, there was also an increase in the number of formalised workers. In 2001, only 45.5 % of the workers were registered professionally, with both employer and employees collecting taxes directly from their main occupation. In 2011, the proportion increased to 59.2 % as a result of an increased demand for workers in the market.

¹⁴ Brazil National Accounts. See www.ipeadata.gov.br.

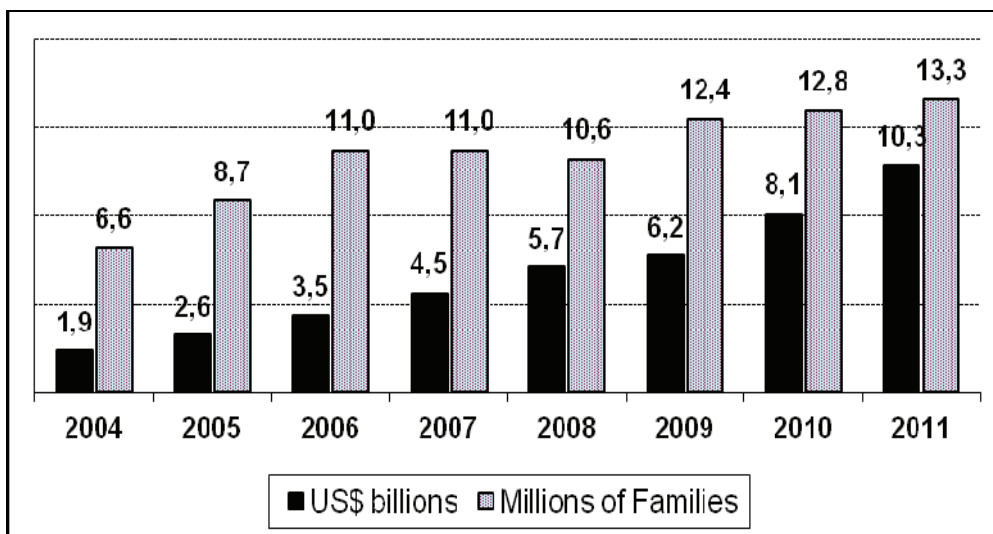
Graph 1: Brazil: Evolution of the Minimum Wage in real values (May 2012)



Source: IBGE (deflated by INPC).

Another factor that has contributed to increased consumption and income in families was the Bolsa Família Program. This program combines all other projects of cash transfer on a federal level. In 2002, the Bolsa Família Project started off with grants for more than three million families. At the end of 2009, the project accomplished the goal of being present in all 5,564 cities of Brazil, generating a wide system of coverage in partnership with local powers. In 2011, with the new administration, the project was improved with an active search for families that would supposedly be living in conditions of misery and had not been enrolled in the program. As a result, by the end of that year, a new record of 13.3 million families was participating in the program (see graph 2).

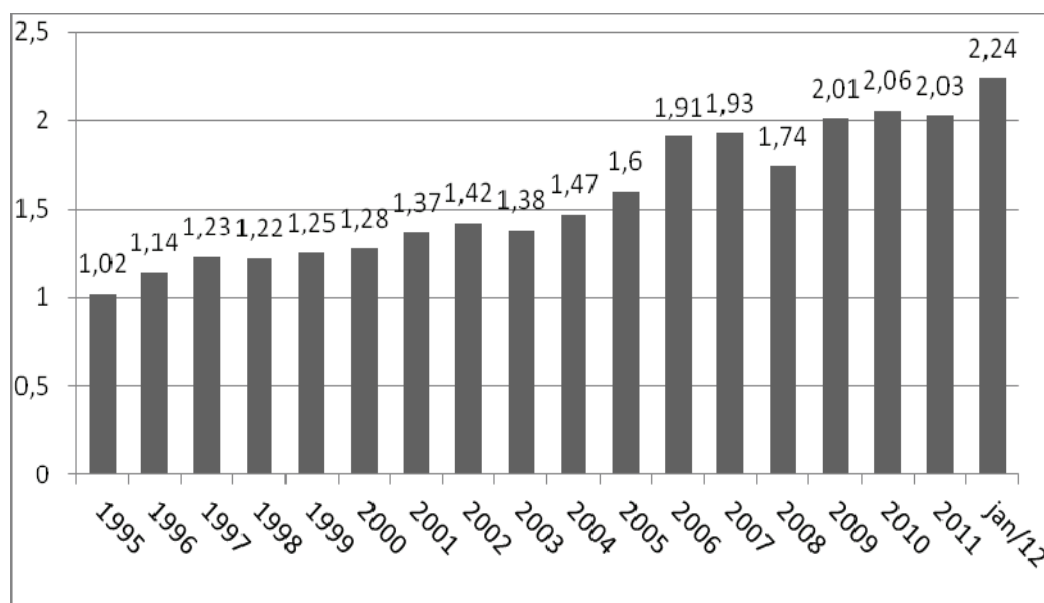
Graph 2: Bolsa Familia Program: Amount paid and number of families enrolled (2004 -2010)



Source: MDS -Ministério do Desenvolvimento Social e Combate à Fome.

The combination of economic development and combating poverty through conditioned cash transfer programs and productive inclusion enhanced the purchasing power of the population. Studies by the Brazilian Institute of Geography and Statistics (IBGE) provide evidence for a reduction in the level of poverty according to relative criteria and an increase in purchasing. The data featured in Graph 3 shows that in 2001, the minimum wage was sufficient to purchase 1.37 food packages in the city of Sao Paulo. At the beginning of 2012, the purchasing capacity of the minimum wage rose to 2.24 considering the same food package unit.

Graph 3: Basic Food Baskets purchased with minimum wage



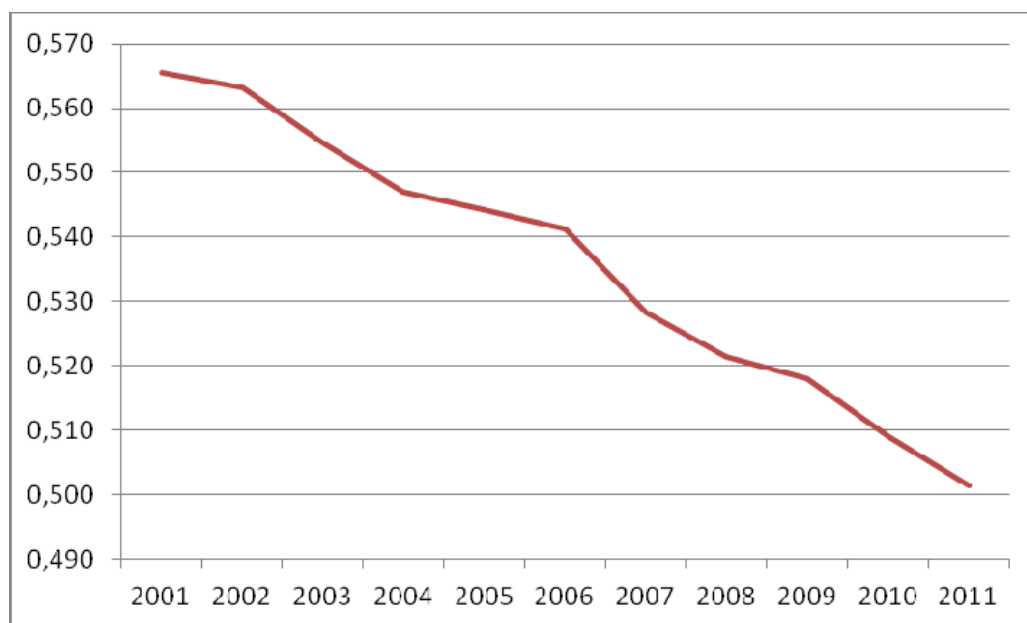
Source: DIEESE - Departamento Intersindical de Estatística e Estudos Socioeconômicos.

Another effect was the reduction of income concentration, especially against the background of increased inequality in the previous decades. Graph 4 shows a clear trend leading to less concentration in labor income. According to preliminary calculations provided by Dedecca *et al.* (2012), the Gini Index for all levels of income was reduced from 0.594 to 0.546 between 2001 and 2009. The concentration of total income among the poorest 10 % rose from 0.4 % to 0.6 %, while the concentration of total income among the richest 10 % was reduced from 42.7 % to 38.9 %.

However, considering that there was a raise in the minimum wage and that the dimension of poverty is measured in terms of minimum wage (and taking population growth into consideration), we conclude that the number of families now below the poverty line has increased. According to studies by Dedecca *et al.* (2012), the number of families now below the poverty line has increased from 13,043,345 in 2001 to 15,812,850 in 2011 (measured by the amount equivalent to half of the real minimum wage per capita as the

bottom line). Nonetheless, applying the poverty line of R\$70,00 *per capita* in real terms (about US\$1.25 per capita per day), the same measure adopted recently for the planning of the Brasil sem Miséria project, we conclude that the number of families in extreme poverty has dropped from 4,900,116 to 3,689,571 between 2001 and 2009 (Dedecca *et al.* 2012).

Graph 4: Gini Index of real income of all work undertaken by employed citizens (10 years old or older), 2001-2011

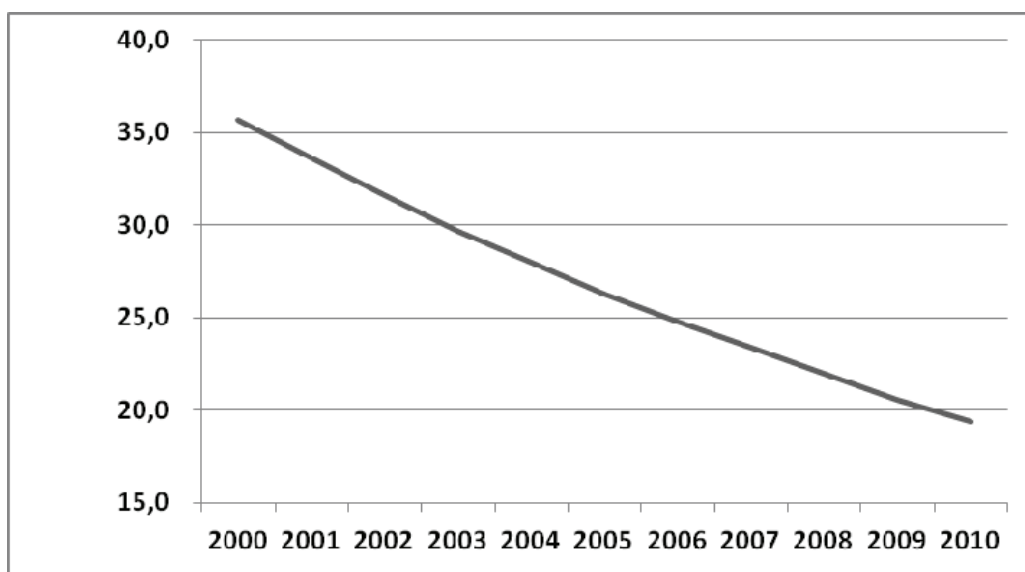


Note: Year 2010 calculated by interpolation.

Source: IBGE- Instituto Brasileiro de Geografia e Estatística.

Some results in the areas of health and education are also noteworthy. Graph 5 shows that child mortality for children under the age of 5 had been gradually decreasing in Brazil in the last two decades. Especially impressive is the speed of the reduction. In 2010, the child mortality rate dropped to 19.4 for 1,000 children born alive and in the more developed states such as Sao Paulo, the mortality rate among children of that age was measured in figures less than one digit.

Graph 5: Child Mortality for children born alive up to 5 years old



Source: IBGE- Instituto Brasileiro de Geografia e Estatística.

Furthermore, illiteracy has decreased considerably. Among the population above the age of 15, the percentage of illiteracy was reduced from 12.4 % to 8.4 % between 2001 and 2011. The illiteracy rate among school-age children is almost residual: 2.8 % among the population between 10 and 11 years old and 1.2 % among the population between 12 and 14 years old. However, a significant number of elderly citizens (more than 60 %) remain illiterate.¹⁵

Food and nutritional security, a key element in the social policies started by the Fome Zero Project, has also improved. Table 1 shows that the number of families in moderate or severe insecurity (according to the Brazilian Scale of Food Insecurity)¹⁶ has decreased from 13.4 million to 7.5 million which represents a proportional rate of 23.9 % to 12.0 % between the two dates.

¹⁵ PNAD Data– Pesquisa Nacional de Amostragem Domiciliar\National Research on Domicile Sampling – IBGE - over several years.

¹⁶ Escala Brasileira de Insegurança Alimentar. The scale is based on North American and Latin American standards (see Pérez-Escamilla *et al.* 2004).

Table 1: Moderate or severe food insecurity: number of poor and non-poor families, 2004 and 2009

	Poor				Non Poor				Total			
	2004	%	2009	%	2004	%	2009	%	2004	%	2009	%
Metropolitan Urban	937.007	29,8	304.083	25,4	4.101.912	39,7	2.550.511	39,8	5.036.915	37,4	2.852.585	37,5
Non-Metropolitan Urban	1.214.948	38,7	472.449	39,8	4.422.020	42,9	2.772.904	43,3	5.636.968	41,9	3.245.353	42,7
Rural	989.612	31,5	413.384	34,8	1.794.221	17,4	1.085.807	16,9	2.783.833	20,7	1.499.191	19,7
Total	3.139.563	100,0	1.187.907	100,0	10.316.149	100,0	6.407.213	100,0	13.455.712	100,0	7.595.120	100,0

Source: Own calculation, based on IBGE.

While the levels of nutritional insecurity are alarming, there was a significant reduction over the years, mostly among non-poor citizens. Considering the total number of non-poor families, moderate and severe nutritional insecurity has decreased from 20.3 % to 10.8 % between 2004 and 2009, which may represent an increase in the income of those families; but it may also reflect a better level of awareness in relation to the consumption of foods. Among poor families, the reduction was calculated from 50.6 % to 34.7 %, which is clearly associated with the increased participation in public food programs, such as meals in schools, popular restaurants, and community kitchens.

Unresolved Issues in the Fome Zero Program

Looking back at the execution of the Fome Zero and the comparison with its basic agenda, we can assess the accomplished results of the last ten years. Many are victories. Socio-economic as well as health and nutrition indicators show improvements. On the date of its announcement, the Fome Zero Project gathered 25 policies and 40 programs, institutionalised the mechanisms of execution, control and inspection of those policies and launched an emergency campaign to raise funds and food. It seems evident, therefore, that among so many accomplishments some of the proposed actions comprised in the Fome Zero program did not lead to results. In this spirit, I would like to highlight some elements presented in the original program which should be studied in detail so that we can reach an ideal state of development for an integrated system of nutritional security.

The Fome Zero Program was not able to reinforce a food supply policy that addressed the urban population. Big supermarket chains dominate the markets for basic food. The

Public Food Supply Centers did not manage to regain force since the 1970s with the creation of SINAC. Thus, it is clear that these wholesale centers should undertake new roles in the supply chain and follow up with the changes that have taken place since that time in urban transportation and systems of distribution. Not much has been done since then and the cases of progress on the subject are more related to the individual efforts of local community leaders than to a set of articulated public policies. While in Europe and North America the process of modernization of wholesale systems advances, in Brazil there has been little progress.

Another weak point in the progress of Fome Zero is the Program “PAT Programa de Alimentação do Trabalhador”, which gives tax reduction to companies that provide alimentation to their workers. Although it is a successful program in terms of the number of companies making use of it, it is no more than a fiscal incentive to companies for feeding their workers adequately. Two aspects should be improved. First, the program should focus on low income workers, unemployed workers, and retired citizens by providing them with food stamps. Preliminary studies point to the fact that 6 million workers in micro companies earn only up to 3 minimum salaries per month and are not encompassed by the program.¹⁷ Another point is that PAT should be associated with a nutritional education program in order to reduce the prevalence of chronic diseases resulting from bad eating habits.

The lack of articulation between nutritional educational programs for the population is another point to criticize. In the last years, many programs have been implemented in the municipal, state and federal spheres, as well as in the sectors of the market. Likewise, many books and videos have been produced addressing the topic. However, these actions lack a joint framework. There is no consensus among educators, nutrition professionals and public managers on how to address the matter of nutritional education. How can we include information about food in the curriculum of schools on many levels? How can we allocate the resources of the “Bolsa Família” for a healthier diet? How can we develop campaigns for the specific citizen groups like patients of diabetes or of allergies to certain foods? These are some of the issues that should be present in programs of nutrition and so far have only been addressed superficially.

At last, the Fome Zero Program provided little support for urban agriculture. It is a large area of activity which should be addressed more properly and broadly in association with the “Programa Nacional de Alimentação Escolar” (PNAE), the “Aquisição de

¹⁷ Companies in the SIMPLES regime (simplified registration regime) without fiscal benefits for the execution of PAT. Usually companies employ low income workers who are more vulnerable in terms of access to nutrition. There are other issues associated with the administration of the program which could be overcome by increasing [should companies get more power?] the power or market of companies managing high rates charged and the high rates charged by the users.

Alimentos” (PAA) and other programs present in institutional budgets. In a general way, because urban crops are a matter of city administration, there is no general policy of support for production and commercialization of the products (credit, assistance, insurance). In that sense, the solutions and the cases analyzed are always filled with the creativity and heroism of administrators who have implemented a few victorious programs in support of urban agriculture.

Conclusions

In this chapter we analyzed the process of development of the Fome Zero Project as it had been proposed by the Instituto Cidadania in 2001. We analyzed how the Fome Zero Program was influenced by a long tradition of studies on Food and Nutritional Safety and also by popular mobilization in the 1980s and 1990s. We provided explanations about how the Fome Zero Project has approached matters related to agriculture, food supply, and nutrition by presenting an integrated picture. For this reason, we conclude that the Fome Zero Program was the first program that united all the dimensions proposed by the Brazilian Forum on Food and Nutritional Security (FBSAN) in one single plan of action.

In the second part of the chapter we demonstrated how the project was introduced with the separation of structural, specific and local actions associated with nutrition. We discussed the internal logic of this arrangement and how such programs could work in a complementary way, by providing recognition of the human right to food with the distribution of healthy and nutritious food to the total population, therefore preserving their integrity. At the last part of this chapter, some proposals on Brazilian Food Security Policy have been discussed in order to achieve the original purpose of Fome Zero. In sum, we can conclude that Fome Zero could expand more in some areas which are relatively well-structured and institutionalised and should have received more attention from the government and civil society in the last few years.

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9. Food or Cash: Assisting the Urban Poor in India

Sharit K. Bhowmik, Indira Gartenberg, and Kanchan Sarker

This chapter discusses the issues of food security in relation to livelihood and poverty in urban areas.¹ The arguments presented here are a result of fieldwork findings from urban slums in Mumbai and Delhi, in addition to data from secondary sources. An extensive review of existing literature has been conducted on the public distribution system (PDS) in India and cash transfers (CT) in Brazil and other Latin American countries.

In Mumbai, data collection was done in the slums of Dharavi, Ghatkopar, Panjrapol and Sunder Baug. We interviewed 23 ration-card holders to get views and representation from various groups of the urban poor. We especially sought to interview those who owned below poverty line (BPL) ration cards, but were surprised not to find too many. Of these 23 respondents, two did not own ration cards. A key person from the Sunder Baug area was interviewed for understanding the specific issues of access to rationed goods in the area. An official from the Rationing Kruti Samiti (RKS - right to rations) was interviewed regarding right to rationed goods. RKS is a federation of mainly slum-based organisations in the state of Maharashtra, fighting for improved access to PDS.

In Delhi, the fieldwork was conducted in Raghbir Nagar, a slum in West Delhi where Self Employed Women's Association (SEWA), a trade union of women in informal employment, has initiated the cash transfer scheme (CT) with the support of the state government and UNDP (United Nations Development Programme). SEWA has conducted a pilot project on cash transfers in the National Capital Region (NCR). The union has convinced the Chief Minister of the Government of NCR, Ms. Sheila Dixit, that cash transfers could be a solution to the inefficient and corrupt role of the public distribution system (PDS; see below). SEWA suggested that a pilot programme be undertaken in one of the slums of Delhi. It started in 2010 and it is still in progress. We have used the data from the base line study and the yearly review of this project to understand the effects this scheme has on the urban poor, especially the women. We have concluded this report by indicating the future course of action based on its strengths and weaknesses.

¹ This paper is based on a research project on food security sponsored by the Shastri Indo-Canadian Institute, Ottawa and Canadian International Development Agency (CIDA). The project was jointly undertaken by the authors. The authors are also grateful to SEWA for accessing data in Delhi. This is a revised version of a paper presented at the ICDD Annual Thematic Conference 6-7 July 2012 at Uni Kassel.

Background

India is a land of sharp contrasts. All growth indicators show that there is a high economic growth rate of 8 % per annum (NCEUS 2007:1). According to the report of the National Commission for Enterprises in the Unorganised Sector (NCEUS), India's real income grew by 125 % during the economic reform period from 1992-93 until 2005-06. The per capita income has increased by 77 % during the same period (ibid.). These indications show that people should supposedly have increased their living standards considerably.

The above data shows that the economy is buoyant at the macro level. However, a closer examination shows a different picture. Around 77 % of the population (836 million people) were living below Rs. 20 per day (ibid. 1). In other words, along with high growth, the disparity between the "haves" and the "have-nots" has increased considerably.

It is therefore quite clear that a high growth rate alone cannot solve the problems of the working poor. Policies that are directed towards uplift of the poor are needed. One can look at the plight of the poor through two indicators. Firstly, their per capita food intake, which would include calories and proteins consumed. Secondly, the people must have work, either through self-employment or as wage-labour. However, in this paper we have dealt with the issue of access to food.

Public Distribution System (PDS)

The main issue before the working poor is that of access to proper food and nutrition. The system of supplying food grains at affordable rates started during the colonial rule. The Second World War caused a disruption in prices and in supply of food grains. The colonial government then introduced the concept of rationing where a limited supply of food grains was given to people at subsidised rates. After independence, this was used as a tool for ensuring that the poor had access to food grains. The concept was that there should be a supply of subsidised food grains and other essential commodities through a network of 'ration shops', which are essentially grocery and provision stores. These shops were known as modified ration (MR) shops and they usually existed in far flung, isolated areas where there were few shops. The public distribution system (PDS) functions through this chain of ration and MR shops. There are around 462,000 such shops all over the country (Planning Commission 2003).

The role of the central (federal) government is of procurement and transport of commodities and the state (provincial) governments are responsible for distribution to the ration shops. The commodities included are rice, wheat, sugar, cooking oil and cooking fuel (kerosene/ Liquefied Petroleum Gas [LPG]) at approximately half the market rates.

The PDS constitutes just 5 % of the national expenditure (ibid.). In this sense, PDS is one of the widest networks for serving the poor by giving them access to food grains at reasonable prices. Indeed, the Tenth Five Year Plan notes that around 160 million families purchase commodities from these ration shops.

Food grains are distributed to those holding ration cards. A large number of people do not own ration cards as they do not have proof of residence and other relevant paperwork required to obtain one. The ones that hold ration cards are divided into three categories. The first are those designated as 'affluent' and not eligible for any subsidy. They are given a white ration card which can be used as a form of identity proof, but nothing else. The second are those above the poverty line, but not affluent. They are given the orange coloured ration card at rates which are lower than market rates. The third category constitutes those that are below the poverty line (BPL category) who get food grains and other rationed goods at very cheap rates. They possess yellow ration cards. Within the BPL category, a new category has been added to include the poorest among the BPL. This category is referred to as the Antyodaya (AAY) category. Lastly, senior citizens above 65 years of age with no social security and pension have a separate category, Annapurna, and they have pink ration cards. Food grains are available to these sections at differential rates and quantities. For example, the BPL families get 35 kilograms of food grains (wheat and rice) at cheap rates through the Targeted PDS.²

Corruption in PDS

Despite its successes, the PDS has inherent shortcomings that result from mismanagement and corruption.³ Its delivery system is poor. It is unable to service the genuinely needy population. Firstly, there is the issue of procuring a ration card and being a part of the rationing system altogether. Due to the complicated nature of paperwork required to prove domicile and citizenship, a significant number of urban poor are unable to get a ration card. The fact that most urban poor are migrants and the place of birth is often different from residence is ignored. The rules stipulate that a person's name cannot be registered on more than one ration card. If a migrant has his/her name in a card back in the village, it must first be cancelled from there, and only after these formalities can a new one be applied for. Further, in the slums of Mumbai as in other metro cities, most residents live on a rental basis. They have little paperwork to prove identity as well as residence, as most proof is given to the owner of the property. It must be remembered that the ration card is considered an identity proof in a host of areas,

² TPDS are ration shops that supply food grains and other essential commodities only to BPL, disadvantaged and other urban poor persons.

³ This is based on the interviews with the ration card holders and the Rationing Kruti Samiti (RKS).

whether it means school admissions for one's children, getting a voter identity card, obtaining a Personal Account Number (PAN) card from the Income Tax Department and so on. Given these constraints, thousands of urban poor continue to be out of the purview of the rationing system.⁴

Secondly, there is the issue of income limits that decide the three main categories within the PDS which should and should not get a subsidy on commodities. The annual household income limit set for being counted in the BPL category is Rs. 15,000. An interview with an officer of the Rationing Kruti Samiti (RKS) in Mumbai revealed that even homeless beggars earn more than Rs.15, 000 annually. This automatically puts them in the above poverty line category. Does this mean that the homeless are not in need of subsidised food grains? According to the officer, the income limit was set in 1997 and urgently needs to be modified to suit food prices in the current times, as it is not adjusted to inflation. This observation is accurate, and supported by the report of the Justice Wadhwa Committee, which indicates that of the total ration cards issued in the Mumbai-Thane region, merely 1.32 % were BPL cards (GoI 2011: 8). This figure hardly indicates the number of BPL households in this region and perfectly sums up the situation of PDS outreach in urban slums.

Problems of Ration Card Holders

We have established that procuring a ration card is very difficult for most urban poor. But securing access to food is not easy, even for those with ration cards. The issue that tops the list is that of access to the commodities. One common response from slum dwellers in this study was that most items were simply not available for sale in the ration shops. The sugar supply has been stopped for over a year and it is sold in small quantities only during major festivals such as Diwali. Even at such times, the shops run out of sugar within hours enabling only a lucky few to buy sugar at reduced rates. The amount of kerosene allocation has also been reduced consistently (discussed later).

Rice and wheat are available, but the quality is inferior, heavily adulterated and mixed with stones. Most people do not buy these two grains from the ration shops either. The shopkeepers' response to the slum dwellers questions about the limited supply of commodities is that the government has reduced or stopped the supply of some commodities. A combination of these factors means that in order to survive, the urban

⁴ Our fieldwork brought this to light. Moreover, a trade union of informal female workers, LEARN in Mumbai, has been actively engaged in attempting to procure ration cards for its members and slum-dwellers. The LEARN activists face a number of difficulties in this process and hardly 10-15 % of the applicants are successful in procuring their ration cards. The authors of this paper are associated with LEARN in Mumbai as activists.

poor are pushed towards buying food grains and other basic commodities at market price from the local provision stores.

In cases like that of kerosene, this is indeed true. The government wishes to replace a polluting and unsafe source of fuel with a much safer, cleaner and cost-effective option of LPG. This may be a good thought, but only if it is backed by action. In other words, even though there has been a gradual withdrawal of kerosene, LPG connections have not been provided to large numbers of cardholders. According to RKS, the allocation per family per month has gone down from 19 litres in 2000 to 9 litres in 2012 and the corresponding price per litre has increased from Rs. 2.35 in 2000 to Rs. 14.10 in 2012.⁵ An average family of five requires at least 20 litres of kerosene per month for cooking. Most people have stopped using warm water to bathe, because kerosene is in such a short supply. It is conserved and used in a frugal manner, solely for cooking purposes. This has meant that the kerosene that was used as cooking fuel is still being used as cooking fuel only now it is much more difficult to procure from ration shops and costs a lot more than what it did before. The amount of frustration, hardship and pressure on the already impoverished urban lot caused by unavailability, lack of access, shortage and price-rises cannot be stressed enough.

With regards to rice and wheat, this is a narrative of a home based worker in Panjrapol slum: ‘the day I serve those chapatis [made from ration wheat] or rice [bought from the ration shop], my family just does not eat... it has a foul smell. They will starve one night but do not eat [that meal]’. Hence, most slum dwellers end up buying from local provision stores at market price in order to have an edible meal, which is a dent in their already meagre incomes.

While interviewing an elected leader of a women’s trade union in Dharavi (reputed as the largest slum in Asia), we were told that when she or her comrades go to inspect the goods at the local warehouse, they find the quality good. However by the time it reaches the shops its quality decreases drastically. This invariably leads to heated altercations with the shop owners. The latter try to feign innocence. The leader told us that only when they are threatened by an organised group do they buckle. They may make attempts to rectify the problem or they may plead that they have no hand in changing the quality and that it is the officials that cause the problems.

In fact, in most cases the grains supplied in the MR shops are so inferior that the customers refuse to lift them. A researcher studying street vendors in Mumbai told us that street vendors owning ration cards find the quality too poor for their own consumption. Hence they sell the food grains to those economically worse off. The question of

⁵ Information given by RKS.

leakages is very real. The Central Vigilance Commissioner (CVC) had noted in the CVC website that 31 % of the food grains and 36 % of the sugar meant for PDS gets diverted to the black market. This type of corruption is specifically anti-poor as it is the poor who are getting shortchanged.

Corruption does take its toll on the workings of the PDS. It manifests in different ways. The shop keepers, in connivance with the rationing officers, may supply less food grains and substitute stones in the grain supplied. Kerosene could be diluted and the quality of the grains supplied could be poor. The shop owners too have to grease the palms of the officials to get their supplies. The shop owners are given a commission of 5 % of the costs. They feel it is too small an amount because they have to part with some of this as bribe (GoI 2011).

The shop owners complain that the transport system is inefficient and is becoming costly due to increases in fuel prices, which could be a legitimate point. After all, if food grains do not reach shops on time the blame invariably falls on the owner and not on the rationing authorities. The public sees the shop owners as the villains who are inefficient or corrupt or both (Jenkins and Goetz 2002).

In most of our interviews with ration-card holders, it was found that the shop owners were perceived to be arrogant, and unwilling to provide commodities at their designated quantities and subsidised rate.

Other studies show an even bleaker scenario. According to the results of a survey by Khera, in the state of Bihar alone an astounding 88 % of grain is siphoned off for illegal sale on the open market (Khera 2011b). Svedberg's research supports this claim and states that 54 % of total grain siphoned off the TPDS (op.cit.) never reached buyers (Svedburg 2012). It was thought that targeting would curb leakage of food grains, but Himanshu and Sen (2011) reported that rice and wheat leakage was 19 % and 41 % respectively before the TPDS was implemented (1993-94). In 2005, those numbers skyrocketed to 40 % for rice and 73 % for wheat. They argue that cheap grain brings higher profits on the open market and therefore encourages leakage. In this case too it is the poor who are deprived of their share of food at subsidised rates (as they are the 'targets' of the TPDS).

So the question is, why do the urban poor still struggle to get a ration card? It is not just a card intended to enable a person to buy subsidised essential commodities; a ration card has become synonymous with identity and residence proof. A ration card is a must for ensuring enrolment to schools for children. It is also a document for opening bank accounts, or obtaining other documents such as passports and election cards. In cities where there are strong movements against 'outsiders' ('sons of the soil' policy) a ration card becomes all the more necessary. The case of Mumbai captures the essence of this

claim. When the regional sons-of-the-soil party, *Shiv Sena*, came to power in 1995-1999, it tried to rid Mumbai of 'illegal' Bangladeshi migrants. This process meant random checking of ration cards held by Muslims, which had begun to acquire increased significance as a proof of identity as well as nationality (Jenkins and Goetz 2002). In their report, Jenkins and Goetz (Ibid: 4) note, 'The resulting increase in demand for ration cards meant that, the 'commission' payable to obtain one went up – for Hindus as well as Muslims.' It is in this context that the ration card has come to mean a host of other things such as proof of identity, residence, state of domicile, nationality, *in addition to* being a guarantor of access and rights to subsidised essential commodities as part of the social protection policy of the state.

Positive Aspects of PDS?

Despite the above stated problems, it is still believed that the PDS has the widest reach in the country. This was proved incorrect in a study undertaken by Self Employed Women's Association (Sewa Bharat 2011). It is believed that the PDS in urban areas is most successful in Delhi. SEWA conducted a survey in 2010 on the outreach of the PDS. The survey covered the slum of Jehangirpuri. The results showed that only 30 % of BPL families had access to PDS. In fact in Mumbai we found that given the poor quality of food grains supplied, only one-third of the ration-card holders buy from ration shops.

A more recent study by Raghavpuri (2012) shows that the PDS in Chhattisgarh is working well. This is largely because of transparency and the will to make the clients aware of their rights. The PDS shops are located in panchayat (local self-government) offices or in government buildings. The names of the ration-card holders are displayed outside the shop. The more important aspect is that the shops are located in remote areas so that the poorest and the most isolated have access to PDS. These people are not interested in other schemes such as cash transfer because goods are scarce in the interiors and giving them cash would not help as they cannot buy anything.

The picture painted of the PDS in Chhattisgarh shows that it has solved all the problems of the working poor. But this is one of the poorest states in the country and has a large tribal population that is suffering from chronic hunger. These people have been kept out of development processes. In fact because of its lack of governance a large part of the state, especially the areas occupied by the poorest, have been under the control of Maoist groups. At present we can see that only three states have been successful in implementing the scheme. These are Tamil Nadu, Andhra Pradesh and Chhattisgarh (see Puri above). This is hardly any success in a nation with a total of 28 states and seven union territories.

Food Security Bill

The other major initiative of the government to combat hunger is the National Food Security Bill, 2011. If made a law, the act will ensure that the poorest families get seven kilograms of cereals per head at a low rate of Rs. 3 per kilo. It also has special provisions for pregnant and lactating mothers and several facilities for school-going children. The programme is expected to cover 75 % of the rural population and 50 % of the urban population (Business Standard 2011). The latest figures from the Parliamentary Committee peg this figure to 67 % of India's population (iGovernment 2013).

Critiques have raised the issue that this is an expensive programme which will harm the economy to a large extent (Times of India, 2011). This increased food supply subsidy amounts to ten billion rupees and it is likely to increase over the years. This, the critics warn, could lead to ultimate bankruptcy of the government. Those who support this feel that this is not a heavy price to pay for providing basic entitlements to the working poor. The argument that we would like to offer is that anything which promotes a healthy population would also result in a more productive labour force, which in turn would offset the subsidies provided.

The Bill has faced criticism also from within the government. The idea of introducing this Bill was first formulated in the National Advisory Council. This is a body of activists and academics who are expected to advise and assist the chairperson on the ruling United Progressive Alliance (UPA). Sonia Gandhi is also president of the largest partner in the alliance, the Indian National Congress. As such the National Advisory Committee (NAC) plays an advisory role to the government. The Food Security Bill was drafted by NAC and the Minister for Food Supplies was asked to present to Parliament in the winter session of 2011.

Dissent to this bill first came from the Minister for Agriculture, Sharad Pawar, who is a partner in the UPA. He stated that if carried out, this act will create food shortages for other sections in society. As a result, prices of food grains in the open market would rise sharply. He felt that Indian agriculture did not produce the surplus needed for running this programme. The Minister for Food Supply strongly opposed this argument by showing that there were enough food stocks in the country to meet the needs of the poor. The Prime Minister, who has strong rightist and pro-market views, also agreed that this bill would cause pressure on the exchequer. However, despite these opposing views, the government decided to go ahead and introduce the bill, though the amount of subsidised grains has been reduced from 7 kgs to 5 kgs (Lok Sabha 2011). The bill is still pending in parliament as of June 2013.

Cash Transfer in Latin America

The alternative suggested is that of cash transfers—a system that has been successful in Brazil and other countries of Latin America (see Belik in this volume). Historically, Latin America has been plagued by extreme poverty due to slumbering economies, inequality, and military dictatorships. However, in recent years the Americas have begun to wage a war on extreme poverty using conditional cash transfer programs hereafter referred to as CCT. CCTs aim to directly boost the purchasing power of poor families to stimulate consumption and meet other basic needs such as education and health.

Brazil and Mexico were the front-runners in implementing sub-national CCTs in the mid-1990s. By 2008, nearly every Latin American country had taken a CCT scheme on-board. Sugiyama (2011) suggests that the high diffusion rate of CCT programs was due to their perceived effectiveness at reducing intergenerational poverty. Also, “cognitive heuristics” (Sugiyama 2011: 264) contributed to the rapid diffusion of CCTs. In other words, a country takes on a well-established CCT scheme and then adapts it to its own unique profile regarding poverty and social services. This is very important because it illustrates that similar ideological convictions are not necessary for leaders of different countries to embrace and successfully implement CCTs.

Bolsa Familia

The *Bolsa Familia* in Brazil has been the most effective policy for alleviating poverty (ILO 2009). The programme provides income support to poor families, subject to their fulfilling certain human development requirements, such as child school attendance including participation in supplementary socio-educational activities, vaccinations, nutritional monitoring, prenatal and post natal tests.

The head of the household is required to open a bank account where the money is transferred directly and also asked to submit in writing that the money would be spent for the purpose it has been allotted. Some obvious issues which arise here are that this money may be misused for other purposes such as alcohol or junk food. The studies conducted in these countries show that this is largely incorrect (ibid.).

Given its multidimensional and integrated approach, the Brazilian experience in relation to its cash transfer programme can be seen as a strong reflection of a national Decent Work Agenda. Under the *Bolsa Familia* program, money is transferred to the mother of the household via a preloaded debit card. Ruth Cardoso, an anthropologist, convinced the central government that women made better decisions on nutrition and therefore should receive the cash transfer. She also persuaded the government that funds should be transferred directly to municipalities responsible for implementing, coordinating, and monitoring the program to reduce complications and delays. Municipalities working

together with various state agencies as well as the harmonization of existing cash transfer programs under the fome zero strategy (Vyasulu 2010) and a single registry (Cadastro Unico) housing all data regarding a family's social and economic factors all contribute to the success of the program. This "shared management" strategy has been the key to developing a streamlined and effective weapon to combat extreme poverty (Hall 2012; Soares 2011).

Targeting

The target group under Bolsa Familia is very clear – all poor. Brazil is set apart from other Latin American countries in that it does not use a proxy test for targeting. Eligibility is based on self-reported family per capita income and the number of children in the home. The efficient use of modern electronic technology and unifying the registries of previous cash transfer programs (the Cadastro Unico) makes targeting the poor easy.

Years of ground level work by municipal managers and social workers has also been useful in improving the Cadastro as there are always families at risk of falling through gaps in the system. Municipalities receive additional funds from the federal government to implement the program based on the accuracy of valid entries and history of updates in the Cadastro. The federal government also does regular audits to ensure that municipalities are managing the program at a high level of competency (Vyasulu 2010).

Exclusion

CCTS account for roughly 1-2 % of a country's GDP. There are concerns that expansion of coverage will spread resources too thin or lead to exclusion errors and leakage. But Hall reports that 75 % of benefits reach the poorest 20 % in Brazil suggesting high coverage, successful targeting, and good management (2012). This is supported by research reporting a high degree of efficiency in Chile at 108 %, Nicaragua at 102 %, Honduras at 99 % and Brazil at 80 %, while Mexico achieves only 56 % (Lomeli 2008; Soares *et al.* 2007; Soraes *et al.* 2010).

Inequality

Like India, the Americas are experiencing high economic growth rates. According to OECD statistics published in 2010, Peru experienced over 8 % growth in the previous three years. Measuring for income inequality, the Gini index showed a 21 % fall for both Brazil and Mexico and 15 % for Chile from the mid-1990s to mid-2000s indicating that CCTs were effective in reducing inequality (Soares *et al.* 2007). Bull's-eye targeting and continuous auditing of the CCTs results in an effective low-cost alternative for reducing income inequality.

But, CCTs alone cannot eradicate poverty. Cavalcanti and Correa (2010), Ghosh (2011), Hall (2012), and Soares et. al. (2007) recommend that CCT programs complement vocational training courses, smallholder farming, and other labour policies which aim to generate new employment. Cavalcanti and Correa's research showed that the size of cash transfers has a negative effect on employment and participation rates. Job destruction is a real consequence of unmonitored largess stressing the importance that CCTs complement labour policies.

Gender

The gendered effects of CCTs can also be seen. A study by Gitter and Barham on women's power in Nicaragua found that cash transfers to women led to more household resources dedicated to children and higher rates of school enrolment. But they cautioned that the balance of power swayed too much in the mother's favour contributed to a decrease in school enrolment (2008). As in everything, balance is important.

In Peru, a positive effect on curbing violence towards women was seen. Molyneaux and Thomson (2011) reported that male household heads were warned by CCT managers (juntos) that payments would be withheld unless they curbed violence towards female members of the household. Through interviews with informants, Molyneaux and Thomson found that CCTs to women in Peru, Ecuador, and Bolivia increased women's status in the home and neighbourhood and women had more control over household expenditures. Yet CCT "micro targeting" of children leaves the needs of women unaddressed. While the unexpected gains for women are encouraging, Molyneaux and Thomson recommend that gender equity policies should be included in the program just as CCTs should complement labour initiatives. Educated mothers are more empowered and make better choices for themselves and their children. This area of study on the effect of CCTs on gender equity is as yet unexplored.

Cash Transfer in Delhi, India

The cash transfer system has been introduced in selected municipal wards in Delhi and Indore. It is still quite recent, but needs to be studied. For example, the chief minister of Delhi, Ms. Sheila Dikshit, has appealed to the central government to allow her to introduce the cash transfer scheme instead of other policies of food security (The Pioneer 2011). As mentioned in the beginning, SEWA was able to convince the Chief Minister to undertake a pilot scheme. We will discuss the functioning of this scheme in the next few paragraphs.

SEWA selected Raghbir Nagar, a slum inhabited by the poor. The CT scheme was experimented with BPL card holders. A mix of families comprising SEWA and non-

SEWA members was chosen. Raghbir Nagar is located in West Delhi and most residents are second generation migrant families. They pursue different occupations such as street vending, small shopkeepers operating out of their huts, day labourers and domestic workers in nearby housing societies. SEWA started an awareness programme among 690 BPL families from September 1, 2010. SEWA selected 100 families for the pilot study. The Food and Supplies Department stamped the ration cards of these households. The stamp implied that the card holder would not avail of rations for 6 months. After this period the card holder could either continue for another 6 months or could revert to rations. The findings showed that a number of families from the second group withdrew from the scheme. There were two main reasons for this. First, they were afraid that they would lose their ration cards. This card, as mentioned while discussing Mumbai, is a very important identity card for the poor and losing it would be catastrophic. The second reason was that the bank in which their account was opened was too far from their homes. They also complained of the lengthy bureaucratic processes for opening accounts.

The scheme was to be operated by the women. In other words, the bank account and the cash transferred were in the name of the women. In almost all cases ration cards were in the name of the male head of the household. It was in the name of the husband or the father-in-law; hence these people had to be convinced about getting their cards stamped. This did not happen in many cases.

A baseline survey was conducted in November 2010 through which the different groups were identified. The survey also collected data on the economic status of the households. The programme was started in January 2011. Cash amounts of Rs.1,000 have been transferred regularly since then and beneficiaries receive the cash on the 1st of every month. The scheme is funded by UNDP and will run for two years. If successful, it is likely to continue. Each family is paid Rs. 1,000 per month for food and other issues connected with health and hygiene. The data in this section is based on the midline survey carried out by SEWA in July 2011 and the end-line survey conducted in January 2012. We will discuss the findings of the end-line survey.

Findings

The main findings of the survey show that firstly, the choices available to the target group have increased. They were now able to buy other consumption items in addition to cereals and grains supplied by the ration shops. The extra amount of Rs. 1,000 per month enabled them to increase consumption of other commodities. The survey makes a list of these but considers only those items that have increased by 3 % or more over the baseline report as significant. It was also found that consumption of food items such as rice,

wheat, grains, milk and milk products, edible oil, eggs, fish, meat, fruits and sugar had increased. A part of the increase in expenditure is due to rising prices. However, the survey found that the beneficiaries had actually increased the volume of consumption of these items.

Cynics believe that if the poor are given money they will spend it on alcohol and not on food. Ghosh (2011) too hints at this as one of the problems of cash transfer. However this seems largely an upper class bias against the poor based on the suspicion that the poor will misuse the money given to them. Hence, their position is that it is best that they should not be given any money in their hand. In fact, the consumption of intoxicants (alcohol and drugs) and tobacco had decreased. The consumption of intoxicants decreased by 1.09 % which the survey notes is not significant. However, decrease in tobacco consumption is higher, nearly 3 %, which is significant. The important fact is that the intake of intoxicants has not increased.

The year-end survey found that sanitary conditions have improved. Most of the beneficiaries had improved their sanitary facilities or those with none had built toilets in their homes. This is not directly linked with cash transfers but with the improvement in lifestyles the women started investing in improving sanitary facilities.

It was also found that the use of conventional fuels such as kerosene and coal for cooking had been replaced by LPG. Both coal and kerosene cause pollution. Kerosene is a particularly harmful medium for cooking as the fumes and particles settle on uncovered food while being cooked. LPG is recognised as the most efficient, non-polluting medium for cooking. The CTs have enabled the recipients to opt for LPG as they could use the cash they received for this purpose. Earlier they did not have financial resources for LPG. They thus depended on kerosene provided at subsidised rates.

It has also been found that for some, there has been a decrease in expenditure on religious ceremonies. This decrease amounts to 3.96 %. This is remarkable as the poor, bound by superstition, tend to spend more on religious functions. The baseline survey had made a note on the loans that the families had incurred. The mid-term survey showed that loans had been reduced considerably. This was mainly because the money was controlled by the women in the household and it was safe in the bank. This saving could be accessed only by the woman who was in charge. The end-line survey found that in almost all cases loans had been repaid. The exceptions were those who had taken large loans. Even these women had started to repay their loans.

The opening of bank accounts of these poor women had some positive effects on their outlook. Firstly, they felt secure that they had full control of their earnings. Their husbands had no access to this money as it was under the women's name. Secondly, the bank account itself gave the women an identity. They no longer hid in the shadows of

their menfolk. The mid-term survey had asked the women: who takes decisions about expenditure in the family? Most of them replied, "I take the decisions". These decisions include expenditure on food, education of children and maintenance of their homes among others.

One of the major failures of CT is the lack of access to banks. The banking network is thinly spread in the poorer areas, especially the slums. Hence for many women banks are too far from their homes. The banking system plays a major role in the success of a CT scheme. Hence its accessibility is absolutely necessary. The baseline survey showed that one of the main reasons for not accepting CT by some women was because the bank was not nearby. They found that going to the concerned bank to draw money would cost them at least a half-day's labour. Hence it is necessary to have a better banking network to make this scheme successful. If the networks do not exist, the CT scheme will be restricted to only those women who are living in the vicinity of a bank. The banks should also realise that by expanding their network in the lower income groups they will not just be agents for distribution of the CT scheme, but they can also collect the savings of these people which may be small individually but will amount to a lot collectively.

The CT system has its advantages especially in emancipating the poor. Subsidised food, as in the case of rationing or food security, is seen as a benevolence of the state to the poor. It is not seen as playing an emancipating role. The ration shop owners behave as if the food grains they supply are their own. Hence if the quality is poor and the beneficiaries protest, the attitude of the owner is: "Take it or leave it". In the case of cash transfer schemes (including MGNREGA) the poor become consumers and not recipients of charity. They thus have a greater voice. It is their money and they are buying the goods. Hence they can question the shop owner on the type of goods supplied. The working poor are able to assert their rights as citizens. This form of realisation itself may be a threat to politicians and some trade union leaders as they fear they will lose hold over their followers/workers. We have encountered several union leaders in Delhi who openly accuse SEWA of sabotaging the PDS by introducing CT. SEWA has never been popular among conventional trade union leaders because of its unconventional ways of mobilising and educating the working poor. This experiment has made SEWA more unpopular among the conventional leaders. Some display traits of a feudal attitude towards their members. The members must obey the commands of the leaders. SEWA on the other hand, tries to turn its members into critically thinking individuals which is seen as a threat to the conventional leaders (Sewa Bharat 2012).

Another strong reason for supporting the PDS is because it creates corruption. There are a number of parties that have illegally gained access to the food supplies that are rightfully meant for the poor. These people include unscrupulous politicians, bureaucrats

and traders. As we can observe, the PDS is a mammoth organisation and the corruption it spawns is equally enormous. CT on the other hand has a lesser scope for pilferage or leakages. The money is directly transferred to the bank account of the female beneficiary. There are no middlemen involved.

Concluding Remarks

This chapter has tried to examine the two different systems of ensuring food security in India: the public distribution system (PDS) and cash transfers (CT). However, it must be clarified that the authors do not suggest that one system should replace the other, but that one must facilitate the working of the other. With regards to the PDS system, it is proven that in remote areas where there are fewer shops or none other than the modified ration (MR) shops, PDS assumes increased significance compared to urban areas. This has been evident from the cases of Chhattisgarh, where 95 % of the population benefits from the PDS. Transparency in the functioning of the MR shops has ensured a stronger outreach and access to this system in this area.

However, in urban areas and metro cities such as Mumbai and Delhi, the ration shops hardly have an incentive to do better. The ration shop owners are consistently making losses and are victims of the system which expects them to run a loss-making 'noble' enterprise not based on profits. Bribing officials in order to run these loss-making FPSs further demotivates the shop owners.

The urban poor are at the receiving end of this systemic issue. Not only is procuring a ration card difficult, but those who manage to get them are not able to use the PDS to their benefit. RKS indicates that the state releases approximately Rs. 3,075 per month per household towards the subsidy of essential commodities. Of this amount, approximately 15 % reaches the beneficiary and the rest is lost in bureaucratic expenses and leakages. In order to tighten this leakage and reach out to those that truly need this subsidy, the RKS suggests that the entire subsidy amount be deposited in the bank account of the female head of each household. This way, the state support in the form of subsidy reaches the end user, who is now a consumer, not a beneficiary. With this system, the end user is no longer required to access PDS on a 'take it or leave it' basis; rather, ration shops competing with each other try to give the best quality at standard subsidy rates. It therefore incentivises business for the ration shop owners as well. This was noticed in the CT scheme in Delhi. The ration shop owner in the neighbourhood improved its services as the owner was afraid that more would join the CT scheme.

The cases show that at any stage, the end-user must have a choice. The household must decide which system suits them better and if it doesn't work out with one, they should have a choice to shift to the other system.

Another aspect that is equally important is the issue of livelihoods in the informal economy. These include the self-employed such as street vendors, home based workers and domestic workers, construction workers and workers in the garment industry. It would be of relevance to examine how the policies of the state support or disrupt the livelihood possibilities of the working poor. The government has passed laws that concern certain sections of the working class. These include the recent law on domestic workers, laws for social security of workers in informal employment, and the move for a law to protect livelihoods of street vendors. These are important because food security, either through PDS or CT, cannot exist on its own. It needs the support of social protection measures and availability of work. Only then can we think of improving the conditions of the working poor.

Finally, for all the criticism that the CT has attracted, one that tops the list is that of alcohol consumption. The contention that CT may be misused to pay for alcohol consumption has been proven wrong as far as the Delhi pilot study is concerned. In most cases, there was no change in the expenditure on alcohol; in some cases, it was even found to have decreased. At the core of this finding is our claim that the poor are capable of making rational choices and that given a chance, they will also improve their nutritional levels and that of their children. The smooth functioning of a mutually interdependent PDS and CT system will create a healthy workforce, which will increase the country's productivity, thereby offsetting the costs of funding such social protection initiatives.

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Labor and Globalization

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Volume 1

Donna McGuire:

Re-Framing Trade. Union Mobilisation against the General Agreement on Trade in Services (GATS)

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Given the substantial and increasing encroachment of trade agreements into almost every aspect of economic and social life, there is a pressing need for research that provides a more coherent framework for understanding the source and effectiveness of organised labour's power and capacity to influence international trade policy.

Taking the union protests against the General Agreement on Trade in Services (GATS) as a case study, this research uses core concepts derived from social movement theory to analyse the opportunities that existed for unions to influence these trade negotiations and their capacity to identify and take advantage of such opportunities. Importantly, it adds a power analysis designed to reveal the sources of power that unions draw on to take action.

The research demonstrates that even where unions faced considerable constraints they were able to re-frame trade issues in a way that built broad support for their position and to utilise opportunities in the trade negotiation process to mobilise resistance against the GATS and further liberalisation of services.

The theoretical framework developed for the research provides conceptual tools that can be developed for improving strategic campaign planning and for analytical assessment of past campaigns.

The theoretical framework developed for this research has potential for further application as an analytical and strategic planning tool for unions.

Key words: Union renewal, campaigns, power, social movement theory, political opportunity structure, resource mobilisation, framing, free trade agreements, GATS

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