Comparative study of labour relations in African countries

Rüya Gökhan Koçer and Susan Hayter

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Abstract

In this paper we present a generic analytical picture of the development of national labour relations in Africa. We outline common features of industrial relations’ actors and institutions, and, analyze the general conditions of labour markets in which these actors and institutions operate. We show that organized industrial relations in Africa face serious challenges but there are also new opportunities and strategies that might enable collective actors to cope with these challenges, and, contribute to the solution of Africa’s structural problems.
1. Introduction

Africa is a large and very diverse continent. Although, during the last decade there have been some positive developments in terms of economic growth and purchasing power, many African countries face serious economic challenges despite their rich natural resources (ILO 2010). Labour markets reflect this broader context. Only a little more than a quarter of Africa’s workers are wage or salary earners while most own-account and contributing family work is in the agricultural sector. Moreover half of those in employment are ‘working poor’ falling below the $1.25 per day poverty line (ILO, 2011).

In this environment a range of formal and informal institutions across Africa shape employment relationships and labour outcomes in peculiar and innovative ways. The examination of the challenges these institutions face and dynamics they generate in labour markets in different countries are important themes for both policy makers and scholars.1 However, the study of comparative industrial and labour relations in Africa has received very little attention2.

Obviously, given that the focus of industrial relations is typically on “all forms of economic activity in which an employee works under the authority of an employer and receives a wage for his or her labour” (Edwards, 2003:1) one might wonder whether studying comparative industrial relations in African context in which the majority is not in an employment relationship makes sense. There are three reasons why the analysis of labour and industrial relations practice in African countries may serve as a guide to developing policy advice.

First one is quite straightforward: the share of those in wage employment may be small in relative terms but their absolute number makes them a sizable population warranting the attention of policy makers. For example, in Sub-Saharan Africa while wage employment does not exceed an estimated 23.5 percent, this share amounts to more than 100 million people (see Table 1 and ILO, 2010). Naturally, actors, institutions and practices which regulate and shape employment relations for these millions of workers deserve further analysis.

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1 Examples of volumes on industrial relations in Africa include Wood, 2008; Wood and Brewster, 2007; Fashoyin, 1992; Damachi, Seibel and Trachtman, 1979; and Roberts and Bellecombe, 1967.

2 We use the term ‘industrial relations’ in the broad sense to refer to the field of study of relations between managers and workers in all sectors of economic activity. We note the tendency in recent literature to refer to ‘employment relations’, however since our interest is in collective employment relations and since the terms itself is well established in the literature, we prefer to retain the term ‘industrial relations’.
Second, whereas own-account workers represent a significant proportion of those in employment, these and others employed in informal economy often fall outside of the direct impact of labour market policies and institutions. The result is growing marginalization of those in the informal economy and segmented patterns of development. However, informal and formal modes of employment are quite often functionally connected and the study of organized industrial relations would reveal the dynamics of these connections and allow us to understand how formal employment indirectly affects and being affected by informal employment. Such an insight would facilitate the organization and representation of own-account workers in tripartite arrangements, and can be helpful in devising strategies in order to integrate the interests of the working population in its entirety into economic and social development plans.

<table>
<thead>
<tr>
<th>Region</th>
<th>Employment shares by status</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Wage and salaried workers</td>
<td>35.4 %</td>
<td>18.0 %</td>
<td>28.4 %</td>
</tr>
<tr>
<td></td>
<td>Employers</td>
<td>4.0 %</td>
<td>1.0 %</td>
<td>2.8 %</td>
</tr>
<tr>
<td></td>
<td>Own-account workers</td>
<td>41.3 %</td>
<td>38.7 %</td>
<td>40.2 %</td>
</tr>
<tr>
<td></td>
<td>Contributing family workers</td>
<td>19.4 %</td>
<td>42.4 %</td>
<td>28.6 %</td>
</tr>
<tr>
<td>North Africa</td>
<td>Wage and salaried workers</td>
<td>53.5 %</td>
<td>39.6 %</td>
<td>50.0 %</td>
</tr>
<tr>
<td></td>
<td>Employers</td>
<td>12.4 %</td>
<td>2.2 %</td>
<td>9.8 %</td>
</tr>
<tr>
<td></td>
<td>Own-account workers</td>
<td>22.6 %</td>
<td>21.2 %</td>
<td>22.2 %</td>
</tr>
<tr>
<td></td>
<td>Contributing family workers</td>
<td>11.5 %</td>
<td>37.0 %</td>
<td>17.9 %</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>Wage and salaried workers</td>
<td>30.0 %</td>
<td>15.2 %</td>
<td>23.5 %</td>
</tr>
<tr>
<td></td>
<td>Employers</td>
<td>1.5 %</td>
<td>0.8 %</td>
<td>1.2 %</td>
</tr>
<tr>
<td></td>
<td>Own-account workers</td>
<td>46.8 %</td>
<td>40.9 %</td>
<td>44.2 %</td>
</tr>
<tr>
<td></td>
<td>Contributing family workers</td>
<td>21.7 %</td>
<td>43.1 %</td>
<td>31.0 %</td>
</tr>
</tbody>
</table>

*source: ILO trends and econometric models October 2010*

Finally, although, thanks to detailed analyses of industrial relations systems in other continents, we know that despite similar challenges posed by globalization of production relations institutional diversity across countries is likely to persist, we don't know whether or to what extent this is also true in Africa. General tendency in the literature on Africa is to focus on common challenges that countries face rather than scrutinizing the degree of distinctiveness in their responses. One reason for this analytical perspective, of course, is the small number and limited scope of comparative analyses which try to comprehend and reveal African industrial relations as something distinctive from the rest of the world. However, in order to acknowledge and distinguish commonalities and peculiarities in African industrial relations we need to scrutinize specific institutional responses that emerge out of common patterns. This, obviously, requires to
examine organized industrial relations in Africa in its own terms, maintaining sufficiently macro perspective so as to discern general patterns while acknowledging country specific institutional arrangements and actor strategies. Such an endeavour would be a valuable resource for policy makers designing legal and institutional frameworks that both give effect to fundamental principles concerning freedom of association and the effective recognition of the right to collective bargaining, and contribute to inclusive development. This can provide a basis for ongoing discussions regarding the harmonisation and coordination of policies and laws by the Regional Economic Communities and other regional economic cooperation bodies in Africa.

Against this background, the purpose of this working paper is twofold: First, to present an analytical framework for understanding the evolution of national labour relations institutions in Africa and their contribution to inclusive development. Second, to show that organized industrial relations in Africa face serious challenges but there are also new opportunities and strategies that might enable collective actors to cope with these challenges and contribute to the solution of Africa’s structural problems.

In the following pages we first provide an analytical picture of historical developments in order to reveal the way in which institutional structure of African industrial relations have developed and actors emerged. In the second section we introduce the general characteristics of the main actors, namely, the state, trade unions and employers’ organizations, and provide some hints as to the nature of tripartism. The following section gives the brief overview of the context, that is the labour market, in which these actors must operate. Finally, we examine the way in which the core industrial relations institutions, namely collective bargaining and minimum wage, function in Africa. The paper ends with a summary of the challenges and opportunities in front of African industrial relations.
2. Development of industrial relations in African countries

Although using a historical perspective may not always be the most beneficial approach for comprehending the dynamics of contemporary organized industrial relations, in the case of Africa, any scrutiny of current institutional arrangements of organized industrial relations would be more insightful if one takes into account the past developments. This is because in Africa quite often industrial relations' actors, especially trade unions, have been paving the way for new forms of governance and regulation. That is, the way in which industrial relations were organized and trade unions have operated was influential in transitions from colonial rule to independence (Orr 1966) and also from dictatorships of various kinds into multi-party democracies (Kraus 2007), with immense consequences for the regulation of employment relations and labour markets. Thus appropriate conceptualization of these developments might provide some hints as to the future prospects of actors and institutions of organized industrial relations in Africa.

Obviously, in order to accomplish this task one should navigate in the complex landscape of institutional diversities and historical contingencies of more than 50 African countries. However, for the sake of analytical clarity, it is possible to outline some broad patterns in the development of industrial relations in Africa. For this purpose in figure 1 we provide a generic (and quite a stylized) picture which contains three periods and two crucial transitions that were common across African countries. Let's elaborate on this generic representation.

Figure 1: Generic Picture of development of industrial relations in Africa
Colonialism and Control

History of organized industrial relations across Africa is closely intertwined with the struggle for independence and democracy (Zelig and Seddon, 2002; Harcourt and Wood 2004; Kester, 2007). As depicted in the first period, the roots of collective bargaining in many African countries can be traced back to the colonial period when wage-labor in modern sense had began to emerge. However, this analytical emphasis on colonial era should not lead one to overlook the impact of pre-colonial inheritances of various African regions on industrial relations developments. For example, one may argue that prior to the settlement of colonial powers, different from the central and east regions of the continent, there had been a long tradition of “craft and tradesmen's guilds, and mutual benefit societies” in north and west Africa, and due this background, workers in these regions were “quite receptive” to union formation and to the process of collective bargaining (Orr 1966). In fact the resilience of African trade unions in the subsequent periods of retrenchment and adversity can be to some extent explained by the fact that they were not organizational inventions imported from “developed” countries but they had been firmly connected to and partly emanated from old traditions of reciprocity in Africa.

Having this caveat in mind if we look at the colonial era we see that in this period British and French territories revealed different patterns of industrial relations, which to a certain extent still render countries founded on these territories distinguishable from each other in terms of employment regulations (Dioh 2010:23, Gockel 2009: 18). In French territories, legislations regarding the collective organizations were directly linked to civil right laws, and this provided better conditions for collective interest representation organizations compared to British controlled regions (Croucher 2007:199-200).

In fact, African workers’ unions were formed rather easily, though often not for long durations, since the late 19th century in French territories and occasionally French workers also admitted Africans to their own unions. Interestingly trade unions in French territories were considered branches of unions in France. Due to this organic connection, especially after the Second World War many unionists from France (and also from Belgium) were sent to Africa in order to organize African workers (Damachi et al 1979:4-5). On the other hand, we see another logic in the development of organized industrial relations in British west Africa. In this region there was no significant presence of European settler working class thus African workers could establish their own unions as first step towards initiating collective bargaining and British authorities have tolerated these unions for the sake of founding orderly industrial relations. Although, unlike the French case, unions in British territories did not have organic connections with unions in Britain, develop-
ments in Britain were still influential in the dynamics of African industrial relations (Roberts & Bellecombe 1967:xi, see Stirling also 2011:238). For example, insistence of British Labor party in 1940 that colonial administrations should facilitate the operations of trade unions in Africa considered an important impetus for union movement in British territories (Orr 1966).

One can see that emergence of organized industrial relations in French and British territories, despite initially negative attitude of authorities, had been outcome of different but essentially non-adversarial processes (Michael 1992:30-31). Of course, colonial rulers’ acceptance of trade unions did not mean that their relations with unions had been peaceful. On the contrary, both British and French authorities had to cope with industrial actions organized by trade unions not only to articulate employment related grievances but also – increasingly - for political purposes (Damachi et al 1979:2-8). However, neither in French nor in British territories recognition of African unions itself had been a major source of conflict.

The case of Southern Africa was quite different. Here European settlers considered African workers as potential job rivals and treated them with enmity (Cooper 1996:6). Consequently, as organized industrial relations began to function smoothly and African trade unions were firmly established in British west Africa and in French territories in the aftermath of the Second World War, black trade unions could not be officially registered and were not legally recognized in Southern Africa. This adversarial attitude would be made into law explicitly in South Africa by the Labor Relations Act of 1953. The other two major colonial powers’ attitude towards organized industrial relations for African workers had remained in between these two typologies: Belgium authorities, despite their “autocratic and ruthless” regime, somewhat pursued the French path towards African unions (Damachi et al 1979:4), but Portuguese rule remained adversarial.

Against this background, one may argue that differences in the way in which industrial relations are organized across African countries have been the result of complex interactions between pre-colonial mutual help and artisanship arrangements, legal traditions and politics of colonial powers, and the degree of antagonism and rivalry between European settler labor and African workers, which itself might be a function of production processes and skill requirements imposed by the nature of economic resources of colonies.

The keyword, as depicted in figure 1, that makes sense of these developments in organized industrial relations during the colonial era was control. From the perspective of colonial powers the continuity of the stability in colonial political economies, which were based on the extraction of natural resources and preservation of markets for finished products, was of crucial importance. This stability could be ensured by maintaining the administrative and economic dependence of native workforce on colonial authorities, and,
by separation of economic demands from potentially dangerous political ones (see Dahrendorf 1959:277, Taylor 1989:186) Thus, African trade unions and (limited) collective bargaining were tolerated or encouraged essentially as means for controlling disruptive dynamics that might threaten the stability of colonial systems. However, this policy appears to have been not entirely successful. For African trade unions in colonial period resembled to social movements. They used their mobilization capacity not only for employment related demands but also for wider political and economic interests of native societies (Horwitz 2007:221). For example, in Tanzania TFL (Tanganyika Federation of Labor) was the peak labor organization prior to national independence and it was an important proponent of nationalist movement (Mlimka 2010:2). Similarly, in Ghana, GTUC (Ghana Trade Union Congress) had become a leading actor in the struggle for self government (Gockel 2009:41).

Thus, not surprisingly, trade unions played crucial roles in the independence movements and recognized everywhere as standard components of African nationalism.

**Independence and Cooptation**

This observation brings us to the first transition in figure 1, which marks the end of colonial period and the commencement of independence of African countries. Needless to say that this transition took place at different times and various speeds across the continent. The case of South Africa once again remains exceptional. There transition occurred quite late, and the liberation was not from colonial powers but from a racist rule.

However in general at the beginning of this second period African unions, not only because of the role they played in independence movements but also due to their human resources, have become recruiting ground for the administrations and business communities of newly founded states. One would expect the participation of union leaders in government bureaucracies to enhance the degree of workers’ involvement in these states. In most of the cases, however, trade unions could not be effective representatives of their own constituencies within new government structures, and instead they gradually lost their autonomy and plurality. For example in Tanzania soon after independence the peak labor organization TFL had been disbanded and instead government dominated NUTA (National Union of Tanganyika Workers) was established and all trade unions remained under the tutelage of the ruling party for three decades (Mlimka 2010:2,26). Similarly in Mozambique in the early 1980’s government created a federation, Organization for Mozambican Workers (OTM), that brought together (and under government control) sixteen big trade unions (Pitcher 2007:138)
The reason was that in post-independence era various forms of developmentalist economic agendas were adopted by African governments and industrial relations regulations inherited from the colonial period had been reformed so as to render collective actors subservient towards the goals of these economic programmes dictated by new elites. As an important common consequence of the new regulatory systems we see the establishment of umbrella organizations for trade unions, or in some cases emergence of monolithic confederations, which were instrumentalized by ruling parties as tools of legitimation and control. This was quite often accompanied by the curtailment of organizational rights of workers in order to prevent emergence of alternative collective entities. However, at another level, this process of internalization of worker organizations in corporatist manner by political systems may have enabled trade unions to consolidate their position as legitimate actors in African political economies and may have triggered the formation of employers’ organizations. Thus one may argue that social partners as the basic ingredient of genuine social dialogue might have emerged as an unintended consequence of the developmentalist agenda in many African countries.

Other two important features of developmentalist regulatory structures in African countries were the introduction of minimum wages and ratification of extensive number of ILO conventions regarding the conditions of work (Alby et al 2005). Though it should be acknowledged that the ability and willingness of African governments to implement higher employment standards implied by these measures remained quite limited. Developmentalist policies were also crucial for the establishment of state enterprises and expansion of public employment across Africa, which enlarged the base of recruitment for existing trade unions and provided fertile ground for the emergence of new worker organizations, which would eventually challenge the existing monolithic worker representation structures that were created by ruling parties (Pitcher 2007).

Although developmentalist agenda to some extent succeeded in establishing basic infrastructure, education facilities and health services in some African countries, it has essentially failed in diversification of economic activities and in production of value-added exports (though the reasons were not entirely endogenous) and gradually led to foreign exchange shortages, increasing public debt and high inflation. By the late 1970’s many African countries were in deep economic crises and could not be stabilized without external help which, in turn, came in a rather unfortunate manner in the form of one-size-fits-all structural adjustment programmes imposed by Breton–Woods institutions (Wood & Brewster 2007:2-3). In a rather familiar pattern the implementation of austerity measures and trade liberalization envisaged by these programmes
were soon accompanied by the demands of democratization and political rights from hitherto repressed societal actors. Consequently, as the economic model envisaged by developmentalist agenda was dismantled by externally imposed measures, its political base was challenged by internally generated demands of democratization and human rights.

We argue that the keyword, as depicted in figure 1, that captures the essence of organized industrial relations during the post-independence era was cooptation. From the perspective of new elites that dominated the state apparatus in many African countries during this period the developmentalist agenda was crucial not only in terms of its explicit goals of economic improvement but it was also vital as an instrument of legitimation that ensured the continuity of ruling governments. Trade unions were potentially detrimental for such continuity due to their proven ability to act as social movements which might articulate the grievances of wider society and may mobilize their members in the process unless they were taken under the strict control of the state. In fact the very nature of developmentalist project, due to establishment of state enterprises and expansion of public services, expanded the recruitment base of trade unions and rendered their control inevitable for ruling elites. Thus, trade union movements across most African countries were co-opted by the state. They were transformed from being representative social movements into proponents of developmentalist agenda who were instrumentalized by ruling parties in order to enforce and propagate their rule. However, this policy of cooptation would be no more successful than the attempts of colonial powers to use trade unions as instruments of control. In fact in majority of African countries trade unions gradually liberated themselves from their co-opted position, or workers formed new trade unions, and thus union movement assumed a prominent role in political liberalization through its demands for political rights and freedom of association (Kraus 2007).

Democratization and Cooperation & Contestation

With this remark we come to the second transition in figure 1 through which the developmentalist agenda of independence period gave way to structural adjustment programmes and gradual democratization.

In fact, as the developmentalist agendas were replaced by externally imposed austerity measures, many African societies have already been struggling with the consequences of deep economic crisis. In this environment the recipes proposed by structural adjustment programmes, instead of providing immediate solutions to day-to-day problems of workers, promoted further reductions in wages, and undermined already weak social policies by demanding drastic cuts in public expenditures. These measures tested the reciprocity relations among people that were hitherto capable of providing safety nets against adversities. To this
already bleak picture, one should also add the increasing unemployment resulting from rapid privatizations envisaged by austerity measures. Thus, from the 1980’s onwards, in many African countries, the public resentment generated by economic crisis has been further augmented by the adverse consequences of structural adjustment programmes, which permanently promised but failed to deliver growth and prosperity in the long term in exchange for short term hardships (Horwitz 2007:222-223). Under these conditions, workers were highly agitated but existing institutions of industrial relations, that is, monolithic union structures and government dominated policy making which were inherited in many African countries from the developmental period, were incapable of addressing their grievances. Similarly, like in other parts of the world, structural adjustment plans were initially accompanied by authoritarian and anti-democratic governments which precluded the articulation of societal resentment in the political realm.

Thus, one may argue that in Africa, the shift from developmentalism into supposedly open-market economies, has taken place in an environment where neither industrial relations institutions nor channels of political representation worked properly so as to allow the grievances of people to be addressed.

In this environment, existing trade unions, unlike their attitude during the period of developmentalism, began to be more receptive towards the demands of their rank & file and when this did not occur some splinter groups initiated new-official or informal- worker organizations (Kraus 2007). Of course, given the magnitude of resentment resulted from accumulated grievances of last two decades, by the early 1990’s, in many African countries it was not only trade unions or workers who were disturbed. By then, almost all segments of African societies were desiring more freedom and rule of law in order to be able to voice their resentment. Thus gradually African countries began to witness process of democratization, though, this process sometimes accompanied or followed by fierce internal struggles or hijacked by military coups.

It is important to note that this type of chronological proximity between neo-liberal reforms and societal desire for democratization should not be considered merely coincidental (Laothamatas 1997:7). In order to explain this link between neo-liberalism and democracy it is argued that the need of international capital for stability requires “democratic harmony”, and “greater popular sovereignty” appears to be the general demand of citizens in environments experiencing neo-liberalism especially in the developing countries (Udayagiri and Walton 2003:318, Koçer 2009).

Thus, in African countries too, we witness steps towards democratization, which involved recognition of the right to association and freedom of speech. In fact during the last decade in countries like Egypt, Somalia, Ghana, Nigeria, Kenya, Zambia and Mauritius, new legislations have been enacted, sometimes as
a result of genuinely tripartite negotiations, in order to re-regulate the industrial relations (see Horowitz 2007:228). A general feature of these laws, which try to ensure the compatibility between labor market regulations and new global production dynamics, is to emphasize and encourage dispute resolution through peaceful negotiations and to clarify and simplify statutory requirements for the establishment of new collective representation organizations.

In this environment, in many African countries industrial relations have entered a new phase. While in the past representation of workers’ interest has been delegated to limited number of relatively strong peak organizations and sectoral trade unions, under the conditions of democratization, not only number of trade unions with small membership has increased but also hitherto unknown actors, such as NGO’s, social movements and international networks began to involve in industrial relations dynamics (Pitcher 2007).

We argue that the keywords that capture the essence of this new period for industrial relations’ actors are cooperation and contestation. For, now trade unions in many African countries, perhaps first time in their history, must develop strategies in order to cope with increasing number of collective representation alternatives offered by new civil society actors for workers. Similarly, both employers’ organizations and trade unions, given the emphasis put on dispute resolution, must seek ways to settle their issues without resorting to overt conflict. However, it is important to note that this new environment also poses trade unions the danger of a new kind of cooptation. Given that, despite the processes of democratization, structural factors (unemployment, informal sector, low-skills) still render workers relatively weak vis-à-vis employers, new and often small trade unions may gradually find themselves in coercive partnerships with employers (see Koçer 2007).

Having this historical conceptualization in mind, in the next section we will briefly focus on the general features of the main actors of industrial relations in Africa, namely, the state, trade unions and employers’ organizations.
3. Industrial relations’ actors

The state

Regulation of labour market through laws and enforcement mechanisms, and, establishing institutions of coordination and consultation in order to ensure economic growth and sustainability are perhaps the two most crucial of roles of the state in industrial relations. Indeed, by effectively playing these two roles the state limits the commodification of labour, thus ensures productive use of human capital, and, converts economic activity from being a purposeless pursuit of profit into an instrument that serves socially desirable goals of human development (Block 1994, Hay 2004). Obviously, these roles require a degree of, what might be called, state capacity, that is, the existence of resources—human and financial—to make and implement regulations, and the ability of independent decision making that would allow governments to formulate long term social and economic policies in accordance with the needs of their societies.

In many African countries, these conditions of effective involvement of the state in industrial relations have been, at least theoretically, present to some degree in the immediate aftermath of independence, when “much was permitted and something was possible” (Cooper 1996:1). This was not because of abundant resources that could be reserved for effective enforcement of labour regulations, but rather due to the initial role of the state in many African countries as the biggest employer (Roberts & Bellecombe 1967:xii) who could pursue an exemplary industrial relations policy. Indeed before the 1980’s, that is, prior to the introduction of structural adjustment programmes across many African countries, some form of public employment (either in the public service or in state enterprises) was big and crucial enough to play a pattern setting role in industrial relations both in terms of wages and employment conditions (Fashoyin 1992:5-6). In fact, in some cases like Tanzania and Mozambique, due to the abolition of private ownership of means of production, the state had become the only actor in formal economy, thus, its potential to regulate and shape industrial relations was absolute (Mlimka 2010:5-6, Pitcher 2007:138). Obviously in the immediate aftermath of independence in all African countries a large part of employment had remained informal and this sector could be partly and indirectly regulated through pattern setting effects of public employment and only consistent government policies of inspection and training had in the long term potential to reduce the size of informal sector.
In short, the most prominent initial role of the state in industrial relations in Africa, despite the differences in economic systems, was that of a benevolent employer who, at least in theory, motivated by the goal of economic improvement inspired by developmentalism (Damachi 1992:15). Although informal sector was quite substantial, gradual expansion of formal employment through rational investments, training and inspections was at least a possibility.

However, after the introduction of structural adjustment programmes in the 1980’s, privatizations and drastic reductions in public expenditure have substantially reduced the role of the state as an employer and this inevitably undermined the pattern setting influence of public employment in almost all African countries. In fact, it is claimed that neo-liberal policies of last decades, not only discredited developmentalist economic agenda, which had a clear perspective on the way in which industrial relations should be regulated (through collective representation of interests which would render some state-dominated form of corporatism possible) but they also have had a detrimental effect on the capacity of the state to effectively implement and inspect any kind of industrial relations policy (Peet & Hartwick 1999) and severely undermined the ability of African states to independently determine and pursue consistent economic and social programmes. Thus, one might argue that after the late 1980’s African states, to a large extent, lost their capacity to remain as noteworthy actors in industrial relations (Wood & Brewster 2007:4).

However, we are of the opinion that, although these observations are not incorrect, the picture is not necessarily so bleak for the capacity of African states to play a prominent role in industrial relations dynamics. For despite remarkable reduction (and in some cases an embargo on) public employment (Gockel 2009), working for the central or local governments, as we reveal in the next section, is still the most prominent form of formal employment in Africa, and given that certain services like health, education and security are unlikely to be privatized entirely, this will remain so in the foreseeable future. Thus, the role of the state in Africa as an important employer persists. Although now the way in which this role is played is mostly determined by the concerns of cost-effectiveness and HRM practices ( Dioh 2010:21, Mlimka 2010:20, Fajana 2010:23-25), this does not rule out the possibility that public employment might gradually assume a positively pattern setting role in terms of wages and employment conditions.

Having this background in mind, one may argue that in Africa the most important way in which the state is involved in industrial relations, at least for now, is through regulation, enforcement and coordination. We can point out four important channels through which this occurs.
First, quite often the state acquires a crucial capacity for influencing industrial relations through minimum wage systems. Most African countries have a long tradition of minimum wages which in some cases were inherited from the colonial period or introduced shortly after the independence (Alby et al. 2005). These early wage setting schemes were further enhanced by the incomes policies of 1970’s in some countries, like Nigeria and Kenya, and they proved to be resilient (and perhaps inevitable) enough to survive the decades of neo-liberal policies and hostility of international agencies (Fashoyin 2010, Fajana 2010:12). In most African countries minimum wage councils and wage boards system are closely intertwined with the mechanisms of Tripartism, that is, representatives of trade unions and employers too are also involved in the determination of wages. However, in most of the cases the input of social partners should be considered essentially advisory and final decision remains as the prerogative of the state. To this observation one should also add that the most general form of minimum wage appears to be the monolithic wage system that determines a single level that applies to all sectors or allows for a limited differentiation across regions (rural and urban) or sectors (agriculture and industry). Given that, in virtually all African countries, these rather monolithic minimum wage systems, which are de facto ruled by governments, provide the basic floor in collective bargaining negotiations, one can argue that the state is a crucial actor in formal industrial relations who dictates the initial point in the most important item of bargaining agenda. In fact, this role of the state is quite prominent in some countries. For example, in Kenya collective bargaining agreements are valid only after their compliance with the wage guidelines is certified by labour ministry or in Nigeria it is essentially a criminal offence for an employer to make wage increases that exceed designated percentages (Fashoyin 2010, Fajana 2010).

Second, in many African countries, the state effectively retains the potential to control collective bargaining due to statutory recognition protocols. This is because quite often collective bargaining requires some form of authorization by labour ministries. For example, almost in all countries both trade unions and employers’ organizations must be officially recognized and registered by the state in order to engage in collective bargaining (see Stirling 2011:239). Moreover, in those countries where more than one trade union is allowed in a single workplace labour ministry determines the most representative union and grants bargaining certificates, which can be withdrawn if the representativeness of trade unions is contested. Finally, in some cases, bargaining agreements become binding only after they are official approved by the ministry of labour, and this approval depends on the compliance of the agreements with technical requirements and,

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3 Of course in cases like South Africa and Kenya there are more detailed (i.e. sectoral) minimum wages, and a similar system has been introduced in Tanzania in 2004 (Mlimka 2004:44-45)
as mentioned above, with policy guidelines. It is also important to note that in some countries like Senegal officials of labour ministry are required to be present during the bargaining negotiations in order to facilitate agreements, a role which might easily be used in order to influence the dynamics of negotiations (Dioh 2010:16). All these statutory obligations reveal that African states acquire the potential to prevent certain collective actors from engaging in bargaining, and this potential can also be used for influencing the bargaining processes and outcomes. This implies that African states have the ability to regulate, and if necessary steer, collective bargaining, thus the dynamics of industrial relations in accordance with their priorities. However, it should be noted that the existence of this potential does not imply that it has been effectively used. In general these recognition and approval protocols seem to be perceived as routine formalities by social partners. It is also important at this point to mention that, although African states have legal instruments that might allow them to influence (or even steer) the collective bargaining processes, their ability to monitor the compliance of employers with the basic conditions of employment regulation (working hours, prohibition of child labour, etc.) remains rather limited due to their insufficient inspection capacity (Alby et al 2005). Thus, one might argue that collective bargaining, by de facto delegating the inspection task to trade unions, allows these states to compensate their inability to strictly implement basic employment regulations which are vital for the long term prosperity of society.

Third, increasingly African states promote smooth functioning of collective bargaining mechanisms so as to avoid industrial conflict, and consequently during the last decade in many countries, like Tanzania, Nigeria and Kenya new dispute resolution mechanisms have been introduced which usually require involvement of labour ministries prior to bringing the cases before industrial courts (Mlimka 2010:60, Fajana 2010:16, Fashoyin 2010:7-8). In fact, industrial conflict and protest have been quite common in some African countries, especially during the periods of rapid privatization and austerity measures in the last two decades. Moreover, in some countries like Ghana, electoral cycles seems to have been coupled with industrial action periods in public sector, indicating susceptibility of government to public resentment prior to elections (Gockel 2009). Of course lengthy and cumbersome dispute resolution mechanisms too have been one of the causes of industrial conflict. However, recent legal changes, for example in Nigeria, indicate that African states not only want to ease and accelerate dispute resolution so as to prevent overt conflict, but they also seem to give more prominent role to arbitration and mediation mechanisms, which function under the auspices of labour ministries or local governments (Alby et al 2005:3, Fajana 2010:16). This choice of prioritizing the role of government rather than that of judiciary in dispute resolution indicates the willing-
ness (and increasing capacity) of African states to steer industrial bargaining outcomes in accordance with their economic and social policies.

Finally, the role of the state in industrial relations can also be observed in the way in which Tripartism functions in Africa. During the last two decades tripartite commissions have played quite a prominent role in enactment of new legislations in different African countries. Although in some cases like South Africa and Tanzania these forums were genuinely “tripartite” at least for some time (Budlender 2009:19, Mlimka 2010: 35-36), tripartism in countries like in Senegal and Cameroon often takes the form of irregular advisory gatherings that provide the required legitimacy for government policies which, during the course of these meetings, are explained to (and to a lesser degree influenced by the positions of) social partners (Dioh 2010:22, Nanfosso 2009:19). Thus, one may argue that, on the one hand, the fact that governments during the last decade have been feeling the need to establish tripartite councils, for example like in Nigeria (Fajana 2010:15), in order to be aware of the positions of trade unions and employers’ organizations indicates that the role of collective actors in Africa should not be underestimated, but on the other hand, the advisory and quite often irregular nature of tripartite councils hints that African states are inclined to and capable of regulating industrial relations alone. In fact, as we argue below, the fact that the collective bargaining in public service in many African countries such as Tanzania, Senegal, Nigeria and Kenya is hampered and bypassed by civil service codes, ad-hoc mechanisms and government decrees may be considered as another indication of this inclination (Mlimka 2010, Dioh 2010, Fajana 2010, Fashoyin 2010).

Thus, one may argue that although public employment has been shrinking due to privatizations and reductions in public expenditure, and the ability of many states to enforce basic employment regulations remains limited, the state in Africa is still a crucial actor in industrial relations that retains the potential to influence and even manipulate collective bargaining processes through minimum wage systems, registration and approval protocols, dispute resolution mechanisms and tripartite councils.

**Trade Unions**

in Africa during the entire post war period trade unions have been crucial actors whose influence exceeded beyond the realm of industrial relations and whose attitude and demands always surprised the ruling elite (see Pitcher 2007, Stirling 2011). As we examined in the previous section, in many African countries unions have been established during the colonial period and were legally recognized by the authorities in an attempt to prevent resentment generated within employment relations from being mobilized for political purposes. However, trade unions defied this logic of pacification and have played crucial roles in the strug-
gles for independence (Cooper 1996, Orr 1966). In the immediate aftermath of independence trade unionists, thanks to their organizational skills and experience in policy making, have been recruited for important government positions (Horwitz 2007:221) though in contrast to this, in the same period trade union movement in its entirety quite often failed to remain representative for the demands of their members nor were they very effective in formulation of government policies. Instead, in many African countries trade unions were considered and used as instruments of governance and propaganda at the hand of the ruling elite. However, during the 1990’s African unions once again proved to be capable of reflecting the aspirations of working people and began to demand democratization and plurality (Horwitz 2007:229). In some cases like South Africa and Zambia the role of unions in bringing radical and democratic change through peaceful means is quite well-known (see Adler & Webster 1995, Pitcher 2007), but this role of trade unions as the agents of democratization during the course of last two decades was by no means exceptional in Africa.

To comprehend the position of trade unions in African industrial relations better, however, to this picture one should add the implications of the changes that took place in production relations across the world since the late 1970’s. The shift from vertically integrated production processes into globally dispersed production chains that operate on the basis of subcontract relations which promote cost reduction and flexibility had a substantial impact on trade unions across Africa. Gradually, industries, such as garment and textile sector, have lost their competitiveness in the presence of cheap products of East Asia in many African countries (Horowitz 2007:231) - though some countries like Lesotho and Mauritius managed to keep up with the race (Pitcher 2007:148)- and in this environment developmentalist agendas which have been pursued in most African countries since their independence failed to produce industrial infrastructures that might allow African economies to obtain foreign currency reserves through exports, which would then enable them to sustain public expenditures and make use of their rich resources (Peet & Hartwick 1999).
Study of labour relations in African countries

Table 2: Union Density in selected African countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>Within wage earners</th>
<th>Within total employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cameroon</td>
<td>2008</td>
<td>NA</td>
<td>16 %</td>
</tr>
<tr>
<td>Egypt</td>
<td>2007</td>
<td>26.1 %</td>
<td>16.1 %</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>2007</td>
<td>12.9 %</td>
<td>1 %</td>
</tr>
<tr>
<td>Ghana</td>
<td>2006</td>
<td>70 %</td>
<td>NA</td>
</tr>
<tr>
<td>Kenya</td>
<td>2007</td>
<td>35.5 %</td>
<td>4.1 %</td>
</tr>
<tr>
<td>Malawi</td>
<td>2006</td>
<td>20.6 %</td>
<td>2.7 %</td>
</tr>
<tr>
<td>Mauritius</td>
<td>2007</td>
<td>28.2 %</td>
<td>14.8 %</td>
</tr>
<tr>
<td>Niger</td>
<td>2008</td>
<td>NA</td>
<td>1.1 %</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>2008</td>
<td>46.8 %</td>
<td>3.6 %</td>
</tr>
<tr>
<td>South Africa</td>
<td>2008</td>
<td>39.8 %</td>
<td>24.9 %</td>
</tr>
<tr>
<td>Tanzania</td>
<td>2009</td>
<td>18.7 %</td>
<td>2.2 %</td>
</tr>
<tr>
<td>Uganda</td>
<td>2005</td>
<td>NA</td>
<td>1.1 %</td>
</tr>
</tbody>
</table>

Source: Hayter & Stoevska 2010

Consequently, as developmentalist agendas have been abandoned, privatizations began reducing the employment in state enterprises which had been hitherto the bastion of unionism across Africa, export processing zones where associational rights are constrained began to emerge in crucial locations, and, the number of hostile private employers began to increase, trade unions lost substantial part of their constituency and potential members. This naturally undermined financial resources of trade unions as well and thus reduced their capacity to formulate revitalization strategies. Therefore trade union density within total employment remains rather low in majority of African countries as depicted in table 2.

Obviously this picture of gradually shrinking organized industrial relations is valid for some other parts of the world as well but what makes the situation more alarming for African trade unions is the fact that informal employment, as mentioned above, had always been prevalent in Africa. With the emergence of new flexible modes of production, trade unions for example in Western Europe were threatened by cheap production alternatives far away and this at least added to the calculation of employers the shipment costs. However, in the case of Africa, the large informal sector offered multitude of immediately available flexible and “cost-effective” production options to employers, thus further deteriorated the conditions for trade unions by triggering the processes of casualization and informalization of labour which accelerate the expansion of informal employment at the expense of formal jobs (see Stirling 2011:236). Therefore, one may argue that gradually one of the characteristic features of trade unionism in Africa has become its permanent occupation with the prospects of organizing informal economy or finding ways to cope with the detrimental impact of informal employment on the organized industrial relations.
Another important development for trade unions in Africa has been the process of gradual democrati-
zation in political systems that began to occur during the course of 1990’s and 2000’s (Horwitz 2007:221).
As mentioned in the previous section, trade unions were one of the prominent actors in this trend in coun-
tries like Senegal, Niger, Ghana, Zambia, Namibia and South Africa (Kraus 2007). However, interestingly,
as the constraints imposed on the freedom of association and speech by single party governments and au-
thoritarian elites have been gradually removed from across Africa, trade unions started to suffer another and
perhaps unexpected decline in their power that resulted from proliferation of new worker organizations,
civil society actors and social movements which began to appear in the public space. In fact, now trade un-
ions, perhaps first time in their history, need to struggle not only for the attention of the state or recognition
by employers but they must also compete for the attention of their own actual and potential constituency in
the presence of alternative channels of interest representation promoted by NGO’s, ad-hoc mobilizations,
social movements international networks, and of course by new trade unions (Pitcher 2007).

This development, which may be called “the plurality paradox”, has three implications. Firstly, when it
comes to aggregation and articulation of workers’ grievances in the political realm, that is, essential func-
tions of central trade union organizations, now in some African countries there is no longer single and
uncontested peak labour organization which can forcefully claim to be “the” representative of workers’
interests and can confidently demand concessions from the state and employers. Due to increasing number
of trade unions with small membership figures there are alternative peak organizations or there are too
many conflicted interests within single organizations which prevent trade union movements from asserting
their position and claims forcefully in political arena or in tripartite commissions. Secondly, at the workplace
level, trade unions face the danger of exhausting their resources in struggle with other unions for bargain-
ing rights. This situation in some countries proved to be capable of triggering actual fights among workers.
Finally, trade unions are compelled to assess the positions of and develop policies about organizations
which are not traditional industrial relations’ actors and were hitherto undefined or unknown in unions’
strategic outlooks, such as NGO’s, mutual-help associations, social movements and international networks.
Under these circumstances, due to lack of experience or suspicion unions may opt for simple strategies of
avoidance or even outright hostility in their relations with these new actors, and thus may miss potentially
important channels of improvement for their members as depicted in the interaction between private labour
law actors and trade unions in the cut-flower industry in East Africa (see Riisgaard 2008).
Once again, however, all these observations should not obscure the fact that trade unions in Africa, in spite of all these threats posed by new production regimes and paradoxes generated by the political climate, continue to exist and in some sectors like horticulture even expand their membership. Moreover, despite all the difficulties, in some African countries like Sierra Leone, South Africa and Democratic Republic of Congo, they score remarkable successes in organization of informal sector (Stirling 2011:239-241, Mugumo 2011:36-37), to the extent that in some countries like Senegal employers operating in informal sector feel the need to establish their own organizations in order to secure their interests collectively, a typical sign of growing strength of organized labour. In fact from a purely technical perspective it is not imprudent to argue that in some capital intensive sectors like petroleum, gas and mining trade unions still do not feel insecure despite privatizations and lay-offs (see Erapi 2011: 56-58), and even in worst circumstances trade unionism in Africa would find refuge in some basic public services like health and education which, as mentioned above, cannot be entirely privatized. Moreover some of the rising branches of services in private sector such as telecommunications and banking too may provide fertile grounds for trade unions to expand.

Employers’ Organizations

During the colonial period native Africans had been, to a large extent, banned from entrepreneurship and this can be one of the reasons behind the large informal sector in Africa, which essentially consists of small and micro scale enterprises of native employers.

After the independence, the prominent or absolute role of the state as an employer too once again left the private entrepreneurship underdeveloped especially in those African countries where Marxist economic policies were pursued, like Mozambique and Tanzania. On the other hand, in some case like Egypt, Tunisia and Senegal, employers’ organizations have been established during the first half of 20th century hinting the existence of vibrant private sector activities (Michael 1992:33). However in general one can argue that African employers’ organization have emerged relatively late and they were quite often established in response to growing strength of trade unions.

In Africa, like elsewhere, the nature of employers’ organizations is more complicated than that of trade unions. For example there are associations which are solely occupied with business interests of their affiliates or there are quasi-official chambers where affiliation is mandatory for all employers. And of course, there are associations which in some way represent interests of employers within industrial relations institutions. One can distinguish three types of the latter in Africa. First, there are advisory organizations which do not participate in collective bargaining negotiations but on request from their affiliates provide some
guidance, and second, there are employers’ organization which directly and regularly engage with trade unions on behalf of their members. Finally, in recent years employers in informal sector too appear to be interested in collective interest representation, signalling the emergence of yet another type of employers’ organization. Differences between these organizational choices, as we argue below, may be explained by the extent to which employers desire to coordinate their actions.

However, among the employers, the most important group, whose influence on industrial relations quite often exceed that of employers’ organizations is multinational corporations. Indeed, not only in capital intensive sectors such as gas mining and petroleum but also in service industries such as telecommunications and banking, prominent multinational companies and foreign investors have entered African market during the last decade. One may argue that impact of the employment policies of these actors would be quite influential in the way in which employers’ organizations across Africa determine their own positions within organized industrial relations.

In the next section, having this background about the general features of industrial relations’ actors in mind, we will examine the characteristics of the environment, that is, the labour market, in which these actors must operate.
4. Labor Market in Africa

Organized industrial relations in African countries cannot be understood without examining the nature and dynamics of labor markets and the functional relationships between different segments and types of employment. Needless to say that labor markets, and the way in which their various segments are connected, have peculiarities in each African country but by examining the common characteristics of labor market segmentation across the continent one can acknowledge the specificity of country-level responses. Thus in figure 2 we provide an analytical picture, which reveals common trends and patterns of labor market segmentation in order to clarify the conditions under which actors and institutions of organized industrial relations operate in African context.

Before commencing the exploration of this analytical picture, however, it is important to keep in mind that during the last decade the general economic performance in Africa, that is, the performance of labour markets that are generically depicted in figure 2, has been positively surprising. Between 2004 and 2008 sub-Saharan Africa “outperformed the more advanced economies, by achieving growth rates around 6.5 percent, compared with a world average of 4.5 percent” (ILO 2010:2). In fact, quite recently it is argued that “for the first time in almost three decades ordinary Africans have some disposable income” (Schoeman 2011:49) and consequently “the availability of, and the demand for, consumer goods have never been greater” (Pitcher 2007:136). However, this potential, which might be partly curbed by global financial crisis, is not without its problems, because it was not translated into poverty reduction or employment creation nor there has been substantial decline in income inequality (ILO 2011).

Yet it is clear from this recent experience that African economies are capable of generating steady growth and this implies that with appropriate policies and institutional arrangements economic growth can be channeled into job creation, poverty reduction and may be translated into sustainable improvement in living conditions. Hence is the necessity to scrutinize the way in which labor market depicted in figure 2 operates.
Informal Sector and organized industrial relations

First feature that we need to focus in figure 2 is the demarcation between formal and informal economy, a division which captures the common denominator of labor markets in African countries. In order to comprehend the implications of this division for organized industrial relations we should make four observations.

First, almost everywhere in Africa employment in informal sector outnumbers that in formal economy with a large margin. For example, in Madagascar and Democratic Republic of Congo more than 90 percent of people are employed in informal economy so that formal employment and organized industrial relations appear truly exceptional in these countries (Heinz and Valodia 2008, Mugumo 2011:7). However, there is also the case of South Africa where informal labor market is relatively small. There formal employment accounts for more than 60 percent of total employment and there is strong collective representation by social partners (Budlender 2009:4). If we look at the average values rather than these extremes, we see that informal employment in north Africa equals to almost half of total employment and in sub-Saharan Africa it approaches to 70 percent of the total (ILO 2008:3).

This prevalence of informal sector may lead one to overlook the advantages and perhaps the relevance of organized industrial relations for African workers. Indeed it is sometimes argued, at least theoretically, that employment in informal economy may be a “voluntary” choice (Fields 1990, Maloney 2004). That is, informal employment does not necessarily imply poverty and occasionally it may even generate more income than formal employment. However, at least within African context, and especially as long as wage
earners and self-employed individuals are concerned, beyond the obvious disadvantage of being deprived from social protection those who are employed in informal economy thus not represented by trade unions or covered by collective bargaining also earn less than formally employed workers. For example, detailed wage analyses in Burundi and Senegal reveals that this wage differential may be somewhere between 22 to 38 percent (ILO 2010:12). Against this background, workers in informal sector are expected to welcome social protection and improvement in work conditions that would accompany formal employment and collective representation (Chen 2008:16). In this regard, it is important to note that statistical evidence fails to confirm simple neo-classical explanations which tend to point out extensive regulation as prime reason for the prevalence and expansion of informal employment in Africa (Kucera & Roncolato 2008: 334-341).

In short, although informal employment is a common and disconcerting fact of labor markets across African countries and poses a serious challenge for organized industrial relations, it is an established fact that organized industrial relations generate better employment conditions and wages for workers. There is no implicit logic which motivates African workers to voluntarily seek informal employment.

Second important feature of the divide between formal and informal employment for the dynamics of organized industrial relations is that this division is actually quite ambiguous. Because both enterprises and individuals may simultaneously operate in both sides of the demarcation line. For example, in Morocco formal enterprises often use unregistered workers as a part of their labor force in order to maintain a degree of numerical flexibility (Meknassi & Rioux 2010:18). In fact this practice appears to be common across Africa (ILO 2008:15). However, as a typical feature of African labor markets, there are also many individuals who are employed in formal jobs and simultaneously retain an informal occupation (not necessarily wage employment) in order to ensure their livelihood. This pattern was especially prevalent in those periods when public employees suffered from massive salary reductions as a result of austerity measures dictated by structural adjustment programmes. For example, both Niger and Cameroon during the 1990’s witnessed almost 30 percent reduction in public wages which enforced many individuals to involve in informal economy in some way (Nanfasso 2009:10, Adji 2000:3). On the other hand, in the case of Democratic Republic of Congo, due to very low and precarious wages, simultaneous employment in formal and informal economy appears to be only strategy which enables workers to have sufficient income for subsistence (Mugumo 2011:43)

In fact, besides the fact that the line that separates formal and informal economy is rather blurred, these two segments are, in many African countries, functionally connected. In its most simple form this connection emerges, as mentioned above, when formal enterprises keep some workers out of books or hire them
for very short durations. This practice generates a gradual process of casualization of labor, which while enabling employers to make use of (especially unskilled) labor as soon as and as long as necessary without any social or financial commitments, it prevents trade union formation and suppresses accumulation and rationalization of workers’ demands. In this respect Nigerian petroleum industry is a typical case where it is common to hire workers on almost daily basis, paying them after the daily shift, and releasing them after maximum three months (Fajana 2010:6). This obviously precludes any prospects of collective organization and bargaining. Interestingly, this pattern is not necessarily confined to private sector and does not necessarily serve purely profit oriented motives. For example, in Ghana, due to strict constraints imposed on public employment by structural adjustment programmes, the use of casual workers remained as the only option in order to sustain some essential services. Indeed this very pattern seems to have led to statutory acknowledgment of casual employment in Ghana, that is, the new labor law of 2003 acknowledges that “contract of casual worker need not to be in writing” though the same law makes it mandatory for employers to allow casual workers to benefit from medical services of workplaces and entitles them to equal payment (Gockel 2009:59).

Although casualization is considered one of the prime sources of erosion of trade unions and collective bargaining in Africa, subcontract relations generate much more sophisticated links between formal and informal economy and trigger the process of informalization as depicted in figure 2. Increasing demand, permanent concern with cost reduction and desire to avoid administrative requirements of extra personnel (ILO 2008: 19) lead formal firms to outsource some part of their production into entirely or semi informal enterprises which, in turn, make further outsourcing within informal economy (Gallin 2001:534, Chen 2007:7-8). This process establishes a value chain through which production processes that commence in formal firms, or even in foreign countries, are spread across informal economy (see Koçer & Fransen 2009:243, Riisgaard 2008:327-328). This does not only allow enterprises to profit from low wages and vulnerability of informal workers but also encourages entrepreneurs to operate in the informal economy. Hence the process of informalization is generated. In fact informalization is a permanent threat for the job security of African workers thus it constraints union demands on wages and working conditions.

Final point about formal/informal divide that is of crucial significance for organized industrial relations is that neither side of this demarcation is homogeneous. This may be clear for the formal part, that is, here there is at least the differentiation between private and public formal employment, but it has been increasingly clear that informal economy in Africa, too, is quite an heterogeneous landscape which contains many
layers distinguished from each other by the nature of employment relationship, connections with formal economy, potential earnings and precariousness. In fact the lack of clarity in the nature of employment is a defining feature of informal economy in Africa (Chen 2007).

As depicted in figure 2 we have the clear differentiation between wage-employment in informal small & micro enterprises and self-employment. However this dichotomy should not conceal the fact that quite often micro enterprises essentially operate not on the basis of wage relationships but on the basis of unpaid family labor, and although street vendors constitute a large segment of self-employed population, there is a growing sector of home-working that counts as self-employment but contains many people who work essentially for remote entrepreneurs on the basis of very precarious relationship as de-facto wage earners (Gallin 2001:535). The production potential of these obscure employment relationships that connect informal economy with formal enterprises threatens especially the low and semi skilled jobs in the formal sector, and thus undermines organized industrial relations by shrinking recruitment base of trade unions.

One should also not overlook much more subtle processes that create unpaid labor and emerge out of the interaction between traditions and contemporary trends. In this respect the practice of impoverished and quite often rural families to send their children to urban families to be used as domestic laborers (quite often to settle the family debts) appears to be generating yet another under-class within informal sector. Because increasingly these underage female workers are also used outside households by their host families as unpaid workers. This transformation in the nature of “traditional” child-labor gradually becomes the norm across Africa (Akurang-Parry 2010:29).

In this sense perhaps one of the most alarming features of African labor market that should be taken very seriously by the proponents of organized industrial relations is that not only women are more likely to find employment in the informal economy compared to men but they are also employed in the lower-end of informal jobs in terms of earnings and continuity. Thus, as the degree of precariousness increases within informal economy the proportion of female employees, too, rises (Chen 2008). Therefore, any actor who attempts to make organized industrial relations relevant for informal sector should devise strategies in order to overcome the obstacles that prevent female workers from participating in collective representation.

However, it is important to avoid drawing a bleak picture given that there is a large organizational potential embedded in informal economy as depicted in figure 2, which can be used by the proponents of

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4 This gradual feminization of informal employment is more prominent in sub-Saharan Africa compared to north African countries.
organized industrial relations in order to improve work conditions and to transform mutually harmful connections between formal and informal sectors.

Trade unions in many African countries such as Kenya, Tanzania, Senegal, Ghana and South Africa, attempt to organize workers in informal enterprises. Although the inability of informal workers to pay union fees or to wait for long term improvements that would follow union membership appear to be hindering fast developments, it is increasingly clear for trade unionists in Africa that “building trade union strength internationally depends on the organization of informal sector” (Gallin 2001:532).

Fortunately, trade unions are not alone in this endeavor. NGO’s too are involved in organizing informal workers and empowering unionists for operating in the informal sector. For example, despite the precarious nature of political and economic environment, in Democratic Republic of Congo, with the help of NGO’s from Belgium, a trade union (CSC: Confederation Syndicate of Congo) managed to recruit almost 200,000 workers from informal sector (Mugumo 2011:37). Similarly, in Ghana two important trade unions, namely, Ghana Private Road Sector Transport Union and General Agricultural Workers Union, try to organize informal workers by converting social welfare clubs of these workers into organizations that are concerned with economic and political issues (Gockel 2009:68-69).

Perhaps more importantly there are also serious attempts of self-organization among informal workers in Africa. Indeed during the last three decades even the most vulnerable individuals working in informal economy organized themselves internationally and established contacts with trade unions and NGO’s in order to improve their conditions (Chen 2008, Goldman 2003, Batliwala 2002).

Thus, one may cautiously argue that in labor markets across Africa, given the mutual dependency of formal and informal modes of employment and the latter’s organizational potential, dynamics of organized industrial relations will gradually become more relevant for workers in informal sector, and in turn, organizational innovations of these workers will affect the way in which formal sector operates on the basis of labor law and collective bargaining.

Formal Sector and organized industrial relations

Now, let’s focus on the upper half of figure 2 which depicts the layers within formal economy in African countries. Here the most obvious distinction is between public and the private employment. In public employment one can distinguish at least three segments: employment in state enterprises, local & municipal
employment, and finally, public employment at the service of central governments. Let’s elaborate on the general features of these segments.

Historically, state owned enterprises have been crucial for the dynamics of African political economy and industrial relations not only because of the share of formal employment they accounted for or goods they produced but also due to political functions they fulfilled. Many African governments in the immediate aftermath of independence considered the establishment of public enterprises vital for developmentalist economic agenda but they also regarded emergence of a wage-labor class whose interests directly linked to ruling party desirable to ensure their political legitimacy (Pitcher 2007:138, Elsenhans 1991:78-81). Quite often these enterprises have been major drivers of urbanization (Olowu 2003:43) and soon they have become the bastions of organized industrial relations as they provided recruiting grounds for trade unions. However, with the launch of structural adjustment programmes after the economic crisis of 1970’s there has been major decline in the number of state owned enterprises across Africa (Horwitz 2007:223). In some cases this was rather radical. For example, Zambia privatized 261 of its 282 public enterprises during the period of 1990-2005 and in one of the most “successful” privatization programmes Mozambique government sold 1200 public enterprises to private sector within merely six years (Pitcher 2007:144-145). In a similarly fast paced privatization approximately 160 public enterprises have been rapidly sold in Cameroon since 1999 (Nanfosso 2009).

Against this background one may argue that, from the perspective of organized industrial relations, state enterprises in Africa belong to past, and thus, are of no significance for the current dynamics of labor market. However, one should still acknowledge that, despite their declining numbers or complete extinction, the very existence of public enterprises with their favorable working conditions and relatively generous remuneration schemes in public memory should not be underestimated as a factor which might - at least in short and middle term - exert some influence on the formation of individuals’ expectations in terms of employment conditions, job security and wages (see Kelly 1998).

In fact, due to gradual demise of state enterprises as a result of privatization programmes of last two decades, services in local and central government remained as the only remarkable domains of public employment in many African countries. However, as indicated in figure 2, quite often these two levels of government employment are different enough to be treated as two distinct segments of public employment.
One reason for this differentiation is that many African countries, as one of the conditions imposed by donor countries, have initiated decentralization programmes in order to empower local governments so as to attain a higher level of “good” governance. In this respect some countries like Nigeria, Uganda and Mali, explicitly adopted the strategy of democratization by a bottom-up process, and thus, launched democratic decentralization programmes, which envisaged transfer of resources from central to local government and allowed various interactions between local governments and non-governmental actors, such as NGO’s and trade unions, in realization of the tasks of governance (Olowu 2003: 41-42). These dynamics naturally rendered employment at the service of local authorities different from employment in central government in terms of work conditions and effectiveness of collective bargaining.

Distinctive nature of employment in central government also results from the absence of collective bargaining in some sectors. In fact, in many African countries, such as Tanzania and Ghana, public services such as public security, health and transport are excluded from collective bargaining for the sake of ensuring public interest. However, besides this pattern there are other countries like Senegal, Nigeria and Tanzania where public employment in central government is regulated more by civil service codes or ad-hoc decrees than collective bargaining (Dioh 2010:21, Mlimka 2010:20, Fajana 2010:23-25). One reason for this de facto exclusion is the willingness of governments to make use of HRM practices in order to ‘rationalize’ public service, an idea which appears to be inspired by the permanent occupation of structural adjustment programmes with the size and efficient use of public expenditure. Another reason (for example in Ghana) is the complicated and differentiated remuneration schemes in public services which consists of various salary components and packages. To alter these schemes is quite a sensitive task, which probably makes governments reluctant towards collective bargaining (Gockel 2009:64).

Of course, the reluctance of governments to relinquish their ability to adjust the size of public employment as they see fit is another reason for the limited incursion of collective bargaining in some countries, like Senegal, Nigeria, Tanzania, into central government employment.

Consequently, it is not uncommon to observe quite different and even contradictory industrial relations dynamics in the same country at these two levels of government. In this respect perhaps the most striking example recently occurred in Kenya. There the government, after lengthy negotiations with trade unions and almost at the moment of agreement on the introduction of collective bargaining, decided to step back, and retained its reliance on regulation of public employment by strict code and unilateral decrees (Fayoshin 2010).
However, these observations should not lead one to conclude that in African countries organized industrial relations are generally weak in public sector. On the contrary in many countries we observe the exact opposite pattern, that is, there public employment (then both at central and local levels) is the bastion of organized industrial relations and collective bargaining, to the extent that dynamics of electoral politics affect the terms of bargaining. For example in Ghana, before the regulatory changes in 2003 that introduced non-adversarial reconciliation practices, increasing number of strikes were used to be regarded normal during the election years, a pattern which hinted that trade unions have been confident about the strength of collective bargaining and legitimacy of collective interest representation in the public sector (Gockel 2009:72).

The other segment of formal employment, that is, private sector operating within formal economy (see figure 2), is dominated by large multinational companies which, during the last two decades gradually took over old state enterprises in oil, gas and mining industries (and in some cases also telecommunications) through privatizations (Erapi 2011, Wood & Brewster 2007:5-6). Native entrepreneurs quite often operate small firms and establishments, and usually do not have collective bargaining. An exception might be horticulture industry which consists of large farms in countries like Kenya and Tanzania which are largely unionized (Riisgaard 2008, Fashoyin 2010, Mlimka 2010).

Private sector in many countries used to constitute the backbone of organized industrial relations. However African trade unions in this segment, due to employers’ hostility towards collective bargaining resulting from their permanent concern with costs and recently because of the slowdown caused by global financial crisis, suffer from declining membership and are quite often compelled to curb their demands. On the other hand, during the last decade in many countries such as Kenya, Senegal, Ghana, and Tanzania new laws which facilitate trade unions’ operations and recognition have been introduced (Horwitz 2007, Fashoyin 2010, Gockel 2009, Fajana 2010).

In the next section, we will scrutinize how, and to what extent, industrial relations institutions enable governments, trade unions and employers’ organizations to operate in the labor market that we have examined so far.
5. **Industrial Relations Processes: Collective Bargaining and Minimum Wage**

Although it is difficult to draw a generic picture of collective bargaining in Africa, one can point out certain phases in this process which differ across countries and create variations in the continent. The very first step in bargaining process is official recognition of trade unions by a state authority. This, almost as a general rule, requires registration of trade unions either by labour ministry or by some official registrar (see Gockel 2009:25, Nanfosso 2009:15). And often there are threshold conditions for registration as to the minimum number of workers to be recruited. Usually the registration rule also applies to employers’ organizations. The new laws in Ghana, Nigeria, Kenya, Egypt, Morocco, Zambia and Mauritius have reiterated or introduced this statutory registration both for unions and employers’ organizations, and as we mention above, this obligation might be used as an instrument of control or even veto by state authorities (see Horwitz 2007:228). However, in practice this rule usually appears only as a formality and provides statutory backing for trade unions by compelling employers to recognize registered unions as bargaining partners. The binding nature of collective agreements or legality of industrial disputes too is further enhanced by this official registration procedure.

In general, once a trade union is registered it can officially demand from employers to be recognized as the bargaining agent for a workplace or industry. However, quite often trade unions must also obtain official certificates which acknowledges their status as the bargaining agent for each workplace or industry. African countries differ in terms of whether more than one trade union can be the bargaining agent in the same workplace or enterprise. In some countries, the majority rule applies, that is, employers are obliged to negotiate with the most representative trade union. And they can challenge their bargaining partners on the ground that they no longer represent the majority. In other countries, all existing unions in the workplace take part in collective bargaining. In either case, the existence of multiple unions in the same workplace appears to be a potential source for internal strife among workers.

Collective bargaining may take place between individual employers and trade unions. It is also possible that employers’ organizations, instead of merely providing advice, may directly negotiate with trade unions on behalf of their affiliates. In fact, whether employers’ organizations assume the role of bargaining agent appears to be one of the distinguishing features of industrial relations’ systems across Africa. One might ar-
gue that direct involvement of employers’ organization in collective bargaining hints that there is a concern for coordination of bargaining and it also implies that trade unions acquire necessary expertise and strength to effectively assert their demands.

Dominant level of collective bargaining differs substantially across African countries. In some countries enterprise level bargaining is the normal mode while in others sectoral negotiations is the rule. Once again dominance of sectoral negotiations might be considered as an evidence for concern with coordination, and also as indication of trade unions’ strength. Though, especially in mining and oil sectors these two types of bargaining might take place simultaneously as very large establishments prefer to engage in enterprise level bargaining in order to attain agreements which fit into their peculiar conditions. On the other hand, especially in horticulture industry, there are multi-employer bargaining rounds, which are neither sectoral nor at the enterprise level. This, might point out intra-class interest differentiations among employers that may be generated by differentiation in demands of costumers of final products.

Interestingly, in some countries there is also vertical differentiation in collective bargaining, that is, while most of the issues are determined at the sectoral level, the way in which they will be implemented or interpreted is negotiated at enterprise or workplace level. In some cases while general work conditions are determined at national level by an open-ended tripartite bargaining agreement, wage determination is left for sectoral or enterprise level negotiations. This kind of institutional arrangement hints that what is meant by collective agreement can be quite different across countries.

Once collective agreement is attained, we see three different procedures across Africa which make the final document legally binding: simple registration, conditional approval and unilateral imposition. The general rule is that collective agreements must be registered at labour ministries, and this implies that the state has a degree of authority on agreements. Labour ministries in principle may refuse to approve collective agreements. Of course this may remain as a formality and ministries may just examine the final document from a technical perspective. This variant may be called simple registration procedure. In majority of African countries we have this protocol. However, there is another variation. In some countries labour ministries may refuse collective agreements if they fail to comply with predetermined wage guidelines. These guidelines have been inherited from the 1970’s income policies but they still remain as effective policy instruments of wage coordination in some countries like Nigeria and Kenya (Fashoyin 2010, Fajana 2010:12, 28). This may be seen conditional approval of collective agreements. Finally, in some systems, we have the unilateral imposition, that is, the state can simply overrule the bargaining agreements and may impose wages and
work conditions unilaterally in accordance with some ad-hoc policy or concern.

*Table 3: Collective Bargaining Coverage in selected African countries  source: ILO Global Wage Report 2010*

<table>
<thead>
<tr>
<th></th>
<th>within wage earners</th>
<th>within total employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>2008 3.4 %</td>
<td>2.1 %</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>2007 22.7 %</td>
<td>8.3 %</td>
</tr>
<tr>
<td>Ghana</td>
<td>2006 70 %</td>
<td>NA</td>
</tr>
<tr>
<td>Kenya</td>
<td>2007 3.7 %</td>
<td>0.4 %</td>
</tr>
<tr>
<td>Malawi</td>
<td>2006 20.8 %</td>
<td>2.7 %</td>
</tr>
<tr>
<td>Mauritius</td>
<td>2008 16.5 %</td>
<td>9.9 %</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>2008 46.8 %</td>
<td>3.5 %</td>
</tr>
<tr>
<td>South Africa</td>
<td>2008 27.3 %</td>
<td>17.1 %</td>
</tr>
<tr>
<td>Sudan</td>
<td>2008 NA</td>
<td>0.2 %</td>
</tr>
</tbody>
</table>

*Source: Hayter & Stoevska 2010*

Although, power of authorities to refuse collective agreements may appear as a breach of the basic rights of social partners and detrimental for collective bargaining, one might, from a purely technical perspective, interpret this as the acknowledgement of pattern setting influence of organized industrial relations especially in terms of wages. This implies that, although the official coverage of bargaining is typically very low in African countries as depicted in table 3, its real impact on economies through dissemination of wage expectations might be quite substantial.

However, this argument should not give the impression that collective bargaining agreements are the only pattern setting instruments in African economies. In fact, the basic and most effective coordination tool in virtually all African countries is minimum wage. In its most general form the practice is that first a single minimum wage is determined at national level by tripartite commission either for the entire labour market or for regions (such as rural and urban areas) and for some broad sectors (such as agriculture and industry), and these minimum wages become legally binding for the designated segments of the labour market. However, there are other minimum wage mechanisms as well. For example in countries like South Africa and Kenya there are sectoral wage commissions consists of representative of employers, trade unions and governments which either determine minimum wages for their corresponding sector or they make a recommendation to labour ministry, which then chooses an appropriate wage level (Fashoyin 2010, Budlender 2009). Of course, given the prevalence of informal employment in all African countries, it is difficult to argue that minimum wages are strictly implemented in the entire labour market. However, in the absence of widespread collective bargaining it is established that, due to the lighthouse effects, wage dynamics are positively affected by minimum wage (Garga 2010:34). Therefore minimum wages are of crucial significance for poverty alleviation and economic coordination in African economies. This implies that one
should avoid thinking that the influence of minimum wage is constrained by the limits of formal employment. In fact even the World Bank, after almost three decades of blaming minimum wage for undermining competitiveness and reducing the job creation capacity of African economies, has acknowledged that minimum wage in African countries has quite a positive impact on the living conditions of low-skilled workers and it prevents further increases in income inequality (Murgai & Avallion 2005). In fact, due to its crucial role minimum wage appears to be high in the agenda of trade unions as they negotiate with governments (see Stirling 2011: 240).

However, despite its dominant role in wage determination, minimum wage in African countries should not be seen as a substitute for collective bargaining. It is more appropriate to consider minimum wage and collective bargaining as complementary institutions which mutually enhance each other’s strength and legitimacy. For in almost all countries minimum wage provides a starting point, a wage floor, for collective bargaining negotiations, thus, any increase in minimum wages would strengthen the position of worker representatives in bargaining negotiations, enabling them to demand better wages or to concentrate their efforts on less adversarial issues and thus avoid disputes that might undermine the willingness of employers to participate in bargaining in good faith. In fact, mutual dependency of minimum wage and collective bargaining may lead to virtuous circles in coordination as well. For example in Tanzania, minimum wage boards as they make recommendations to the ministry of labour must take the wage levels determined in collective bargaining agreements into account and in turn these agreements use recommended minimum wages as their wage floor (Mlimka 2010:47). This reciprocal impact, by expanding the influence of collective bargaining, initiates wage dynamics which are likely to be beneficial for workers. In fact, tripartite nature of minimum wage determination (or recommendation) either at national or sectoral level enhances the legitimacy of trade unions as crucial actors in political economy and these tripartite commissions, by regularly bringing social partners together, promote the idea of negotiated settlement of economic and social issues.

Although wage is the most crucial component of collective bargaining negotiations, it is by no means the most important subject that is negotiated. There are many other concerns of workers and employers that are included in bargaining agreements. For example in recent years health and safety standards have become a very prominent topic in the bargaining negotiations in the horticulture industry in East Africa. The length of maternity (and increasingly paternity) leaves, nature of in-kind benefits, and the quality of medical facilities of workplaces too are common issues in collective bargaining rounds. However, perhaps the only non-wage issue that is increasingly more included in collective bargaining agreements and which is pecu-
liar to Africa is the HIV/AIDS epidemic. It is a sad fact that large percentages of working people in many African countries are infected with HIV and these workers quite often face discrimination in the labour market, or crippled by requirements of medical treatments (Horowitz 2007:229). Therefore trade unions, in almost all sub-Saharan countries, began to secure certain rights for workers with HIV/AIDS. These may include employers’ coverage of medical expenses of workers and their families, strict rules against discrimination against these workers in hiring and firing procedures, and organization of seminars and workshops in order to inform workers as to the ways in which they can avoid HIV/AIDS or learn to live with it without being socially isolated (Stirling 2011: 244, Budlender 2009:28)

Obviously, collective bargaining negotiations do not always smoothly lead to agreements. There are very often disputes about the way in which included issues are to be settled but also after the agreement there are usually grievances about the way in which the settlement is interpreted. After the recent changes in law, in many African countries like Morocco, Nigeria, Kenya, and Ghana dispute settlement procedures have been introduced or the existing procedures are rationalized and simplified (Meknassi & Rioux 2010, Fajana 2010, Fashoyin 2010, Gockel 2009). Although some of these protocols are still quite cumbersome and slow, in general there is a tendency to establish smooth mediation and arbitration protocols which require appointment of independent arbitrators or officials from labour ministries to settle disputes (Alby et al 2005:3). In some countries like Tanzania making application to industrial courts is permissible only after all attempts of arbitration and mediation fail (Mlimka 2010:60). These new trends in dispute settlement indicates that in general African governments want to avoid or prevent industrial conflict and instead they want to promote peaceful functioning of collective bargaining. However, this avoidance from and, in some case like Nigeria, prohibition of strikes (Fajana 2010: 29), may undermine workers’ confidence in trade unions’ ability to handle their problems and may be detrimental in the long term for collective bargaining.
6. Conclusion

In this paper we presented an analytical framework for understanding the evolution of national labour relations institutions in Africa, outlined general features of actors and institutions, and, tried to show that organized industrial relations in Africa face serious challenges but there are also new opportunities and strategies that might enable collective actors to cope with these challenges and contribute to the solution of Africa’s structural problems. In this conclusion section, we would like to summarize these challenges and opportunities.

We revealed that trade unions in Africa, like in other parts of the world, has been losing members as global competition forced employers and governments to seek new ways of cost reduction and flexibility (Horowitz 2007:230). Moreover, decreasing public employment due to privatizations imposed by structural adjustment programmes and austerity measures of last two decades, has been undermining the secure recruiting grounds of trade unions, and thus further reducing their financial strength and decreasing their capacity to device revitalization strategies. In this environment not only the weakening of organized industrial relations due to declining union density and bargaining coverage but shrinking formal employment too has become a real general threat for the proponents of decent work conditions in Africa. Indeed casualization and informalization of labour that enabled employers to avoid long term commitments to workers have become common strategies in the private sector in many African countries and occasionally began to be used even in the public sector (Gockel 2009). Under these circumstances already large informal sector appears to be expanding even further in majority of African countries.

There are more specific problems as well. Due to declining public expenditure the basic infrastructure (transport system and energy supplies) that facilitates private entrepreneurship and thus reduces unemployment, which is obviously one of the primary sources of weakness for African trade unions, still remains underdeveloped in many African countries. Similarly, the lack of comprehensive social policies and educational opportunities force many individuals to enter the labour market quite early and without specific skills. This pattern, while compelling many people to low-paying jobs, also leads to misuse of human capital of African economies, thus reduces their long term prospects for competing in the global markets with innovations rather than by cheap labor. This once again undermines the bargaining position of trade unions and shrinks their potential constituency given that low-income workers quite often are not indispensable for employers, incapable of contributing membership fees, and, afraid to affiliate with unions. Moreover, HIV/AIDS
epidemic remains not only as a threat for general health of African populations but it also undermines the productivity of African economies as remarkable proportion of working age people are infected and thus compelled to struggle against discrimination and be permanently occupied with serious health costs. Of course, in some African countries like Sierra Leone, Democratic Republic of Congo, Somalia and Sudan, the public order itself is quite fragile due to civil wars and political instability, thus long term policies regarding organized industrial relations cannot be formulated, nor can trade unions and employers’ organizations operate easily.

Finally, in the recent climate of democratization and plurality in many African countries like Zambia, Mozambique and South Africa, trade unions face the peculiar challenge of plurality paradox: as freedom of association and speech are consolidated, new actors hitherto unknown in industrial relations, such NGO’s, social movements and international networks, began to play crucial roles in employment relations, and, new and smaller trade unions proliferated and they started to challenge the dominance of existing unions and federations. In this environment established trade unions and peak organizations ceased to be sole representatives of workers’ interests and their ability to promote their agendas as the interests of workers is reduced in many African countries. Thus interestingly proliferation of collective representation channels for workers appears to have, at least for now, weakened the ability of workers to forcefully articulate their demands in political arena and in tripartite councils.

However, all these observations should not lead one to reach a negative conclusion as to the future of organized industrial relations in Africa. First of all, the overall economic performance of Africa during the last decade, with the exception of last two years due to global crisis, has been positively surprising (ILO 2010). In fact the growth in Africa has not only exceeded the world average but was also higher than some advanced economies. Similarly, some African countries, like Botswana, Mauritius and Lesotho proved to be capable of maintaining stable economies which can deliver sustainable growth, and increasingly countries like Kenya and Tanzania began to enter international trade through high value horticultural products. Against this background, it is argued that first time after decades African people have some disposable income which might stimulate further growth and employment. In fact, one should not forget to note that although reductions in public expenditures across Africa have decreased the investments in infrastructure thus hampered the growth of private sector, in recent years, foreign (especially Chinese) investments in infrastructure generate incentives for private entrepreneurship and thus might stimulate increases in employment (Schoeman 2011:44). Although, so far this overall positive economic performance and prospects have
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not been translated into employment creation and productivity increases, one may easily argue that African economy in its entirety proved to have the potential which can generate the basic ingredients necessary for healthy industrial relations systems to develop, that is, there is added value that can be fairly shared between employers and workers. With appropriate economic policies and employment strategies this growth potential might also be used for addressing Africa’s structural problems. Obviously, in such an endeavor collective bargaining, trade unions and employers’ organizations can play vital roles.

In fact, despite overall decline in the union membership across Africa, one can still spot some industries which provide fertile recruitment grounds for trade unions (Stirling 2011, Mugumo 2011). For example, workers in the horticulture industries across East Africa are inclined to get organized and trade unions manage to recruit new members from these industries. Similarly, despite the difficulties in organizing service sector, new telecommunications and banking industries, too, might be new avenues for unionization. Similarly it is difficult to conceive that despite privatizations and lay-offs traditional capital-intensive sectors such as gas, mining and petroleum would be entirely deunionized (Erapi 2011). Finally, despite some inconsistent government attitudes towards collective bargaining in public sector, employment and organized industrial relations in public services such as health and education, too, would remain as refuge for trade unions which might allow them to retain the financial and strategic resources that would allow them to expand into private sector.

Perhaps another positive trend is the increasingly successful organization attempts in informal economy in many African countries. Trade unions in Africa are fully aware of the fact that expanding into informal sector or to collaborate with the self-organized associations of informal workers is no longer an option but a necessity in order to remain relevant actors in industrial relations. Moreover, this endeavor also enables African unions to establish international networks and form new alliances, which would also empower them as actors in usual industrial relations practices. Thus, although informal sector has always been one of the primary worries of trade unions, recent developments hint that it might be possible to develop revitalization strategies by using the dynamics of informal sector’s organizational potential (Stirling 2011: 240-242, Mugumo 2011:36-37).

Although the coverage is typically limited in African countries, in recent years collective bargaining began to address issues beyond wage claims, and thus, started to set new standards for employment conditions, which might gradually shape the expectations of both employers and workers in formal employment. For example the inclusion of HIV/AIDS related articles, besides other non-wage issues, into collective
bargaining agreements has become quite common across Africa so as to prevent discrimination of infected workers and facilitate their health care (Horowitz 2007:229, Stirling 2011: 244, Budlender 2009:28). In fact, by taking these developments into account, one may argue that although the coverage of collective bargaining might be low or even declining, its depth has been gradually increasing so as to address a wider range of problems experienced by workers, a trend which may enhance the legitimacy and resilience of collective bargaining. Minimum wages too proved to be socially relevant and thus resilient components of African industrial relations, which influence not only wages in formal sector but also, due to lighthouse effects, have positive impact on informal sector wage developments. In fact, minimum wage institutions have another positive side-effect across Africa, that is, these systems provide tripartite platforms in which trade unions and employers organizations are recognized as established and legitimate actors and can at least mention their demands and positions to each other and to government officials. Another important component of industrial relations in Africa whose value should not be underestimated is tripartism. The fact that African governments may avoid tripartite meetings for extended periods should not obscure the role of tripartism in preparation of some crucial pieces of labor legislation in countries like South Africa, Morocco Senegal and Nigeria during the last decade.

In fact these recent changes of 2000's in the legal frameworks in many African countries such as Ghana, Nigeria, Kenya, Egypt, Morocco, Zambia and Mauritius (Horwitz 2007:228) contain positive elements for organized industrial relations. These new labour legislations attempt to regulate industrial relations in accordance with the requirements of changing global production regime. Typically, these laws, try to strike some kind of balance between the flexibility demands of employers and security and representation demands of workers. Although, in general there is an emphasis on reconciliation and mediation, thus, the right to strike appears to have been de facto constrained (or like in Nigeria openly prohibited), new laws in some countries like Morocco, encouraged collective bargaining, and in general provided clear and mandatory rules for union recognition by employers, a development which would strengthen statutory standing of trade unions and would enhance the binding nature of bargaining agreements. Similarly, new laws in many African countries introduced streamlined dispute resolution mechanisms, which if effectively used by trade unions might make union membership more attractive for workers by proving that unions cannot only obtain gains through collective bargaining but they may also defend those gains more effectively than individuals by navigating through the statutory protocols.
Perhaps it is appropriate to end this paper by recalling that industrial relations’ actors, especially trade unions, have played crucial roles in all transitions in contemporary history of Africa. Therefore, one might argue that it is only natural to expect them to remain important in future provided that they meet the challenges posed by the changes in production relations by effectively using the opportunities provided by new political landscapes and global trends.
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January 2007 - Johan de Deken

07-52 Distribution of responsibility for social security and labour market policy  
Country report: Germany  
January 2007 - Bernard Ebbinghaus & Werner Eichhorst

07-51 Distribution of responsibility for social security and labour market policy  
Country report: Denmark  
January 2007 - Per Kongshoj Madsen

07-50 Distribution of responsibility for social security and labour market policy  
Country report: The United Kingdom  
January 2007 - Jochen Clasen
Study of labour relations in African countries

07-49 Distribution of responsibility for social security and labour market policy
Country report: The Netherlands
January 2007 - Trudie Schils

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04-28 The work-family balance in collective agreements. More female employees, more provisions?
July 2004 - Killian Schreuder

04-27 Female income, the ego effect and the divorce decision: evidence from micro data
March 2004 - Randy Kesselring (Professor of Economics at Arkansas State University, USA) was guest at AIAS in April and May 2003

04-26 Economische effecten van Immigratie – Ontwikkeling van een Databestand en eerste analyses
Januari 2004 - Joop Hartog & Aslan Zorlu

03-25 Wage Indicator – Dataset Loonwijzer
Januari 2004 - Kea Tijdens

03-24 Codeboek DUCADAM dataset
December 2003 - Kilian Schreuder & Kea Tijdens

03-23 Household consumption and savings around the time of births and the role of education
December 2003 - Adriaan S. Kalwij

03-22 A panel data analysis of the effects of wages, standard hours and unionisation on paid overtime work in Britain
October 2003 - Adriaan S. Kalwij

03-21 A two-step first-difference estimator for a panel data tobit model
December 2003 - Adriaan S. Kalwij

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June 2003 - Adriaan Kalwei

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December 2003 - Kea Tijdens & Maarten van Klaveren

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October 2003 - Marieke van Essen

03-15 Flexibility and social protection
August 2003 - Ton Wilthagen
03-14  Top incomes in the Netherlands and the United Kingdom over the Twentieth Century

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         April 2003 - Klarita Gërxtani

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         May 2003 - Martin Schludi

03-09  Dealing with the “flexibility-security-nexus: Institutions, strategies, opportunities and barriers
         May 2003 - Ton Wilthagen & Frank Tros

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         March 2003 - Klarita Gërxtani

03-07  Teleworking policies of organisations- The Dutch experience
         February 2003 - Kea Tijdens & Maarten van Klaveren

03-06  Flexible work - Arrangements and the quality of life
         February 2003 - Cees Nierop

01-05  Employer’s and employees’ preferences for working time reduction and working time differentiation – A study of the 36 hours working week in the Dutch banking industry
         2001 - Kea Tijdens

01-04  Pattern persistence in europan trade union density
         October 2001 - Danielle Checchi & Jelle Visser

01-03  Negotiated flexibility in working time and labour market transitions – The case of the Netherlands
         2001 - Jelle Visser

01-02  Substitution or segregation: Explaining the gender composition in Dutch manufacturing industry 1899 – 1998
         June 2001 - Maarten van Klaveren & Kea Tijdens

00-01  The first part-time economy in the world. Does it work?
         2000 - Jelle Visser
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AIAS is a young interdisciplinary institute, established in 1998, aiming to become the leading expert centre in the Netherlands for research on industrial relations, organisation of work, wage formation and labour market inequalities. As a network organisation, AIAS brings together high-level expertise at the University of Amsterdam from five disciplines:

- Law
- Economics
- Sociology
- Psychology
- Health and safety studies

AIAS provides both teaching and research. On the teaching side it offers a Masters in Comparative Labour and Organisation Studies and one in Human Resource Management. In addition, it organizes special courses in co-operation with other organisations such as the Netherlands Centre for Social Innovation (NCSI), the Netherlands Institute for Small and Medium-sized Companies (MKB-Nederland), the National Centre for Industrial Relations ‘De Burecht’, the National Institute for Co-determination (GBIO), and the Netherlands Institute of International Relations ‘Clingendael’. AIAS has an extensive research program (2004-2008) on Institutions, Inequalities and Internationalisation, building on the research performed by its member scholars. Current research themes effectively include:

- Wage formation, social policy and industrial relations
- The cycles of policy learning and mimicking in labour market reforms in Europe
- The distribution of responsibility between the state and the market in social security
- The wage-indicator and world-wide comparison of employment conditions
- The projects of the LoWER network