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The Role of Trade Unions in Economic and Social Governance in Africa

Barely four years before the deadline for the achievement of the Millennium Development Goals (MDGs) scheduled for 2015, the situation prevailing in Africa is still worrying. It would be difficult for the continent to achieve certain goals, especially with regard to poverty reduction. As a matter of fact, hunger, malnutrition, diseases, unemployment, environmental degradation, the denial of human rights, armed conflicts, to mention a few, are part of the daily realities of thousands of African people. However, the continent has a huge potential as well as natural and human resources which if properly tapped would enable African countries to find their place in the community of nations and coexist with the rest of the world in dignity, equality and genuine interdependence. However, out of 49 poor countries identified in the world, 34 are in Africa which was once the cradle of humanity. Why is Africa in this situation?

The main cause is nothing else than poor governance at all levels, especially in the economic and social areas. It is generally characterised by an unprecedented looting of resources, corrupt leaders and state agents, a low level of decent work and social protection, human and trade union rights violations due to the lack of democracy. While it is proved that the fight against poverty is closely linked to the governance issue, it should be noted that in Africa, public affairs are not always managed with integrity and foresight. The internal resources generated by tapping natural resources as well as the aid coming from social and economic partners are, in many countries, often misused or embezzled.

Trade union commitment is more than crucial in this process. As countervailing forces and development actors, trade unions must do more to reverse the current trends on the continent. To this end, they must contribute to a new African society based on the values and principles of social justice and human dignity by showing their commitment through concrete proposals and visible actions.

Since its establishment in 2007, ITUC-Africa has sought to inform and train its affiliates around the continent and conduct research on issues pertaining to economic and social governance. The Strategic Plan that came up from its second Congress of November 2011 and the related plans of action aim to contribute to overcome the challenges undermining governance in Africa by working towards:

- *strengthening trade union and human rights on the continent;*
- *the promotion of social justice and equity;*
- *the development of a new development paradigm for Africa, based on the promotion of intra-African trade which will guarantee regional integration, industrialisation and agricultural transformation.*

However, these ITUC-Africa programmes and actions which spring from previous initiatives might not bear fruit without sustained trade union mobilisation and action in the various countries. African trade unions must therefore be at the forefront in order to attract the leaders' attention to the best way of allocating national resources to eradicate poverty and promote full employment and social justice. To do this, they must:

- (i) *continue building their capacity to analyse and make concrete and credible proposals on the economic and social situation of their countries in order to inform public opinion and garner support for their actions;*
- (ii) *formulate valid alternatives to the proposals made by national authorities;*
- (iii) *request governments to involve them in the development and formulation of economic and social policies so that the rights and interests of workers are taken into account.*

In the 2nd Congress theme document: "Renewing the African trade union movement towards African emancipation", ITUC-Africa has already laid down the basis for the progress of the African people and for a prosperous and awakened Africa. ITUC-Africa calls not only for the strengthening of democratic institutions and inclusive and deliberative decision-making processes, the strengthening of public, private and non-State institutions but also for the mobilisation of a new leadership committed to the welfare and interests of the people.

Trade union leaders at all levels must initiate or strengthen actions and policies in favour of African people, particularly workers, to realise African emancipation.

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Social protection in the informal economy in Africa: Myth or reality ?

“Social protection is a necessity and a fundamental right ”

Historically, the informal economy in Africa had its roots in colonial times. The violence of the colonial economy aimed, right from the beginning, to destroy the African economy which was based on a production and exchange pattern that was widespread around the continent. The informal economy developed alongside the colonial economy which was more concerned with land grabbing and destruction of local economies than promoting an integrated economy. It was not only a subsistence economy, but also and above all a de facto space of resistance to colonial domination.

More than half a century after independence, the informal economy has continued to grow and has become dominant on the continent. It is certainly not specific to African economies, but its characteristics and its importance in the economic and social life of African people make it remarkable, especially in sub-Saharan Africa. Thanks to its various activities, this sector provides essential functions in terms of employment, production, income distribution, the satisfaction of needs, training of young people, cultural exchanges, etc. According to ILO statistics on trends of employment in Africa, the majority of the working population, i.e. between 60 and 90 percent, operates in the informal economy depending on the countries. Most of them are women and young people who have no other choice for their survival and subsistence.

Generally, this key sector of the African economies is often characterised by a lack of decent working conditions: poor quality jobs, low productivity and low wages, a lack of occupational health and safety, low trade union representation and inadequate or non-existent social protection. These situations explain somehow the high incidence of poverty on the continent, given that there is a correlation between informal work and poverty.

Regarding social protection which is an essential component of poverty reduction strategies, it should be noted that less than 10% of the African population enjoys one or three forms of protection: family benefits, occupational risks and old-age pension. Even though it is true that most private and public structures do not provide reasonable social coverage to their staff, the situation of the informal economy operators remains chaotic. Even if in most countries the coverage rate is less than 10%, efforts are however made in some countries, including Mauritius and Cape Verde where respectively 50% and 27% of the population benefit from social protection. In other countries, the coverage rate is below 20%, e.g. in Benin (13%) and Ghana (12%).

In some other countries, the informal economy workers have managed to organise with the help of trade unions and other operators and have developed social economy structures (mutual health schemes, savings and credit cooperatives, trades cooperatives ...) to create acceptable working conditions and offer their members minimal social protection.

While it is true that social protection is not only a necessity for every individual, but also a fundamental right and an essential element of decent work, its funding poses problems in many countries. Therefore, it deserves special attention on the part of development actors including public authorities and social partners, especially trade unions.

Since its establishment, ITUC-Africa has considered social protection as one of its priorities. This was reiterated at its last Congress. In various ways (information, research, guidelines) ITUC-Africa has shown its commitment to ILO recommendation on national social protection floors, adopted in June 2012 at the 101st ILC as the 202nd ILO recommendation.

Now, African trade unions should take action to get their governments to implement this recommendation. By so doing, these governments will fully play their role of protectors and put an end to the vicious cycle of poverty on the continent.

In Africa, social protection should be a reality for the informal economy operators who significantly contribute to the production and creation of wealth on the continent. In addition to the commitment of trade union representatives in social dialogue bodies, the mobilisation of other social actors and development partners is also important. The commitment of visionary leaders and their good faith is all the more important to ensure that the social protection goal is achieved for all in Africa.

The future of African people in the new globalisation process

Globalisation, which is often defined as the expansion and worldwide harmonisation of the ties of interdependence among nations, human activities and political systems, is not a new phenomenon in Africa. Indeed, Africa joined this process since the Berlin Conference in 1884, which marked the beginning of colonisation of the continent. From the colonial era to independence, Africa bore the brunt and continues to do so today in the new globalisation process. What becomes of Africa tomorrow? Will she continue being marginalised and powerless?

With its huge and quality natural and human resources, Africa has the assets needed to successfully join the globalised economy marked by three phases. However, it has not managed to achieve much since its first contact with the outside world, which, under the guise of a "civilising mission", was marked by Western powers' hidden agenda to pillage African resources.

Given that African people were able to withstand the challenges and achieve independence, it became necessary to find another remedy to continue siphoning their resources. Thus, during the second globalisation in the post-independence period, the role of governments was reduced to benefit multinationals whose interventions in the former colonies were supported by industrialized countries and coupled with the economic programmes and reforms imposed by the Bretton Woods institutions, including SAPs and unbridled privatisation of public enterprises. These promoted the siphoning of the continent's raw materials but there was no local development. There were serious consequences because liberalism aims at making profit. It does not seek to solve the problems of Africans. There are perennial problems on the continent: reduction in investment in the social sectors, overwhelming debt burden, poverty...

Today, in the globalisation process, there is the question of trade liberalisation or fair trade with trade agreements such as the EPAs which would not fully benefit the people. It is therefore clear that the rules of this new game were defined in advance in the interest of the initiators as was always the case. In the community of nations, Africa produces everything and imports everything at the same time.

Isn't it absurd that Africa imports chocolate, while it is the world's leading producer of cocoa? It produces peanut, cotton and phosphate but imports peanut and cotton oil for local consumption and fertilisers for agricultural purposes. And that's not all.

African mineral resources (diamond, gold, platinum, uranium, chromium, manganese, cobalt, phosphate, aluminium, vanadium, iron...) that are among the most highly valued in the world, are often sold unprocessed at a throw away price and therefore add little

value to the continent. The worst of all is that the revenues from these sales are sometimes used to fuel armed conflicts in some regions of the continent.

Globalisation also requires the use of the new information and communication technologies, environmental protection, fairness, social justice...

How can Africa adequately respond to this new process of globalisation?

Africa must be united, stronger and alert to respond to the new process of globalisation. Union, which is a source of power, and alertness imply dynamic actions, including the formulation of policies and development strategies in response to the realities and aspirations of the African people.

In future, Africa should develop policies focused on: (i) *agricultural promotion to ensure food self-sufficiency*, (ii) *a strong and sustained industrialisation drive and promotion of the infrastructure to enhance its agricultural and mineral resources*, (iii) *the promotion of intra-African trade to ensure regional integration and*, (iv) *the mobilisation of internal resources to face the increasing financial speculations in economic activities and reduce its dependence on foreign aid*.

All segments of African society, men and women, young and old people, leaders and citizens should strongly involve themselves in this dynamics in the interest of all.

To this end, the vision of the New Partnership for Africa's Development (NEPAD) is commendable and needs to be quickly translated into concrete actions because for more than 10 years now, the ideals of NEPAD are yet to come true. However, some of its projects or programmes need to be redesigned in the light of current realities facing the people and the latest developments in the economic, social and political fields on the continent.

For that matter, ITUC-Africa adopted among other priorities at its last Congress "*Changing globalisation*" as part of its Strategic Plan for the period from 2012 to 2015. It therefore intends to achieve this by contributing to the development of a new development paradigm for Africa and working with the ITUC and the International Trade Union Federations to implement a fair and equitable globalisation paradigm which is favourable to the promotion of decent work. Therefore, it calls on its affiliates to undertake actions and activities at the national and regional levels to achieve these objectives in the interest of all workers.

“Africa must be united, stronger and alert to respond to the new process of globalisation ”



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African Regional Organisation

ITUC-Africa is a pan-African trade union organisation created in November 2007 following the merger of two former African trade union organisations, namely ICFTU-Afro and DOAWTU. Its mission is "to strengthen trade unions in Africa and to enable all African workers to speak with one voice to ensure a healthy and safe working environment and decent life for all by fighting against all forms of exploitation and discrimination, defending human and trade union rights, promoting social justice, peace and democracy while preserving the environment"

ITUC-Africa represents more than 16 million workers organized in 90 trade union centres in 48 countries on the continent.