

A TALE OF TWO NARRATIVES:
Economic Globalisation and
The Informal Sector, The Gambian Panorama

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*A Tale of Two Narratives:
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ABSTRACT

This thesis critically evaluates the concept, theory and process of economic globalisation, which extends the widely held belief that capitalist firms now produce the vast majority of goods and services produced in the world (i.e. the commodification thesis), by asserting that this process of commodification is increasingly taking place within an open world economy in which firms operate in a deregulated and seamless global marketplace. In this economic globalisation thesis, therefore, it is a specific type of commodified global economy that is becoming hegemonic and stretching wider and deeper across the globe, namely unregulated or ‘free market’ capitalism composed of hyper-mobile and homeless capital operating in a borderless world. The intention here is to investigate this belief in economic globalisation by demonstrating the influence and pervasiveness of the informal sector in Gambian society. In doing so, this thesis contests the view that economic globalisation is the only feasible future for those in the ‘developing’ world particularly those in Sub-Saharan Africa (The Gambia), and displays how the future is more open than suggested by its proponents. The empirical findings of this thesis are that- a) the informal sector in the Gambia forms a significant part in the day-to-day livelihood coping strategies of rural and urban households; b) the provisioning of goods and services in Gambian society is largely embedded in the informal sector rather than the commodified global market; c) and that the informal sector in the Gambia is not an opposition to the benefits and opportunities offered by economic globalisation through foreign direct investment and trade and that such benefits and opportunities can be utilised by the informal sector in creating a development pathway for the Gambia.

CHAPTER 1: INTRODUCTION

From the media to the classroom, from the football field to the office, from world forums to local indigenous meetings, from political campaigns to religious sanctuaries, the concept of globalisation has deeply penetrated contemporary thought (Scholte, 2005). It has gathered momentum inside and outside the academic literature and attracted the attention of a large community of people including politicians, activists, economists, social scientists, celebrities and ordinary local people. In the preface of his most celebrated work, *In Defence of Globalisation*, Bhagwati (2004: p. ix) mentions that ‘not a day goes by without impassioned authors and activists, whether anti- or pro-globalisation, putting their oars into these agitated waters...magazines and newspapers incessantly writing on the issue, and polls taken and discussed on why there is global rage’. Echoing a similar opinion, Waters (2001: p. 1) underscores that ‘just as postmodernism was the concept of the 1980s, globalisation may be the concept, the key idea by which we understand the transition of human society into the third millennium’. Phases of human interaction and advancement are claimed to have systematically evolved and that we are now witnessing the current phase of the evolutionary process, namely globalisation, which can neither be resisted nor heavily influenced by human action (Castells, 1996; Giddens, 2002; Held, 2000; Held *et al.*, 1999; Kellner, 2002; Scholte, 1993). There is now a near universal belief that we live in a ‘global village’ and that our distinct, heterogeneous and complex social, economic, cultural and political stratifications and systems are arguably merging into a homogenous global system (Giddens, 2002; Held *et al.*, 1999).

Rhodes (2003: p. 23), however, argues that the term globalization is used as a ‘buzzword...reflecting an important but yet poorly understood reality’. Over the past 25 years the network of trading relations, the globalization of production (in particular, multinational corporations) and the growth of foreign direct investment (FDI) have grown to unprecedented levels (Held *et al.*, 1999). Within the same time period, there has been much debate concerning the apparent or real novelty of such profound internationalisation, as some authors have pointed out that the degree of global economic and financial interactions was quite similar in the late 18th and early 19th centuries (Hirst and Thompson, 1996). Nevertheless, if we consider the

‘dimensions’ of economic globalisation (‘extensity’, ‘intensity’ and ‘impact’; see Held *et al.*, 1999: p. 150-1) it is difficult to disagree with scholars who say that ‘although there exist important continuities with previous phases of globalization, contemporary patterns of globalization constitute a distinctive historical form which is itself a product of a unique conjuncture of social, political, economic and technological forces’ (Held *et al.*, 1999: p. 429).

However, what is perhaps most fascinating about globalisation is that it has become a euphemism for socio-economic development or at least synonymous with sustainable human development (Watkins, 1997).

Globalisation has also become a heavily overloaded word. People have linked the notion to pretty well every purported contemporary social change, with arguments about an emergent information age, a retreat of the state, the demise of traditional cultures, and the advent of a postmodern epoch. In normative terms, some people have associated globalisation with progress, prosperity and peace.

(Scholte, 2005: p. 14)

Kaplinsky (2005: p. 9) in his work, *Globalisation, Poverty and Inequality*, posed a critical question: ‘Is there a single definition which allows us to capture the complexity of what Dickens calls ‘the Global Shift’?’. After all, the concept of globalisation has proven to be problematic and nebulous when it comes to definition. This thesis from the onset recognises the complexity involved in defining globalisation as there is not a single homogenous definition of the concept. The complexity and problematic nature of the concept of globalisation is eloquently captured in the work of Hirst and Thompson (1996: cited in Wolf, 2004: p. 13), who underscore that ‘globalisation has become the new grand narrative of the social sciences. We say this less out of any commitment to the sensibilities of postmodernism – we have none – than because we feel the concept offers more than it can deliver’.

Giddens (1999: cited in Wolf, 2004: p. 14) observes that, ‘globalisation is an irresistible force, transforming all aspects of contemporary society, politics and the economy’. Coming from a sociological spectrum, Waters (2001: p. 5) defines globalisation as ‘a social process in which the constraints of geography on economic,

political, social and cultural arrangements recede, in which people become increasingly aware that they are receding and in which people act accordingly'. Oluabunwa (1999) defines globalisation as an evolution, which is systematically restructuring interactive phases among nations, by breaking down barriers in the areas of culture, commerce, communication and several other fields of endeavour. Indeed, the common theme prevalent amongst the above definitions is that this is a phenomenon in which time and space are conquered by the dynamics of global forces, which compresses them to such an extent that local happenings have global effects and at the same time global decisions and actions have local repercussions (Held *et al.*, 1999). Thus, globalisation might be seen as a process which involves the intensification of social, economic, political and cultural relations and activities and in the process removes barriers that impede on its functioning. Globalisation also involves the creation of homogeneity of distance places, people, systems and activities (Waters, 2001).

This thesis focuses on the economic dimension of globalisation, which today has become the most influential and most commonly discussed aspect of globalisation (Held *et al.*, 1999). The economic dimension mainly concentrates on trade including the free movement of goods and services, labour and capital, technology and knowledge and the integration of economic activities across borders and through markets (Wolf, 2004). This, it is asserted, leads to the creation of a single homogenous global market and economy. Economic globalisation is couched within the ideological framework of free market economy based on the wisdom of neoliberalism (Rhodes, 2003). Through its success in Western Europe and North America, free market neoliberalism has come to be equated with, and represent, socio-economic development and well-being, and thus presented as a way out of poverty and underdevelopment (Watkins, 1997). This is reflected in its adoption by the former Soviet Union, China, India, Japan, Eastern Europe and Sub-Saharan Africa through the mechanisms of privatisation and liberalisation. Indeed, the premise underpinning economic globalisation is that a homogenous global market and economy and the subsequent integration of nation states, will create more employment opportunities, wider export and import markets, reduce poverty, ease the access to knowledge and technological transfer, and catalyse economic growth (Held *et al.*, 1999). This premise has resulted in the formation of the World Trade Organisation in 1995 and the eventual disintegration and reintegration of distinct national economies and trade

systems into a 'homogenous global economy' (Wolf, 2004). Such a process of global integration has meant that you either join the train or you carry the risk of being left behind (Watkins, 1997). Advocates of economic globalisation view it as a triumph of political liberalism and of the unfettered play of market forces and as likely to strengthen the economic and social basis for the unity of humankind by offering fresh possibilities for 'new partnerships' in the World order (Jinadu, 1999). According to the United Nations Conference on Trade and Development (2008), globalisation has increased the integration of national markets and the interdependence of countries worldwide for a wide range of goods, services, and commodities. In the past 30 years, international trade flows have expanded dramatically and, generally, at a rate faster than global output, with a doubling of the value of trade in a 10-year period since the mid-1990s (UNCTD, 2008). In 2006, the dollar value of world merchandise exports reached US\$11.98 trillion (as compared to about US\$5.17 trillion in 1995), and that of commercial services exports rose to US\$2.71 trillion, thus raising total world trade to over US\$14 trillion (UNCTD, 2008). It has played an important role in the recent expansion of trade, the growing integration of economies, and the increasing contribution of trade to development. Its contributions include the liberalisation of tariffs and other barriers to trade; foreign direct investment through trade and investment negotiations and agreements; autonomous unilateral structural reforms; technological innovations in transport and communications; international solidarity through supportive measures (like trade preferences); and the strategic use of policies, experimentation and innovation (ibid).

Due to the unprecedented pace, scope, and scale reached by economic globalisation and the new opportunities it has spawned, some developing countries, realising the prospects of a more beneficial integration – both quantitative and qualitative – into the global economy and the international trading system, have come to perceive economic globalisation as the ultimate vehicle for economic prosperity and growth (UNCTD, 2008). For many of these developing countries however, an increased quantitative integration has not had positive results. Often, their liberalization has not translated into qualitative gains with widespread and structural developmental impact (Ake, 1996). Still others have seen only partial gains. In the Least Developed Countries especially, the promised and expected gains of economic globalisation are still missing or insufficient (UNCTD, 2008). There is now concern that the costs of economic globalisation in these countries maybe economically,

socially, politically, and environmentally unsustainable, resulting in increased inequalities and the loss of social cohesion within and across countries (ibid). For such countries, it has meant not just incurring costs – including from adjustment to trade liberalization, intensified competition, and reduced policy space – but also increased vulnerability to external shocks (UNCTD, 2008).

In addition, disappointment with the lack of sufficient development dividends and increasing hardships on account of adjustment in many developing countries are calling into question the ‘raison d’être’ of trade liberalization and globalization (UNCTD, 2008). Even developed countries – thus far the drivers and main beneficiaries of economic globalisation – now have anxieties about job displacement, wage stagnation, rising inequalities, and adjustment costs arising from freer trade (UNCTD, 2008). This is particularly so as more and more developing countries are becoming competitive in different sectors, and posing a challenge to the domestic manufacturing and services industries as well as the labour force of developed countries. This has begun to arouse protectionist sentiments, and even threaten a backlash against their trade with and investment relations with developing countries (UNCTD, 2008). Some critics have come to view economic globalisation as a new form of imperialism that has activated the dynamics of underdevelopment, and brought about mass poverty and environmental degradation (Ake, 1996; Akindele *et al.*, 2002). For such commentators, economic globalisation only facilitates and represents the economic interests of the very few in Western Europe and North America at the expense of the majority in Africa, Latin America and Asia (Scholte, 2005). The anti-globalists see the process of economic globalisation as an exploitative strategy used by the powerful and advanced economies to subdue and control the wealth and resources of smaller and weaker economies whilst accumulating more capital in the process (Ake, 1996).

The unprecedented scope, pace and scale of economic globalisation has resulted in the belief that capitalist firms in the form of international, multinational and global corporations now produce the vast majority of goods and services produced in the world (i.e., the commodification thesis) being extended. The notion of economic globalisation asserts that this process of commodification is increasingly taking place within an open world economy in which firms operate in a deregulated and seamless global marketplace. In the economic globalisation thesis, therefore, it is a specific type of commodified economy that is becoming hegemonic and stretching

wider and deeper across the globe, namely unregulated or 'free market' capitalism composed of hyper-mobile and homeless capital operating in a borderless world (Williams, 2005). Indeed, this near universal belief perpetuated by the advocates of economic globalisation has come to have a significant influence on the trajectory of socio-economic growth and sustainable human development especially among policy-makers in developing and least developed countries (UNCTD, 2008). This stems from the belief that peoples' daily lives have now become heavily embedded in the commodified global market created by economic globalisation. Comments such as 'the marketplace is a pervasive force in our lives' (Rifkin, 2000: p. 3); 'markets are subsuming greater portions of everyday life' (Gudeman, 2001: p. 144); that capitalism is transforming 'every human interaction into a transient market exchange' (Ciscel & Heath, 2001: p. 401); and that there has been 'the near-complete penetration of market relations into our modern economic lives' (Carruthers & Babb, 2000: p. 4), are a clear testament to this widespread belief. This widespread assumption has led many in the 'developing' world, particularly in Sub-Saharan African countries like the Gambia, to adopt free market economic policies, including economic liberalisation, removal of trade barriers, curtailment of domestic spending, privatisation of national corporations, provision of incentives like tax reduction to foreign investment, retrenchment of civil servants, the institutionalisation of the parameters of development and the devaluation of currencies, which were all embodied in the Structural Adjustment Programmes (SAPs) (Meagher, 2003).

According to Meagher (2003), The Gambia, like most countries in Sub-Saharan Africa saw the prospects of economic globalisation through trade, free market economic policies, foreign direct investment, technology, capital and financial flows as stimulants for sustainable productivity, and socio-economic growth. Thus for a significant number of years, most of its activities, policies and strategies for sustainable human development and socio-economic growth have been (and are still) informed by this belief, despite the fact that poverty, measured in terms of a lack of the basic household needs and powerlessness in decision making processes, has increased by 52% from 1993 to 1998 (National Household Survey Report, 2000). The Gambia's approach of pursuing sustainable human development and socio-economic growth through economic globalisation has resulted in less attention being paid to the informal sector, which it perceives as an insignificant sector that cannot stimulate socio-economic growth and thus has little, if anything, to do with economic

development (Meagher, 2003). A partial explanation for such a stigmatisation of the informal sector by the Government of the Gambia is based on the belief that economic globalisation is the route to economic prosperity and the trajectory of economic development. Grounded in this view, the belief is that the informal economy is weak and in demise and a distortion of market forces, which will eventually cease to exist once modern economic development through industrial development and mechanisation takes effect (Meagher, 2003). Contrary to these widespread expectations, however, the informal sector has not only persisted but actually grown in many developing countries particularly in Sub-Saharan Africa where it dominates national economies both in terms of output and employment (ILO, 2002). Thus a prime concern today for most policymakers everywhere is how to maximize the development benefits of globalisation and trade and the informal sector, to minimize their economic, social, human and environmental costs, and to make these the over-arching objectives of economic globalisation.

Accordingly, the informal sector in Sub-Saharan Africa is estimated to represent around three-quarters (72%) of non-agricultural employment, whilst 93% of new jobs created during the 1990s were in the informal sector (ILO, 2002). This persistent existence and growth of the informal sector in Sub-Saharan Africa, especially after years of unsatisfactory economic restructuring and structural adjustment through economic globalisation, has led to renewed attention and interest being paid to the informal economy, not least concerning its role in economic development. However despite such renewed interest, no empirical work has been conducted in the contemporary period on the nature of the informal sector of The Gambia and its potential role as part of a development pathway. This thesis fills that gap. Hence this thesis seeks to achieve the following research objectives by answering the research questions below.

RESEARCH OBJECTIVES AND QUESTIONS

The aim of this thesis is to evaluate critically the process of economic globalisation in The Gambia by displaying the persistence of the informal economy in this country. Given that there have been no contemporary empirical studies of the

informal economy in The Gambia, this thesis therefore fills a major gap. As such, this thesis seeks to achieve four main objectives:

1. To undertake a critical review of the extent to which a process of economic globalisation can be identified in The Gambia – central to the dominant discourse of economic globalisation is the widespread acceptance of the pervasiveness of commodification and formalised economic activity, but does the lived experience in The Gambia match the discourse?
2. To identify the nature and significance of the informal sector in The Gambia.
3. To make an assessment of working life in The Gambia by exploring some of the key livelihood coping practices of Gambian households.
4. To explore the extent to which goods and services production is commodified, formalised or informalised.

This thesis, in consequence, addresses four main questions:

1. *What is economic globalisation?*

What are the contrasting approaches? To what extent can a process of economic globalisation be identified? Does the lived experience match the discourse? If not, is this a performative discourse and in whose interests is it being purveyed?

2. *To what extent has The Gambia adopted the discourse of globalisation and what are the impacts?*

How is this discourse manifested in its socio-economic policies? How has this influenced its view of the trajectory of ‘development’?

3. *To what degree can The Gambian economy be embedded in the global economy?*

To what extent is goods and services production embedded in the formal economy? To what degree is this formal economy commodified? To what extent does this commodified sphere operate in a de-regulated and seamless global marketplace?

4. *What is the nature of The Gambian ‘economy’?*

What working practices do households use? Why do they use these work practices rather than others? How important is the formal economy in people’s

everyday lives? Is it feasible to harness the informal economy as an alternative to a development pathway of a de-regulated global marketplace? If so, how might this be achieved?

In addressing these key questions, this thesis will use three different research methods. Given the lack of empirical evidence available on The Gambia's socio-economic trends and the extent and nature of its informal economy, the first method in gathering data will be in the form of elite level interviews with politicians, academics, senior government personnel, NGO representatives in The Gambia. Such interviews will be in-depth and face-to-face and will be conducted to develop a full understanding of the socio-economic and political trends and changes in The Gambia and also to uncover the impacts of economic globalisation on the socio-economic development of The Gambia through the usage of relevant documents. Hence the semi-structured interviews will serve the purpose of verifying the authenticity and validity of the relevant documents used in the study.

The second method will be in the form of a structured survey questionnaire whose objective is primarily to understand the extent and nature of the informal economy in The Gambia by exploring the livelihood coping strategies of households. It will be applied on 80 households, 40 of which will be rural and the other 40 urban. Three of the seven Local Government Areas (namely- Banjul Municipality, Kanifing Municipality and Kerewan Area Council) will be selected for the purpose of this study in order to capture the widest diversity of populations and economic activities (urban and rural, affluence and deprivation). Using this method will also help in evaluating the embeddedness of Gambian households in the formal and informal economies. The third and final method will be document analysis, where the study will focus on government's strategy and policy documents, reports and reviews, case studies and research undertaken by NGOs and local organisations and documents of relevant international organisations who are stakeholders in The Gambia in order to explore the embeddedness of the discourse of economic globalisation and the informal sector.

STRUCTURE OF THE THESIS

To start to unravel the multiple tasks set out in the above section, Section 1 of Chapter 2 will set the scene for what follows by critically examining the concept of globalisation in general and economic globalisation in particular. This will include the different conceptualisations of globalisation including the perspectives of what Held *et al.* (2000) term the ‘globalists’, ‘sceptics’ and ‘transformationalists’. Whereas the globalists see globalisation as an inevitable and irresistible process of development, which can neither be reversed nor influenced by human action particularly through the government, the sceptics perceive globalisation as a myth, a capitalist strategy designed to exploit the wealth and resources of the weak and smaller economies. The transformationalists on the other hand believe that global transformations have taken place but that the view of the globalists overstates the case for globalisation. This will then lead to a more detailed evaluation of the process of economic globalisation and the arguments presented for the hegemony of the global commodified market. Advocates of economic globalisation through the commodification thesis extends the view that capitalism is becoming evermore hegemonic by asserting that it is a specific type of commodified global economy that is stretching wider and deeper across the globe, namely unregulated or ‘free market’ capitalism composed of hyper-mobile and homeless capital operating in a borderless world, thereby making such a market pervasive in our daily scoping and livelihood strategies.

Section 2 of Chapter 2 will then introduce the various other (and perhaps ‘othered’) non-commodified and non-profit oriented modes of provisioning goods and services that are usually capture under the general heading of the informal sector/economy. In this section, the intent is to develop a fairly comprehensive understanding of the notion and operation of the informal sector. This will take the form of a discussion of the conceptualisations of the paid and unpaid informal sectors and finally, this section will begin to paint a picture of what is so far known about the structure of the informal sector in The Gambia and how its development is facilitated by poverty and civil society organisations.

Section 3 of Chapter 2 will then bring these discussions of, on the one hand, economic globalisation and on the other hand, the informal sector together, by beginning to explore the relationship between economic globalisation and the

informal sector. It will demonstrate how economic globalisation or global integration on the part of The Gambia is facilitating the expansion and growth of the informal sector, and or hindering it.

Chapter 3 will then draw attention to the methodological framework of this thesis, shedding light on the research techniques adopted by this thesis. In this chapter, detailed discussion will occur in relation to the methods used in generating data in The Gambia; namely – document analysis, structured face-to-face interviews (questionnaire) and semi-structured face-to-face in-depth interviews. The structured face-to-face interviews consist of a survey of 80 rural and urban households, whilst the individual face-to-face interviews concentrated on some government departments, NGOs and responsible members of the community in The Gambia.

Chapter 4 will then present the findings and analysis of data generated through the use of the research techniques adopted in chapter three. It will demonstrate the strong influence and pervasiveness of the informal sector in Gambian society, hence demonstrating the shortcomings of the widely held belief extended by the proponents of economic globalisation through the commodification thesis. It will present evidence supporting the claim that the informal sector in The Gambia is not in demise and as result has come to serve as a significant income provider of majority rural and urban households. This chapter will show that the provisioning of goods and services in Gambian society is largely embedded in the informal sector instead of the global commodified market as proclaimed by the proponents of economic globalisation. It will further unveil some of the practical livelihood coping strategies used by the majority of rural and urban households. The relationship between the government of The Gambia and the informal sector will also be explored in this chapter.

Finally, Chapter 5 will give a summary of the thesis in relation to the research objectives set out in chapter 1 and identify the need for further research. It will also propose a potential way forward in integrating the informal sector as a development pathway in achieving socio-economic growth and sustainable human development.

CHAPTER 2: LITERATURE REVIEW

INTRODUCTION

The general purpose of this chapter is to develop an understanding of the concepts and processes of economic globalisation and the informal economy and to explore their interrelationships in relation to identifying the existence and extent of economic globalisation in the Gambia. This chapter is divided into three main sections. The first section undertakes a review of the general literature surrounding the concept of globalisation as a whole, and economic globalisation in particular. It also focuses on the different perspectives towards globalisation, bringing into perspective the theoretical debates surrounding the concept. Section two undertakes a critical review of the informal economy concept, focusing on its different conceptualisations, forms and debates. This section also makes an assessment of the nature, features and driving forces of the informal economy in The Gambia and the role of civil society organisations in its development trajectory. The third and final section in this chapter critically reviews the relationship between economic globalisation and the informal economy in The Gambia and also the link between the formal and informal sectors.

SECTION 1

CONCEPTUALISATIONS OF GLOBALISATION

Some commentators believe that, for better or for worse, we are being propelled into a global order that no one fully understands, but which is making its effects felt upon all of us (Giddens, 2002). From this perspective, there appears to be a world of uncertainty, of hope and fear, an ever-changing world, which has been constructed by socio-economic, political and cultural forces. The construction of the world by such forces has dramatically compressed time and distance to such an extent that actions, decisions and activities in one corner of the globe have rapid and significant repercussions on people and places on other parts of the globe (Wiseman, 1998). The transcendental homogenization of political, cultural and socio-economic theory plus the ‘destructive leviathan’ and improved material well-being of

humankind (Ohiorhenuan, 1998) are just some of the facets of this global order. This new World order is put into a new ideological framework known as globalisation (Madunagu, 1999; cited in Akindele *et al.*, 2002).

However, Wiseman (1998) reminds us that the concept of globalisation is the most ‘slippery, dangerous and important’ discourse in contemporary thinking, because it has many meanings, and is too often used as a powerful and simplistic justification for the endless expansion of unregulated capitalist relations into every sphere of the globe. To perceive globalisation simply as the homogenisation of economic systems and political ideologies would greatly undermine the development of a critical and comprehensive understanding. This is because globalisation is a multi-dimensional process, which applies to a whole range of socio-cultural, political and economic activities. According to Giddens, the concept of globalisation is a complex set of processes, not a single one, that are political, cultural, and technological as well as economical (Reith Lectures, 1999: Runaway World, 2002). The fact that the globalisation discourse is used in so many different contexts, by so many different people, for so many different purposes with varying intentions, makes it a very fragile and vulnerable concept despite its celebrated status in contemporary academic, political and economic debates and theory. Paradoxically, although globalisation is one of the most talked about phenomenon of the last twenty years (Held and McGrew, 2003), ‘the inevitable wave of the future’ (Daly, 1999), ‘the buzzword of the decade’ (Kellner, 2002), attracting a voluminous body of literature, there is still a lot of conceptual obscurity and ambiguity, misunderstanding and ideological speculation behind its usage. One argument that has been forwarded for such ambiguity is the presentation of globalisation as a concept. Teune (1998) argues that concepts are ideas tagged with terms, which are ‘arbitrarily true’, implying that terms can take up any meaning at any time and for any purpose. Riggs (1981: p. 72) further postulates that ‘anybody has the freedom to use any terms in any way, to elicit emotions and memories, to confuse and deceive, to destroy human achievements, and to facilitate human betterment’. Thus according to this line of explanation, globalisation as a concept is not arbitrarily good or bad, true or false, but takes on any meaning attached to it. To this effect globalisation as a concept can be construed as a theoretical construct that is open to various meanings and inflections and thus may be used as a cover concept to serve or replace discourses such as ‘imperialism or modernization’ (Kellner, 2002). Indeed, globalisation as a concept tends to create a forum for people

to test, validate, and justify their assumptions, interpretations, speculations and understandings of human interactions and systems. As a result, this produces fluid complexity, which eventually leads to intellectual warfare, and ideological speculations. Not only does globalisation as a concept enable people to interpret their own assumptions and suspicions but also opens up their interpretations and assumptions to others' interpretations and speculations. The assumptions of people and interpretations in most cases are often informed by 'extra-mundane as in revelation, experiential happenstance as in dreams, or critical as in literature' (Teune, 1998: p. 6). In the same vein, Scholte (2005: p. 1) informs us that the 'analyses of globalisation tend to remain conceptually inexact, empirically thin, historically and culturally illiterate, normatively shallow and politically naïve [and] although globalisation is widely assumed to be crucially important, we generally have scant idea what, more precisely, it entails'.

Other commentators have defined globalisation as the intensification of economic, political, social and cultural relations across international boundaries (Akindele *et al.*, 2002). In addition, some have gone further to describe it as an evolution, which is systematically restructuring interactive phases among nations, by breaking down barriers in the areas of culture, commerce, communication and several other fields of endeavour (Oluabunwa, 1999). Globalisation as a process seeks to remove all national barriers to the free movement of international capital and resources with the intent of integrating distinct national economies, socio-cultural systems and political ideologies into a homogenous global system. In its endeavour to achieve this aim, it uses interventions such as trade liberalization, free market mobility, commercialisation and the empowerment of trans-national corporations. Given how the conceptual ambiguity brought about by globalisation leaves its mark on intellectual thinking, the next section will focus on the three major schools of thought or perspectives towards globalisation, namely what Held *et al.* (1999) term the sceptics (also known as the traditionalists and anti-globalists); the 'transformationalists' (third wavers); and the 'globalists' (also known as the hyper-globalists or pro-globalists).

PERSPECTIVES TOWARDS GLOBALISATION

The Sceptics' Perspective

The 'sceptics', who in modern day language are branded as 'anti-globalisation', present the argument that globalisation as a new phenomenon, or development is but a myth. In an attempt to describe the sceptics or anti-globalists, Wolf (2004: p. 5-6) observes that,

These members of antiglobalisation.com fall, broadly, into two groups: old-fashioned economic interests on the one hand, and, more importantly today, single-issue, non-governmental organisations, often with mass memberships, on the other. The economic interests include many trade unions, concerned with jobs at home and labour standards abroad; farm lobbies and other producer groups determined to protect their vulnerable economic positions. While no longer the only important groups engaged in lobbying and protest over trade policy, these groups still matter. They also include conservationists and environmentalists, fearful that the liberal world economy will sweep away hard-won domestic regulations or exacerbate perceived global environmental damage; lobbies for development, concerned about the overhang of debt or the devastation allegedly caused by the structural adjustment and liberalisation imposed by the international Monetary Fund and World Bank under the so-called Washington consensus; consumer groups, worried about safety and consumer health; human rights groups, troubled by exploitation and oppression in mainland China, Burma and other parts of the developing world; church groups of all denominations; women's groups; and campaigners for indigenous groups and traditional ways of life.

They argue that the globalists' theory is greatly imperfect or defective and politically naïve since it underestimates the enduring power and capability of nation states to

regulate international and national economic, political and socio-cultural activities. According to this perspective, nation states are still powerful institutions that can play a significant role in influencing the dynamics of global forces.

Hirst and Thompson (1996), who may be viewed as sceptics, argue that the current highly internationalised economy is not unprecedented, as the international economy was more open between 1870 and 1914. For them, the globalists are mistaking internationalisation for globalisation, which are two separate things. They see the world economy as internationalised, rather than globalised, because distinct national economies and companies are still in existence. Furthermore, they also see the internationalised economy as restricted to advanced economies and the triad rather than global, and assert that such internationalisation is taking place within existing structures rather than creating new global ones that go beyond national or international structures. Critically, their claim is that truly transnational corporations are almost non-existent as most companies are nationally based but operate multinationally.

They argue that globalisation as a concept and process is an old wine in a new spherical bottle (Rupert, 2000). Sceptics consider globalisation as a myth which is neither new nor unprecedented but which has a link to the historical process of capitalist development. The sceptics, otherwise known as the traditionalists, believe that globalisation forms part of the pathological expansionist project of capitalism. This argument very much relates to the observation made by Marx and Engels in 1848 in the communist manifesto wherein they argue that

the bourgeoisie cannot exist without constantly revolutionising the instruments of production, and thereby the relations of production, and with them the whole relations of society...the need of a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe. It must nestle everywhere, settle everywhere, and establish connections everywhere.

(Marx and Engels, 1977: p. 224; cited in Rupert, 2000: p. 43)

From this viewpoint, globalisation is not a new phenomenon or a breakaway from the past, but rather a continuation of the past and a representation of the 'ongoing episodic development of the capitalist organisation of production and its historically associated

social reforms' (ibid.). The sceptics perceive the Washington consensus of deregulation, privatisation, *liberalisation*, structural adjustment, economic recovery programmes, and other bilateral pacts and deals, to form part and parcel of the capitalist's agenda to make and maintain existing and new geographical domains and markets in order to maintain capital accumulation. In another observation made by an orthodox Marxist, globalisation is another mechanism designed by the capitalist to internationalise capital, thus allowing the capitalist to 'regroup and develop a series of comprehensive concepts of control by which it could reinforce its hegemonial position both nationally and ...internationally' (Van der Pijl, 1984: p. 13).

The sceptics perceive globalisation as a by-product of the development discourse, which achieved the status of certainty in the social imaginary in the post war era (Escobar, 1995). In this post war era, the development discourse gained popularity and was seen as the key and only instrument for the reconstruction of underdeveloped societies. After the Second World War, Harry Truman an American president of that time initiated the 'Truman Doctrine'. This was meant to solve the socio-economic problems of the underdeveloped nations. This gave rise to the popularity and the inevitability status of the development discourse at that time. The doctrine was characterised by 'high levels of industrialisation, and urbanisation, technicalization of agriculture, rapid adoption of modern education and cultural values' (Escobar, 1995: p. 4). Thus, the development concept in the post war era 'colonised reality' and was used to cover up the American expansionist agenda into new territories and domains in order to maintain their socio-economic hegemony and political ideology. A fine example can be cited from the report that was produced by then the International Bank in 1950. After despatching a team of experts on an economic mission to Colombia in 1949, the International Bank, which is now called the World Bank, produced a report, part of which stated as follows:

We have interpreted our terms of reference as calling for a comprehensive and internally consistent program...the relationships among various sectors of Colombian economy are very complex, and intensive analysis of these relationships has been necessary to develop a consistent picture...this then, is the reason and justification for an overall program of development. Piecemeal and sporadic efforts are apt to make little impression on the general picture. Only through a

generalised attack throughout the whole economy on education, health, housing, food and productivity can vicious circle of poverty, ignorance, ill health and low productivity be decisively broken.

(International Bank, 1950: p. 15; cited in Escobar, 1995: p. 24-25)

This report produced by the team of experts from the International Bank gives an indication of how the development discourse was used as a strategy by the capitalist as a justification to invade new domains, open new markets and reconstruct the socio-economic organisation of nation states. The sceptics argue that like development discourse, globalisation is also another control concept manufactured by capitalism to politically, ideologically, economically, socially and culturally manage and dominate the world. To this effect, the sceptics do not only conceptualise globalisation as a form of capitalist imperialism, but also as a convenient rationale for the implementation of unpopular orthodox neoliberal economic strategies (Hirst, 1997).

The sceptics also argue that if the current socio-economic developments or integration demonstrates anything, then it is “regionalisation” rather than globalisation. They postulate that nation states in the same regions are clustering their economies and fortifying their regional markets from any outside invasion. In other words, nation states in the same regions are strengthening their socio-economic relationships to protect their surroundings. They forward the argument that the so-called homogenous world economy is evolving in the direction of three regions, namely North America, Europe and Asia Pacific (Boyer and Drache, 1996; Hirst and Thompson, 1996b; Ruigrok and Tulder, 1995).

The Globalists’ Perspective

According to the globalists (or who are sometimes called ‘hyper-globalists’) conceptualisation, ‘globalisation is an inevitable development which cannot be resisted or significantly influenced by human intervention, particularly through traditional political institutions, such as nation-states’ (Held, 2000: p. 22). Indeed, this standpoint is often quite economically deterministic with economic changes having political and cultural implications. As Wolf (2005: p. 13) puts it, many globalists see the force of globalisation as powerful, irresistible and desirable which is ‘sweeping

away frontiers, overturning despotic governments, undermining taxation, liberating individuals and enriching all it touches'. Globalists hold the firm belief that the world has undergone and is still undergoing social, political, cultural and structural changes, which cannot be resisted. They see globalisation as a triumph of political liberalism and of unfettered market forces and as likely to strengthen the economic and social basis for the unity of humankind by offering fresh possibilities for new partnerships in the world order (Jinadu, 1999).

This line of argument perceives nation states, which are predominantly the embodiment of authority and power, as powerless institutions that can neither avert, nor significantly influence such changes. Nation-states lose power and influence or even sovereignty because they have to (or choose to) tailor their socio-economic policies to the needs of mobile capital, with consequences for the viability of social democracy or the welfare state, which are curtailed to fit in with the wishes of business interests (e.g. Cerny and Evans 2004; Crouch, 2004; Gray 1996; Strange 1996). To this effect, the globalists or hyper-globalists perceive nation states as institutions sandwiched between powerful local, regional and global networks of governance. They further argue that the process of globalisation is transforming all aspects of contemporary society, politics and economic and cultural activities. The globalists view globalisation as a process that is leading to the decline of distinct national cultures and the proliferation of a more homogenised (or sometimes hybridised) global culture where national differences become less marked as globally people consume culture from around the world rather than exclusively from their own nation (Sklair, 2002; Tomlinson, 1999). According to Martell (2007), this process of cultural homogenisation or hybridisation is facilitated further by global electronic communications, such as the Internet, globalised TV broadcasts, migration and tourism.

This perspective further argues that globalisation is creating economic 'denationalisation', through the establishment of trans-national, financial and trade networks. There is the implied insinuation in this perspective that globalisation is creating one form of economic system by reconstructing local economic systems into a homogenous global economic system, thus converting nation states into economic units or zones. As Strange observes

the impersonal forces of world markets...are now more powerful than the states to whom ultimate political authority over society and economy is supposed to belong...the declining authority of states is reflected in a growing diffusion of authority to other institutions and associations, and to local and regional bodies.

(1996: p. 4; cited in Held *et al.*, 1999: p. 3)

When one takes a careful look at the case of The Gambia and other Sub-Saharan countries in Africa, it becomes very tempting to concur with the globalists' conceptualisation of globalisation. The globalisation process compels countries like The Gambia to open up to international trade, remove barriers to foreign investment, and reduce corporate regulations and taxes, as well as other disincentives to vibrant economic activities in order to be able to grab the benefits offered by globalisation. The deliberate policy factors driving globalisation include the advocacy for and implementation of the new free-market economic order following the collapse of the Bretton Woods system of fixed exchange rates in 1971 (UNDP, HDR 1999).

In The Gambia and most third world countries (including Ghana, Nigeria, Sierra Leon, Costa Rica, Mali, Senegal, and Burkina Faso) tools used for implementing this approach among other things included liberalization and privatization reforms that were embedded in the Structural Adjustment Programmes (SAP) introduced around 1985. The year 1985 witnessed the removal of agricultural subsidies and the privatization of The Gambia Producing Marketing Board (GPMB) as The Gambia moved towards liberal and free market policies. The Economic Recovery Programme (ERP) initiated and supported by the World Bank in supplementing Gambia's efforts towards a free market economy and free capital mobility, led to the eradication of import and export licensing requirements, the liberalisation of foreign transactions, customs tariff reduction and mass unemployment. Paradoxically, like in many other third countries, globalisation had increased The Gambia's demand for social insurance whilst it has decreased its capacity to provide it. The process of globalisation through privatisation and liberalisation reforms led to the removal of agricultural subsidies resulting in expensive agricultural products, which could not compete in the global market, thereby worsening the welfare of The Gambian farmers, the increment of poverty (the lack of means to take care of basic household needs) from 36% in 1992 to 69% in

1998 and the deterioration of social conditions, thus weakening the very foundation for human development. The Economic Recovery Programme implemented by The Gambia saw the high increase rate of infant mortality from ninety-two (92) per thousand for both sexes in 1993 to one hundred and forty-four (144) and one hundred and twenty-two (122) per thousand for males and females respectively in 1998 (HPS, 1998), the retrenchment of workers and the replacement of locally produced oil with cheap imported vegetable oil.

In light of the above, it could be observed that globalisation has reconstructed or reconfigured the socio-economic dynamics and internal management systems of The Gambia. Like many developing countries, poverty studies have revealed The Gambia's inability to breakaway from or influence its current preconditioned state, which is creating socio-economic stagnation and regression. However, the process and dynamics of economic globalisation have produced success stories particularly in China, India and South Pacific Asia. In general, since the 1980s, economic globalisation, supported by deregulation and the IT revolution, together with increasing financial assets, has presented enormous opportunities to Asian economies. Today, much of the success of Asian economies could be attributed to the market-friendly and export-oriented economic policies pursued by the respective governments, taking advantage of the increasingly globalized market. Many Asian economies have strengthened market orientation of their economic policies and institutions, gradually dismantled barriers to trade and investment, and facilitated rapid changes in production and telecommunications technologies. As a result, many Asian economies have been able to grow rapidly and sharply, reduce poverty levels, while achieving a significant degree of integration with the global economy as is revealed by the considerable share of foreign trade in their national economies.

Overholt (2005) observed that China's economic success was facilitated by economic globalisation. Although joining late, China's integration into the global economic system has enabled it to grow its economy very rapidly. Through the process of economic globalisation, China was able to receive \$60.6 billion of foreign direct investment in 2004, whilst its trade increased to 70% of its GDP. The dynamics and process of economic globalisation has enabled China to evolve from Qing defensiveness and Maoist xenophobia to an assimilative cosmopolitanism, thereby not just adapting foreign technology and foreign corporate management techniques, but also a wide variety of foreign institutions and practices, international accounting

standards, British, U.S. and Hong Kong securities laws, French military acquisition system, Taiwan-style regulations for foreign portfolio investment, and Singapore economic development strategy (ibid.). Through the process of economic globalisation, China has experienced an average growth rate of 10% per year from 1980-2001 (World Bank, 2003). In addition, global integration has facilitated China to become the world's fifth largest exporter of merchandise, with a share of 5% of world export, whilst at the same time becoming the world's tenth commercial service exporter.

Another country that has experienced the positive impacts of economic globalisation is India. The Indian economy has undergone an extraordinary transformation since the mid-1980s. The process of economic globalisation has enabled India to decisively break away from the so-called Hindu rate of growth of 3.5% per year on an average for the three decades 1950-80, to 8.7% in 2007-08 to become one of the world's rapidly growing economies. Gradual opening of the Indian economy has proven to be a major success story in the Indian reforms process. It has allowed Indian companies to adjust adequately to be able to compete with the best in the world. The fruits of economic global integration that began in the year 1991 are apparent in the growth rates scaled by the Indian economy. India's GDP growth in each of the last five financial years (including 2007-08) has been more than 7%. Economic reforms initiated in the 1990s have transformed the Indian economy from an inward-looking economy with moderate growth to an internationally competitive, fast growing economy. India's integration into the global economic through globalisation has enabled its service sector to grow from 6.3% in 1980s to 10.6% in 2007-2008. In addition, during 1999-2000 to 2004-05, about 47 million work opportunities were created compared to the previous period where 24 million was created. Employment growth accelerated to 2.62% per annum (ASSOCHAM, 2008). The process of economic globalisation has contributed immensely to the rapid increase in FDI inflows on India's economy for periods 2006-07 and 2007-08. The country received almost USD 25 billion of FDI in 2007-08. Outward FDI took a leap in 2006-07 to record an outward FDI of USD 12.88 billion from about USD 4.9 billion in 2005-06 (ibid.).

For the hyper-globalists, however, it is not just the impacts of economic globalisation that are important. There are also profound impacts of what they view as a process of political globalisation. For the globalists', 'national governments are

relegated to little more than transmission belts or simple intermediate institutions sandwiched between increasing powerful local, regional and global mechanisms of governance' (Held *et al.*, 1999: p. 3). From this perspective, this is particularly true for third world and poverty stricken countries like The Gambia. For instance, in an effort to address its deteriorating economic performance and unsustainable socio-economic condition, The Gambia adopted the Economic Recovery Programme in 1985, which was later followed in 1990 by the Program for Sustained Development, all of which were created by the International Monetary Fund (IMF) and the World Bank.

In addition, The Gambia adopted the Poverty Reduction and Growth Facility (PRGF) programme, which was introduced by the IMF in 1999 to make the objectives of poverty reduction and growth more central to lending operations to its poorest member countries. In 2003, the World Bank issued a report in which it stated that the macroeconomic imbalances of The Gambia had worsened as evidenced by the weak growth performances, high inflation, the sharp depreciation of the exchange rate and an increasing fiscal deficit. Further to this, it also revealed that the monetary growth of The Gambia had been substantially higher than warranted. This made them prop up The Gambian economy temporarily on hold until 'sanity' returns back to The Gambian economic system. In their report, The IMF also recommended that all those who were involved in the financial mismanagement of the government's funds be sacked, which The Gambia government executed. All these happenings indicate the feebleness of nation states like The Gambia to challenge or even influence the global governance of powerful institutions to which globalisation has given birth. The current position of most third world countries like The Gambia has led to their increasing inability to create sustainable human development programmes that would enable the local populations to internalise, participate and take ownership of the socio-economic development of their nation states.

Other than The Gambia, another example that could be cited is the state of Vietnam, which is currently undergoing the process of preconditioning and reconstruction driven by its appetite to join the global market. A traditionally communist state, Vietnam's eagerness to join the global trade pact has compelled it to reach twenty-one bilateral deals with powerful nation states including Japan and the European Union. Before its acceptance into the global trade pact, Vietnam would need to finalise deals with eight more countries including the United States of

America and Australia. In light of the above, Vietnam had begun tentative reforms in its agrarian sector, expanding its 'doi moi' (renovation) strategy to accommodate the liberalization of its international trade and foreign investment policies. In other words, there is the urge for Vietnam to deregulate its markets and adopt free market policies.

To this effect, Vietnam is facing a considerable amount of pressure from powerful members of the World Trade Organisation (WTO) to agree to inconsiderate trade policies that are perhaps not only detrimental to Vietnam's poverty reduction and renovation strategy, but which will arguably defeat the whole purpose of Vietnam's goals of joining the World Trade Organisation (WTO). Such conditions that are been forwarded by powerful and influential member states include indiscriminate liberalisation, dropping of barriers to import, dumping of agricultural products and reduction of its farm subsidies. Among other things, the reconfiguring of Vietnam has led to the phasing out of its "local content" provisions and other performance purposely designed for foreign investors. Despite Vietnam's commitment to accede to all such conditions which cause considerable disruption to its broader development strategy, there still remains a doubt if it would become a member of the World Trade Organisation before mid 2006.

Although these claims and observations may be valid, this may not necessarily be the case for all nation-states. One may also be forced to refute some of the claims forwarded by the globalists (hyper-globalists) and label them as intellectual or theoretical extremism. This is because although some weaker and less influential nation states may be subjected to the domination of global forces, thereby not being able to influence, change or resist the equation created by globalisation, one must also realise that there are more powerful and influential nation states who are involved in the reconstruction of local and regional economies, and also the configuring of socio-cultural systems. Such nation-states are not also bound by the rules of engagement, be they political, socio-economic, environmental, or cultural. Thus one can strongly argue that some nation states still have the power to influence or even avert the dynamics of globalisation. There is evidence to suggest that some nation states still remain the embodiment of power and authority as opposed to the claims of the globalists that nation states are just traditional political institutions that can neither significantly influence nor resist globalisation in this era of 'globality'. However, the power and authority of powerful and influential nation states to influence the dynamics of globalisation does not necessarily originate from their existence as nation

states but from the existence of weaker and poorer nation states and their subjection to domination.

Although the globalists may refute and disagree with the claim that globalisation is a synonym for ‘Americanisation’ or western imperialism, it is clear that globalisation is reconstructing the social organisation of human action based on the interests of powerful and influential nation states, be it directly or indirectly. In addition, the globalists’ claim that globalisation is fundamentally reconditioning, reordering and reconfiguring the framework of human action (Albrow, 1996) by changing or transforming the traditional patterns of socio-economic organisation, territorial principle and power relations becomes a valid claim when one observes countries like The Gambia and Vietnam.

The Transformationalists’ Perspective

In striking a balance between the two extreme perspectives (that is, the globalists and sceptics), another school of thought known as the transformationalists have also developed their own argument centred around the conceptualisation of globalisation. As put by Hay and Marsh (2000: p. 2-3), the transformationalists’ perspective ‘cast[s] a critical and in large part sceptical gaze over some of the often wildly exaggerated...claims made in the name of globalisation’. Also known as the ‘third wave’ they argue that globalisation has brought about a significant shift, resulting in structural and socio-economic changes. As Giddens (1996) puts it, globalisation is conceived as a powerful transformative force, which is responsible for a massive shakeout of societies, economies, institutions of governance and world order. This argument in some respects supports the globalists’ perspective. However the transformationalists also accuse the globalists of overstating the inevitability and irresistibility of globalisation. Thus, the transformationalists do not see globalisation as a myth but as a reality and a central driving force behind the rapid social, economic and political changes that are reshaping modern societies (Castells, 1996; Giddens, 1990; Held *et al.*, 1999; Scholte, 1993).

Rather than seeing globalisation as an inevitable and irresistible process, as in the phrase ‘runaway world’ (Giddens, 2002), and driving other economic, political and socio-cultural processes, they see globalisation as a by-product of political and organisational interaction, capitalism and state or regional interests, which can be

arrested and brought under control. Just like the sceptics, they argue that globalisation is heterogeneous with varying effects in different forms and locations rather than homogeneous and general (Martell, 2007). However, leaning towards a more globalist terrain, transformationalists like Held *et al.* (1999) argue that the process of globalisation involves profound transformative change and is a central driving force behind changes transforming human interaction. They also argue that distinct national economies have become more de-territorialised, global and transitional, which is facilitated by capital mobility across national boundaries through technological innovation.

However, unlike the globalists and the sceptics or traditionalists, the transformationalists also perceive nation states, national and local agencies as institutions that can still play significant roles in both resisting or influencing globalisation and its dynamics. Rather than perceiving nation states as immobilised political institutions whose ultimate power and authority is diminished by global financial and economic institutions and mechanisms, they perceive nation states' powers to be reconstituted and restructured in response to the growing complexity of processes of governance in a more interconnected world (Rosenau, 1997) According to the transformationalists' theory, the consequences of contemporary global interactions are complex, diverse and unpredictable, resulting in their effects being felt unevenly (Held, 2000).

Further, rather than seeing nation states as powerless political institutions whose sovereignty is eclipsed by globalisation, they rather acknowledge that the autonomy of nation states is constrained by forms of trans-national powers and socio-economic and political networks and systems. They underscore that a new sovereign regime is displacing traditional conceptions of statehood as an absolute, indivisible, territorially exclusive and zero-sum form of public power (Held, 1991). In helping our understanding of what sovereignty means in the global era, Keohane (1995; cited in Held *et al.*, 1999: p. 9) observes that sovereignty is comprehended 'less as a territorially defined barrier than a bargaining resource for a politics characterised by complex trans-national networks'.

Although there are of course social, political, technological and cultural dimensions embedded in the concept of globalisation, the focus here is upon the economic aspects of globalisation, usually referred to as economic globalisation, which in recent years has gathered momentum in attracting the attention of a

significant array of commentators and observers including politicians, economists, social scientists, activists, and researchers. As Radice (2000: p. 6) notes, the concept of economic globalisation 'has been a prominent topic among geographers and sociologists as well as economists and political scientists, and is studied within every paradigm, from neo-classical economics to post-modern social theory to realist international relations theory to Marxism'.

THE PANORAMA OF ECONOMIC GLOBALISATION

The theory of economic globalisation presents two major arguments. The first contention is that the advance of technologies of communication and travel, the expanding role of transnational corporations, the progressive opening of many parts of the world to free trade and to the principles of free market, and the growing interconnectedness of financial systems, has created a global economy and market that are highly integrated, thus creating endless opportunities and imperatives for stimulating economic development. The second claim is that as a result of our global interconnectedness and commonality in socio-economic taste and practices, this has led to the rapid and intensive proliferation of global capitalist and profit-oriented corporations, who are now providing the majority of the goods and services we consume in our daily lives (Jones, 2000; Waters, 2001). The theory further goes on to argue that privatisation and the private sector has shown more effectiveness in the allocation of resources, satisfying consumer demands, encouraging and facilitating economic growth than the state and any other institution or system; that liberalisation of trade lowers protection and helps equalise price incentives across national economies, generating static and dynamic benefits; that the deregulation of financial markets promotes competition in the provision of services, while free flowing capital equalises interest rates across the globe and increases overall world income; that liberalised capital flows also help reduce the cost of capital to firms in developing world, increase their access to new technology and management techniques, enable them to diversify their sources of investment and allow firms access to new export markets (Huq and Tribe, 2004).

As briefly outlined in the above section, economic globalisation theory is associated with the increasingly global reach of markets and production and the

homogenisation of market and economic systems into a single global market and economy (Friedman, 2000). Some commentators have further used it to describe the increasing internationalization of financial markets and of markets for goods and services, and also to depict the dynamic and multidimensional process of economic integration whereby national resources become more and more internationally mobile while national economies become increasingly interdependent (Bailey *et al.*, 2000; Friedman, 2000; Hines, 2000; Stiglitz, 2002). In the same vein, Moghadam (2005: p. 35) asserts that economic globalization ‘pertains to deeper integration and more rapid interaction of economies through production, trade, and (unregulated) financial transactions by banks and multinational corporations, with an increased role for the World Bank and the International Monetary Fund, as well as the more recent World Trade Organization’. In his book *Against the Dead Hand*, Brink (2000) defines economic globalisation as follows:

In three distinct but interrelated senses: first, to describe the economic phenomenon of increasing integration of markets across political boundaries (whether due to political or technological causes); second, to describe the strictly political phenomenon of falling government-imposed barriers to international flows of goods, services and capital; and finally, to describe the much broader political phenomenon of the global spread of market-oriented policies in both the domestic and international spheres.

(Cited in Wolf, 2004: p. 14)

Many commentators, social scientists, anthropologists, economists and business executives have come to agree that the theory of economic globalisation is heavily influenced by neoliberal thought, which promotes and ardently believes in the efficacy of markets and market forces (Crouch, 2004; Cerny and Evans, 2004; Giddens, 1990; Gray, 1996; Held *et al.*, 1999; Rosenau, 1997; Scholte, 2005; Strange, 1996). Onyejekwe (2004) elaborates that neoliberalism is the predominant ideology steering economic globalisation, macroeconomic policy and political decision-making. The ideological origin of neoliberalism can be traced back to the free-market (free-trade) ethos of the 18th century economist, Adam Smith who in his book titled *The Wealth of Nations* (1776: p. 1,937) states that individuals naturally want to

improve their lot in life by employing their capital so that its produce may be of highest value. As mentioned earlier in previous sections, the process of economic globalisation promotes the removal of trade barriers to business and also the mobilisation of incentives to encourage capital mobility. Indeed in the economic globalisation thesis, therefore, it is a specific type of commodified economy that is becoming hegemonic and stretching its tentacles wider and deeper across the globe, namely unregulated or 'free market' capitalism composed of hyper-mobile and homeless capital operating in a borderless world. Like neoliberalism, economic globalisation encourages the spread of the capitalist market for the efficient and effective redistribution of resources, even though this may not ensure an equitable redistribution of resource. Neoliberals, who are the key architects of economic globalisation, promote the belief that only markets can bring socio-economic success and that governments' abstinence from the provision and management of goods and services is the only way genuine development can take place. To this effect, the process of economic globalisation involves the use of interventions such as trade liberalization, free market mobility, commercialisation and the empowerment of trans-national corporations. This should come as no surprise because the neoliberal ideology upon which economic globalisation is founded advocates for the rule of the market; that is - liberation of 'free' enterprise or private enterprise from any bonds imposed by the state, (no matter how much social damage this may cause) and greater openness to international trade and investment.

From the neo-liberal perspective of economic globalisation, all must compete in an open 'global' market, where barriers to competition do not exist and where protection should not be given to anyone who wishes to compete in what one might term the 'race for capital accumulation'. To this effect, all protections given to distinct local industries must be removed through a process of 'market deregulation' (Weeks, 2001; Wolf, 2004). This process of market deregulation at a basic level calls for the non-interference of the state in the operation of markets, which is seen by neoliberals as part of the metamorphosis for the creation of a 'free' market economy, where demand and supply are not influenced by state authority but by market forces. In this process also, the state, which is the embodiment of power and authority, should remain dormant and inactive in the affairs of the market and should leave the provision of goods and services in the hands of private individuals who have the capital and investment resources to perform this operation.

However, economic globalisation has gone a step further in advocating that such responsibilities must be left in the hands of capitalist global firms since the process of globalisation has created a 'global village' in which we all now live. In this way, the global village, also referred to as the 'borderless world', will give all the opportunity to compete wherever we want to compete without any forms of restrictions, bias or discrimination (Gray, 1996; Weeks, 2001; Wolf, 2004). This process of market deregulation produces trade liberalisation and market emancipation from government control, which triggers market uniformity thereby enhancing greater market opportunities through the establishment of a bigger and better market. Notwithstanding, the process of deregulation which happens to be a key dimension of economic globalisation also creates a systematic process of re-regulation, wherein deregulated markets and trade systems and regimes are reshaped and transformed into the global market system through conditions designed by agents of neo-liberalism like the World Trade Organisation, International Monetary Fund, and the World Bank. All of these processes argued the neoliberals will promote efficiency through competition and that a global market would offer greater opportunities for people to tap into more and larger markets around the world by creating more capital flows, technology, cheaper imports and labour and larger export markets (Giddens, 1990; Jinadu, 1999; Reich, 1991; Wolf, 2004).

Economic globalisation theory also upholds the belief that for the creation of an efficient marketplace, national corporations, which are run by governments, must be handed down to private individuals or groups of individuals through a process known as 'privatisation'. Privatisation as a process involves elements of denationalization or selling of state-owned assets, deregulation liberalization, competitive tendering, together with the introduction of private ownership and market arrangements (Hartley and Parker, 1991). Commenting on the issue of privatisation and private corporations, Wolf (2004: p. 49) asserts that:

The private corporation is the most extraordinary organisational innovation of the past two centuries...today's economy would be unimaginable without its dynamism and flexibility. The corporation is a hybrid institution: it is hierarchical, but embedded in markets...corporations are crucial to a modern economy...companies are servants of market forces, not their overlords. If they do not meet

the terms of market competition, they will disappear...the corporation is a wonderful institution.

In this way, governments will be restricted from favouring their own corporations at the expense of other corporations. In addition, the neoliberals forward the argument that the competitive nature of the private sector would ensure the continuous provision of goods and services efficiently at competitive prices, thus generating greater customer satisfaction than public sector bureaucracies (Graham, 1997; Hartley and Parker, 1991). They also present the economic argument that by passing over the responsibilities of the public sector to the private sector through privatisation, governments will become economically better off because this will cut rising public sector deficits by reducing the size and cost of the public sector and government expenditure (Elliot and Atkinson, 1999; Talbot, 2001). Privatisation is thus conceptualised by the proponents of economic globalisation as a proactive economic activity that will activate and stimulate the dynamics of economic growth. As a matter of fact they accuse the state for being the number one violator of the conditions required for the effective and efficient functioning of a prosperous market economy (Wolf, 2004). With the process of economic globalisation alienating the state from such responsibilities, neoliberals reduce the role of the state to a very pervasive one. For the proponents of economic globalisation, the state must ensure the

protection of property and management of the government's own finances...the provision of sound money...provision of infrastructure, basic research and merit goods; regulation of competition and of utilities with monopoly power; and internationalisation of externalities, particularly environmental externalities... income redistribution, provision of security and action against discrimination.

(Wolf, 2004: p. 64-65)

Indeed the notion that it is only the free market economy that can catalyse and foster socio-economic growth sits very deep in the theory of economic globalisation. Although any market can be a provider of goods and services, economic globalisation theory and neoliberals promote the existence of a very specific commodified market that is founded on the basis of profit making and that is neither unfettered nor

distorted. With the current wave of economic globalisation speeded by the technological revolution, its proponents have come to establish the belief that economic globalisation is spreading its tentacles wider, faster and deeper into every sphere of the global village and as such is affecting the lives of all. This they further support through the proliferation of transnational, multinational and global corporations, which some commentators have argued are now more powerful than traditional national governments that are the embodiment of sovereignty and authority. Neoliberals argue that this process of economic globalisation has helped reduce poverty and inequality in developing countries including The Gambia (IMF, World Bank, World Trade Organisation, Organisation for Economic Co-operation and Development and the European Union). According to a World Bank paper entitled 'Trade, Growth, and Poverty' (World Bank, 2001), developing countries as a result of economic globalisation have experienced an acceleration of their per capita growth, reaching a population weighted average of five percent (5%) annually in the 1990s. In addition the total number of extreme poor (living on less than \$1 per day measured at purchasing power parity) increased throughout history up to about 1980, but since 1980, globalisation has led to the decline of the extreme poor by two hundred million (200 million). Multinational corporations like Shell Marketing, Microsoft, Nike and Coca-Cola all hail the role economic globalisation is playing in bringing about socio-economic development and fighting against mass poverty in the 'developing world'.

The process of economic organisation will not indeed go unchallenged especially in an era where it is producing winners and losers. Some critics view the process of economic globalisation and neoliberalism as an exploitive system that has and is (still) activating the dynamics of underdevelopment especially in the developing world that also happen to form the majority (Ake, 1996). Those critical of economic globalisation argue that it has imposed heavy constraints on the internal management dynamics of most if not all the polities in the 'developing world' particularly those in Latin America and Sub-Saharan Africa (Ake, 1996; Grieco and Holmes 1999; Madunagu, 1999; Ohuabunwa, 1999; Tandon 1998; Wohlcke, 1993). Akindele et al. (2002) argue that economic globalisation with a neoliberal face has disintegrated and disarticulated the industrial sector of most countries in the developing world, which has been evident in the lack of governments' incentives to encourage local production; subversion of local products through high importation; currency devaluation and the depletion of foreign reserves. In addition, the Human

Development Report (1992) estimated that roughly up to US\$500 billion of market opportunities were denied to countries in the 'developing world' particularly those in Sub-Saharan Africa and Latin America. Some critics have gone further to concentrate on the social inequality that is produced by the process of economic globalisation. One such critic is Ramonet who eloquently notes that:

The dramatic advance of globalisation and neoliberalism...has been accompanied by an explosive growth in inequality and a return of mass poverty and unemployment. The very opposite of everything which the modern state and modern citizenship is supposed to stand for. The net result is a massive growth in inequality...taking the planet as a whole, the combined wealth of the 358 richest people (all of them dollar billionaires) is greater than the total annual income of 45 percent of the world's poorest inhabitants, that is, 2.6 billion people.

(Cited in Wolf, 2004: p. 139)

In a more critical elaboration Waters (2001: p. 35-36) argues that somewhere within the equation of economic globalisation,

A financial-capital oligarchy emerges out of an institutional amalgamation between bank capital and industrial. This provides the mechanisms for an extension of capitalist exploitation beyond national boundaries by means of capital exports. International capitalist monopolies form, dividing the world between themselves economically and, through the agency of the colonial state, territorially...monopolistic firms only give the appearance of being capital exporters when they are in fact net capital importers...they import profits made in colonies which provide for internal capital accumulation...commodities can be imported to the centre at low prices while manufactured goods can be exported at high prices with the difference providing a surplus which returns to the investor and thus makes capital grow. As a consequence, underdevelopment is perpetuated as a pattern of dependency between the colonialist and the colonised.

Economic globalisation, which promotes the idea of worldwide trade through the canon of an unregulated or 'free market' capitalism composed of hyper-mobile and homeless capital operating in a borderless world, is seen by many of its critics as imperialistic in nature. Some argue that economic globalisation throughout the phases of its development has created a binary polarisation of domination, which is characterised in the form of developed/underdeveloped, modern/traditional, core/periphery, industrialised/industrialising, more developed/least developed, first world/third world, north/south, or basically rich/poor (Waters, 2001). They argue that world trade which forms a key component in the equation of economic globalisation is predominantly facilitated by the General Agreement on Trade and Tariffs (GATT) and the World Bank, which are considered as agents of capitalist imperialism founded on the grounds for the promotion of Western trade and economic interests particularly those of America. The promotion of world trade through market deregulation and trade liberalisation is seen as a transfer of primary products from non-industrialised and the industrialising countries to the industrialised nations on conditions designed and determined by the institutions of the industrialised. They achieve this by selling western domination as the universalising process of modernisation (Wallerstein, 1990). The critics argue that trade agreements, such as the FTAA, NAFTA, and CAFTA facilitate international trade, thereby strongly impacting people at all levels of the economic activity. They make trade 'free' for Northern exports without prohibiting the rich countries' protectionist measures that harm Southern competitors. Such agreements tend to slow development in poor countries pulling them deeper into poverty.

Some critics further contest the conceptualisation of market and trade liberalisation as a tool for effective and efficient economic growth (Baldwin, 2003; Soros, 2002; Stiglitz, 2002; Yanikkaya, 2003). They argue that the Washington Consensus is nothing more than 'market fundamentalism' seductively packaged and gravely flawed. Some have even gone to the extent of branding the Washington Consensus as 'economic terrorism'. Huq and Tribe (2004: p. 917) observe that

Liberalising a nation's trade regime only leads to higher growth if a country is in a position to take advantage of new opportunities open to it. In order to benefit from opening its markets, a country must possess

an adequate infrastructure and technological capability, its workers must be sufficiently trained and have skills relevant to the modern economy and it must have proper logistical systems in place. If this is not the case, trade liberalisation may destroy more jobs than it creates when inefficient national firms are forced to compete with their better prepared international counterparts.

Indeed, some commentators assert that the arguments forwarded by Huq and Tribe (2004) seem to be the practical norm of economic globalisation theory. This is because the majority of the developing world, particularly the poor countries, have through the dominance of neoliberal policies liberalised their economies and trade systems, even though such moves prove to be detrimental to their socio-economic development both in the short and long terms. For example, Went (2000) postulates that neoliberal agents like the World Bank and World Trade Organisation propagate the ideas of export-oriented growth, free market, less state sanctioned social welfare, privatisation and deregulation to 'third world' countries as if they all share a common history, hold the same destiny, have the same development agenda and priorities and experience the same problems, through the process of structural adjustment. A critical case that one can cite to support the critics of economic globalisation is that of The Gambia where my research focuses.

Since gaining independence in 1965, The Gambia has tailored its socio-economic policies, both externally and internally devised, to conform to the apparently inevitable and immutable future of economic globalisation. Its endeavour to liberalise its market and economy and eventually become more integrated into the globalisation process (global market/economy) was centred around the neo-liberal premise that a globalised economy and market will contribute positively to national socio-economic development, particularly through job creation, income generation, poverty reduction, expansion of economic opportunities as well as increased participation of people in national planning and decision making (Private Sector & Food Production Report, 2002).

This has resulted in The Gambia undergoing a number of structural adjustments, socio-economic reforms including the devaluation of its currency, the deregulation of its market, trade liberalisation, eradication of agricultural subsidies, curtailment of domestic spending, and the privatization of its public companies and

enterprises to foreign investors (Fyhri, 1998; Sallah, 1990; Sehn, 1992; Touray, 2002; Wadda, 2000). Akindele *et al.* (2002) argue that this has resulted in a decline in production for local consumption, the replacement of local products by imports and currency devaluation. Others point to the socio-economic impacts, including the problems of marginalisation in The Gambia, where 69% of the population live below the national poverty line (NHDR, 1999), 65% of the population remain unemployed, whilst the informal economy takes a share of 92% of the overall Gambian workforce (National Economic Census, 2005), health and education expenditure reductions (National Report on Sustainable Development, 2002), and rises in health service charges (Touray, 2002).

Still focusing on the issue of deregulation and liberalisation, which are considered to be among the pillars of economic globalisation, some critics continue to argue that the promise of economic globalisation or global integration for good economic well-being, wealth and security, is nothing other than a 'manufactured consent', which is about subjugating the majority of the masses to the desires and interests of the few elites (Lukes, 1994). Lakoff (2003) buttresses that voluntary subjugation will not generate resistance since false consciousness render the iron chains that grip the public mind invisible. Such commentators argue that the Washington Consensus present the special interests of the economic elite (businesses like TNCs, MNCs) as the general interest of society, henceforth making their interests seem 'natural', in other words: an act of God (Staats, 2004).

However, despite such numerous challenges to, and criticisms of, economic globalisation, its exponents have claimed its hegemonic status against all other alternatives for economic management and development. The gospel of globalisation through its economic liberalism and success for the developed world has been elevated to the position of absolute truth, a sort of *pensee* unique or single theory against which there is no credible alternative to socio-economic development (AAPS, 1995). The key component for such a claim is embedded in the widespread use of the commodified market system, which they argue, has become 'irreversible', 'irresistible', 'inevitable' and 'all domineering', stretching its tentacles wider and deeper across the globe. The next section focuses exactly on this proposition.

THE HEGEMONY OF THE GLOBAL COMMODIFIED MARKET

Kaul *et al.* (2003) state that economic globalisation is often associated with increased privateness – with liberalisation of economies, the moving of goods and services from the public sphere to the commodified markets, fostering of international market integration and the encouragement of private cross border economic activities such as trade and investment. Economic globalisation strives towards the existence of the ‘global market’ and unfettered market forces. This global market created by the proliferation of TNCs and MNCs and speeded up by the technological revolution is said to have led to the creation of a consumer society, where the majority of the goods and services consumed today are provided by such capitalist corporations on the basis of profit making. Some of the exponents of economic globalisation even argue that the global commodified market has become pervasive in our daily lives and is leading to the eradication of all other systems and forms of delivering goods and services (Carruthers & Babb, 2000; Ciscel & Heath, 2001; Gudeman, 2001; Rifkin, 2000). Some commentators underscore that this economic responsibility of providing goods and services can and is usually perform by separate institutions- namely; the ‘state’, the ‘commodified market’ and the ‘community or civil society’ (or what some call the public sector, the private sector and the third sector) (Gough, 2000; Giddens, 1998; Kaul *et al.*, 2003). This has resulted in the proclamation that the commodified market has been given a hegemonic status, which according to neoliberals cannot be questioned because it is a natural phase in the evolution of human advancement. This has led to comments such as ‘the marketplace is a pervasive force in our lives’ (Rifkin, 2000: p. 3); ‘markets are subsuming greater portions of everyday life’ (Gudeman, 2001: p. 144); that capitalism is transforming ‘every human interaction into a transient market exchange’ (Ciscel & Heath, 2001: p. 401); and that there has been ‘the near-complete penetration of market relations into our modern economic lives’ (Carruthers & Babb, 2000: p. 4).

The outcome is a belief that our systems of production and consumption of goods and services are systematically monetised and confined within the boundaries of a hyper-mobile and borderless global market, which is operated by global capitalist corporations on the basis of profit maximisation. This is based on the neoliberal notion that the process of economic globalisation has deregulated and removed all

forms of market protectionism offered to local industries who in no way can compete with the might and power of the global ‘giants’. To this effect, this homogenised and versatile commodified market is the one and only, which incorporates only monetised economic and market activities and leaves no space for non-monetised or non-commodified monetised activities. Where such non-monetised market activities are said to be in existence, it is just a matter of time before the ‘almighty’ forces of economic globalisation eradicate them, replacing them with the ‘irresistible’ and ‘unchallengeable’ commodified market. This process of commercialisation or marketization according to some commentators has become a near universal belief, which has claimed hegemony over all other forms of economic systems (Williams and Windebank, 2003). In his book *A Commodified World?*, Williams (2005) refers to this theory as the ‘commodification thesis’. He elaborates that,

the term commodification thesis is used as shorthand for the process by which goods and services are increasingly produced and delivered by capitalist firms for monetised exchange for the purpose of profit. Commodified work, therefore, is composed first of goods and services produced for exchange; second of monetised exchange; and finally of monetised exchange for the purpose of profit.

(Williams, 2005: p. 14)

The commodification thesis also forwards the proclamation that since the commodified global market is hegemonic, having spread its tentacles wider and deeper into our ‘global village’, states which are still performing the economic responsibility of the commodified market, are transitioning into a free market system which eventually will compel them to pass down the market responsibility to the commodified global market because such states will no longer be able to sustain such a responsibility in the presence of intense global competition where the only survivors will be the fittest. Thus, for the exponents of the commodification thesis, the commodified market is not only one of many forms of provisioning goods and services in our contemporary ‘global village’. Rather, it is the ‘only’ mode of delivering goods and services in our consumerist society. As a matter of fact, the compelling dynamics of the commodified global market are used as criteria for determining who is advance/developed/industrialised and who is

developing/underdeveloped/backward. Those who are said to be embracing the offerings of the commodified global market are said to be 'developed' and 'advanced', whilst those who partially heed to the religion of the commodified market are said to be 'developing' or branded the 'third world'. In the same vein, those states who are transforming into the free market are considered to be the transition economies. Thus for the proponents of economic globalisation theory, the commodified market forms a key component in the attainment of global integration, because it is only through this process that we can spend money on the goods and services that we consume, hence reducing the burden of expenditure on the state.

Indeed, this proclamation of the supremacy of the global commodified market against all other forms of market systems has not gone unchallenged. Some commentators posit that this equation does not reflect reality and is just a desired state of being (Gramsci 1971; Lukes, 1994; Staats, 2004; Williams, 2005). They argue that this preposition is just another 'manufactured consent' (Gramsci, 1971; Staats, 2004). Gramsci (1971) elaborates that manufactured consent is the most effective means of exercising power and involves the subjugation of reality to false consciousness. They are also suspicious that the commodification thesis is just one of many items on the hidden agenda of the neoliberals, which aims at aligning all other alternatives and sectors of society within the realm of the commodity market, thus instilling the belief in people that the phenomenon is natural and right. On the other hand, Williams (2005) sees the hegemony of the commodified market as a 'fatalist acceptance', which is heavily under-substantiated. In the process of putting the commodification thesis under the spotlight, Williams (2005: p. 16-23) makes the following observation:

In contemporary thought, few ever raise an eyebrow when this type of economic logic is mentioned. After all, such a process of commodification is widely accepted. Capitalism, it is commonly believed, is extending its reach ever more widely and deeply into economic life. The widespread view is that profit-motivated monetised exchange is slowly and steadily replacing non-commodified economic practices...given the overwhelming dominance of this belief that a commodification of the advanced economies is taking place, one might think that there would be mountains of evidence to support such a stance...yet one of the most

worrying and disturbing findings once one starts to research musings on this subject is that hardly any evidence is ever brought to the fore by its adherents either to show that a process of commodification is taking place or even to display the extent, pace or unevenness of its penetration.

To believe that the commodity market is all domineering and hegemonic according to some commentators just beats the human imagination since research has demonstrated that the commodified market is not as pervasive as preached by neoliberal populist commentators (see Williams and Windebank, 2003; Williams, 2005). Most importantly, alternatives such as the informal sector, civil society and the ‘third sector’ are taken to be real contenders in the provisioning of goods and services. These non-commodified modes of goods and service delivery are said to be very active and not demising. As eloquently put by Comelieu (2002: p. 68) ‘no modern organisation of the economy is based purely on the market. Always the market is combined with various types of collective intervention- by public bodies, associations and so on’. However, in much more detailed elaboration, Bourdieu (2001: p. 280-281) reminds us that:

It is in fact impossible to account for the structure and functioning of the social world unless one reintroduces capital in all its forms and not solely in the one form recognised by economic theory. Economic theory has allowed to be foisted upon it a definition of the economy of practices which is the historical invention of capitalism; and by reducing the universe of exchanges to mercantile exchange, which is objectively and subjectively oriented toward the maximisation of profit...it has implicitly defined the other forms of exchange as non-economic, and therefore disinterested. In particular, it defines as disinterested those forms of exchange which ensure the transubstantiation whereby the most material types of capital – those which are economic in the restricted sense – can present themselves in the immaterial form of cultural capital or social capital and vice versa.

CONCLUSIONS

This part of the literature review has clearly focused on the conceptualisation of globalisation with attention being paid to the theory and process of economic globalisation. The concept and process of globalisation although widely discussed in contemporary academic literature has yielded little understanding in terms of definition. Globalisation has proved to be a nebulous concept usually generating different interpretations and attracting wild unsubstantiated speculations, ambiguities and suspicions. To display this, the different conceptualisations of globalisation have been here reviewed, namely the globalist, sceptic and transformationalist perspectives. The globalists view globalisation as an inevitable and irresistible process of development which can neither be influenced nor changed by human action, and also a process where national economies are much less significant or even no longer in existent because of the role of capital mobility, multinational corporations and economic interdependency (Albrow, 1996; Ohmae, 1995; Reich, 1991). However, their conceptualization of globalisation is seen by those in the second and third waves as having exaggerated the extent of globalisation, and as having argued for globalisation in an abstract and generalising way which does not account sufficiently for empirical evidence or for unevenness and agency in processes of globalisation (Hay and Marsh, 2000; Held *et al.* 1999; Hirst and Thompson, 1996). Meanwhile, the sceptics argue that globalisation is a necessary myth designed by neoliberals to make a continuation of the capitalist exploitative system (Hirst and Thompson, 1996; Rupert, 2000). For them, the process globalists call globalisation is more of internationalisation. The third wavers or transformationalists on the other hand argue that there is a single global system in which all societies are enmeshed, something that appears to differ from the sceptic position that much significant activity in the international economy is concentrated in the triad of Japan, the EU and North America, with some NICs up and coming into this sphere of influence, and other parts of the world much less integrated (Held *et al.*, 1999). They also argue that the nation state is not weak and can significantly bring the dynamics of globalisation under control. According to Held *et al.* (1999), one difference between the transformationalist and sceptical positions is that the former recognise the

multidimensional, contingent, contradictory nature of the world and its uncertain direction whereas the latter see it as singular and linear and with a given end-state.

In a more specific engagement, I have critically explored the phenomenon of economic globalisation and how it is masticated with the neoliberal doctrine. Here the theory of economic globalisation is put under a critical spotlight together with a metamorphosis of the commodification thesis, all of which argue that the global commodified market is hegemonic and pervasive in our day to day coping strategies, and how most of the goods and services consumed are produced and delivered through a monetized exchange system. I have gone on to show some of the counter arguments and how such proclamations are said not to reflect reality. Some of the critics have identified other forms and modes of provisioning goods and services, which are non-commodified and non-profit, oriented, including those of the community, civil society and the third sector. The next section will focus more in detail on the informal sector, which combines both the economic, cultural and social spectrums of goods and service delivery, with particular attention paid to The Gambia.

SECTION 2

THE INFORMAL ECONOMY

This section undertakes a review of the general literature surrounding the concept and process of the informal economy. It starts by evaluating the contextualisation and conceptualisation of the informal economy. It reviews the different definitions of the informal economy and then assesses and contrasts the various views. In doing so it develops a definition of the informal economy appropriate to The Gambia, highlighting its key features and the forces driving its development.

REVIEWING THE CONCEPT OF THE INFORMAL ECONOMY

In the mid 1950s, Arthur Lewis elaborated a theoretical model of economic development premised on the twin assumptions that there was an unlimited supply of labour in most developing countries and that, as the modern industrial sector in these

countries grew, this vast pool of surplus labour would be absorbed (Lewis, 1954). During the 1950s and into the 1960s, the Lewis model of economic development, reinforced by the successful rebuilding of Europe and Japan and the expansion of mass production in Europe and North America after World War two, dominated the economic discipline and development perspectives more broadly. It was widely assumed that with the right mix of economic policies and resources, poor traditional economies could be transformed into dynamic modern economies. It was also widely assumed that, in this process, the informal sector would gradually be absorbed into the formal economy.

In the twentieth century, capitalism took the specific form of being organised through the nation-state. National capitalism was the attempt to manage markets and money through central bureaucracy (Hart, 2001). Its antithesis, the informal economy, a term that originated in the early 1970s, began as a way of conceptualising the unregulated activities of the marginal poor in Third World cities and over time became recognised as a universal feature of modern economy. It is the independence from state rules that unites practices as diverse as home improvement, street trade, squatter settlements, open source software, illegal drugs trafficking, political, and offshore banking.

Welfare-state democracy was sustained by macroeconomics (a term often associated with Maynard Keynes), which meant that only the state could regenerate a damaged market economy. The economic boom of the 1950s and 1960s depended on the coordinated efforts of the leading industrial states to expand their public sectors. This all began to unravel in the stagflation of the 1970s (Hart, 2001). The neo-liberal conservatives who dominated politics in the last quarter century sought to counter inflation with sound money and to release the potential of the market by getting the state off its back. However, their policies often combined privatisation with a strengthening of state power. In the process they began to dismantle twentieth century social democracy (Hart, 2007).

The idea of an informal economy has run as a submerged commentary on these developments. It came out of the lives of Third World city dwellers, whose lack of money made them about as conventionally poor as it was possible to be. By the 1970s it became clear that development was a pipe-dream for Third World countries especially those in Sub-Saharan Africa. Hart (2001) observed that around this time, populations had exploded, cities were growing rapidly, mechanisation was weak,

productivity in predominantly agricultural economies remained low, and the gap between the rich and the poor was getting ever bigger. The consensus was that the only institution capable of mobilising economic resources was the state. Marxists and Keynesians both agreed on this, whilst free-market liberals had no effective voice at this time (Hart, 2007). The malaise was conceived of as ‘urban unemployment’. Sub-Saharan African economies were supposed to deliver jobs, but, in the absence of machine-based industries, employment creation was left largely to the only economic agent of any significance; public bureaucracy. The number of corporate firms offering jobs in Sub-Saharan Africa was small. Economists conjured up figures of 50% unemployment and more. The spectre of the 1930s – broken men huddling on street corners (buddy, can you spare a dime?) dominated the development discourse (Hart, 2007).

Urban sprawling cities in Sub-Saharan Africa were populated with constantly shifting crowds of hawkers, porters, taxi-drivers, beggars, pimps, prostitutes, pickpockets, vendors, hustlers – all getting by without the benefit of a real job or formal employment. Terms like underground, unregulated, hidden, black and second economies were used to refer to these practices. The best account was Clifford Geertz’s of the contrasting face of Indonesian entrepreneurship and especially of the ‘suq’ or bazaar (1963). In his account, Clifford observed that the majority of a Javanese town’s inhabitants were occupied in a street economy that he labelled as the ‘bazaar-type’. According to him, the ‘firm-type’ economy largely consisted of western corporations who benefited from the protection of state law. These had form in Weber’s (1981) sense of rational enterprise, being based on calculation and the avoidance of risk. National bureaucracy lent these firms a measure of protection from competition, thereby allowing the systematic accumulation of capital. The bazaar-type sector on the other hand, was individualistic and competitive, so that accumulation was well-nigh impossible. In this account, he further identified a group of reform muslim entrepreneurs who were rational and calculating enough but who were denied the institutional protection of state bureaucracy granted to the existing corporations. In his later work on the Moroccan suq, he observed that modern economics used the bazaar model to study the decisions of individuals in competitive markets, while treating as anomalous the dominant monopolies protected by state regulations. The antithesis of the state-made modern economy was later coined in academic literature

by Keith Hart, a social anthropologist, in 1971, after completing a successful research mission in Sub-Saharan Africa, Ghana.

A decade later and in the context of growing unease over Third World urban unemployment, Keith Hart (1973, based on a conference paper of 1971) argued that the masses who were surplus to the requirements for wage labour in African cities were not 'unemployed' but rather were positively employed, even if often for erratic and low returns. He proposed that these activities be contrasted with the 'formal' economy of government and organized capitalism as 'informal income opportunities'. Moreover, he suggested that the aggregate inter-sectoral relationship between the two sources of employment might be of some significance for models of economic development in the long run. In particular, the informal economy might be a passive adjunct of growth originating elsewhere or its dynamism might be a crucial ingredient of economic transformation in some cases. Hart's (1971) anthropological study was focused on Ghana's working poor who were living in the urban suburbs. In a paper that he presented at a Sussex conference in 1971 on 'Urban employment in Africa', Hart (2007: p. 25) described his experience of Ghana's informal sector as follows:

They worked, often casually, for erratic and generally low returns; but they were definitely working. What distinguished these self-employed earnings from wage employment was the degree of rationalisation of working conditions...formal incomes came from regulated economic activities and informal incomes, both legal and illegal, lay beyond the scope of regulation. I did not identify the informal economy with a place or a class or even whole persons. Everyone in Accra, but especially the inhabitants of the slum where I lived, tried to combine the two sources of income. Informal opportunities ranged from market gardening and brewing through every kind of trade to gambling, theft, and political corruption...

In Sub-Saharan Africa, however, planned economic development did not create enough modern jobs to reduce unemployment or erode the informal sector. By the mid-to-late 1960s, optimism about economic prospects began to give way to concerns about persistent widespread unemployment. The formal/informal dualism and some of the thinking behind it received immediate publicity through its adoption in an

influential ILO (1972) report on incomes and employment in Kenya, which elevated the ‘informal sector’ to the status of a major source for national development by the bootstraps, as it were. This was enough to encourage legions of researchers to adopt the term. Reflecting this concern, the International Labour Organisation (ILO) mounted a series of large multidisciplinary employment missions. The first comprehensive ILO employment mission to Sub-Saharan Africa (Kenya in 1972) observed that not only was the informal sector persisting, but also expanding, and that it was not confined to marginally productive activities but also included profitable and efficient enterprises (ILO, 1972). It was also found that informal sector activities were largely ignored, rarely supported, often unregulated and sometimes actively discouraged by policy makers and governments (Bangasser, 2000). The ILO mission to Kenya also suggested that self-employment or informal incomes might reduce the gap between those with and without jobs and so could contribute to a more equitable income distribution, noting the sector’s efficiency, creativity and resilience.

Before long a substantial critique of the ‘informal sector’ concept had emerged. Marxists claimed that its proponents mystified the essentially regressive and exploitative nature of this economic zone, which they preferred to call ‘petty commodity production’. The study of Third World urban poverty rapidly became a new segment of the academic division of labour; as a key term in its discourse, the informal economy attracted an unusual volume of debate (Bromley, 1978). Later, sociologists applied the term to so-called ‘advanced’ societies (Pahl, 1984).

Some key observations of the informal economy concept have also come from Latin America, where a significant number of commentators have tried to generate an understanding of this phenomenon. One such commentator is Hernando De Soto, who argued that Peru was a mercantilist state whose over-regulated and impenetrable national bureaucracy excluded the vast majority from effective participation in development. According to him, the latter were an entrepreneurial peasantry flocking in ever-larger numbers to the main cities. They were forced to operate informally, that is, outside the law, in sectors such as housing, trade and transport. Later, he portrayed poor countries like Peru as being trapped in a world economy dominated by the first industrial nations (De Soto, 2000).

The idea of an ‘informal economy’ is entailed by the institutional effort to organize society along formal lines (Hart, 2006). ‘Form’ is *the rule*, an idea of what ought to be universal in social life; and for most of the 20th century the dominant

forms have been those of bureaucracy, particularly of national bureaucracy, since society has become identified to a large extent with nation states. This identity may now be weakening in the face of the neoliberal world economy and a digital revolution in communications. The popularity of the 'informal economy' as a jargon phrase has not helped it acquire a measure of analytical precision. For many it is a convenient name for an unambiguous empirical phenomenon – what you find in the slums of Manila, which unfortunately results in it being viewed as a marginal phenomenon existing only in the peripheries. Others refer to size (large-scale–small-scale), productivity (high–low), visibility (enumerated–unremunerated), pattern of rewards (wages–self-employment), market conditions (monopoly–competitive) and much else. Hart (1973), like Geertz, explicitly derived his analysis from Weber's theory of rationalization. Much that goes on in developing countries today is only marginally the product of state regulation: it is thus 'informal' relative to the forms of publicly organized economic life. This is a qualitative distinction.

Castells and Portes (1989) underscore that the concept of the informal economy simultaneously encompasses flexibility and exploitation, productivity and abuse, aggressive entrepreneurs and defenceless workers, libertarianism and greediness. They identify the informal sector as 'not a set of survival activities performed by destitute people on the margins of society...[although] some activities in the informal sector may derive from the desperate need of a worker to obtain the means of subsistence for his or her family...' (Castells & Portes, 1989: p. 12). Departing from the notions of economic dualism and social marginality, they conceive the informal economy as not an individual condition but a process of income-generation characterised by one central feature: that is; 'it is unregulated by the institutions of society, in a legal and social environment in which similar activities are regulated' (ibid.). They further argue that any change in the institutional boundaries of regulation of economic activities produces a parallel realignment of the formal-informal relationship. For instance, in an ideal market economy with no regulation of any kind, the distinction between formal and informal would lose meaning since all activities would be performed in an informal manner. Similarly, in a situation where economic activities are highly institutionalised in a society and the more actors try to escape this institutionalised phenomenon, the sharper the divide between the formal and informal sectors.

Meanwhile the concept and scope of the informal sector has come to be associated with those who operate in it. For instance the informal sector is recognised in the form of the street vendors in Mexico City, push-vendors in New York City, rickshaw pullers in Calcutta, jeepney drivers in Manila, garbage collectors in Bogota, street hawkers in Accra, and roadside barbourers in Durban. These groups of people are often seen as the most visible groups associated with the informal sector. They are usually found on the streets of cities, towns and villages of most developing countries and in many developed countries. In the developing world particularly in Sub-Saharan Africa, streets and local markets are littered with waste recyclers, vendors of vegetables, meat, fish, snack-foods, and a myriad of non-perishable items ranging from locks and keys, to soaps and detergents, to clothing and other small household items. The informal sector is also recognised by more subtle and less visible groups of workers and activities including small shops, workshops, and street corners. Down the crowded lanes of most cities, towns and villages are small workshops that repair bicycles and motorcycles manned by local mechanics, recycle scrap metal, make furniture and metal parts, tan leather and stitch shoes, and weave, dye and print clothes.

However, since the discovery of the concept of the informal sector in Africa in the early 1970s, there have been numerous debates in development circles over the past three decades. Since its introduction in development circles, many observers have grown to uphold the notion that the informal sector was marginal or peripheral and not linked to the formal sector or to the modern capitalist development. They believed that the informal sector in Kenya, Ghana, The Gambia and most developing countries would disappear or be eroded once sufficient levels of economic growth and modern industrial developments were achieved. Some observers on the other hand believed and stressed that industrial development and economic development could be taking a different pattern in developing countries – including the expansion of informal economic activities.

As a result of such debates, the literature on the informal economy has avoided a common usage and has instead offered a plethora of appellations including ‘black market’, ‘the criminal underworld’, ‘the world turned-upside down’, ‘the underground economy’, an ‘alternative’, ‘shadow’, ‘parallel’, ‘clandestine’, and ‘household’ economy (Feige, 1989; Charms, 1990; Gerxhani, 2004; Harding & Jenkins, 1989; Smithies, 1984). In The Gambia, it has come to be known as the ‘domestic economy’

(Action Aid The Gambia, 2005). This profusion of vague labels attests to the confusion of a literature attempting to explore a largely un-chartered area of economic activity. Whereas some hold the notion that the informal sector is a leftover of pre-capitalist social formations, others such as Williams & Windebank (1998), argue that despite the existence of capitalist activities (economic restructuring, market deregulation, and foreign direct investment), the informal sector remains a large, vibrant and growing sphere of economic activity. The subsequent rise in interest on the informal economy has given rise to three different conceptualisations or perspectives, namely; the ‘legalists’, the ‘dualists’ and the ‘structuralists’.

SCHOOLS OF THOUGHT ON THE INFORMAL ECONOMY

As stated, the theoretical literature on the informal economy can be categorized into three well-known approaches: the dualist, Structuralist, and Legalist schools (International Labour Office, 1972; De Soto, 1989; Portes *et al.*, 1989). Each is here outlined in turn.

The Dualist School

The Dualist school views the informal economy as a separate market that is not related to the formal economy. In this view, the role of the informal economy is to provide income and a ‘survivalist’ safety net for the poor (International Labour Office, 1972). The dualist school argues that the informal economy arises as a result of the failure of formal economic growth to absorb the entire labour force. Policy recommendations tend to be about promoting the relations between the formal and informal economies, and stress increasing productivity in the informal economy. The ILO (1972), for example, actively encouraged government support through capital subsidies to the informal economy.

The Structuralist School

The structuralist school of thought is based on the idea that the structure of the economy, as determined by its history, institutions, and political context, makes

certain structures more likely than others. As a result, the structuralist school views the informal economy as subordinate to the formal economy (Portes et al., 1989). The structuralist school argues that capitalists in the formal economy reduce their labour and capital costs by subordinating small informal producers and traders, so becoming more competitive. Policy recommendations tend to target changing the institutional framework and political context in which the informal economy operates.

The Legalist School

The Legalist school views the informal economy as a rational response to over-regulation in the formal economy. Informal entrepreneurs find it impossible to comply with the bureaucratic procedures government puts in place; by operating in the informal economy small-, medium-, and micro-enterprises can avoid government regulation and bureaucracy, so reducing costs and increasing wealth creation (De Soto, 1989). Contrary to the approach adopted by the ILO, De Soto recommends that governments adopt a *laissez-faire* attitude to the informal economy, as this arises, in the first place, through excessive regulation.

According to Chen, Jhabvala & Lund (2001), when one examines the debate over the links between the informal and formal economies there is a tendency to merge the distinction between non-wage (working within the household) and wage-informal work. For instance, the structuralist school primarily focuses on the relationship between wage informal work and key economic factors while acknowledging the role of government in regulating the relationship. On the other hand, the dualist school focuses on the non-wage work and on the lack of any relationship with the formal economy or the formal regulatory environment. This distinction suggests that, contrary to what the dualist school maintains, there is indeed a relationship between the informal and formal economies (Schaefer, 2001). If it is accepted that all types of informal work (both non-wage and wage) need to be considered, there is a clear relationship between informal workers and formal businesses. For example, there are the street hawkers who sell on commission for formal businesses, and there are temporary workers who subcontract for formal businesses.

However, despite the high interest and widespread recognition of the importance of informal activities, there remain considerable ambiguities concerning the precise nature of the phenomenon. Different authors addressing different questions have employed a variety of alternative definitions of the informal economy and this has led to the criticism that it is "an exceedingly fuzzy concept" which "obscures analysis of central issues and is counterproductive" (Peattie, 1987).

According to Chen *et al.* (2002), the term 'informal sector' is invoked to refer to street vendors in Bogota; rickshaw pullers in Hanoi and Calcutta; garbage collectors in Cairo; home-based garment workers in Manila, Madeira, Mexico City, and Toronto; and home-based electronic workers in Leeds, Istanbul, and Kuala Lumpur. Some observers feel the sector is simply too varied or heterogeneous to be meaningful as a concept (Peattie, 1987). Despite its heterogeneity, the informal economy can be usefully and meaningfully classified in either of two ways: by those who work in it (the workforce) or by the activities which take place in it (economic units). Some observers, including the international network WIEGO (Women in Informal Employment: Globalising and Organising), recommend a broader employment based definition of the informal sector. This definition would include a) all employers of informal enterprises; b) all self-employed persons, except self-employed professionals and technicians; and c) all wage workers who work without minimum wage, assured work, or benefits, whether they work for formal or informal firms (including employees of informal firms, domestic workers, casual workers, home workers, temporary and part-time workers, and unregistered workers).

THE PAID INFORMAL ECONOMY

The concept of the paid informal sector has travelled a long distance since its first use in 1972 by an ILO mission in Kenya. This mission used the term 'informal sector' to denote a wide range of tiny economic units working in production of goods and services but whose activities were not recognized, recorded, protected or regulated by public authorities. These units primarily existed as a source of employment for survival. Several efforts and attempts were made by economists, anthropologists and social scientists thereafter to define the paid informal sector, and in 1993 the Fifteenth International Conference on Labour Statistics (ICLS) adopted an

international statistical definition of the informal sector that was subsequently included in the revised international system of National Accounts (SNA 1993). In order to obtain an internationally agreed definition of the paid informal sector, which was acceptable to labour statisticians as well as national accountants, the informal sector was defined in terms of characteristics of production units (enterprises) in which the activities take place, rather than in terms of the characteristics of the persons involved or of their jobs.

According to the Fifteenth International Conference of Labour Statisticians (ICLS), informal sector enterprises are (1) private unincorporated enterprises, i.e. enterprises owned by individuals or households that are not constituted as separate legal entities independently of their owners, or for which no separate financial accounts are available, (2) all or at least some of the goods or services produced are meant for sale or barter, (3) the employment is below a certain threshold limit determined by the national circumstances or legislations, and (4) are engaged in non-agricultural activities (by definition, agriculture is included in the informal sector). Informal enterprises operating in the informal sector include not only production units, which employ hired labour, but also production units that are owned and operated by single individuals working on own account as self-employed persons, either alone or with unpaid family members. The activity may be undertaken inside or outside the enterprise owner's home, and they may be carried out in identifiable premises, un-identifiable premises or without fixed locations. Accordingly, self-employed street vendors, taxi drivers, home-based workers, etc. are all considered enterprises.

It was felt, however that this enterprise-based definition is likely to miss out certain forms of informal employment observed under the increasing informalisation in several countries. This informal employment would be of persons engaged in very small scale or casual activities, single person own account enterprises, or other non standard or precarious employment. Similar problems may arise in respect of persons, whose activity is at the borderline between self-employment and wage employment, such as outworkers, sub-contractors or free-lancers, as it is difficult to identify such workers as enterprises. For example, people engaged in cooking and selling food on the streets, domestic workers, gardeners, watchmen etc are likely to be excluded from the 1993 ICLS definition of informal sector. It was therefore concluded that the definition and measurement of employment in the informal sector needed to be

complemented with a definition and measurement of informal employment (CSO/India, 2001).

The concept of informal employment is considered to be relevant not only for developing and transition countries, but also for developed countries, for many of which the concept of informal sector is of limited relevance (Husmanns 2003). A part of the growing informalisation of employment may be attributed to the globalization process of the economy. This is because enterprises tend to respond to competitive pressure by resorting to mixed mode labour arrangements, in which observance of labour regulations for some workers is combined with the use of non standard, a-typical, alternative, irregular, precarious etc. types of labour or various forms of subcontracting. The Seventeenth ICLS defined the paid informal sector as comprising the total number of informal jobs, whether carried out in formal sector enterprises, informal sector enterprises, or household during a given reference period. Thus the enterprise-based concept of employment in the informal sector is broadened to cover the total informal employment in an economy.

The Delhi Group was one of the “city groups” set up by the UN Statistical Commission. It was meant to develop the concept and measurement of informal sector. It developed a conceptual framework for defining informal employment in a two dimensional matrix: type of production unit and type of job. Type of production unit was defined in term of legal organization and enterprise related characteristics while type of job was defined in terms of status in employment and other job-related characteristics. Production units were classified into (1) formal sector enterprises, (2) informal sector enterprises and (3) households. *Formal sector enterprises* consisted of corporations, non-profit institutions and un-incorporated enterprises owned by government units and those private un-incorporated enterprises producing goods and services for sale or barter which was not a part of the informal sector. *Informal sector enterprises*, as seen above, are private un-incorporated enterprises, which produce at least some of their goods or services for sale or barter, employ less than a specified number of employees, do not maintain complete books of accounts and are not registered. *Households* as production units were defined as households producing goods exclusively for their own final use (for example, subsistence farming, do-it yourself, construction of own dwellings), as well as households employing paid domestic workers (for example, maids, laundresses, gardeners, watchman, driver etc.). As per the Production Boundary of the 1993 SNA, households producing unpaid

domestic or personal services for their own final consumption are excluded from informal employment.

Jobs are classified according to status in employment and according to their formal or informal nature. The five categories of status include (1) own account workers, (2) employers, (3) contributing family workers, (4) employees and (5) members of producers' cooperatives. As is known, these categories are based on ICSE (International Classification Status of Employment), 1993. The basis for distinguishing informal jobs is that they are outside the framework of regulation either because the enterprises in which the jobs are located are too small and are not registered; or because the employment relationship is, by law and in practice, not subject to standard labour legislations, taxation, social protection or entitlement to certain employment benefits like severance pay, paid annual leave, sick leave etc.

This conceptual framework is presented in the chart below. The cells, which are shaded in blue, refer to jobs that by definition do not exist in the types of production unit in question. The rest of the cells indicate as follows:

- Cells shaded in green, refer to formal jobs. For example, formal jobs by formal employees, formal employers and formal own account workers are all formal employment. Also, formal job of members of producers cooperatives are included in formal employment. In addition, formal employees engaged in household enterprises are also to be covered under formal employment.
- The remaining cells, the un-shaded cells, represent various types of informal jobs:
 - Own account workers employed in their own informal sector enterprises (Cell 3). The informal nature of their job follows from the characteristics of the enterprise.
 - Employers employed in their own informal sector enterprises (Cell 4). The informal nature of their job follows from the characteristics of the enterprise.
 - Members of informal producers cooperatives (Cell 8). The informal nature of their job follows directly from the characteristics of the cooperatives of which they are members.
 - Contributing family workers, irrespective of whether they work in formal or informal enterprises (Cells 1 and 5). Contributing family workers do not

have explicit, written contracts of employment, and usually their employment is not subject to labour legislation, social security legislation etc.

- Employees holding informal jobs in formal sector enterprises, informal sector enterprises or as paid domestic workers employed by households (Cells 2, 6 and 10). Employees are considered to have informal jobs if their employment relationship is, in law and in practice, not subject to national labour legislation, income taxation, social protection or entitlements to certain employment benefits for reasons such as non declaration of the jobs or the employees; casual jobs or jobs of a limited short duration; jobs with hours of work or wages below a specified threshold; employment by unincorporated enterprises or by persons in households; jobs where the employee's place of work is outside the premises of the employer's enterprise (i.e. outworkers without employment contract); or jobs for which labour regulations are not applied, not enforced or not complied with for any other reason (Husmanns, 2003).
- Own account workers engaged in production of goods exclusively for own final use by their households (Cell 9).
- Employees holding formal jobs in informal sector enterprises (Cell 7).

Table 2.1

Conceptual Framework: Employment in Informal Economy (17th International Conference of Labour Statisticians)

Production units by type	Jobs by status in employment								
	Own-Account workers		Employers		Contributing family workers	Employees		Members of producers' cooperatives	
	Informal	Formal	Informal	Formal	Informal	Informal	Formal	Informal	Formal
Formal sector enterprises					1	2			
Informal sector enterprises (a)	3		4		5	6	7	8	
Households (b)	9					10			

Note: (a) As defined by the Fifteenth International Conference of Labour Statisticians (excluding households employing paid domestic workers) and (b) Households producing goods exclusively for their own final use and households employing paid domestic workers.

In other words, employment in the informal sector encompasses the sum of the Cells 3 to 8, and informal employment encompasses the sum of the Cells 1 to 6, and 8 to 10, while the sum of the Cells 1, 2, 9 and 10 may be called informal employment outside the informal sector. It is not easy to classify all workers very clearly, as some of them are likely to fall on the borderline. For example outworkers can be self-employed or employers (Cell 3 or 4), or they can be contributing family workers (Cell 5) or could be employees (Cell 6). Proper classification requires clear understanding of the definitions as well as clarity about the ground situation.

It can be observed that the conceptual framework presented above covers all the categories of formal and informal employment in an economy. However, these are broad categories and there is a need to further disaggregate these cells to identify specific types of jobs or production units for analysis and policy making. Hussmanns (2004) has made some important recommendations in this context. He has recommended that (a) a methodology should be developed to reduce classification errors for jobs at the borderline, (b) further sub-divisions should be made of these cells to understand the different sub-categories of informal employment, (c) informal jobs in agriculture should be included in this conceptual framework and proper treatment should be given to the different types of informal jobs in agriculture and (d) comprehensive data base should be developed for informal employment. He has also recommended that underground and illegal production should also be incorporated in this framework in a suitable manner.

The trajectory of the paid informal economy and its economic significance over the past decades has developed renewed interests among policy makers and international development agencies in developing economies, developed economies as well as the transitional economies. In the case of developed countries, the emergence of 'flexible specialization' in the place of 'mass production' since the 1980s has given a big push to informalisation, along with its wide varieties, while in the case of developing countries globalization policies which have promoted stiff competition, have contributed to the growing informalisation in these economies (Standing 1999).

Since global competition has eroded employment relations by encouraging formal firms to hire informal workers, one observes a high growth of the informal economy. In transitional economies, the decline of the public sector and the emergence of the private sector have led to the emergence and rapid growth of the informal economy.

One important characteristic of employment in the paid informal economy is its highly heterogeneous nature. One observes large differences in the characteristics of the variety of activities carried out in the paid informal economy in developing as well as developed countries. These gaps are in technology, productivity, wages and remuneration, location of work, terms of work etc. It is important to understand the heterogeneity and diversity of the paid informal sector to be able to use the information in policy making. It is important to understand the composition and dynamics of the informal economy so as to understand its role and its contribution to the total economy as well as to understand the issues of poverty, gender based inequalities, child labour etc, which are closely associated with the informal economy. This heterogeneity has been described by Chen (2003) as a pyramid of different economic activities. There is a kind of continuum of economic relations, of production, distribution and employment relations, on the one pole of which is activities with pure formal relations (regulated and protected), while on the other pole are the activities with pure informal relations, least regulated and least protected informal economic activities. Chen shows that at the top of the pyramid are employers and micro-entrepreneurs, followed by own account workers, wage workers and then by industrial outworkers and home workers at the bottom. Based on a large number of micro studies, she observes that (1) the top is over represented by men while the bottom is over represented by women and (2) the average income or earnings declines as one moves from the tip of the top to the wide base at the bottom. The informal economy consists of a variety of enterprises and workers, like family businesses, micro-enterprises, single person operators, casual wage workers, industrial outworkers, unpaid contributors, subsistence workers and so on.

Informal work and workers are therefore frequently uncounted or undercounted. Informal work performed in the informal economy is under counted if all the workers engaged in an activity are not netted as workers. For example (unpaid) contributing family workers, home workers or home-based workers, street vendors, self-employed workers etc. are many times undercounted. Informal work is also uncounted sometimes when a particular activity is not included in the list of economic

work. Subsistence work, i.e. production of goods for self-consumption, is usually uncounted, as in some countries this work is not even included in the definition of informal economy when it refers to non-agricultural activities. Even when included it is usually undercounted because it is frequently confused with domestic work and taken as a part of domestic work. In addition, underground work, i.e. legal but deliberately concealed production work (to avoid taxes, labour laws and other regulations) is frequently un/under reported. Also, illegal production, i.e. production forbidden by law or performed by unauthorized producers is also unreported (as the producers want to evade the consequences) or under-reported. Both underground as well as illegal work is also considered to form a part of the informal economy.

Although the informal economy has attracted a voluminous body of research and literature since its introduction into academic discourse, most has tended to focus on the paid/waged informal sector. Less attention has been paid to the non-wage informal sector. More often than not, researchers, academics, economists and social scientists have done little in making a clear distinction between the paid informal sector and the unpaid informal sector. The unpaid informal sector has received limited attention since the sixties and seventies, when it - partially and hesitantly - reached the research agenda's of mainstream economics and sociology. For a long time economists had equated work with paid employment, while sociologists specializing in labour questions had left the issue for their (often less prestigious) colleagues occupied with the sociology of the family (Swiebel, 1999). Thirty years later, the issue of unpaid informal work was heatedly discussed at two United Nations World Conferences, the Social Summit (Copenhagen, March 1995) and the Fourth World Conference on Women (Beijing, September 1995). Government diplomats and NGO s' lobbyists not only negotiated language on measuring and valuing the unpaid informal sector, but also agreed - albeit implicitly - on a new way of looking at the world's work, i.e. comprising both paid and unpaid informal work. The controversy concerning the incorporation of unpaid work in national accounts and other statistics, however, has obscured the fact that recognizing unpaid work as work is a revolution in itself.

As Charmes (1998) stipulates, most people especially adherents to the ILO view of the informal economy have too often characterised the informal economy by ease of entry; small scale of the activity; self-employment, with a high proportion of family workers and apprentices; little capital and equipment; labour intensive

technologies; low skills; low level of organisation with no access to organised markets, to formal credit, to education and training or services and amenities; cheap provision of goods and services or provision of goods and services otherwise unavailable; low productivity and low incomes, or, on the contrary, incomes that are notably higher than in the public sector especially in the context of structural. To this effect, this section will go a step beyond the paid informal sector by discussing the unpaid informal sector and its significance.

THE UNPAID INFORMAL ECONOMY

The unpaid informal sector consists of two broad categories of unpaid work. First, there is the 'self-provisioning' type, which according to Williams (2005: p. 14) refers to the 'unpaid household work undertaken by household members for themselves or for other members of their households'. The second type of unpaid work that constitutes part of the unpaid informal sector is the 'unpaid community work', which refers to 'work provided on an unpaid basis by and for the extended family, social or neighbourhood networks and more formal voluntary and community groups, and ranges from kinship exchange, through friendship/neighbourly reciprocal exchanges to one-way volunteering for voluntary organisations' (Williams, 2005: p. 15).

Unpaid work is 'non-market work' or 'household production and services' as defined in the 1993 United Nations System of National Accounts (SNA). The 1993 revision of SNA opened a door for the integration of household production and services in the national accounts framework. It introduced the concept of satellite accounts, which allow for the use of complementary or alternative concepts when needed to bring additional dimensions to the conceptual framework of national accounts (SNA 21.4b). Household production, which results from the combination of unpaid labour, goods, services and capital include: (i) unpaid services for own final use (domestic and care giving services); (ii) informal sector production of goods and services for own final use by unincorporated enterprises owned by households (subsistence production and other kinds of informal enterprises); (iii) unpaid volunteer/informal domestic and care-giving services to other households; and (iv) production of housing services for own final consumption (imputed rents of owner-

occupied housing). It includes activity groups 7-10 in the United Nations Trial Activity Classification System. Men and women perform unpaid work or household work but women appear to do more of it.

In Marxist economics, unpaid informal work, especially women's housework, is labelled '*reproduction*'. The concept of reproduction in Marxist economics refers to reproduction of the labour-force, both on a daily basis and between generations. Reproduction is to be distinguished from production that is characterized by the phenomenon of surplus value. Both spheres, however, are interdependent, as the organization of production presupposes and reinforces a certain way of organizing domestic work. Depending on the changing interest of capital and the state, parts of the reproductive functions of the family sometimes are taken over by public facilities and at other times transferred back to the family. Marxist philosophy also gives reproduction an immaterial meaning: women's caring role in the family reinforces the existing societal relations (cf. Pahl, 1998: Part III).

Neo-classical economics looks at unpaid informal work essentially as a form of consumption - a logical consequence of the emphasis put on market phenomena. Unpaid work, especially of married women, is taken into account in the study of (female) labour supply, but it is still treated as a form of leisure (c.f. the so-called labour-leisure analysis). John Kenneth Galbraith (1974), however, called the post-war American housewife a 'crypto-servant' for her critical role in the expansion and administration of private consumption. Ivan Illich (1981) became famous for his rather critical analysis of women's 'shadow work' that became a necessary complement to wage labour in modern industrialized economies. Gary Becker's famous article 'A theory of the allocation of time' (1965) marked the beginning of a new school of thought: the New Home Economics. Becker considered the family as 'a small factory' where households divide their time between paid employment, unpaid household production and leisure. The school of New Home Economics explicitly or implicitly rejected the dichotomy between production and consumption. They envisaged a production function of the household that reflects the production of commodities by combining market goods and time. Becker and his followers have however been criticized by feminist economists for taking the household as a unit of analysis, and in that way obscuring conflicts of interest and over power inside the household (Ferber and Nelson, 1993). Economists interested in unpaid work have

mostly concentrated on micro-analysis of household work. Far less is known of the macro-economic significance of unpaid work. At the macro-level, 'an iceberg view of the economy' prevails: what is visible is actually only a very small part of what goes on in the economy (Naila Kabeer in UNRISD, 1977: p. 14). Feminist economists, however, are very rapidly making up for this omission by highlighting the overall economic importance of non-market work, such as subsistence production and caring activity. Fewer economic data and analyses are available on various forms of voluntary community work; voluntary work - translated in the catchword 'civil society' - is more the domain of political philosophy.

However, it is now widely recognised that household production and services for which women and men provide most of the labour are significant. A UN report on measures of unrecorded economic activities in 14 countries (Goldschmidt-Clermont and Pagnossin-Aligisakis 1995) shows that unpaid work in households is of the same magnitude as paid work in the market. Estimates of the value of household work as a proportion of GDP has varied between 35-55%. Thus, the production of services for own consumption by households is a continuing large and growing part of the total economic system. It is most usefully considered as a separate economy, which is on an equal footing with the market economy. Ironmonger (Latigo and Ironmonger, 2004) described the total economy as 'a two-legged animal, with a market leg and a household leg - both are necessary for the economy to stand up, to walk and to run'. Thus, there are two categories of production: market and non-market production falling within the boundary of the SNA and captured in GDP, while the household production measured by Gross Household Product (GHP).

Despite its importance, unpaid work is until now not systematically reflected in the main economic statistics used in research and policy making in African countries - the national accounts and the official statistics of work. The official national income data, for example, cover only about 60 percent of all valuable production and 50 percent of all work done in a society. Over the last fifteen years, limited research has been dedicated to understanding the economic value of non-market, unpaid work, which includes work done in the household, free services between friends and neighbours, and community-organised voluntary activity. Such studies have all pointed to the significance of unpaid work in the overall sustenance of people's livelihoods. Developing countries are so called because their formal market economy is weak and underdeveloped. Attention of policymakers is largely focused

on the parts of the economy that can be captured in the Systems of National Accounts (SNA), such as the GDP statistics. However, in developing countries unpaid and voluntary work often constitutes a larger part of the economic lives of people than does their market participation. The magnitude and all-pervasive presence of nonmarket economic activity or unpaid informal work tends to indicate its significance in the economic lives of people. The same can be said about the paid informal sector—the labour is paid but not accounted for in SNA and therefore it is largely ignored by policy.

From an economic perspective, human activities can be grouped into three broad categories namely, (a) *personal activities*, as defined by the third party criteria, i.e., activities the performance of which can not be delegated to a person other than the one who benefits from them. These activities could be termed as '*non-economic activities*' and they would basically include physiological, education and recreational activities; (b) recorded economic activities, i.e., those falling within the SNA production boundary which could be termed as the '*SNA activities*'; and (c) unrecorded economic activities which essentially generate goods and services produced and consumed by the households without undergoing monetary transactions and which are not recorded in labour statistics and in national accounts. These activities could be termed as '*non SNA activities*'. It may be mentioned that as per 1993 SNA, all goods produced by a household for own consumption are within the production boundary. The bulk of domestic activities i.e. unpaid services for own consumption still remain outside the realm of national accounts. These activities would typically include cooking (food preparation), child care, adult care, stitching of clothes, weaving of sweaters/pullovers, upkeep of dwellings and surroundings, repairs and maintenance of dwellings, household equipment's, household management, shopping, gardening, pet care, etc., which are by no means unproductive. In fact, these activities uphold the productivity of people and thus are vital for the market economy as well. Colman (2006) observes that 'if voluntary services disappeared, either our standard of living and quality of life would decline dramatically, or the services would have to be replaced by pay'.

Knowledge of unpaid informal work has become increasingly pertinent for public policy. Questions such as how many hours households and individuals spend at various types of unpaid informal work or non-market economic activities during the year, how this evolves over time, and women's and men's contributions make visible

the hidden costs (in terms of reduced household non-market output) of economic growth. Information on the outputs and the productivity of unpaid informal work, and of quality differences between home provision and alternative modes, by other institutional sectors of the economy, may help form a more complete assessment of the impacts of cutbacks in social services.

There are long-standing arguments for incorporating measures of household, voluntary non-market production within broader measures of economic activity like GDP. One important argument is the shifting of resources from the non-market to the market sector that takes place with economic growth. These shifts of resources lead to a growth in the market activity at the expense of the non-market unrecorded economy. Moreover, there may be a shifting back and forth of resources between the two sectors over the business cycle. Because the market draws resources from the non-market sector during periods of expansion and release them during phases of contraction, measured economy cycles may overestimate the cyclical character of the economy as a whole.

In many of the limited studies carried out on the unpaid informal sector, evidence generated to date tends to demonstrate the economic significance of unpaid informal work. The 1995 UNDP Human Development Report estimates that \$16 trillion (or 70%) of the \$23 trillion of global output is performed in the non-monetary sector. Further to this, the Australian Bureau of Statistics estimates the value of unpaid work at around \$250 billion a year, approximately half of Australia's GDP, as indicated in an August 2001 press release (Australian Bureau of Statistic, 2001). The Japanese Department of National Accounts of the Economic Planning Agency assessed the value of unpaid work in 1996 in Japan at 76 to 116 trillion Yen, or 15 to 23 % of GDP (Japanese Department of National Accounts, 1996).

In addition, in a time-use survey carried out by Statistics New Zealand, it was discovered that 4.2 billion hours of unpaid work was done annually, which if converted into full-time positions would equate to two million jobs (Statistics New Zealand & Ministry of Women's Affairs, 2001). According to the time-use survey, the economic value of unpaid informal work in New Zealand in 1999 was estimated at \$40 billion, equalling to 39% of national GDP. The survey also estimated unpaid informal work done in households at 3,691 million hours, informal unpaid work carried out for people living outside the household and not through organisations or groups at 292 millions hours, and unpaid informal work done outside the household

for or through an organisation or group at 261 million hours. In a similar time-use survey conducted in Canada on the value of the unpaid informal sector in 1998, it was found that 30.4 billion hours was spent on unpaid informal work, both within own households, for other households and non-profit organisation (Statistics Canada, 2001). In estimating the economic value of hours spent in unpaid informal work, the survey applied a housekeeper's wage rate, thus resulting to an economic value of \$297.3 billion, which equates to 33% of the Canadian GDP in 1998 (Statistics Canada, 2001). These reports make very visible an important but often ignored column of our national and global balance sheets. See tables below for the estimated economic value of unpaid informal work in Canada. The first table gives a comparative value of unpaid informal work in Canada between 1992 and 1998, whilst the second table gives a breakdown of the economic value of unpaid informal work in 1998.

Table 2.2

Value of Unpaid Informal Work in Canada

Year	Value of Unpaid Work (US\$ Billions)	GDP (US\$ Billions)	% of GDP
1998	297.3	901.8	33
1992	251.3	698.5	36

	Value of Unpaid Work (US\$ Billions)	% of Total
Unpaid Work (Inside the household)	279.7	94
Volunteer and Community Work	17.6	6
Total	297.3	100

Source: Statistic Canada (2001)

In the case of The Gambia, the latter type of unpaid informal sector comes in the form of voluntary groups, youth organisations, family support networks, cultural associations and religious groups. Indeed, such participants in the non-wage informal sector more often than not serve as intermediaries between aid donors, NGOs and the local communities in The Gambia.

THE INFORMAL SECTOR IN THE GAMBIA

Today, contemporary thought on the informal economy and its heterogeneous dimensions is usually framed within the confines of state regulation, that is, the state's ability to regulate and influence the scope and nature of the informal sector. Orthodox economists tend to subscribe to one or both of the following positions in answer to the question: should governments intervene in the operation of the informal economy? The first position is that markets operate efficiently, that government interventions lead to inefficiencies and distortions, and that the informal sector will, in any case, decline with economic growth. The second is that the informal sector is beyond the reach of government, in part because those who operate in it want to avoid regulation and taxation (WDR, 1995). Many heterodox economists, on the other hand, subscribe to the notion that the informal economy is here to stay and requires appropriate regulations, laws, and policies to correct for biases in existing regulations, laws, and policies that favour the formal economy and disadvantage informal workers.

Those who subscribe to the notion that governments should intervene in the informal sector base their arguments on some mix of equity, efficiency, or political economy principles. Those who make the case on equity principles argue that the poor, especially women, who are concentrated in the informal sector, face uneven market power and discrimination; have insufficient market information or skills; and have inadequate insurance against risk (unemployment, illness, disability, old age). They argue that the current process of informalisation - whereby more and more people are working under informal arrangements - threatens to do away with decades of social progress. They recommend the need for a new contract between the States, businesses, organized labour, and other social actors (including organizations of informal workers or producers).

Those who make the case for State intervention on efficiency principles argue that the informal sector contributes to GDP; produces a large share of consumer goods, particularly those bought by middle and low-income groups; represents a potential source of capital goods; and provides a training ground for entrepreneurs (Weeks, 1975). They also recognize that growth in the informal sector is more labour-intensive and, therefore, more labour-absorbing or job-creating than growth in the formal economy. They argue that governments should intervene to promote productivity and growth in the informal economy. Those who make the case for State intervention on political economy principles argue that governments do intervene in markets and in ways that are often biased – either deliberately or inadvertently – towards large industries: notably, trade and industry policies and fiscal policies. Why, they ask, should policies directed or biased towards smaller businesses be singled out as distortionary? They also note that most economic policies, whether targeted or not, impact on the informal sector, and that the impact of given policies on the informal sector is often different from that on the formal sector (Weeks, 1975). In sum, governments do intervene in markets. The outcomes or impacts of government policies depend on the industry or sector, the type of intervention, and the relative power of different economic actors. Concurrently, government's control over the informal sector if put on the spotlight would reveal that it is weak, insignificant and untotalising.

During the 1960s and 1970s, the development of The Gambian informal sector took place in a policy environment in which the formal sector was regarded as the real engine of economic growth (Meagher, 2003). Low levels of technology and productivity in the informal sector were felt to limit its potential for contributing to development, except as a temporary soak pit for the unemployed. The limited policy initiatives addressed to the informal sector were largely undermined by underfunding, political lending and inappropriateness to the needs of informal actors (Meagher, 1991). Despite a lack of effective state support, the informal sector continued to grow, fuelled by neglect of the agricultural sector and the more attractive climate created by rising urban wages, resulting in high rates of rural-urban migration.

In the absence of serious state initiatives to break the low productivity trap, The Gambian informal sector expansion led to a build-up of market pressures within the narrow productive niche to which the sector was confined. By the mid-1970s, these pressures were showing up in increasing differentiation, labour shortage and a

trend towards stagnation of incomes at the lower end of the informal sector – and this despite a situation of rising demand in its principal market, that of low income consumers (Fapohunda, 1981). The low quality of production in The Gambian informal sector, and the low cost and ready availability of imported goods, perpetuated the dependence of the informal sector on low income consumer market, which made up 87% of informal sector demand during the early 1980s (Sethuraman, 1987). The economic trends seen to have developed in The Gambia from the early 1980s inspired the government to embark on alternative measures contained in the framework of the Economic Recovery Programme (ERP), which among others encouraged private sector development to fully participate in the economic development of The Gambia. However, according to the 2005 Economic Census of The Gambia, the ‘definition of the informal sector [of The Gambia] is not clear enough...a number of discussions have already been conducted to define and specify this entity but still not having a good result...many borderline cases around the informal sector are still subject to be discussed’ (Economic Census, 2005: p. 16).

Despite the lack of a comprehensive definition of the informal sector in The Gambia, one main view that has been held on the informal sector by the Government of The Gambia in its National Policy Document on Small and Micro Enterprise Development, is that it is a sector made up of small and micro enterprises (SMEs), which ‘are expected to play the role of labour sponge in the economy in view of the declining trend in employment in the formal sector and increasing urbanisation’ (Gambia Government National Policy Document, 2003: p. 6). A similar conceptualisation of The Gambian informal sector is also adopted by Pro-poor Tourism and The Gambia Tourism Authority who describe The Gambian informal sector of the tourism industry as follows:

By informal sector is meant all those individuals and micro enterprises, which engage with tourists and the tourism industry, but are not members of The Gambian Hotel Association or the Ground Handlers and Equipment Hirers Association...these include craft market vendors, tourist taxi drivers, official tourist guides, juice pressers and fruit sellers as well as a number of small hotels, guest houses and ground tour operators.

(Bah & Goodwin, 2003: p. 11)

The Gambia Government's understanding of the informal sector is that it is a sector comprised of small scale and medium business enterprises characterised by the following elements:

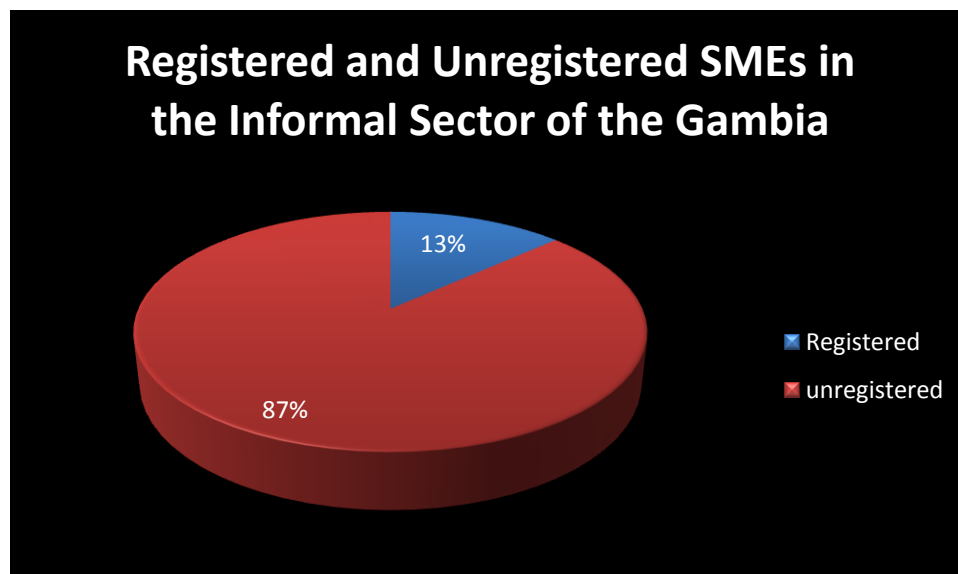
- Small business entities
- Very little capital outlay
- Low productivity
- Low volume of business and low turnover with erratic earnings
- Players have little or no literacy
- Players often have little or no entrepreneurial skills and business training
- Players make a living from whatever enterprise they operate
- Players are often self-employed
- Few employees (less than five for micro and five to twenty for small enterprises)
- Are not very visible in the economy
- Have small capacity depending on the amount of resources the entrepreneur can harness
- There is not much documentation on them
- They keep very poor records or none
- They are well captured through poverty alleviation programmes
- Poor access to appropriate credit facilities
- Inadequate promotional and support services

(Gambia Government National Policy Document, 2003: p. 7)

In the 2005 economic census of The Gambia, 75,977 of these small and micro enterprises were found to have been operating in the informal sector, although this only included those employing five or less people (National Economic Census, 2005). In addition, most of the activities in The Gambian informal sector are found to be taking place more in urban than rural areas. At least 59,175 small and micro enterprises were found to be in the urban regions of Banjul, Kanifing and Brikama, compared to 16,802 SMEs in Mansakonko, Kerewan, Kuntaur, Janjanbureh and Basse. The charts below illustrate the percentages of enterprises that were found to be

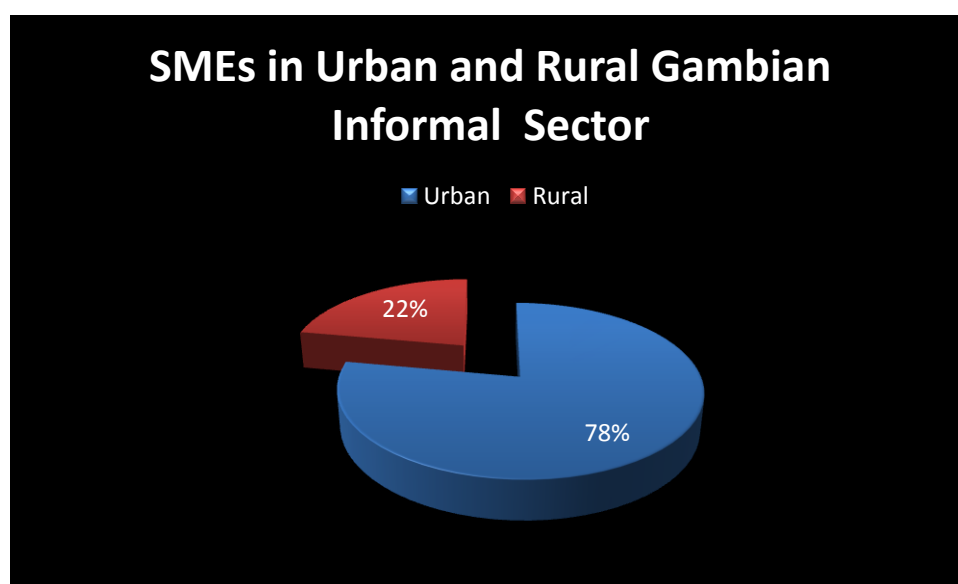
registered and unregistered in the informal sector of The Gambia, and also their concentration within The Gambia.

Figure 2.1



Source: Economic Census of The Gambia- Central Statistic Department (2005)

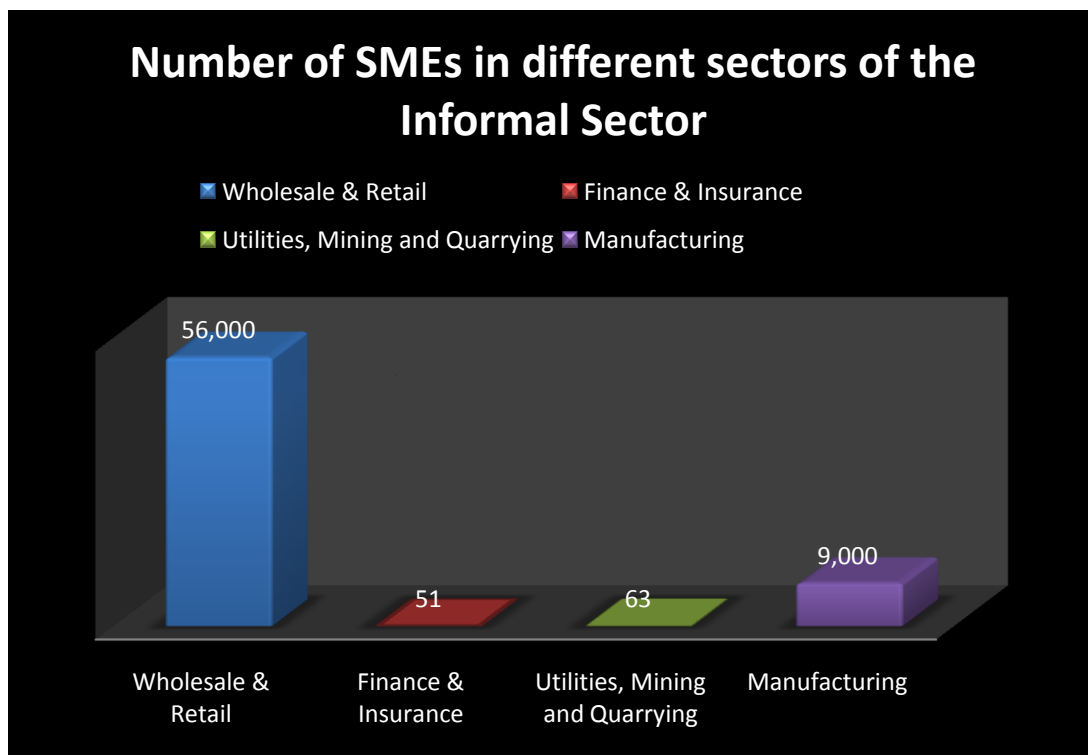
Figure 2.2



Source: Ibid.

On a sector-by-sector basis, the wholesale & retail sector happens to be the dominant area where most informal economic activities take place as the majority of all the SMEs in the informal sector of The Gambia operate in this sector, followed by the manufacturing sector, and then the utilities, mining and quarrying sector. The finance and insurance sector happens to be the area where the least informal economic activities take place. The bar chart below demonstrates the number of SMEs operating in each sector.

Figure 2.3



Source: Economic Census of The Gambia - Central Statistic Department (2005)

According to Maron (1991: p. 23) The Gambian 'informal sector is estimated to consist of 276,000 people, of which 242,000 are employers, own-account workers and unpaid family workers...the main types of business in the informal sector are tailoring, baking, carpentry and furniture, leatherwork, and blacksmithing/metal-work'. From the Government's point of view:

Most people enter into what has been traditionally called the informal sector and become self-employed micro entrepreneurs first and foremost as a way of survival, because they are poor and they urgently need to generate revenue...but most micro-entrepreneurs start income generating activities and micro-enterprises without prior knowledge of the ABC of business development and without understanding fully what they are getting into, what income generating activity requires in order to survive.

(Gambia Government National Policy Document, 2003: p. 6).

Maroon (1991) distinguishes between two categories of informal sector operator in The Gambia. The first category is the 'survivalist' informal operator that represents people who are unable to find employment in the formal economy. This type of operator usually operates in the informal sector out of poverty and a desperate need to survive. The second category is the 'micro-enterprise' or 'growth enterprise' that is unregistered and informal but has the potential to develop into a formal small business enterprise. Although there is no recent study indicating the contribution of the informal sector towards the GDP of The Gambia, a study carried out in 1990 by the UNSO observed that the informal sector contributed around 23.8% to The Gambian GDP in 1983, which stood at US\$685million (Organisation for Economic Co-operation and Development, 2001). See table below.

Table 2.3

Estimation of the contribution of the informal sector towards the GDP of The Gambia

	Informal Sector as a share of	
Country (Year)	Total GDP*	Total non-agricultural GDP*
Gambia (1983)	23.8%	35.8%

Note: *excluding subsistence agriculture

Source: ECA, INSTRAW, UNSO (1990)

It has been asserted that ‘the policy, regulatory and institutional environment in The Gambia has historically developed in a way that has left the informal sector by the wayside’ (Gambia Government National Policy Document, 2003: p. 14). Currently in The Gambia, there are no specific laws governing the operation and management of the informal sector comprising these small and medium enterprises. This is largely due to the fact that there has never existed any SME policy for the informal sector. SMEs are normally grouped as part of the overall enterprise environment, which involves both medium and large enterprises. What is significant about the conceptualisation of the informal sector in The Gambia is that it is viewed by the government as legal, appropriate and necessary, which calls for the imposition of taxes and registration – thus small and medium enterprises who make up the informal sector according to The Gambia Government are subjected to tax payment and registration. However, where and when they are said to have evaded taxes or fail to register with the registrar’s office, then they are said to be informal but operating illegally. As stated in the National Policy document:

Registration fees for SMEs in the informal sector of The Gambia may vary from D500 to D10, 000 depending on the nature of the enterprise, which they see as too high and a disincentive to register. By the very nature of SME activities, entrepreneurs are not always sure whether they would make adequate profits to offset their registration fees and other tax obligations...SME operators are not always keen in paying registration fees and as a result would prefer to go underground and operate illegally...the heavy tax regime experienced currently by SMEs in the informal sector of The Gambia is not an incentive for the sector’s development...heavy taxation has stifled growth and the attainment of the objectives of the informal sector. Most SMEs in the informal sector of The Gambia see the high taxation regime as a stumbling block and at times would resort to non-compliance measures, which are fraudulent and illegal.

(Gambia Government National Policy Document, 2003: p. 14-18)

This view on The Gambian informal sector to some degree exhibits a sharp contrast to some of the western definitions reviewed earlier in the literature, some of which describe the informal sector as a sector where tax evaders and unregistered businesses operate. In The Gambia, small and medium enterprises and individuals are viewed as operators in the informal sector whether they fulfil their tax obligations and register their businesses or not, and only become tagged as illegal operators when they fail to pay taxes or register their businesses – the fact that they pay their taxes and register their businesses does not make them formal or official as far as they are regarded as a small and micro enterprise. This is further confirmed by the International Poverty Centre, which observes that in The Gambia, ‘definitions of the informal sector frequently include small scale enterprises, not simply unregistered firms’ (International Poverty Centre UNDP, 2008: p. 25). The dividing line between a business being registered and unregistered is also quite complex. The informal economy as defined by the Fifteenth Conference of Labour Statisticians (1993) states that an enterprise is informal if its size is below a nationally determined threshold, or if the enterprise is not registered under specific forms of national legislation. It does not refer to registration under regulations enacted by local authorities for the purposes of obtaining licenses or business permits (Husmanns, 2001). In The Gambia it is not uncommon for street hawkers to have trading permits but not be registered for tax purposes.

Most of the small and micro enterprises making up The Gambian informal sector often employ five or less people and in most cases are run by individuals and families as sources for low income generation- something that would take them through the day. Many of these enterprises are often operated in the form of street vending and hawking across neighbourhoods in Banjul, Serrekunda, Brikama, Barra, Nuimi etc. Whereas some of these enterprises operate in a permanent location, others remain very mobile, usually moving from location to location, or from market to market. In his celebrated masterpiece (*The World and a very small place in Africa; A history of globalisation in Nuimi The Gambia*), Wright (2004: p. 244-245) makes a classical observation of The Gambian informal sector as follows:

Anyone visiting a collection of people in The Gambia today sees a remarkable range of enterprises. Around the heavily populated capital region exists a buzz of business. Women fruit sellers beckon like

sirens from their stalls, the smells of meat and oil sandwiches fill the air, the bread-delivery man rides by with fifty loaves tied to his bicycle, taxi drivers beep and wave to gain the attention of potential riders, and young men (and, at night, women) sidle up and begin conversations, hoping they can find one or another service to provide. Life is quieter in rural villages, but the same level of enterprise is there. Knots of people exit around village shops, which can take on the look of a foxhole with a shopkeeper on guard duty behind 50-kilogram bags of rice. Markets rotate from village to village in a region, and on a market day people come from all over to buy and sell food, livestock, cloth and clothing, hides, batteries, you name it. There are even stalls for auto repair. And one looking behind compounds and outside villages can turn up ingenious modes of production, as on the east side of Medina Bafuloto, where one man has cobbled together a device to saw boards out of tree trunks from a truck's diesel engine and metal arms, levers, belts, and pulleys welded and connected with who knows what. The saw cuts to the millimetre; the lumber is cured and sold or made into furniture. But in most considerations of The Gambian economy, such operations as these exist below the line of sight.

According to the ILO's Labour Market Report (2000), 72.4% of the total employment in The Gambia is in the informal sector, although according to The Gambia Economic Census (2005) the figure is 73%. It absorbs a large and growing fraction of the labour force, and provides a 'safety net' for the poor, who find themselves excluded from formal employment and income opportunities. However, with the slow growth of formal sector employment opportunities in The Gambia, combined with a rapid and significant growth in the urban labour force, this figure is estimated to reach 90% in the near future. According to a country study conducted by the International Poverty Centre of the United Nations Development Programme on The Gambia, employment in the informal sector of The Gambia comprises all employment that takes place in informal enterprises including own-account workers, contributing family workers, paid employees in informal enterprises, informal employers, and members of informal cooperatives (International Poverty Centre

UNDP, 2008). The informal sector of The Gambia heavily relies on unpaid labour (family or apprentices) but also hires a significant number of paid employees, who represent 53% of all workers employed in unregistered non-agricultural enterprise (International Poverty Centre UNDP, 2008). However, payments, remunerations and working conditions in the informal sector of The Gambia depend on the particular agreements between employers and employees. As observed by the UNDP,

These agreements vary according to task, crop, and the time of the year. Employment relationships reflect norms and conventions, and therefore are seldom subject to a legally enforceable contract...thus daily wages or payments for specific tasks (like groundnut threshing or weeding) have a “conventional price” that is territorially determined and sometimes village specific. The fact that many of these labour transactions are highly personalised contributes to the localised and segmented nature of payment and work conditions. The village or district chief may settle any disputes in the event the parties are unable to reach a settlement on their own’.

(International Poverty Centre UNDP, 2008: p. 35)

The table below gives an indication of labour within the different types of establishments in The Gambian informal sector with reference to their dependence on the use of paid and unpaid labour.

Table 2.4

Source of Labour

Types of establishment	Paid labour numbers	Unpaid labour numbers	Paid labour in % of total	Unpaid labour in % of total
Registered	38,046	14, 516	33%	18%
Unregistered	76, 339	67, 556	67%	82%
Individual Proprietor	92, 053	75, 729	81%	92%

Partnership	9, 388	5,598	8%	7%
Cooperative	903	183	1%	0%

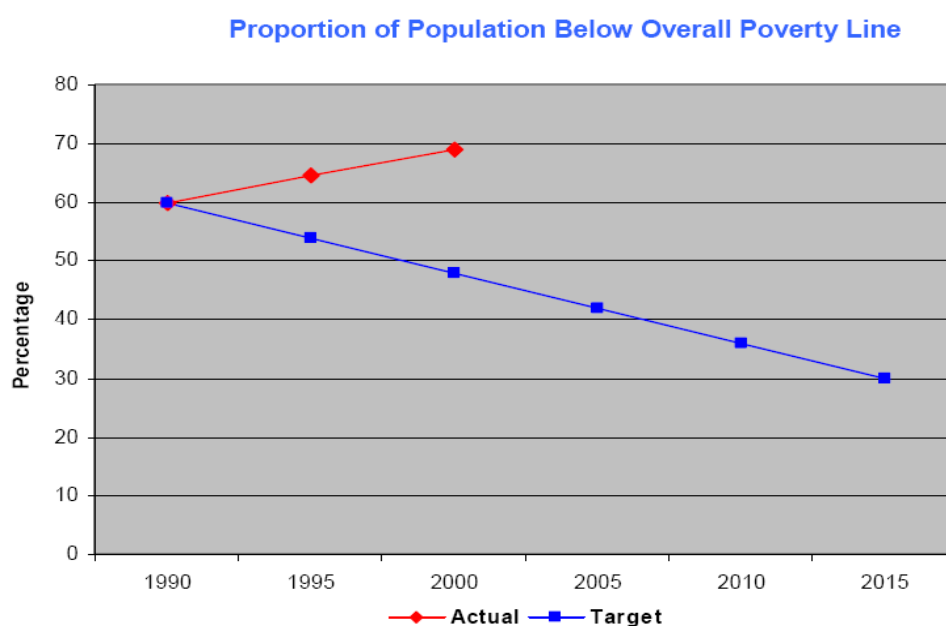
Source: Economic Census Dataset (2005)

The scope of the informal sector in The Gambia includes diverse activities; it represents a heterogeneous universe, irreducible to any subset of specific rules of economic calculation (Castells & Portes, 1989). Some of these informal activities include tailoring, welding, tie & dye, carpentry, plumbing, hair dressing, soap making, masonry, street hawking and vending, food production, teaching, subsistence farming, fish mongering etc. Based on the recently concluded Economic Census of The Gambia (2005), the informal sector is evolving along the borders of social struggles, incorporating those too weak to defend themselves, rejecting those who are too conflictive, and propelling those with stamina and resources into surrogate entrepreneurship (Castells & Portes, 1989). According to the United Nations Development Programme, the labour force within the informal sector of The Gambia is consist of two broad categories: a) a mass of workers with little specific and employable skills and very low or no basic education, b) a growing number of secondary school drop-outs and trainees of technical schools, who have concentrated in skills for clerical white-collar jobs in finance, services and tourism. In a study conducted on youth, gender and livelihoods in The Gambia, Chant and Jones (2005: p. 190) observe that young people often serve as a source of labour in The Gambian informal sector by undertaking unskilled and poorly remunerated incoming generating informal activities, mainly comprising assistance to relatives on market stalls and in small family businesses, or engagement in own-account informal services and commerce such as running errands or street vending. For young people operating in The Gambian informal sector, poverty is seen as the main driving force for their participation. Many of these young people undertake informal remunerated activities in order to be able to pay for, as well as to establish a legitimate claim to, schooling. Chant and Jones (2005:1 p. 91) underscore that:

Many young people from poor households recognise that being in school prevents them from contributing as much as they might to household expenses, and also that the costs of education can be a significant drain on already exiguous resources. Although in The Gambia, for instance, fees for state primary education have now been waived, and for girls, fees for upper basic (junior secondary) as well, there are many other costs – for example for uniforms, exercise books, pens, pencils, schoolbags, lunches and so on – which hit poor families especially hard...in light of the fact that poverty stands out as a major factor in school non-attendance and drop-out, funding their own education is deemed critical by many young people...

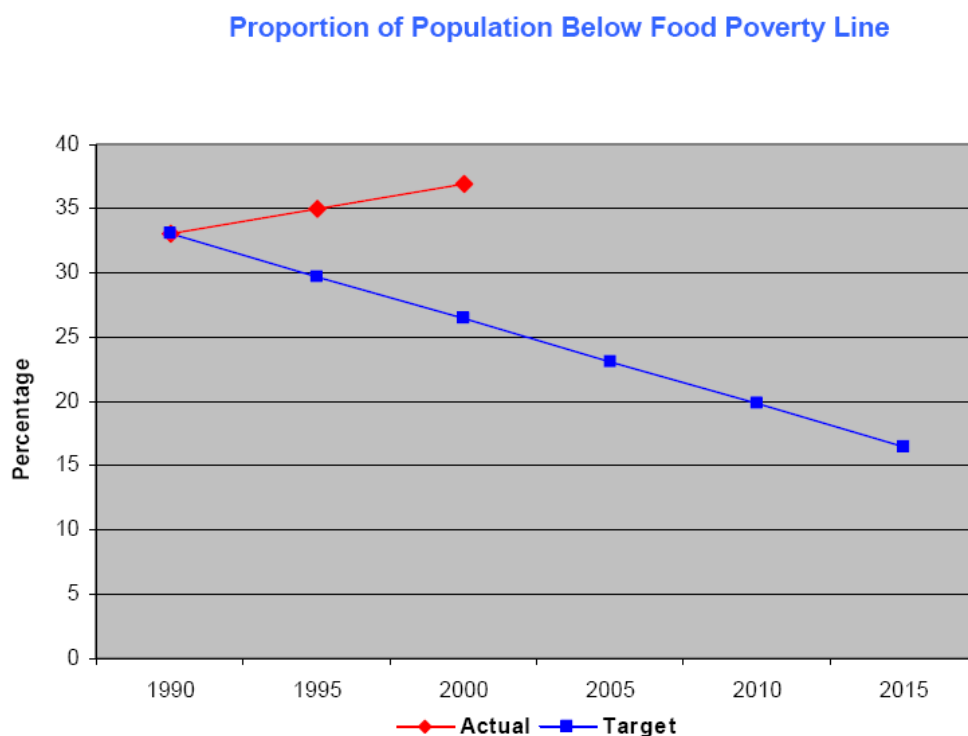
Poverty as a driving force for participation in the informal sector of The Gambia is not only prevalent among young people but it is also seen as the main factor why households and individuals engage in informal economic activities in The Gambia (UNDP, 2008). According to the Strategy for Poverty Alleviation (2002), 69% of Gambia's population live below overall poverty line whilst 30% live in extreme poverty in 1998. In addition, 37% of the population live below the food poverty line in 1998. The figures below give an indication of overall poverty line and food poverty line of The Gambia from 1990 to 2000.

Figure 2.4



Source: Strategy for Poverty Alleviation Republic of The Gambia 2002

Figure 2.5



Source: Strategy for Poverty Alleviation Republic of The Gambia (2002)

The above figures give a demonstration of the prevalent nature of poverty in The Gambia and an indication of the number of people who try to survive on daily basis of low income-generating activities. The high level of poverty in The Gambia is coupled with a very low level of literacy rate (30% for women and 45% for men) and low skills or capacity among households, which makes them unemployable in the formal sector (International Poverty Centre UNDP, 2008). This is further confirmed by the Government of The Gambia, who argue that ‘most people enter into the informal sector and become self-employed micro entrepreneurs first and foremost as a way of survival, because they are poor and urgently need to generate revenue’ (Government of The Gambia, 2003: p. 6).

Poverty in The Gambia manifests itself in the form of multiple deprivations where 53% of the population is food poor while 61% is categorised as absolute poor of which 74% is in the rural areas (African Development Fund, 2006). The rural

population is overly dependant on agriculture as the single source of income generation for which they are poorly equipped and lack sufficient coping mechanism (African Development Fund, 2006). Moreover while about 59% (National Household Poverty Survey Report, 1998) of the population is categorised as potential labour force, only 14% is actually employed, of which 79% is operating in the informal sector (National Economic Census, 2005). The highest percentage (71%) of economically active women is found in North Bank Division (NBD) where the poverty level is reported to be the highest (80%), whilst the highest percentage (77%) of economically active men is found in Central River Division (CRD) where the reported poverty level is 74% (African Development Fund, 2006). Moreover, 55% of the male youth are unemployed as compared to 45% of female youth (National Household Poverty Survey Report - NHPSR). In The Gambia, 70% of persons involved in the agricultural sector are categorised as being extremely poor of which 71% are women. Furthermore, the rural agriculture population is reported to earn a mean annual income of only Gambian Dalasi (GMD) 2,742 as compared to those in the business and finance services who earn an annual mean income of GMD 14,990 (National Household Poverty Survey Report, 1998). In The Gambia, food poverty (also referred to as extreme poverty) increased markedly from 15% in 1992 to 51% in 1998 (latest Integrated Household Survey, 2000), whilst overall poverty more than doubled to 61% in 2003. Poverty prevalence also varies across the Divisions, with the Central River Division reporting 71% of the population being poor in 2003. The major constraint for the rural poor is the dependence on single economic activity, lack of skills to diversify source of income to supplement household livelihoods, insufficient access to financial and technical resources to engage in other productive activities, and lack of market opportunities for diversified products and services (African Development Fund, 2006). According to the African Development Fund's Entrepreneurship Promotion and Microfinance Development Project Report (2006: p. 1), 'The Gambian population is unable to effectively reduce their poverty and as a result are increasingly vulnerable to external shocks which push them further into poverty and household livelihoods insecurity, thus resulting in the engagement in informal activities.'

Apart from poverty, The Gambia Government in its National Policy on Small and Micro Enterprises Development document underscore that most small and micro enterprises often choose to enter and operate in the informal sector because of the

high cost involved in registering a business. Registration fees for small and micro enterprises may range from D500 to D10, 000, which is considered by SMEs as a disincentive for registration of businesses (Government of The Gambia, 2003). In addition, the registration of SMEs in The Gambia is mainly centralised in the Greater Banjul Area, where the key government departments responsible for the registration processes are located. The lack of one-stop business registration centres in the Greater Banjul Area and the provinces coupled with the bureaucratic nature of the existing one, has served as a disincentive for the registration of businesses, thus encouraging the active participation of SMEs in the informal sector.

Another factor that has also had a significant contribution to the development of The Gambian informal sector is the contributions of civil society organisations operating in The Gambia, which is going to be looked at in more detail in the next subsection.

The contributions of civil society organisations in the development of The Gambian informal sector

In The Gambia the civil society banner encapsulates NGOs, CBOs and FBOs. Although some like the Christian Children Fund, Catholic Relief Services and the African Muslim Agency are faith-based and religiously motivated groups, however they strive to increase their membership through development work in the informal sector and rural communities. In The Gambia, CSOs form an integral part of the landscape and have entrenched themselves in the economic and social fabric of the country. They play a very prominent role in the country's drive to achieve sustainable development through their active participation in The Gambian informal sector. Over time, both the national and international NGOs have come to serve as driving forces working with communities in different parts of the country but particularly so in the rural areas of The Gambia (Jagne *et al.* 2005). Their mandate for operating and contributing towards the development of The Gambian informal sector has been significantly influenced by the desire to reduce poverty and to promote social development by reaching out to those on the edge: the poor, the sick, the vulnerable and the marginalized members of society (Jagne *et al.* 2005). They address issues ranging from HIV/AIDS, food security, education, women empowerment, agriculture, environmental protection, by building the capacity of people in various skills areas:

like farming and gardening; food processing, water and sanitation; tie dye, soap making, advocacy and sensitisation (Senghore, 2006). Issues like child protection, pro-poor policies and gender mainstreaming feature prominently in their portfolio of activities. Although the main thrust of their work is still relief and poverty alleviation, however they also address the root causes of poverty and not just the symptoms. According to Senghore (2006: p. 6):

NGOs and Civil Society bodies in The Gambia have won considerable praise for their humanitarian work including relief services in natural disasters, supporting education, health, environmental and natural resource management, water and sanitation, skills development and income generation. Their contribution to the economic and social development of many Gambian communities has also won them considerable admiration and recognition.

According to the UNDP's Human Development Report (2005: p. 43):

In The Gambia, NGOs and CBOs have emerged to fill the gap left by the government and private sector in terms of ensuring that the basic needs of the citizenry are met. In their operations, NGOs have forged a strong partnership with the Government of The Gambia in the implementation of national development programmes towards achieving the targets of Vision 2020, the MDGs and PRSP targets.

The participation of NGOs and CBOs in the informal sector of The Gambia is embedded within the framework of capacity building and poverty alleviation. Whilst the case below adopted from the FAO study (2008) in the poultry sector illustrates how a CBO has contributed to the development of the informal sector, table 2.4 however shows the different civil society organisations and the activities they are involved in within the informal sector of The Gambia.

Case Study of a CBO's contribution towards the development of Gambian informal sector

The Rural Poultry Farmers Association of Central River Region South (CRRS) was established and registered as a Community Based Organization (CBO) in 2000. It was established through the assistance of the FAO's Special Programme for Food Security (SPFS) in 2000 and subsequently supported by Action Aid The Gambia in 2005 with the provision of 2 milling machines for feed production. During the initial phase of the association, 27 village based auxiliaries received intensive training in poultry production out of which 8 were provided 50 birds each to manage as loan and pay back to the association. All members of the association paid annual contribution of GMD 100.00. The association set up with the objective of increasing food security for beneficiary households, has since made gradual progress and provides day-old chicks (Table 13 below); orders feed from Senegal for members and provides free vaccination of chicks for members. The other health interventions are paid for by the farmers. All participating farmers implement the health programme recommended by DVS.

Import of day-old chicks by the Rural Poultry Farmers Association of Central River Region South

Year	Broilers	Layers	Total
2006	3,100	2,400	5,500
2007	10,400	-	10,400
2008	1,500	-	1,500

It now covers 1,700 households 75% of which are women with each household managing from 50-250 birds. Due to high feed demand for layers most of the members operate broiler enterprises with up to 6 production cycles managed annually. The principal breed raised is the Cobb. The CRR South intervention area has been divided into 15 clusters with each cluster represented at the monthly committee meeting to take stock of activities, sharing information and experience and path the way forward. The principal constraints encountered by members of the association include availability of feed and marketing of finished broilers. The association has tried to address these constraints through the introduction of Soya beans and targeting festive periods such as the Ramadan, Gammo (Birth of Prophet Mohamed) and Tamhari (Muslim New Year) for marketing.

Source: FAO (2008)

Table 2.5

NGOs/CBOs and Activities in The Gambian Informal Sector

WHO? (Name of NGO)	WHAT THEY ARE DOING	WHERE? (Location)
ADWAC	Food Security, Micro-finance	North Bank Division
Allatentu Kafo	Horticultural Production, livestock rearing/fattening	Misera, Sandu
Allamuta Kaffo	Soap making and tie & die	Manneh Kunda
Allakomeng Kaffo	Farming, livestock rearing, poultry rearing	Sankwia, Jarra West, LRD
Association of Farmers, Educators & Traders	Vegetable gardening, Micro-finance	All 5 Division

Anglican Mission Development Ministries		URD, WD & NBD
Adventist Development & Relief Agency (ADRA)	Poverty Alleviation	KMC, WD & NBD
Bakalarr Village Development Committee	Agriculture – farming & Vegetable production.	North Bank
Barinabeh Village Develop Committee	Farming and Livestock Rearing	Barinabeh Village
Berending Village Development Committee	Agriculture – farming practices; Vegetable production.	Berending
Cashew Farmers Association	Farming and food security	Brikama
Compin Kawral Buiba Musa	Farming and Income generating activities	
Chamen Village Development Committee	Food security and poverty Alleviation	Chamen Village
Bodeyel Village Development Committee	Soap making, tie and die, communal farming, business services	Bodeyel
Dankunku Women's Group	Farming, tie & die, soap making	Dankunku
Chilla Jurunku Village Development Committee	Farming, Vegetable Production and Livestock	Chilla Jurunku Village
Feleng Koto Village Development Committee	Crop production, animal rearing./husbandry and Horticultural Development	Feleng Koto Village
Fandema Kaffo	Horticultural Production & Livestock rearing/fattening	Misera, Sandu
Freedom From Hunger Campaign	Agricultural extension, Micro-finance, Cereal Banking, crop improvement, infrastructural development.	WD, LRD & CRD
Fass Njaga Choi Village Development Committee	Crop production, Vegetable production, Sheep fattening.	Fass Njaga Choi (NBD)
Fass Omar Chaho Village Development Committee	Agriculture – Farming; poultry keeping	Fass Omar Chaho (NBD)
Foundation for Humanitarian Aid Gambia	Poverty Alleviation	URD
Gambia Actions and Development Against Poverty (GADAP)	Agriculture/fisheries	WD
Gambia Artisanal Fisheries Development Agency	Food security for poverty alleviation, credit schemes	LRD/WD/NBD
Gambia Food Seed Mission	Agriculture	LRD/WD
Gambia Organization for the Visually Impaired (GOVI)	Agriculture, income generation	Countrywide
Gambia Women's Finance Association (GAWFA)		Countrywide
Gambia Association for the physically disabled	Welfare and poverty alleviation	Countrywide
Genieri Village Development Committee	Farming & pottery	LRD
Hope for Children - Gambia	Animal Husbandry, Poultry, Food Processing, Vegetable processing & Micro-finance	Kombo North, Kombo South, Kombo Central & Kombo East
Institute For Social Reformation & Action	Gardening projects	Kombo East, CRD North, KMC Kotu South, Country Wide, Kiang Central, Lower River

		Division
India Women Tesito Association	Farming, Horticultural Production	India Village
Islamic Relief Association (ISRA)	Agricultural projects	WD/LRD&CRD
Institute for Social Reformation and Action	Women Garden Projects	Kombo East
Kambeng Kafo	Saving and Credit Horticultural Production , Livestock rearing/fattening	Sara Bojo Baga
Kaira Jokere Endam Kaffo	Fishing and farming practices	
Kerewan Samba Credit Union	Communal farming, horticulture, soap making, tie and die.	Kerewan
Kurajula Kunda Yiriwa Kaffo	Agriculture – Crop production;	Kurajula Kunda
Kuwonkuba Village Development Committee	Livestock rearing, farming, cereal banking.	Kuwonkuba Village
Kuntair Compin Kawral	Farming	Kuntair Village
Kuraw Arafang Village	Farming, Horticultural Production	Kuraw Arafang
Kanuma Village Development Committee	Agriculture – farming vegetable production,	Kanuma
Kombo East Tesito Association (KETA)	Vegetable production, community farming, soap making, jam	WD

Source: Government of The Gambia (2005)

Most of the reviews undertaken above have focused on the paid or remunerated dimension of The Gambian informal sector rather than the non-waged or non-market aspect of the informal sector. The unpaid or non-market aspect of the informal sector of The Gambia also plays a significant role in the day-to-day coping strategies of the average Gambian household.

In The Gambia, as in other parts of West Africa, adults have rights over children on the basis of their seniority (Guyer 1993). Yet these rights extend beyond the household and are part of what Shipton (1990: p. 381 quoted in Linares, 1997) terms as a larger ‘cultural economy’: ‘...the complex networks of social, economic, and political relationships that reflect, simultaneously, cultural values surrounding age, gender, and power relations and the more tangible demands of ecology, economy, and production.’ Indeed, children, within a Gambian ‘cultural economy’ have historically served as a source of unremunerated labour and as items of exchange (Kea, 2007). She further observes that children may be formally adopted, permanently or temporarily fostered for educational purposes, including training as an apprentice or a marabout’s disciple (*talibo*). Frequently a child may be given to his or her namesake, to a member of the family who has no children, or to a person of a higher status (e.g. a patron), who is not related, as a sign of respect and deference. The child may reside with them until they are adults or return to their natal kin after a few years. Newly acquired children in virtually all of these situations represent a new source of

labour, the potential for claims to resources, and access 'to the rights to which the rearing relationship gives rise' (Goody, 1982: p. 271).

Children usually begin to help with domestic work and farming from the age of five. The nature of their contribution largely depends on the composition of the household. In cases where the husband has a second wife then the domestic workload is significantly less for the first wife and her daughters (Schroeder, 1996). Agrarian economies are characterised by hierarchies of gender, age and class. These hierarchies largely dictate the varying types of labour, unremunerated and paid, which members of the household perform, with girls often performing some of the least desirable and / or valued work (Kea, 2007). She highlights that:

Girls engage in a wide range of domestic activities from washing clothes, sweeping the compound, cooking (a task usually reserved for junior women and girls) and fetching water, to babysitting, and going to the market in the morning to purchase food. They may also trade vegetable produce, water, ice and other foodstuff (roast groundnuts, palm oil, ginger, dried fish and textiles) in local markets and compounds. If children have access to fridges they may sell bags of water, frozen ice, and juice on a table just outside the compound, or in the compound itself. In addition to fetching firewood for cooking, performing general house repairs and fetching water from the public tap, boys may perform some of the same domestic tasks as girls, particularly if there are no female siblings in the compound to help. However, once boys reach their early teens there is no longer an expectation that they carry out domestic duties. (Kea, 2007: p. 15)

Prior to the introduction of double-shift schooling in Brikama in 1997, school-going children had little extra time in which to farm either independently or cooperatively. Consequently, their contribution was greatest during the school holidays in the rainy season in July and August when they were free to till the earth, weed and transplant rice crops and, in the case of boys, help with the production of groundnut and millet crops (ibid.). In the dry season school-going girls would support their mothers by watering, weeding and harvesting vegetable crops in the afternoon and early evening after school and during the weekends. Vegetable production is extremely labour

intensive because of the need to water the crops twice daily. Most adult female farmers either carry out some domestic chores early in the morning and then leave for their gardens mid-morning, spending the day there and returning early evening. Alternatively, they go to their gardens first thing in the morning to water and weed, return to the compound late morning to prepare lunch, and go back to the fields in the late afternoon / early evening for further cultivation of plots. Consequently, many women would send their daughters to the gardens after school, thereby avoiding a second journey later in the day. In addition to relying on their daughters' labour those female farmers who can afford to make use of *kafo* labour do so, or use the labour contributions of recent migrants (ibid).

Regional ethnographic literature on age-gender systems highlights the variety of institutions associated with age and gender, and the purposes they serve in enforcing social hierarchy, and generational and gender differences (see for example Meillassoux, 1981; Abeles and Collard, 1985; Linares, 1992; Piot, 1999; Ferme, 2001). As a central feature of local West African cultural and political economy, age grades, and age-gender systems more generally, also serve as key integrative institutions within society, which foster particular sets of social relations (Rubin 1975); for instance, age grades frequently act as work groups throughout West Africa. Further, in The Gambia the term *kafo* is defined as a group or assembly and *kafu* means to come together. *Kafolu* (associations) refer either to age grade associations or simply interest groups, established as a result of shared identities (e.g. religious, ethnic, political, residential etc.) and / or interests. Although *kafolu*, usually reflect the residential make up of the *kabilo* in which they are organized they can also transcend compound, ward, class and caste distinctions (Hopkins, 1971; Weil, 1968). They vary in size from as few as ten members to over three hundred (Shipton, 1992). Larger *kafolu* are organized hierarchically, with members holding different positions. *Kafolu* are generally single sex, depending on the nature of the association. Most women belong to two different types of *kafolu*: those they have belonged to since they were approximately nine years of age and those they join if they marry into another *kabilo* (Kea, 2007).

In this sense *kafolu* enforce marital, generational and gender difference. In addition to engaging in public works and providing mutual support to members (e.g. in the common preparation of feasts for marriages, naming and initiation ceremonies), *kafolu* serve as credit institutions, and as cooperative labour groups for agrarian

production (Haswell, 1975). Recruitment of age grade work groups is crucial to the accomplishment of particular agrarian tasks. Adult female farmers make use of *kafo* labour for clearing before planting, ploughing, weeding and harvesting rice and vegetable crops. Ideally *kafo* work is carried out in the morning. However, the time period depends on the task to be completed, the size of the plot and the size of the *kafo*. If female farmers make use of *kafo* labour they tend to rely on their own *kafolu* as this is cheaper (Kea, 2007). (With the commodification of these relations use of unpaid *kafo* labour is now virtually unheard of.) Alternatively, and more importantly, they make use of girls' *kafo* labour, which represents an even cheaper form of labour. A group of eight to ten girls are paid approximately twenty to twenty-five Dalasis, depending on the size of the plot and the task, a third to a half of the going rate for a women's *kafo*. A woman, who is a member of a *kafo* of ten people, may pay them forty Dalasis and cook them breakfast. Those who are not members may have to pay up to fifteen Dalasis a day, for each person or ten Dalasis for a morning. The group then entrusts the money for safe keeping to a female elder. They usually use the money to buy clothes (*asubi*) at the end of Koriteh or Tobaski, holy holidays for the Islamic community.

Many female farmers often express a preference for adult *kafo* labour because they are faster and more experienced at carrying out agrarian tasks. They nonetheless used girls' *kafo* labour. Their preference for adult *kafo* labour is often used to justify lower pay to girls' *kafolu*, despite the fact that they carried out the same tasks as those performed by adult female *kafolu*. This representation of girls' labour as slower and less skilled essentially legitimises the lower value attributed to it and their lower pay. Yet, this pay differential does not so much reflect a difference in the quality of the work as it does a difference in the status of the worker. In analysing the 'differentiation of children's labour in the capitalist labour market' Elson (1982) highlights the way in which children are often attributed with a different status, which is reflected in their lower pay. Just as labour markets are gendered institutions so "economic relations" are "bearers of seniority." Consequently, children in The Gambia are rarely properly remunerated for their work.

Having undertaken a review of The Gambian informal sector, it becomes very significant to evaluate how it relates to the process of economic globalisation. In other words, there needs to be that understanding of how economic globalisation in its manifestation through trade liberalisation, market deregulation and foreign direct

investment, has impacted on the informal sector of The Gambia, and whether such relationship can lead to a development pathway for the economic development of The Gambia. The next section will focus on this evaluation, by assessing the ability of the informal sector to lead to sustainable development.

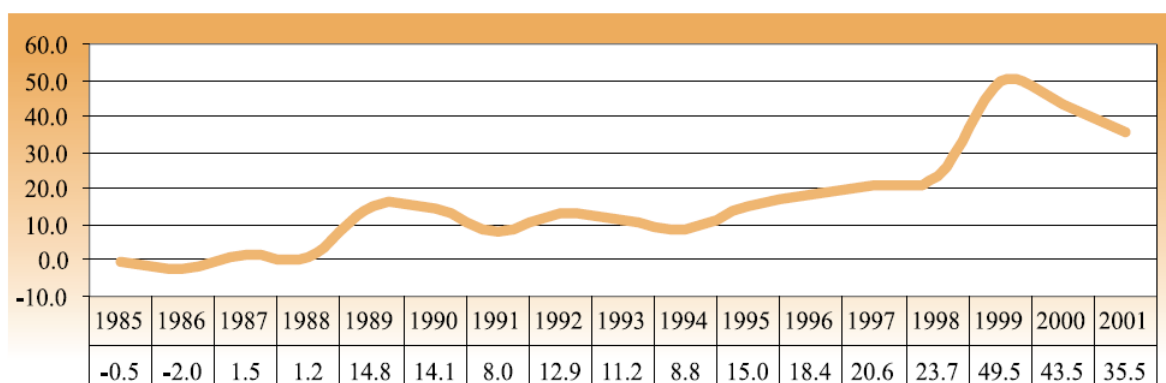
SECTION 3

ECONOMIC GLOBALISATION AND THE GAMBIAN INFORMAL SECTOR

Economic globalisation through trade, foreign direct investment (FDI), capital, technology and migration flows can stimulate demand and productivity, resulting in higher incomes and job creation, and hence, a reduction in poverty. Using cross-country data, most of the empirical evidence presented during the 1990s indicated that openness to trade has a positive effect on economic growth. In the case of the Gambia, the process of economic globalisation has facilitated the flow of foreign direct investment, which has had some positive as well as negative impacts on the informal sector of the Gambia. What is significant to note is that although not all sectors have received direct benefits from the inflow of foreign direct investment, however the inflow of foreign direct investment in the Gambia has highly been concentrated in specific sectors, like the horticultural/poultry, hospitality, finance and fishing industries, which have some form of relationship with the informal sector. Hence the focus of the discussion in this section will be centred on these limited industries.

The advent of economic globalisation in the Gambia has often been associated with the adoption and implementation of the Structural Adjustment Programme and the economic recovery programmes in 1985, which were couched in free market policies, privatisation and market deregulation (Gambia Government, 2004). Since this period, the Gambia had experienced a steady rise in the inflow of foreign direct investment. For instance, the figure below gives an indication of the inflow of foreign direct investment in the Gambia from 1985 to 2001.

Table 2.6
Foreign Direct Investment (FDI) inflows Gambia (1985 – 2001)

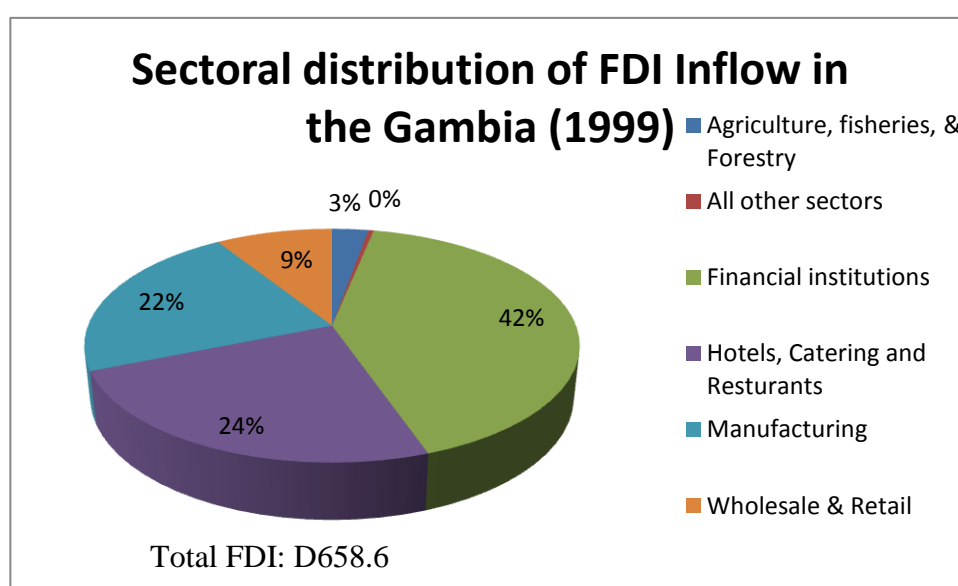


Note: *millions of dollars

Source: World Bank Database Group and UNCTAD, 2002

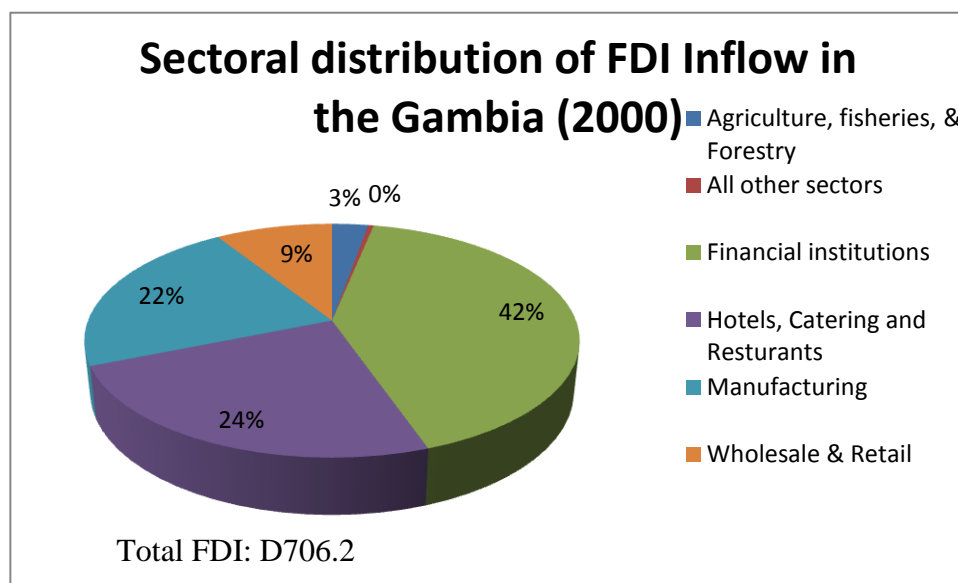
However, despite the steady rise in the inflow of foreign direct investment in the Gambia, certain sectors have benefitted more than others. Some of the biggest recipients of foreign direct investment inflow like the financial sector have had no or very little form of informal economic activities in existence, although they have had some form of impact on the informal sector. Other sectors with concentration of informal economic activities like the hospitality sector (hotels, restaurants, catering) have also received significant proportion of the inflow of foreign direct investment. The two figures below give an indication of the sectoral distribution of the foreign direct investment inflow in the Gambia in 1999 and 2000.

Figure 2.6



Source: Government of the Gambia (Trade Policy Review, 2004)

Figure 2.7



Source: Government of the Gambia (Trade Policy Review, 2004)

The Gambian informal sector has benefitted from the inflow of FDI particularly through the hospitality (hotels, restaurants) and fisheries industries. These benefits have ranged from technical training and development, employment, through to the creation of new markets for agricultural products. The hospitality/hotel industry, which has a total gross output of D1.6 billion (6% of total production output in the Gambia) according to the Gambia Economic Census (2006) has received most of its foreign direct investment in the form of new hotels, bars, restaurants and campsites. Over time, these new hotels, bars and restaurants have come to serve as new markets for the local farmers particularly women operating horticultural gardens, which produce fresh vegetables. According to the National Agricultural Sample Survey (2003 – 2004), 87, 000 local women in the informal sector were found to be operating such horticultural vegetable gardens. Through the continuous technical support of NGOs in the areas of product development and the introduction of new agricultural technologies, vegetables produced by such operators of horticultural gardens over time have come to meet the standards required by the newly established hotels, restaurants and bars through foreign investment. This has come to create an atmosphere where such local operators in the informal sector have come to serve as part of the supply chain of these hotels, bars and restaurants. In 1986, it was estimated that 65% of hotel foodstuffs was imported (World Bank, 1986). By 2006, it was

estimated that 45% to 50% of all fresh fruits and vegetables were supplied by the local farmers within the horticultural industry of the informal sector (Mitchell & Faal, 2007). The horticulture sector in The Gambia currently consists of cultivation of flowers, and fruit and vegetables (onions, tomatoes, cabbages, legumes, mangoes, papayas and bananas). Since the mid 1990s, horticulture has been identified as a potential growth subsector, geared to developed-country markets, and the domestic tourist industry. Traditionally, the subsector is dominated by small-scale household production, but over time a few medium-scale (5-20 hectares) and large-scale (100 hectares and more) producers have emerged, all operating within the realm of the informal sector, primarily to take advantage of donor assistance and export markets (Gambia Government Trade Policy Review, 2004). According to Kuye *et al.* (2006), women are the principal producers of the traditional vegetables like okra, bitter tomatoes, sorrel and other types of greens in the Gambian horticultural sector. They underscored that women who were often the bedrock of households used family farms to grow and cultivate such vegetables. They described the concept of family farms as follows:

The farm family in the traditional setting consisted of a man with his wife or wives and sons and daughters. At times, it also included under-age younger siblings, stepchildren, nephews, nieces and other distant relatives. Farm families lived away from the farm to which they commuted daily during the farming season. However, the homestead was an extension of the farm because it was where livestock was raised, farm equipment stored and some crops grown. Farmers either took their lunch with them to the farm or had it brought to them about midday. Farm work generally started at dawn and ended at dusk and a farmer could spend half an hour or more walking to and from the farm.

(Kuye *et al.*, 2006: p. 3)

The boom in vegetable production started with the growth in international tourism in the 1980s, when the growing of onions was encouraged to satisfy the demands of local hotels due to the rise of the hospitality industry through foreign direct investment (Kuye *et al.*, 2006). By 1986 exotic vegetables like lettuce, tomatoes, carrots, green and chilli peppers, egg plants, beans, cabbages and tropical

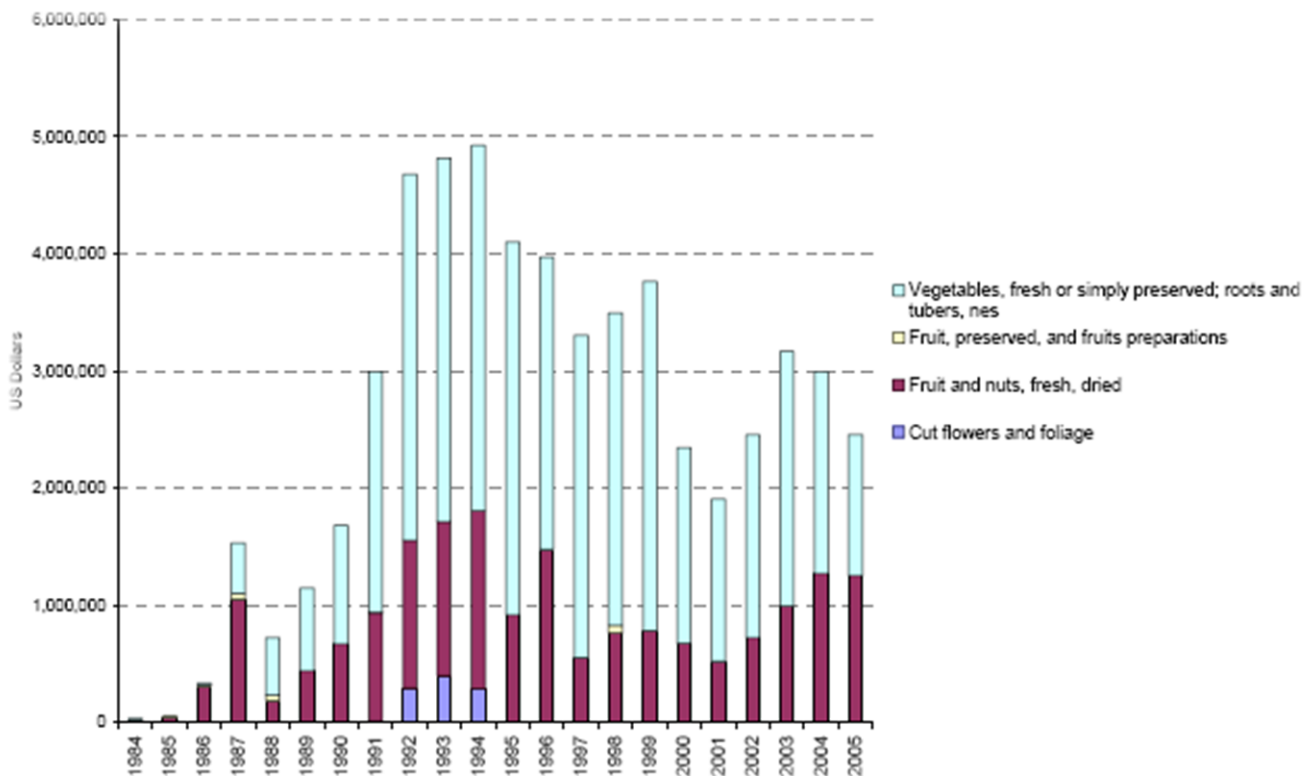
fruits like avocados, guavas, mangoes, papayas, limes, and lately, flowers, have become common produce. Horticultural production was commercialized around the urban centres in the 1990s making it an activity of all seasons; supplying local hotels, the expatriate community, neighbouring countries and Europe, although it remained a sector largely dominated local rural women in the informal sector (ibid.). Horticulture in modern Gambia falls in three main categories: 1) the mechanized and highly commercialized export oriented large-scale gardens of 100 hectares or more; 2) the medium-scale, women's communal, village based donor supported schemes of 5-20 hectares – some with irrigation systems; others; bore holes or concrete wells, with or without pumps; 3) the small-scale gardens of less than 5 hectares that are spontaneously adopted by women using low technology (ibid.). Well construction, fencing, tillage and watering are often done manually. This category is more common in the rural areas where the use of residual moisture of inland rice swamps to cultivate vegetables is practiced. The garden is fenced with palm fronds or barbed wire supported with logs. The land is cleared with cutlasses and rakes and the clearings burned on site. Tilling is done with the hand hoe and the beds are made with a spade or shovel and a rake. The seeds are sown directly onto the beds or the seedlings are transplanted to the beds from nurseries. Some add manure. Depending on what is available, cow, horse, donkey, sheep, goat or chicken manure or a combination of all may be introduced either before planting or after weeding (ibid.).

Other than new markets that the horticultural subsector has enjoyed through the inflow of foreign direct investment in the hospitality industry, it has also managed to attract the European market since the liberalisation and deregulation of the Gambian economy through the Structural Adjustment Programmes in the 1980s. One challenge that the horticultural informal sector has faced in many years in supplying the European Market has been quality standards (Mitchell & Faal, 2007). However, the informal sector has gradually managed to overcome this challenge through the support of NGOs, who over the years have provided both financial and technical aid and also introduced the sector to new technology and knowledge. The table below gives an indication of the value of supply that has been made by the horticultural informal sector to the European Market between 1984 and 2005. Although the NGO community in the Gambia have significantly contributed to the development of this sector (see subsection on the contributions of CSOs on the Gambian informal sector), however the horticultural sector which receives less than 3% of FDI inflow in the

Gambia is only producing less than 50% of its capacity, hence not meeting the allocated demand of the European market (ibid.).

Figure 2.8

European Imports of Fresh Horticultural Produce & Flowers from the Gambia
(1984 – 2005)



Note: These figures reflect exports to the UK, the Netherlands and Belgium, but this covers essentially all such exports.

Source: COMTRADE (2006)

Other than horticultural products, local poultry farmers in the informal sector have also had a fair share in the new markets created by the hospitality/hotel industry through foreign direct investment. Through the support and aid provided by some of the local NGOs and international donor agencies, local farmers particularly those in the rural provinces and villages have come to mark a significant presence in the supply chains of hotels, bars and restaurants. The poultry population of The Gambia is difficult to ascertain, although it is estimated at over 600,000 birds, with the average flock size between 15-30 (Kuye *et al.*, 2006). Poultry is a valuable asset for rural

farmers and is mostly owned by women and children. According to a report review commissioned by the Food and Agricultural Organisation of the United Nations (2008), poultry production in the informal sector is characterised by the 'traditional village or backyard' system of production. The village or backyard production system (the low in-put system) is the most prevalent in the country (FAO, 2008). In this system of production:

Chickens are predominantly owned by the family, women and men, by women alone, and by men (in that order), but their management was the domain of women and children. They are a valuable asset, especially for the poor and marginalised, and are a source of income and household food security. Average flock sizes, described in terms of flock structure, i.e. proportion of different age groups and sexes, is on average 3.8 hens, 1.07 cocks, 6.3 growers and 4.8 chicks with a hen to cock ratio of 3:1. Annual egg production was estimated at 23 per hen (FAO, 1998) weighing 36.2 g.

(FAO, 2008: p.18)

The traditional village or backyard production systems defined as the production of village chicken (poultry meat and eggs) using locally available household feed resources can be classified into three systems: The Free Range is characterised by scavenging and extensive husbandry practices. Adequate housing is generally not provided, supplementation is rarely done, and water is provided occasionally. Confinement of the birds normally takes place at night in kitchens, owners' houses or locally made hen coops primarily to minimise predation. The major constraints faced by this system are the extremely high incidence of diseases, mainly NCD resulting in high mortality rates. The owners are not bio-security conscious as such no measures are put in place (ibid.).

The Backyard System is characterised by scavenging, with some husbandry practices including supplementary feeding, provision of water, housing and occasional vaccination, primarily against NCD. Under the two systems above, birds are occasionally sold but are usually kept for home consumptions and social occasions. Improved Backyard System is characterised by scavenging, the provision of houses with nest boxes, improved feeding and diseases control (mainly de-worming and

vaccination against NCD). Farmers undertake this as an income generation venture (ibid.). Under the free range, backyard and improved backyard production systems, utilising indigenous chickens, chicks are produced by natural incubation. However, incubating hens under the free range and backyard systems receive little care or attention resulting in high chick mortalities. In contrast, under the improved backyard system where incubating hens are provided with nest boxes, feed and water, chick mortality is generally low (ibid.). Below are two case study examples that demonstrate how local farmers in the informal sector are benefitting from new markets created by the hospitality industry through foreign direct investment.

Case Study 1

Pa Ebrima Jeng in the informal sector benefitting from a new market

Pa Ebrima Jeng a 65-year old male farmer from Nema Kunku, Western Region has been involved in livestock production for over 40 years. He has managed to keep various types of short-cycled domestic animals, including goats, sheep, rabbits, local chicken and ducks.

He was introduced to duck farming through a short-cycled livestock programme in 1997 by the Department of Livestock Services when he was given a pair of ducks. He has since been involved in breeding, rearing and marketing of ducks, which is now his principal economic activity. He now annually sells both duck eggs and meat with an average of 200 eggs and 40 matured ducks at GMD 95 per crate and GMD 400 per pair or GMD 300 for the matured male. Initially he used to market through neighbours, families and friends but now since the establishment of many more hotels, and restaurants, through foreign investment, he has now been provided with a new market to supply. In addition to providing for his livelihood he also fenced his house through proceeds from the duck enterprise. In addition to household leftovers, he provides supplementary feed comprising millet bran costing GMD 100 per 50kg bag. He uses family labour to operate the enterprise. His principal constraint is housing which has inhibited him from expanding production. During the rainy season he experiences high mortality of young ducks.

Case Study 2

Awa Jallow in the informal sector benefitting from a new market

Awa Jallow a forty-five year-old female farmer resides in Jamagen Sanjal Village in The North Bank Region. Through capacity building and material support provided to communities by the Peri- Urban Smallholder Improvement Project (PSIP) funded by the African Development Bank (AFDB) and the Gambia Government from 1999 to 2007 beneficiaries acquired skills in poultry management and enhanced their income

status. Awa developed keen interest in poultry production and has graduated from her group of 70 members to set up her own broiler poultry enterprise since 2003. Starting with 100 birds she now raises 500-600 birds per cycle with 4 cycles per annum. Awa acquires her day-old chicks and feed from neighbouring Senegal and benefits from the technical assistance support of the project as well as the Livestock Assistant in the area. She markets in her community or in the neighbouring town of Farafenni, North Bank Region. In addition, Awa supplies poultry products to some of the leading hotels and restaurants in the Gambia, which enables her to reinvest in her business. The main constraints she encounters include the high cost of feed and lack of cold storage facilities for the dressed birds.

*Source: Food and Agricultural Organisation
(Poultry Country Review Gambia, 2008)*

Another sector with a high concentration of informal activities that have benefitted from the process of economic globalisation through foreign direct investment in the Gambia is the fishing or fishery sector. According to the Gambia Government Trade Policy Review (2004), the fisheries subsector contributes approximately 2.5% to GDP. It is estimated that between 26,500 to 32,000 people are employed in fisheries activities, and that the livelihoods of 200,000 people are critically dependent on fisheries and related activities. The Gambia's resource base consists of The Gambia River, a continental shelf of 3,855 square kilometres, and a 200 nautical mile exclusive economic zone. Fish and fish products account for approximately 15% of merchandise export earnings (excluding re-exports). Roughly 80% of exports are for the markets of European Union countries. Although The Gambia's marine fish stocks are dominated by pelagics (Bonga, Sardinellas, Carangids), exports are dominated by demersals, notably sole, and crustaceans (Gambia Trade Policy Review, 2004).

The Gambia's fisheries subsector consists of the formal (industrial fisheries) and informal (artisanal fisheries) subsectors, though the development of linkages between private fishing companies and artisanal activities has led to a blurring of this distinction (Gambia Trade Policy Review, 2004). Industrial fisheries account for roughly 25% of fish production (see table below), and consist of 16 fishing companies registered with the Association of Gambian Fishing Companies, nine of which have their own facilities for handling, preservation, and storage (Gambia Trade Policy Review, 2004). Foreign ownership in these companies according to the Gambia Government (2004) is at 35% of aggregated capital. Fishing operations make use of offshore trawlers. Only three companies have their own trawlers; nearly 90% of

trawlers are foreign vessels whose operators have concluded contractual arrangements with Gambian companies, in order to satisfy licensing conditions (Gambia Trade Policy Review, 2004). Nearly 95% of the industrial catch landed in The Gambia is directed towards export markets. The Gambia Trade Policy Review (2004) also highlighted that industrial catches have remained around 8,500 tonnes per year since 1992, when there was a pronounced decline in catches (from a level of 23,000 tonnes), owing to a reduction in the number of licensed fishing vessels.

Artisanal fisheries, which forms the informal sector revolves around the use of small fishing craft, consisting mainly of a fleet of nearly 1,800 canoes operating in marine and river-line fishing zones (Gambia Trade Policy Review, 2004). Traditional fishermen make use of gill nets, hook and line, traps, and seine nets. Artisanal catches averaged approximately 29,000 tonnes per year between 1997 and 2001, which represented a near-trebling of the volume recorded in the early 1990s, reflecting an increased investment by private companies in artisanal activities, as well as expanded credit facilities provided by the Government (Gambia Trade Policy Review, 2004). The increased involvement of private companies in the informal sector is partly motivated by a desire to reduce dependency on foreign trawlers and also that because the artisanal subsector is unregulated (Gambia Trade Policy Review, 2004). Nearly 70% of artisanal landings consist of pelagic fish species (Gambia Trade Policy Review, 2004). Fish catches are commercialized through a network of landing points, mainly situated along the coast. Fish are purchased by: small-scale traders who supply fish to village markets in the immediate proximity of landing sites; by retailers who have access to insulated vans and ice facilities, and who distribute fish to inland or urban markets; and by wholesalers who supply inland and urban retailers, and traders involved in fish processing. The scarcity of storage and cooling facilities means that post-harvest losses can be as high as 20% of the catch in the artisanal subsector. The main processing activity in the informal sector is fish smoking, often using basic technology. Industrial companies constitute a lucrative market for artisanal fishermen dealing with crustaceans, cephalopods, and certain demersals (Gambia Trade Policy Review, 2004). Small-scale operators who are able to access certified fish processing establishments are also able to export smoked varieties to European markets. The informal artisanal fisheries subsector plays a key role in enabling the industrial fisheries subsector to meet its export demands by supplying fish and products to industrial companies, 35% of which are foreign owned.

According to the Economic Census of the Gambia (2006: p. 31) ‘artisanal fishing which is characterised by informality accounted for 59% with D660 million while industrial fishing accounted for 41% with D455 million’. See tables below for the number of catches made by both subsectors between 1997 and 2002 and for the gross output and value added by the two different subsectors.

Table 2.7

Catches and Exports by both fishing subsectors from 1997-2002

	Industrial catches ('000 tonnes)	Artisanal catches ('000 tonnes)	Export volumes ('000 tonnes)	Export values (Million dalasi)
1997	8	30.2	2	44.4
1998	7	26.5	1.7	33.3
1999	10.2	29.7	1.7	36.6
2000	9.2	26.9	0.9	31.1
2001	11.2	32	0.95	34.9
2002	32.4

Source: Gambia Government Trade Policy Review 2004

Table 2.8

Gross Output and Value Added by Fishing Subsectors

Fishing subsector	Number of Establishments	Gross Output	Intermediate Consumption	Value Added	Value Added/Gross Output
		Dalasi			Ratio
Artisanal	1,410	660,035,000	153,128,120	506,906,880	76.8
Industrial	90	454,500,000	178,164,000	276,336,000	60.8
Total	1500	1,114,535,000	331,292,120	783,242,880	70.3

Source: Gambia Government Economic Census (2006)

The above tables demonstrate the significance of the informal artisanal fisheries subsector and how it supplements the export demands of the industrial sector. This in effect contributes to the foreign exchange earnings of the Gambia. Even though the artisanal fisheries subsector over a period of five years has had more catches than the industrial subsector and has had more gross output (D 660,035,000) than the industrial subsector (D 454,500,000), it still remains an unregulated sector, operating under an 'open-access' regime (Gambia Trade Policy Review, 2004: p. 67). Although only 35% of the industrial fisheries subsector is foreign owned or have been established through foreign direct investment, majority of exports to the European market is done by these companies, who get most of their fish supply from the artisanal fisheries subsector. This kind of relationship demonstrates a significant level of interdependence between the formal and informal sectors, and how they can work alongside each other to contribute to economic growth.

One of the biggest challenges that the Gambian informal sector has faced and continues to face is the access to finance or credit (African Development Fund, 2006). Conventional banks operating in the Gambia have always seen the informal sector as a high risk area, hence resulting in the refusal to offer credit facilities to those operating in the informal sector (Mitchell and Faal, 2007; FAO, 2008). This industry which includes units primarily engaged in financial intermediation and units auxiliary to finance, over the past two decades has experienced a surge in the inflow of foreign direct investment, receiving the largest share of FDI inflow in the Gambia (42%) (Gambia Government Trade Policy Review, 2004). Today the finance sector of the Gambia is estimated to have a total gross output of D1.4 billion, which accounts for 5% of total gross output in the Gambia (Economic Census, 2006). The direct inflow of FDI in the finance industry has led to the proliferation of microfinance and credit units and activities in the last ten years.

The microfinance industry in the Gambia is mainly driven by the promotion and development of micro and small enterprises as well as entrepreneurs both in the formal and informal sectors (African Development Fund, 2006). Current statistics from some Non-Bank Financial Institutions (NBFIs), especially those with rural outreach have recorded an informal sector clientele of up to 65%, which is said to be

further growing with the increased demand for value added products both within the country and in the region (African Development Fund, 2006). Currently, there are five (5) licensed finance companies operating in the Gambia; namely Gambia Women's Financial Association, National Association of Cooperative Credit Unions of the Gambia, Gambia Microfinance Savings Company (GAMSAVINGS), BAYBA and Reliance Financial Services.

In addition, the African Development Bank (AFDB) and the International Fund for Agricultural Development (IFAD) have also significantly contributed to development of the informal sector by providing microfinance and credit facilities in the Gambia. Whilst IFAD's support for the Rural Finance and Community Initiative Project (RFCIP) has focused on the provision and strengthening of financial services, AFDB has supported the Community Skills Improvement Project (CSIP), the Peri-Urban Smallholder Improvement Project (PSIP) and the Artisanal Fisheries Development Project (AFDP), using microfinance component of the IFAD funded RFCIP concentrated in Lower River Region (LRR) and Central River Region (African Development Fund, 2006). The project is reported to have promoted 80 Village Savings and Credit Associations (VISACAs) reaching an estimated 100,000 'clients', including 45% women (African Development Fund, 2006).

In recognition of the pivotal role that the microfinance sector plays in the economy two commercial banks have recently entered the microfinance industry. They are the Arab Gambian Islamic Bank (AGIB), with its wholesale concessionary credit to the National Youth Service Scheme (NYSS); and Standard Chartered Bank (Gambia) Limited with a line of credit to Gambia Women's Financial Association (GAWFA). In the Gambia, microfinance units offer financial services/products such as: (a) savings mobilisation (voluntary or compulsory, passbooks and term deposits); and (b) credit delivery (short/medium/long-term loans; cash/ in-kind credit; production/consumption credit; and working capital/investment credit. The table below shows the actual size of the Gambian microfinance market according to the market share of the different operators between 2000 and 2004

Table 2.9
Micro-Finance Market in The Gambia

Institutional Type	TOTAL credit (GMD)	Credit (%)	Total net savings (GMD)	Savings (%)
WHOLESALEERS	69,250,000	11.33	NA	NA
SDF	48,000,000	69.3	NA	NA
RFCIP	21,000,000	30.3	NA	NA
AGIB	250,000	0.4	NA	NA
NBFIs	68,569,540	11.22	63,985,983	5.34
GAWFA	33,766,169	49.2	9,700,000	15.2
NACCUG	34,803,371	50.8	45,666,983	71.4
GAMSAVINGS	NA	NA	8,619,000	13.4
NGO/ NBFIs-TSPs	24,696,400	4.04	514,000	0.04
AFET	4,180,000	16.9	NA	
GAMSEM	625,000	2.5	NA	NA
WISDOM	300,000	1.2	192,000	37.4
GARDA	1,500,000	6.1	200,000	38.9
NASACA	389,400	1.6	NA	NA
NYSS	300,000	1.2	NA	NA
PAS	50,000	0.2	NA	NA
TARUD	250,000	1.0	100,000	19.5
AGE	252,000	1.0	22,000	4.2
IBAS	10,000,000	40.5	NA	NA
FACs and ACP	6,850,000	27.8	NA	NA
VISACAs	52,320,596	8.56	174,454,810	14.55
Credit Unions *	34,803,370	5.69	45,666,983	-
Kafo CBOs	338,600	0.06	NS	NS
Total Microfinance excluding commercial banks	215,175,136	35.20	238,954,793	19.93
Commercial Banks	396,187,650	64.80	960,148,000	80.07
TOTAL (DALASI)	611,362,786	100	1,199,102,793	100.0
USD Equivalent	21,081,475.38		41,348,372.17	

Source: National Microfinance Strategic Framework,
African Development Fund (2006)

In June 2005, it was estimated that the outreach in microfinance was around 232,000 clients (about 17% of the total population) with over GMD 215 million credits disbursed and GMD 238 million savings mobilized within the informal sector (African Development Fund, 2006).

The microfinance clientele served is mainly rural poor, 70% of whom are women (African Development Fund, 2006). The repayment rates are between 80% and 90%. According to the African Development Fund's Entrepreneurship Promotion and Microfinance Development Project Report (2006: p. 12)

The microfinance industry in the Gambia is still at an infancy stage compared to its neighbouring countries who report that almost 57% of its population have access to an average loan amount of GMD 12,500 compared to GMD 1,500 in Gambia. Six NBFIs in the Gambia are concentrated in the Western part of the country mainly in the GBA and NBD administrative divisions. Very few microfinance operators are available in the URD and the CRD mainly due to infrastructure constraints and unaffordable costs of expansion.

A study carried out in 2002 concluded that the demand for microfinance in the Gambia by far exceeds the supply. The credit demand for rural microfinance services in 2002 was estimated to be GMD 234.25 million (UA 5.21 million), corresponding to GMD 302 million (UA 6.711 million) in 2005 (adjusted for inflation) (African Development Fund, 2006). The RFCIP Refinancing/ Guarantee/ Insurance Funds Study (2005) estimated that the total credit supply in the Gambia in 2005 was about GMD 220 million (UA 4.89 million). This implied a credit shortfall of over GMD 80 million (UA 1.7 million), assuming zero-real growth of demand between 2002 and 2005. However, based on the assumption that demand over that period increased in real terms by five percent per annum, the shortfall was GMD 133.5 million (UA 2.966 million) meaning that only about 30% of rural households in the informal sector received credit (African Development Fund, 2006).

Although the process of economic globalisation through foreign direct investment and trade has had some profound positive impacts on the informal sector of the Gambia as demonstrated from the above pieces of evidences, however, it has come at some cost to the Gambia as a whole and to the informal sector in particular. The Gambia's integration into the global economy since 1985 has meant the liberalisation and opening up of its economy and the removal of trade barriers. This in effect has brought about not only the inflow of foreign direct investment, but also making the Gambia a market for other products, hence leading to the mass importation of cheap products and raw materials from outside (FAO, 2008). Prior to the 1980s, the Gambia like most other Sub-Saharan countries adopted an 'import-substitution industrialisation' strategy (United Nations Conference on Trade and Development, 2008). This strategy advocated for the protection of the Gambian

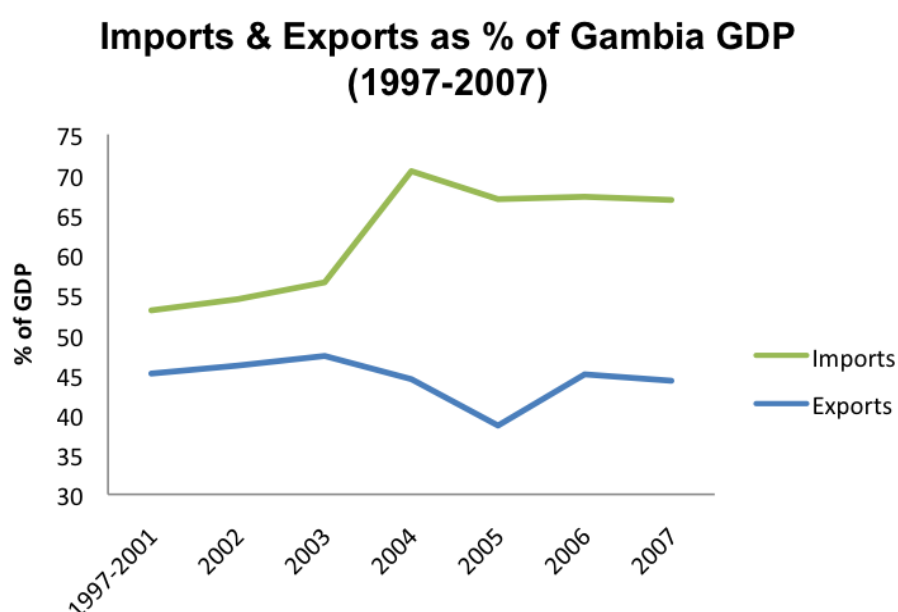
domestic market from foreign competition in order to promote domestic industrial production. Import-substitution industrialization was widely accepted in the 1960s and 1970s as a viable policy package to help developing countries achieve structural transformation and lessen their dependence on primary products (United Nations Conference on Trade and Development, 2008). As a result, trade policies in the Gambia during this period were characterized by extensive State involvement in the economy, both in production and in marketing. Additionally, the Gambian domestic market was shielded from foreign competition through a number of policy measures. Nontariff measures (NTMs) such as quantitative import restrictions and government licences were used profusely to restrict imports. Tariff structures were often highly complex, with a large number of tariff rates, and tariffs were high (United Nations Conference on Trade and Development, 2008). Exports were often restricted by a number of export taxes and strict rules and regulations. However in between came economic globalisation in the form of trade liberalisation and free market policies. For the Gambia, measures to liberalize imports revolved around three key policies: reducing the overvaluation of its currencies and eliminating foreign exchange rationing; dismantling non-tariff measures by reducing the list of products requiring import licensing; and reforming the tariff system by reducing tariff dispersion and lowering the overall level of tariffs (World Bank, 1994). Additionally, regulatory barriers such as the granting of monopoly privileges were addressed in some cases of trade liberalization.

In theory, trade liberalization was expected to have a positive influence on the long-term growth of the Gambian economy in several ways. First among these was the ‘substitution effect’, according to which trade liberalization would reduce the price of imported inputs and remove barriers to export, thereby shifting the incentive structure towards greater production in the tradable sector and improved export performance (United Nations Conference on Trade and Development, 2008). This sector was expected to be more efficient than the non-tradable sector as it was more exposed to competition. As a result, total factor productivity in the economy would improve. Second, there was the expectation that greater emphasis on the production of tradeable goods will encourage greater investment. This would then expand production and confer positive externalities on the economy, particularly through foreign investment. Thirdly, increased production for trade would mean a rise in output volumes, thus allowing for greater specialization and ‘learning by doing’.

Finally, it was expected that trade will lead to technology transfer and that with more efficient technology total factor productivity in the economy will improve (United Nations Conference on Trade and Development, 2008). Overall, it was projected that trade liberalization would result in increased production of tradables and that this would generate positive externalities for the economy by improving the efficiency of production. Trade liberalization was also expected to contribute to an enabling environment for structural transformation of the economy through export-oriented policies, leading to diversification (United Nations Conference on Trade and Development, 2004).

However, these developments (trade liberalisation and market deregulation) have had some profound impact on the Gambia's ability to generate revenue from exports. Instead, the Gambia over time has come to serve as a market base for cheaply imported primary products, which in turn has had some impact on the informal sector through the creation of a competitive environment between local products and imported products. The figure below illustrates Gambia's product import and export between 1997 and 2007. It demonstrates that the Gambia has done more importing than exporting between these periods. Compared to other countries in the sub-region, the Gambia by far has done more importing of primary products.

Figure 2.9

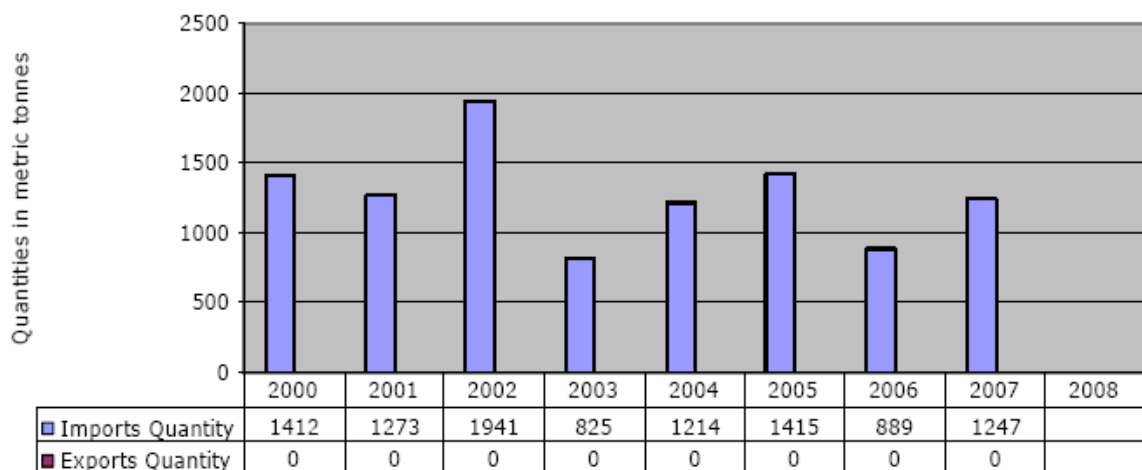


Sources: IMF, African Department database, March 29, 2007; and World Economic Outlook (WEO) database, March 29, 2007

To begin to understand how this whole process has negatively impacted on the informal sector, there is the need to concentrate on the poultry sector of the Gambia, where most of the activities in this sector are done by informal sector. According to a study conducted by the Food and Agricultural Organisation of the United Nations (2008) on the poultry sector of the Gambia, the process of economic globalisation through trade liberalisation and market deregulation has exposed the sector to mass importation of poultry products. According to Ceesay and Jagne (2000) the importation of frozen whole chicken and cuts from the European Union (EU) and Brazil has had a serious negative impact on the marketing of locally produced chicken. The figures below give an indication of exports and imports that were made by the Gambia on poultry and poultry products between 2000 and 2007. For a detail breakdown of the sources of origin and quantity of imported poultry products to the Gambia between 2002 and 2007, see Appendixes 3 & 4.

Figure 2.10

Imports & Exports of Hen Eggs With Shells (Including Hatching Eggs)



Source: Gambia Bureau of Statistic (2008)

According to the FAO study (2008), eggs produced by the informal sector or ‘indigenous backyard’ were found to be more expensive as they were considered ‘fresher’ and having a ‘longer shelf life’ by the consumers, whilst the imported eggs were found to be more cheaper, resulting in most retail shops and supermarkets opting for the imported eggs (Ceesay and Jagne, 2000). This in turn affected the production

and marketing of poultry products within the informal sector. Poultry marketing particularly within the informal sector is plagued with numerous constraints. According to the FAO study further revealed that

...most of the marketing by poultry growers is conducted at the production site and involve the selling of live broiler birds and culled layer birds to individual consumers, or middlemen. Hotels, restaurants and individual consumers also purchase dressed chickens directly from the producers or from the supermarkets. There are no slaughtering / processing facilities in the country thus the growers carry out this activity themselves resulting in differences in the qualities of the marketed products. The poor quality of local poultry is one key factor highlighted by hoteliers as responsible for their preference for imported products. Importers play a major role in the wholesale and retail trade of poultry meat products. They usually operate cold chain facilities and market their products to retailers in cartons and to household consumers either in cartons, or whole chicken or in portions. Imported whole chicken or portions are sold by retail shops, supermarkets and street vendors. An important effect of the importation of poultry products has been an increase in health risks and incidents of food poisoning...

(FAO, 2008: p. 21)

The mass importation of poultry products to the Gambia has affected the informal sector poultry producers by limiting their market access, as they have often failed in competing with the cheaply imported poultry products from other countries (see appendixes 3 & 4 for countries that the Gambia imports from). According to Sharma (2005), the phenomenon of import surges has attracted considerable attention in recent years, in large part in the context of deepening trade liberalization. Such surges have often tended to disrupt local markets and hurt local producers, and thus are sensitive matters for policy makers. In a report on the Sustainability Impact Assessment of the EU- ACP Economic Partnership Agreement commissioned by the European Union, it was highlighted that 'recent massive imports of frozen chicken pieces into Western Africa have damaged local production of poultry and are further

damaging the maize production, where maize is produced for poultry feed' (European Union, 2005: p. 28). The table below gives an indication of the negative impact of poultry import surge on the informal sector of the Gambia and some other West African countries.

Table 2.10
Impact of poultry import surges in some West African countries

	Period	Production variation during the period (%)	Import variation during the period (%)
Ivory Coast	1998 – 2000	-33	+44
Gambia	1994 – 2004	-36	+300
Senegal	1999 – 2003	-13	+75
Togo	1999 – 2003	-24	+75

Sources: Ivory Coast: IPRAVI (2004); Gambia: Ceesay M.B., Njie M. and Jagne M.A., (2005); Senegal: FAO, (2004); Togo: De Coster T. *et al.* (2004)

The information in the above table illustrates that between 1994 and 2004, the Gambia has experienced the lowest production variation (-36) compared to the other countries mainly due to its high importation of poultry products, which has a variation of +300. What this also shows is that poultry production in the Gambia was very low between these periods whilst most of the consumed poultry products in the Gambia were largely imported products.

In their study on the impact of import surge of poultry products in the Gambia, Ceesay and Jagne (2005) underscored that most of the labour in farms and the poultry sector is family labour, although there are occasions, where both family-work and employed-work exist. They argued that such sectors provide jobs, and in general may employ between 2 to 5 people on a permanent basis, but because of expected drops in production under the surge of poultry products importation, this will tend to have a negative impact on employment in the poultry sector. This will in turn result in a drop in the retail price of chicken in local markets, which will then increase their vulnerability and poverty (*ibid.*).

CONCLUSIONS

In this chapter, an attempt has been made by the thesis to review existing literature on economic globalisation and the informal economy, based on the objectives set out in chapter one. In the process of reviewing existing literature on these concepts and processes, an understanding was developed on the nature, scope and characteristics that defined their existence. In developing an insightful and comprehensive understanding of these activities and concepts, an effort was also made to explore and grasp the existence of any potential relationships between them by using the country of study as a case.

One of the key objectives of this study set out in chapter one was to review the extent to which the process of economic globalisation was identifiable in The Gambia. To this effect, the study deemed it necessary to create understanding of the concept and process of economic globalisation. This was achieved in this chapter through the process of critically reviewing the concept and process of this phenomenon through the use of existing literature. Hence in this chapter we come to learn that process and concept of globalisation as a whole and economic globalisation in particular is nebulous and could be viewed using different lenses including those of the globalist, sceptics, and transformationalists. We also came to understand that the process of economic globalisation could be characterised by different features including but not limited to foreign direct investment, import/export trade, and the adoption of free market economic policies. In this chapter, we also learn that this process of economic globalisation also embodies global integration of national economies, which due to its widespread has come to reinforce a belief in the supremacy of a specific type of commodified market – namely; free market capitalism enshrined in the widespread and efficacy of hyper mobile global corporations.

In addition to understanding the phenomenon of economic globalisation in this chapter, we also come to learn about the informal economy. Since this study desired to understand the significance of the informal sector as a mode of production and provisioning different from free market capitalism, in the livelihood coping strategies of households, the thesis saw it as crucially important to dig deep into existing literature and bring out an understanding of its characteristics, scope and functionality. Hence apart from knowing that the informal economy has different perceptions in this

chapter, we also come to know that activities that exist within the informal sector are very heterogeneous, which could not be reduced into any single set of activities. Through the cross examination of existing literature on this concept in this chapter, we learn that the informal economy consisted of paid informal work activities and unpaid informal work activities. This chapter also made an attempt to understand the nature of the Gambian informal sector in order to create a more lucid understanding of the informal economy phenomenon.

Finally in this chapter, an attempt was made to explore the potential relationships that may have existed between economic globalisation and the informal economy, since as part of its objectives, the thesis also sought to explore the feasibility of harnessing the informal economy as an alternative to a development pathway of a de-regulated global marketplace. In this chapter we come to understand that a relationship, characterised by both positive as well as negative impacts existed based on the country of study.

CHAPTER 3: RESEARCH METHODOLOGY AND METHODS

INTRODUCTION

This chapter in general is made up of one main section. Section one discusses the different research techniques adopted by the study in generating data from The Gambia. In this section, three main research techniques were identified and used by the study to generate data from The Gambia. These techniques included a structured survey questionnaire, which was used to generate data on the livelihood coping strategies of eighty rural and urban households from The Gambia and the embeddedness of these strategies in the formal and informal sector; document analysis, which was used to gather data on policies, strategies and projects relating to the roles, scope, developments and functioning of The Gambia informal and formal sectors and their specific interrelationships and with economic globalisation; and a semi-structured face-to-face interview with some representatives of The Gambia Government and civil society organisations – whose purpose was to ascertain perceptions and views on the nature of economic globalisation and the informal sector in The Gambia in relation to the relevant documents collected and used in this thesis.

RESEARCH METHODS AND TECHNIQUES

The three research techniques adopted by this study in generating data that would enable it to achieve the stated objectives set out in chapter one, were influenced by both the qualitative and quantitative paradigms. This was purposely done to enable the study achieve its objectives, since the usage of both paradigms can be harmoniously integrated into a single framework to achieve intended research goals and enable the study to better understand the phenomenon in question (Rossman & Wilson, 1985).

Structured Questionnaire and Households Interviews

One of the key objectives of this study has been to develop an understanding of economic life in The Gambia, by assessing economic activities and coping practices used by households. What working practices do households use? Why do they use these work practices rather than others? How important are the formal and informal economies in people's everyday lives? Is it feasible to harness the informal economy as an alternative to a development pathway of a de-regulated global marketplace? These are some of the questions that this study seeks to find out.

To understand the role of the informal and formal sectors in households' livelihood coping practices and also to measure the embeddedness of such household coping practices in the formal and informal economies, a household survey was conducted on 80 households in The Gambia.

Socio-economic and demographic overview of the research environment

Situated on the Western Coast of Africa, The Gambia extends inland from the Atlantic for about 320 km, along the banks of the River Gambia, at widths varying from 24 to 48km, covering an estimated area of 11,000 sq. km (see appendix 7 for map of The Gambia). The Gambia's population is estimated at approximately 1.4 million growing at an annual rate of 4.2% per annum (Gambia Census, 2003). With a population density of approximately 124 persons per square kilometre, The Gambia has one of the highest population densities in the World, which is expected to double in the next 16 to 17 years, as a result of a high fertility rate, a decline in infant mortality rates, and immigration, which accounts for about 1.7% of population growth (Gambia National Household Poverty Survey, 1998). The Gambia is surrounded on the north, east and south by the Republic of Senegal and on the Western side by the Atlantic Ocean. Based on the 2003 census estimates, 69% of the population lived below the poverty line. In 2003, over 55 % of the population lived in the Great Banjul Area (GBA), indicating a highly urbanized population trend (Gambia Census, 2003). The youths and women comprise the majority of the population, with the young women and men representing approximately 63.6% (Gambia National Household Poverty Survey, 1998). Women represent about 51 % of the population and 45 % of the labour force, whilst youths represent about 63.6 % of the population and more

than half of the work force (Gambia National Household Poverty Survey, 1998). The youths, women and the disabled are disproportionately over-represented in the rank of the unemployed and underemployed (Gambia National Household Poverty Survey, 1998). Unemployment rate amongst the youths is estimated at over 40 % and 70 % of women are engaged in low productivity rural subsistence agriculture, and provide about 86 % of household income (Gambia Census, 2003). According to the National Household Poverty Survey (2003), income poverty increased from 59 % to 74 % between 1998 and 2003, whilst 78 % of economically active women engaged in agriculture were considered extremely poor. Key socio-economic challenges facing The Gambia among many other things include the declining purchasing power of the poor, rising urban poverty and high rates of youth unemployment (International Poverty Centre UNDP, 2008).

In recent years however, The Gambia experienced increased GDP growth rates averaging about 5.4 % in the formal modern sector (International Poverty Centre UNDP, 2008). This growth has mainly concentrated in the services and low manufacturing sectors of the formal modern economy, and accounts for about 10 % of the employment of the labour force (International Poverty Centre UNDP, 2008). However, this growth has not sufficiently expanded to generate adequate employment opportunities to absorb the increasing urban young job-seekers, most of whom have little or no employable skills, and are highly concentrated in the Greater Banjul Area (GBA) (Poverty Reduction Strategy Paper, 2006). This indicates that the economic growth has only benefited a small segment of the urban elites, with the majority of the labour force living in low productivity activities in the non-farm informal economy.

This means that while the economy seems to grow, poverty in The Gambia is on the increase. The Gambia is one of the poorest countries in the world, and indications are that it is getting poorer, as evidenced by its Human Development ranking (International Poverty Centre UNDP, 2008). Poverty in The Gambia has a strong gender dimension, which is buttressed by the results of the 2003 Integrated Household Survey (HIS). According to these results, 61 % of the country can be classified as poor, of whom 63.3 % is rural and 57.2 % is urban. By gender however, 48 % of males and 63 % of females are classified as poor, with 15.1 % of females and 8.5 % of males classified as extremely poor. The HIS further indicates that while poverty is found in all parts of the country, extreme poverty can be found more in rural areas (15 %) than in urban areas (13 %).

The Gambia is divided into six major regions (Greater Banjul Area, Western, Lower River, North Bank, Central River, and Upper River Regions), and seven Local Government Areas (namely: Banjul Municipality, Kanifing Municipality, Kerewan, Mansa Konko, Janjanbureh, Brikama, and Basse Santa Su (see appendix 8 for map of The Gambia with all the regions and local government areas). Three of the seven Local Government Areas (namely- Banjul Municipality, Kanifing Municipality and Kerewan Area Council) were selected for the purpose of this study in order to capture the widest diversity of populations and economic activities (urban and rural). Both Banjul and Kanifing municipalities are located within the Greater Banjul Region, whilst the Kerewan Area Council is located in the North Bank Region. In all, these three local government areas represent 40% (530,631) of The Gambian population and 2,343sqkm of the total land area of The Gambia (Gambia Census, 2003).

In selecting the households for the survey, the study used a number of factors as criteria. The first criterion for selecting households was based on the geographic setting of these houses- that is; whether they were located in a rural or urban setting. This was done to include diverse coping strategies used by households since livelihood strategies may vary between urban and rural households. Hence Banjul and Kanifing Municipalities were selected for the urban households, whilst Kerewan Area Council was selected for the rural households. Both Banjul and Kanifing Municipalities are regarded by the Department of Local Government and Land as 100% urban whilst the Kerewan Area Council is 80% rural (see appendix 9 for map and further details).

Apart from using geographic setting for selecting households, socio-economic affluence and deprivation was also used as another criterion. Deprived communities in The Gambia were characterised by high levels of poverty, malnutrition, infant mortality, limited access to health facilities, low literacy rates, high crime, unemployment and drug rates, whilst the socio-economically affluent communities are characterised by high employment and low poverty rates (Gambia Census, 2003). This criterion was used in order to enable the study capture the widest variety of coping strategies by households since those strategies used by affluent communities could be different from those used by deprived communities. In this regard, Banjul and Serrekunda were selected as the most socio-economic affluent communities within the Banjul and Kanifing Municipalities, whilst Essau was selected in the

Kerewan Area Council. Similarly, Old Jeshwang and City Bazaar were selected as the most deprived communities in the Banjul and Kanifing Municipalities whilst Nuimi and Kanuma were selected as the most deprived communities in the Kerewan Area Council (Gambia Census, 2003).

The process of selecting households in these affluent and deprived communities was largely influenced by the local guides who were assigned to me. In order to gain access to these households, I had to meet and introduce myself and my mission to the community heads of these communities who included the “Alkaloo” (chiefs/village heads) of Old Jeshwang, City Bazaar, Kanuma, Nuimi, Essau and the mayors of Banjul and Serrekunda (Kanifing). It was these community leaders who assigned the local guides to me, in an effort to facilitate my access to households in their respective communities. The company and presence of the local guides was meant to create trust between the households and myself, and also to serve as a means of reassuring the households that their respective leaders did approve my research. Hence the selection of households in these communities was mainly determined by the local guides based on their familiarity with households and their knowledge of the local communities. This been said however, interviews were only conducted in households where there was the presence of the household heads. Where household heads were not available due to work and other commitments, no interviews took place and a time was arranged based on their availability. However, where they were not available because of death then the persons in charge of the household was solicited for. Therefore in all households interviewed, only the heads of households or those in charge of households were interviewed. This included both male and female households. In conducting the interviews, Female households were found to be higher in Banjul, Kanuma and Essau.

The process of administering the structured questionnaire in 80 households took six weeks of intense work. Between the four rural communities of Kanuma, Nuimi (Barra), and Essau (Kerewan Area Council), forty questionnaires were administered whilst the remaining forty questionnaires were administered in the communities of Banjul, Old Jeshwang, City Bazaar and Serrekunda (Banjul and Kanifing Municipalities).

Implementation of the questionnaire in Banjul Municipality

Banjul Municipality is made up of three wards (Banjul South, Central and North) and represents 3% (35,061) of the overall Gambian population (Gambia Census, 2003). Being the capital city of The Gambia, it is the most economically active location in The Gambia. The Central Government, House of Parliament and the Judiciary are all located in the Municipality of Banjul. It is the commercial and business centre of The Gambia, although 25% of the city is used for residential purposes. There are currently 6, 853 households in the Banjul Municipality, but with the current trend of commercial activity and inflow of business establishments, the number of households is set to decline (see appendix 10). In the 2003 population census, forty-five percent (45%) of The Gambian population was reported to be economically active. This percentage included all persons of 7 years and over, and both those in the formal and informal sectors. Forty-five to fifty percent (45%-50%) of Banjul's population was reported to be economically active, which according to the 2003 census is the national average (see appendix 11 for details). As much as 61.5% of Banjul's population is also considered dependant – dependent persons including those too young to work (under 15 years) and those too old to work (65 years and over). See appendix 12 for details. The one hundred percent (100%) urban status of Banjul has meant that majority of economic activities are non-agricultural. This is reflected in the 2003 census which showed that only three percent (3%) of the population in Banjul are employed in the agricultural sector, which is the largest employer in The Gambia (47%; see appendix 11 and 13), leaving the majority of the economically active population in the whole sale & retail, manufacturing, tourism and services industries. Banjul has the least amount of poverty rate compared to all the other local government authorities, as only 10.6% of its population live below the poverty line (see table below).

Table 3.1

Poverty and per capita living standards by LGA

	Poverty (Head count)		Poverty Gap (2003)	Poverty Severity (2003)	Mean/capita Living Standards (2003)
	1998	2003			
Banjul		10.6	4.3	2.1	22,096
Kanifing		59.3	24.8	13.8	11,115

Brikama		54.3	22.4	12.5	8,075
Mansakonko		61.1	19.8	9.3	10,246
Kerewan		68.4	33.2	20.0	6,569
Kuntaur		92.3	47.3	27.1	3,623
Janjanbureh		71.7	25.6	12.3	5,589
Basse		64.3	25.9	13.1	6,924

Source: 2003 Population & Housing Census Preliminary Estimates, CSD

In the Banjul Municipality, a total number of five households were selected for the implementation of the study. This was due to Banjul having the smallest number of households out of all the municipalities in The Gambia, and representing only 3% of the population. The five households interviewed were a combination of both extended and nuclear family units. Two out of the five households were headed by women, which reflect on Banjul's high percentage of female-headed households. Out of all the municipalities in The Gambia, Banjul has the highest percentage of female-headed households, which stands at 25% (see appendix 14). The average size of the five households interviewed was 6, which if compared to the other regions in The Gambia, is the lowest. With an area land of 12sqkm, all the three wards that make up Banjul are walking distances to each other, which made travelling within Banjul a lot easier than in the other municipalities. Access to the five households interviewed in Banjul was much easier compared to the other municipalities. Household members were much more open and welcoming. One explanation for this could be that they saw the interview as an opportunity to explain and express their circumstances and conditions, with the hope that people in authority will hear it. Banjul as stated earlier on, has one of the highest rates of dependency and economically inactive population. One of the difficulties faced during my interview with households in Banjul was that rather than just the household head contributing to the interview, almost every member of the household was participating resulting in occasional interruptions and differing viewpoints and responses. Another difficulty this experience posed was the over consumption of my time. The average implementation time of the questionnaire in a Banjul household was between three hours and three and half hours. This was because the participation of every household member meant that everyone had something to say. In addition to providing responses to the questions posed,

household members tried to bring in discussions that were irrelevant to the questionnaire. In the female-headed households, some had to call upon their sons to participate in the interview whilst they attend to their businesses (mostly street vending). In addition, they would occasionally interrupt the interview just to ensure that the information I was receiving was accurate. The Gambia's male-dominated system makes it extremely difficult for women to participate in decision-making. This was reflected in two of the five households visited in Banjul, where the female household heads had to call on their eldest sons to serve as the head under their supervision.

In Banjul, the general atmosphere during the interviews with household members was relaxed and opened. They were found to be reasonably friendly and sincere, as almost every household I visited requested me to partake in their food. The existence of this atmosphere was very helpful in that it enabled me to conduct the interviews without anxiety or undue pressure.

Implementation of the questionnaire in Kanifing Municipality

Like Banjul, the Kanifing Municipality is also located within the Greater Banjul Area. As can be seen from table 3.1 above, more than half of its population (59.3%) live below the poverty line. Unlike Banjul, the Kanifing Municipality has a larger population percentage. It accommodates 24% (322,735) of the overall Gambian population, with a land area of 76Sq.km, making it the most cosmopolitan and densely populated municipal in The Gambia (Gambia Census, 2003). It has a total number of 49, 013 households, making it the highest within the country (see table in appendix 15). It is made up of major towns like Serrekunda, Old Jeshwang, New Jeshwang, Latirkunda, Fajara, and Bakau etc. Like Banjul, the Kanifing Municipality is designated 100% urban by the Department of Local Government and Land, and unlike Banjul, only thirty-two to forty-five percent (32%-45%) of the municipality's population is economically active, making it the lowest in country (see appendix 9 & 11). The economically active within the Municipality are highly concentrated within the wholesale & retail, manufacturing and services industry, whilst only three percent (3%) is employed in the agricultural and animal husbandry sector (see appendix 13). As a result of unemployment and the lack of economic activity, poverty level in the

Kanifing Municipality remains very high, and as much as 67.8% of its population are considered dependents, making it the second largest in the country (see appendix 12). Whilst the average household size in the Kanifing municipality stands at 6.58, 24.4% of households are headed by females, making it only second to Banjul which has 25.0% (National Household Poverty Survey, 2003; see appendix 14).

During the course of implementing the survey questionnaire in the Kanifing Municipality, three separate locations were visited namely- Old Jeshwang (deprived), Serrekunda (affluent), and City Bazaar (deprived). See appendix 16 for map of these three locations. A total number of thirty-five (35) households were selected from these locations in the Kanifing Municipality. This number of households was selected because of the high representation of the population and households in this municipality.

Like Banjul, selection of these households was based on the knowledge and familiarity of the local guides who were assigned to me by the respective heads of the communities. Hence this facilitated my access to households and made the interview process relatively smooth. One of the difficulties encountered in these communities was communication (in the form of language barrier), as I could neither speak nor understand their tribal language. In some households, this was overcome through the use of interpreters. Majority of the interpretations were done by school going children who were members of the households and could speak English. Where such children were not available, heads of households called upon their neighbours who had the ability to speak English to interpret for them. Although the interview process with majority of the households went smoothly, however there was some degree of resistance and reluctance encountered despite the presence of the local guides particularly in Old Jeshwang and City Bazaar (considered very deprived communities). According to some households' heads, I was just one of those countless researchers who would use them, promising in return better development and improved livelihoods, which they hardly experience. Hence for them whether they participated in the interview or not, it would not make any difference to them and thus they would prefer spending their time doing something worthwhile rather than participating in my research. In short, they saw me as a time waster. For some of these household heads, it took a good amount of convincing to get them participate in the interviews whilst for others they simply decline to take part in the research. Hence within the Greater Banjul Area (Banjul and Kanifing Municipalities), a total number

of forty (40) households were interviewed during the implementation of the study, all representing the urban status-quo and life in The Gambia, be it affluent or deprived.

Implementation of the questionnaire in Kerewan Area Council

Since part of the study was also meant to concentrate on rural Gambia, the Kerewan Area Council was selected due to it being the most diverse reflection of rural Gambia according to the 2003 Population and Household census. It is located in the North Bank Region of The Gambia. It is made up of six districts (Lower Nuimi, Upper Nuimi, Jokadu, Lower Baddibu, Central Baddibu, and Upper Baddibu); see appendixes 8 & 15. It has a population of 172, 835 people (representing 13% of The Gambian population), with a land area of 2,255sq.km (see appendix 15). It has a total number of 18, 241 households, 19.2% of which are headed by females (see appendixes 14 & 15). The economically active within the Kerewan Area Council varies as over 70% in Upper Baddibu are reported to be economically active, whilst it is only between 65% and 70% in the other districts (see appendix 11). The reason why people are more economically active in the Kerewan Area Council than in the Banjul and Kanifing Municipalities is the high concentration of agricultural activities in this region. As much as 50% to 85% of the economically active population in this region is employed in the Agricultural and Animal Husbandry sector, although paradoxically, its dependency rate, (62.3%), is higher than that of Banjul (61.5%). See appendixes 4 & 8. In addition, it registers the third highest rate of poverty as 68.4% of its population live below the poverty line, compared to Banjul (10.6%) and Kanifing (59.3%) (see table 3.1). During the course of implementing the questionnaire in the Kerewan Area Council, three different communities were involved –namely Nuimi (Barra), Essau and Kanuma, all of which fall within two major districts (Upper Nuimi and Lower Nuimi) (see appendix 16 for locations). Lower and Upper Nuimi have an estimated combined population of 69,500, distributed across 7, 335 households (refer to appendix 15).

A great deal of humility and friendliness was observed within households during the interviews. In Essau which is considered as an affluent rural community, most households interviewed consisted of not only family members, but also orphans and other non-family members, who were been accommodated and catered for out of

goodwill and generosity. In Essau and Nuimi (Barra), 30 households were interviewed, whilst 10 households were interviewed in Kanuma, in all making a total of 40 households in the rural communities. However during the conducting of the interviews among these households, female-headed households were found to be higher in Kanuma and Essau. Some of the factors responsible for the high rate of female household heads other than death, are divorce and rural-urban migration (Gambia Census, 2003). One of the factors that have significantly contributed to the socio-economic affluence of Essau is the high rate of remittance, usually coming Europe and the USA (Gambia census, 2003). This has also largely contributed to the high rate of female household heads in Essau as most of the remittance comes from the husbands of these female heads, who are based in Europe and America (Gambia Census, 2003).

Structure of the Questionnaire

My structured interview (questionnaire) first of all asked interviewees (households) to state the spheres upon which they most heavily relied on to maintain their standard of living using a flashcard that lists: formal and informal work, which was sub-divided into subsistence work, barter with neighbours, friends, etc, cash-in-hand work and formal employment. To both provide greater understanding and to corroborate their views, more detailed questions on household coping practices were then asked, regarding the specific nature and processes their works involved. In addition, they were also asked the number of years they have spent living in their locality and also the number of members within their households. They were also asked to state their ages, gender, work status and work history. For each of these categories, a core list of codes was presented to them in order to enable them to identify the category to which they belonged.

Drawing upon previous research on household coping practices in both the advanced and transition economies (e.g., Leonard, 1994; Pahl, 1984; Williams and Windebank, 2003), the second part of the structured questionnaire consisted of a core list of some 25 everyday household tasks to investigate, which included but were not limited to indoor painting, wallpapering, plastering, improving kitchen and bathroom, plumbing, routine housework, shopping, ironing and washing, cooking, babysitting,

hairdressing, repairing furniture, tools, curtains and clothes etc. Where an activity did not take place, the interviewees were asked whether this was not necessary or whether it was necessary but they could not afford it. Where an activity took place, interviewees were given a list of 17 sources of labour to highlight both the source of labour used the last time that it was undertaken as well as whether household members, neighbours, friends and or others supplied these tasks on an unpaid or paid basis in the past five years or month. Where the service given or received was monetised, then interviewees were asked to disclose the amount that was involved. Below in Table 3.2 is the list of codes for the sources of labour.

Table 3.2
Source of Labour Used – Codes

Code	Source of Labour
1	Self-provisioning - male
2	Self-provisioning - female
3	Self-provisioning - female and male jointly
4	Unpaid exchange - relative
5	Unpaid exchange - friend
6	Unpaid exchange - neighbour
7	Unpaid exchange - voluntary group or other
8	Paid informal work - relative
9	Paid informal work - friend
10	Paid informal work - neighbour
11	Paid informal work - self-employed individual previously unknown
12	Paid informal work - firm or business
13	Non-monetary gift - relative
14	Non-monetary gift - friend
15	Non-monetary gift - neighbour
16	Non-monetary gift - other person
17	Employment

In the same vein, they were asked to state their reason(s) as to why they chose a particular source of labour over the others and presented with a different list of reasons why they chose that particular source of labour. They were then asked to identify their preferential source of labour if they had a choice – they presented with the same of labour source.

The third section of the structured interview focused on work undertaken for others. Just as in the second section, my interviewees were presented with the same core list of 25 activities. They were then asked to state if any member of their household undertook any work activity on the core list for others and whom they did it for. They were also given the opportunity to make mention of any work activity that was undertaken for others, but which was not mentioned on my core list. Where the work activity was not undertaken by any member of the household, a NO was put down, but where the work activity was undertaken by a member of the household, they were asked to state who the work was done for, why it was undertaken and if monetised how much they were paid. The type of work undertaken and who it was done for was coded 1 to 13 (see table below).

Table 3.3

Work Undertaken for Others – Codes

Code	<i>Work Undertaken for Others</i>
1	Unpaid exchange for relative
2	Unpaid exchange for friend
3	Unpaid exchange for neighbour
4	Unpaid exchange for other
5	Paid informal work for relative
6	Paid informal work for friend
7	Paid informal work for neighbour
8	Paid informal work for firm or business
9	Paid informal work for other
10	Non-monetary gift from relative
11	Non-monetary gift from friend

12	Non-monetary gift from neighbour
13	Non-monetary gift from other

The fourth section of my structured interview with households was centred on the process of acquiring goods. This particular section was designed to determine and ascertain the sector in which the provisioning of goods was embedded, whether it was the formal economy (global market) or the informal sector. Households were presented with a list of common items such as bed, fridge, car, shoes, television, cigarettes etc. and asked to identify any of the products they acquired. Where they do not possess an item, NO was put down but where they were in possession of an item, they were shown a flashcard of 8 sources to determine how they acquired it. Where the acquisition of an item was monetised, they were then asked to state the price of the item or product. See Table 3.4 and 3.5 for a list of goods and the sources of acquisition.

Table 3.4
List of Sources

Code	Source
1	Relative
2	Friend/neighbour
3	Person advertising their sale in shop window, newspaper, etc
4	Bought second-hand from 'black market'
5	Bought new from 'black market'
6	Bought second-hand from 'proper' shop/store
7	Bought new from 'proper' shop/store
8	Other

Table 3.5
List of Goods

Code	Goods
1	Fridge

2	Furniture
3	Cooker
4	Cigarettes
5	Car
6	Fan
7	Bed
8	Carpet
9	Television
10	Cooking utensils

The last part of the structured questionnaire was more qualitatively oriented as it comprised of open-ended questions, which tried to generate more in-depth information about the coping strategies households used. It also involved in-depth interviews with all 80 households, who adopt formally orientated, mixed and informally orientated strategies both successfully and unsuccessfully in terms of coping capabilities. This was purposefully done so as to provide richer qualitative insights into the issues emerging from the statistical analysis and results from the SPSS. Households were asked questions relating to their extra work, household difficulties and problems, medical care, basic household needs, economic future, and day-to-day living challenges. They were also asked how government development initiatives and socio-economic policies were addressing their basic daily needs, and whether the work carried out by NGOs were helping them in overcoming their daily challenges.

Data Analysis

As mentioned earlier, the survey questionnaire was designed with the aim of generating data on the different livelihood coping strategies used by households in The Gambia in order to measure the embeddedness of these strategies in the formal and informal sectors. It was hoped that the generation of such data would help us understand and determine; a) the significance of the formal or informal sectors in peoples daily lives; b) and also to explore the extent to which goods and services production was formalised and commodified, or informalised.

In analysing data gathered from the 80 rural and urban households interviewed through the questionnaire, a statistical software package for the social sciences (known as SPSS) and Microsoft Excel were used. Having already codified the questionnaire during the designing, 203 variables were created using the SPSS 16.2 version. Each of these variables was made to represent a source of labour, a work activity, goods, services, location, background of interviewees etc. Under the descriptive statistics command function within the SPSS programme, the cross tabulation facility was used to analyse and manipulate the data distributed among the 203 variables. The cross tabulation function, which helps display the joint distribution of two or more variables, enabled me to create correspondence and contingency tables in a matrix format. The creation of the correspondence and contingency tables helped me in analysing and describing more than two variables simultaneously, whilst at the same time making comparative analysis. For instance through cross tabulation, I was able to manipulate and analyse inputted data to show the number of households using different sources of labour to acquire goods and services and also the different sources of labour used for different work activities (see table 4.15). I also used cross tabulation to make a comparative analysis of the employment or work status of households in correspondence to their total gross household incomes (see tables 4.16 and 4.21).

Regarding the Microsoft excel software, I used it largely to analyse data into charts. In addition, Microsoft Excel was used to calculate and analyse the value of unpaid informal work using the 'input method' through time used (see chapter four - the economic value of unpaid informal work: tables 4.13 & 4.14). Hence data was manipulated and inputted into excel to create percentages. For instance in determining the most important activity for households' standard of living, data was inputted into excel to determine the percentage of households that relied on self-provisioning, formal employment and other forms of work activities (see figures 4.3 and 4.4).

Document Analysis

Another key objective of this thesis was to review the extent to which the process of economic globalisation was identifiable in The Gambia and the degree of its potential relationship to the informal sector. In generating data on policies, projects

and practices, which formed part of this research, document analysis as a research technique was used.

Document analysis is a research technique use in generating data, which relies heavily upon the use of a variety of written materials for data, insights and judgements about programmes, events and processes (Hammersley, 1992). Although it can be employed in conjunction with other research techniques such as interviews (the use of semi-structured interviews as a conjuncture with document analysis is discussed in detail in the next subsection) or participant observation, however it can be use as a technique on its own to determine and understand situations, processes and events through the generation of retrospective data (Hammersley and Atkinson, 1995). According to Johnson and Duberley (2000), document analysis is a systematic process, beginning with a hypothesis or hunch about how an event came about, who was involved, the sequences of activities, and casual relationships. In deciding to use document analysis as a technique in reviewing the existence and extent of economic globalisation in The Gambia and its potential impact on The Gambian informal sector, one useful and refreshing reminder was that:

The analysis of documents can yield extremely rich data and insights into events and the context in which they occur. Coupled with other data gathering approaches, document analysis can greatly strengthen the power of an evaluation effort, and provide ways to deepen and extend the interpretive limits of the study.

(Garman, 1982: p. 5)

The first step involved the technique of document analysis includes the tracking of relevant documents, but as Garman (1982) reminds us:

The tracking of documents results from the evaluator's reconstruction of events, sequences, and casual connections about the programmes, decisions, and people in which he or she is interested. This working hypothesis about how things might have occurred leads to the search for documents and records, which will confirm (or change) the reconstruction.

(Garman, 1982: p. 3-4)

In light of this understanding, a reconstruction of the process of economic globalisation and the informal sector was done in sections one and two of the literature review in chapter two. In undertaking a review of these two concepts and processes, an insightful understanding was developed of the forms and dimensions in which they existed, sufficient enough to enable the study to track relevant documents for analysis. In using documents to generate information on the nature and scope of economic globalisation in The Gambia and its potential impact on the informal sector, relevant Government and NGOs documents, reports, reviews, policies and strategies papers were sought after. Although many documents were used in this thesis, however the following below were the key and most used documents in the process of identifying the extent of economic globalisation in The Gambia:

- Trade Policy Review (The Gambia 2004) World Trade Organisation (2004)
- National Policy on Small and Micro Enterprises (SMEs) Development – Gambia Government (2003)
- The Gambia Economic Census – Gambia Government (2005)
- The Gambia Economic Census – Gambia Government (2006)
- Fight Against Social and Economic Exclusion (FASE) Project Evaluation – United Nations Development Programme, International Labour Organisation and Gambia Government (2006)
- Report on the Evolution of Policies and Programmes in Support of the Private Sector in Food Production – Action Aid The Gambia (2004)
- The Gambia Poverty Reduction Strategy Paper - International Monetary Fund (2007)
- A Fisheries Co-management Case Study from The Gambia – M. Njie & H. Mikkola (2001)
- Poultry Sector Country Review The Gambia – Food & Agricultural Organisation (2008)
- The Gambia Article IV Consultation Staff Report – International Monetary Fund (2006)

The process of accessing some of these documents was relatively effortless as they were easily available online and hence were downloadable. However, accessing a significant number of these documents involved a great deal of effort and patience, particularly documents that came from the Government. Since most of the Government documents were not available online, I had to seek them from Government departments during my fieldwork in The Gambia. Information management in these departments were found to be inefficient and rather poor, which made my task of acquiring relevant documents very difficult. At times just to acquire one document, I would have to go through many departments and not only that but also exercised so much patience just sitting and waiting for the appropriate personnel to attend to me. I could remember going to the State Department for Agriculture just to obtain a very relevant agricultural policy document, which probably would not have required more than ten minutes for me to obtain from them, but instead I waited for nearly four hours just for the person responsible for the department's documents to attend to me. In the end no one attended to me because they were all closing for the day, which required me to make second visit to the department. Thus the process of accessing some official documents required me making several trips a day and several days a week just to have access to them or take a copy home. In accessing other documents from the likes of United Nation Development Programme, Food and Agricultural Organisation and Action Aid The Gambia, the process was quite efficient and professional. Whilst in The Gambia, I made appointments through telephone calls to meet with the relevant personnel of the respective organisations. As some of them operated resource and research centres in their organisations, I was given access to scan through the centres to look for the documents I wanted.

Once the relevant documents were obtained, the next stage in the document analysis process involved me doing a careful read and study of these documents, which resulted in me subjecting relevant documents through a verification process in order to establish the validity and authenticity of such documents. As argued by Sarantakos (2005), documents that are identified and collected through a tracking strategy must be subjected to further scrutiny and analysis in order to establish their authenticity and validity. The process of verification in the case of this study took the form of semi-structured interviews, which were conducted with those involved in the production of the documents (the semi-structured interviews are discussed more in detail in the next subsection). Again once the process of verification of the relevant

documents was completed and the documents found to be valid and authentic, they were then deemed appropriate to be used for evaluation and cross-examination in determining the existence and extent of economic globalisation and its potential impact on the informal sector of The Gambia.

In evaluating and analysing the content of the relevant documents used in this study, one useful reminder was that:

Because documents are rich in contextual information, the content analysis of documents, and construction of the categories that this entails, is sure to be well-grounded in the events, perceptions, and environment under study. The result is more natural set of categories for analysis, and a less synthetic and investigator-controlled analysis. One is forced constantly back to the context of events for meaning and interpretation.

(Garman, 1982: p. 5)

Hence in the process of analysing relevant documents to generate an understanding of the existence and extent of economic globalisation and its impact on the informal sector, three different categories were created – namely; Foreign Direct Investment (FDI) inflow; import and export trade; and informal work activities or informal livelihood strategies. In constructing these categories, they were all contextualised and related to The Gambia. In the literature review, we learned that Foreign Direct Investment inflow and export and import trade represented key features of economic globalisation, whilst informal work activities were representative of the informal sector. Therefore, having created these categories, all the documents used were analysed within the confinements of these three categories. For instance in generating information about the extent and nature of foreign direct investment in The Gambia, the Trade Policy Review (Gambia 2004) document and the Article IV Staff Consultation Report for The Gambia were evaluated and analysed. The contents of these two documents helped in creating a general understanding of the inflow of FDI in The Gambia and share distribution of these inflows to the different economic sectors in The Gambia. Further to this, the contents of the Poverty Reduction Strategy Paper, the Poultry Sector Country Review Report and the National Household Poverty Survey were evaluated and analysed to generate an understanding of informal

livelihood means and how they were operational within The Gambia. Finally the Fight Against Social and Exclusion (FASE) Evaluation Report, the Artisanal Fisheries Development Project (AFDP) Report, the ASSET Evaluation Report and The Gambia Is Good (GIG) Project Report, were analysed to determine the complex interrelationships between economic globalisation, the formal sector and the informal sector.

As highlighted earlier on, the process of verifying the authenticity and validity of the acquired documents involved the use of semi-structured interviews, which would now be discussed.

Face-to-face semi-structured in-depth individual interviews

As already stated, semi-structured interviews were conducted with key personnel in various government departments and civil society organisations, who were involved in the production of the relevant documents acquired. The interviews were designed purposely to verify the authenticity and validity of the documents that were tracked and accessed for this study. As Krippendorff (1980: p. 40) observed, 'much too often researchers design content analysis studies ad hoc and conduct them without any thought of validation; such research contributes little to research literature'. Thus to avoid falling into this category of researchers, verification of documents was sort after. The personnel interviewed included the Secretary of State for Finance and Economic Affairs, the Permanent Secretary for the Department of State for Trade, Industry and Employment, the World Bank/IMF Country Representative to The Gambia (based at the Department of State for Finance and Economic Affairs), the Assistant/Deputy UNDP country Representative and two Programme Analysts (UNDP), the Country Director (Action Aid The Gambia), Dr. Saja Taal (Managing Director of the Daily Observer News Paper and Lecturer in Political Science at the University of Gambia), Halifa Sallah (Civil Educationalist, Sociologist, & Editor of the Foroyaa Newspaper and Author), and the Governor of Central Bank of The Gambia. Hence the rationale for selecting these interviewees was completely based on their involvement in the production of the relevant used documents in this study. In ensuring that the semi-structured interviews took place, access was very pivotal. The process of accessing these people required me to write letters requesting for their agreement and participation in my interview (see copy of

letter in appendix). Subsequent follow-ups were made through telephone calls to ensure that the letters reached the appropriate personnel.

Access to the Secretary of State for Finance and Economic Affairs was quite straight forward in that it was less bureaucratic. Once the request letter was despatched to him through his Private Secretary, followed by a telephone, he acknowledged receipt of the letter through a telephone and then invited me to his office to interview him. The interview with him was scheduled for the 27th December 2006 at 10:30 pm. The Secretary of State for Finance and Economic Affairs was one of the key officials from the Government of The Gambia involved in the production of the Staff Consultation Report of Article IV of The Gambia, where this study generated vital information on the scope and nature of FDI in The Gambia. Hence the rationale for his selection was based on his involvement with the production of this document. The purpose of the interview was to verify the authenticity and validity of this document and also to seek clarification on some key technicalities of the document. The interview took the format of me having to introduce myself and the nature and purpose of my research and then a question and answer session based on some general as well as specific questions relating to economic globalisation and the informal sector in The Gambia as a whole and FDI inflow in particular. Although the interview was meant to last for forty-five minutes, however half-way through the interview, we had to call off the interviewed as he emphatically insisted that he was going to chair another meeting where his colleagues were waiting on him. A request made by myself for the interview to be rescheduled for another day was declined and no reason was given to me as to why. This occurrence left some of my questions answered.

To this effect, I quickly had to request for an interview with the IMF/World Country Representative to The Gambia, as he was also part of the team (IMF officials) who produced the document. This time around the request was not made through a letter but verbally through his Secretary as he was also based in the same department with the Secretary of State for Finance and Economic Affairs. At that spot, an invitation was granted to me although it was for the following day (28th December). The purpose and format of the interview stayed the same. He was also asked similar questions pertaining to economic globalisation and FDI inflow to The Gambia. Once the technical clarifications were achieved and the authenticity of the document verified, the interview came to an end lasting about forty minutes.

The next interview schedule was with the Department of State for Trade, Industry and Employment. Similar to the Department of State for Finance and Economic Affairs, an interview request letter was sent to the department for their significant involvement in the production of the Trade Policy Review document of The Gambia and also the National Policy on Small & Medium Enterprise Development document, which served as vital sources of information on the nature and extent of FDI inflow to the different sectors of The Gambia. Like the previous interview, the purpose of the interview remained the same – to verify the authenticity and validity of the document. Access to the Secretary of State for Trade, Industry and Employment was far much difficult, as it required several telephone follow-ups and a significant number of trips to the department. Even though an interview was granted, at the end it was not with the Secretary of State for the Department, but it was rather with the Permanent Secretary of the Department. Despite the granting of five appointments by the Secretary of State for Trade, Industry and Employment, she failed to make up any of the five appointments. At the end I had to settle for the Permanent Secretary of State for the Department, whom I thought did very well in answering my specific questions on the Trade Policy Review document and also the National Policy on Small & Medium Enterprise Development document. The format of the interview was divided into two parts- namely; introduction of the research purpose; and a question and answer session. This opportunity with the Permanent was also used to gain more understanding on the significance and productivity of certain sectors within the informal sector and their link to the formal and global economy. The overall interview lasted for about one hour.

Based on the involvement of the Department of State for Agriculture in the production of the Poultry Sector Country Report of The Gambia, they were selected for interviewing. However despite despatching a request letter, followed by several telephone calls and visits to the department, access was not granted and no reasons were given for the denial of access to the Secretary of State and the officials of the department. In response to this situation, the study turned attention to the Food and Agricultural Organisation of the United Nations, as they were also involved in the production of the document. They were very helpful, efficient and professional in their approach. Despite the fact that access was sought in the absence of a request letter and only through a telephone call, an interview was granted by the organisation.

Based on the content of Poultry Sector Country Review Report, the interview was design purposely to verify the authenticity of the document and also to gain deeper understanding of how and why the poultry sector was dominated by the informal poultry producers and its contribution to the livelihoods of households through food self-sufficiency. Based on this, I was able to interview the Programme Analyst for the Horticultural and Poultry Unit of the FAO. The format of the interview took the form of a question and answers session and lasted for thirty minutes. After the completed of the interview, I tried enquiring about The Gambia Is Good (GIG) project, upon which the interviewee recommended me to contact Dr. Saja Taal who served as a consultant to the project.

Based on this recommendation, a request letter was written and sent to Dr. Saja Taal at his Daily Observer Newspaper office in Bakau. After following the letter with three telephone calls, an interview was granted by Dr. Taal, who apart from been a consultant to the GIG project, was also a Lecturer of Political Science at the University of The Gambia and the Managing Director of the Daily Observer Newspaper. Access to Dr. Taal was rather less complicated in that despite the request been made at a very short notice, he acknowledged the request quite quickly and spent almost an hour discussing about the GIG project report and the project it self. At the same time he showed eloquence and profound knowledge in answering my questions on the GIG project in particular and the horticultural subsector as a whole.

The next interview schedule was at the United Nations Development Programme headquarters in Cape Point Bakau, where the Assistant Country Representative and two Programme Analysts were interviewed based on the Fight Against Social and Economic Exclusion (FASE) Project Report, which they played a major part in producing. Access to these personnel was sought after through a request letter and follow-up telephone calls. The process of access was facilitated and speeded up more due to my familiarity with Assistant Country Representative. The interviews were designed to gain a broader perspective and more insightful understanding of the FASE project, the types of informal activities that were existing and supported within the project, and challenges faced by the project. In addition to achieving a wider understanding of the project, the interviews were also meant to verify the validity and authenticity of the FASE project report. The interview with the Assistant Country Representative of UNDP lasted for only twenty minutes as he directed me to the two Programme Analysts whom he said were the key architects of the project. Discussions

during the interviews were largely focused on the FASE project. These interviews also accorded me the opportunity to meet with some of local people who took part the project and whose capacities and skills were developed by the FASE project. Although no formal interviews took place with these local people took place, however I managed to have informal chats with some of them about the significance of the project towards their livelihoods and socio-economic development.

Although an interview was scheduled to take place with the Country Director of Action Aid The Gambia, access was rather difficult to get even though a request letter was sent, followed by a couple of telephone calls. When it was finally granted, it came in the form of an informal chat rather than a formal interview. This was quite disappointing in that Action Aid The Gambia was the key producer of the Private Sector and Food Production Report (Gambia), and hence not having access to do an interview with officials of Action Aid was a stumbling block. According to the Country Director, she had just taken over the organisation less than a month prior to my request and thus everything within the organisation new to her. I suppose this was quite a legitimate reason to decline an interview. However, she recommended to me their resource centre and also to one of the consultants who worked on the Private Sector and Food Production Report – in the name of Mr Halifa Sallah.

Apart from been a key consultant to the Private Sector and Food Production Report, Mr. Halifa is also a renowned sociologist and civil educationalist. Hence his selection as an interviewee for this study was completely based on his familiarity and key role in the production of the above report. Although the key purpose of this interview was to verify the validity and authenticity of the Private Sector and Food Production Report, however the interview opportunity was also used to gain further knowledge of the informal sector of The Gambia and how its was been impacted on by the formal sector and the global economic. In addition, the interview was used to explore some of the livelihood coping strategies in The Gambia based on his experience and knowledge as the most renowned sociologist in The Gambia. Although the process of accessing Mr. Halifa Sallah involved the despatching of a request letter and a couple of telephone calls, however the access was made more easier due to the involvement of the Country Director of Action The Gambia, who took the initiative to also contact Mr. Sallah on my behalf. Through our discussion, I also came to know that he also played a key role in the coordination of the Artisanal Fisheries Development Project and in the subsequent production of the project's

evaluation report. The study used this opportunity to gain a broader perspective on the project and how it has support the improvement of the livelihoods and income earnings of fishing communities and the artisanal fish folks and fish processors. This was done in addition to verifying the authenticity of the evaluation report. In total, the interview with Mr. Sallah lasted for one and half hours.

The final interview schedule was with the Governor of Central Bank of The Gambia. He was chosen by this study for an interview based on his knowledge of the Structural Adjustments Programmes implemented in The Gambia, which marked the birth of the process of economic globalisation in The Gambia in the 1980s. He started working with the Ministry of Economic Planning (now the Department of State for Finance and Economic Affairs) in the 1980s during the epic days of the Structural Adjustment Programme and actually oversaw the implementation of these programmes. He also served as the Secretary of State at the Department of State for Finance and Economic Affairs before becoming the Governor of the Central Bank of The Gambia.

However, access to the Governor was quite difficult. Despite sending a request letter, followed by several calls to the Central Bank of The Gambia head office in Banking, there was no chance of meeting the Governor of the bank. During my initial visit to the bank, I was made to understand that the Governor had travelled out of The Gambia. However, on a second visit, I was told that he was busy catching up with his office work and that I should call in the following week. In the following week, I called in, but was advised that the Governor of the bank was on annual leave. At this point, I explored the informal routes to reaching the governor. At first, I requested my mother to have a word with the wife of the Governor who was her close associate, which she did. Immediately, I was able to speak to the Governor over the phone about the purpose of my research, upon which an appointment was made for me to visit him at his home. Most of my questions with the Governor of the Central Bank were centred on the macro and micro impacts of the Structural Adjustments Programmes on The Gambia's formal and informal sectors. The interview lasted for one hour.

Overall, all these interviews were conducted with specific organisations and government departments who in one way or the other were involved in the production of the documents that were used during the process of analysing relevant documents. The purpose for conducting these interviews was to verify the authenticity and validity of the key relevant documents that were going to form a significant part of

this study, and also gain a wider understanding of the dynamics of economic globalisation and the informal sector in The Gambia.

CONCLUSIONS

In this chapter, the research techniques used by the study to generate data, coupled with the problems of the research techniques have been discussed. From the work done in this chapter, we have learned that in an attempt to generate data that would help in addressing the research objectives set out in chapter one, the study used three different techniques – namely; structured survey questionnaire; document analysis; and semi-structured interviews.

In an effort to address the thesis's objective of determining the formalised, commodified or informalised nature of goods and services provisioning and their significance in the livelihood coping strategies of households in The Gambia, the study employed the use of a structured survey questionnaire. In trying to capture the widest possible variety of household livelihood coping strategies in The Gambia, a sampling strategy for selecting 80 households was used, based on the nature of households' geographic location (that is – whether they were urban or rural), and socio-economic affluence and deprivation. Seven affluent and deprived communities were selected from two urban administrative regions and one rural administrative region in The Gambia. Data gathered from these questionnaires was then analysed through cross tabulation in SPSS and Microsoft. However one of the problems of this research technique was that the questionnaire did not create any facility to verify information supplied by households, hence there was no way of knowing whether the information they supplied was accurate or false.

Data analysis as a research technique was also used to gather data in order to determine the extent to which the process of economic globalisation was identifiable in The Gambia and its potential impact on the informal sector, by using relevant documents. In this process, we come to learn that several documents were identified, tracked and acquired through a number of means including internet downloading from official websites and visits to resource and research centres in the different organisations in The Gambia. We also come to learn that in order to achieve reliable and accurate information through the process of document analysis, some form of

verification of the documents with reference to their authenticity and validity was need. In the case of this study, the verification process took the form of semi-structured interviews, which involved the study accessing and interviewing several key people who were either directly or indirectly involved in the production of the documents used in The Gambia.

Having discussed in this chapter the research methods and techniques used in generating data that would help facilitate the process of achieving the objectives set earlier on in chapter, the next chapter concentrates on the actual findings that the use of these research techniques yielded.

CHAPTER 4:

FINDINGS AND ANALYSIS

INTRODUCTION

This chapter reports the results of the survey on the informal sector of The Gambia and the attitude of The Gambia Government towards this sector vis-à-vis its role in socio-economic development. In doing so, it reveals the livelihood practices used by individuals and households in rural and urban Gambia. This will reveal how the formal and informal sectors of The Gambia are linked and inter-related. It also seeks to measure the socio-economic value of unpaid informal work in The Gambia based on a survey on 80 rural and urban households and highlights the significance of informal income generating activities in The Gambia to both households and the wider economy.

THE GAMBIA GOVERNMENT AND THE INFORMAL SECTOR

As discussed earlier, the Government of The Gambia views the informal sector as a sector which is 'expected to play the role of labour sponge in the economy in view of the declining trend in employment in the formal sector and increasing urbanisation' (Gambia Government National Policy Document, 2003: p. 6). This recognition of the potential of the informal sector has been a driving force of The Gambia Government's intervention in the development of the sector. The government's motivation to facilitate the development of the informal sector is not based on economic stimulus, but rather on poverty reduction and alleviation. As such, it draws a false paradox between 'economic' development and 'social' inclusion, viewing the informal sector as contributing positively to the latter but not the former. The Gambia Government's perception of the informal sector as an avenue for poverty reduction and economic inclusion has led to the initiation of several projects over the past two decades together with partners such as non-governmental organisations and international development agencies. Several of these projects established by The

Gambia Government to support the development of the informal sector included the Fight Against Social and Economic Exclusion (FASE) project, the Rural Vocational Training Programme (RVTP), the Artisanal Fisheries Development Project (AFDP) and the Association of Small Scale Enterprises (ASSET).

The Fight Against Social and Economic Exclusion Project (FASE)

The Fight Against Social and Economic Exclusion (FASE) project was launched in 2000 as part of the National Poverty Alleviation Program of the Government of The Gambia. It was funded by the United Nations Development Programme and implemented by International Labour Organisation. The focus of the project was to strengthen community responses to poverty, promote the participation of the poor in their own development and to develop national policies favourable to the poor. The target beneficiaries of the FASE project were the traditional women Kafos, individual micro and small entrepreneurs, including unemployed youths, smallholder and women farmers and members of small business associations.

As a five-year project, it was implemented in areas considered to be the most critical in terms of poverty and socio-economic exclusion. These areas included the Greater Banjul Area, Western Division (Kombo North, Kombo Central and Kombo East), Central River Division, North Bank Division and Upper River Division. The FASE project initially contained five strategic operational objectives at the micro, meso and macro levels of social exclusion and poverty- namely: i) empower women organised in Kafos; ii) empower individual micro and small entrepreneurs; iii) improve the capacity of those women groups and entrepreneurs; iv) strengthen the capacity of public, private and civil society institutions; and v) enhance national capacity to formulate policies and strategies. However during a Tripartite Review Meeting held in May 2000, the project was re-structured to contain only three broad objectives, which included; a) to empower women and youths as well as enabling micro-entrepreneurs to develop capabilities, sustainable income by generating activities and viable micro-enterprises, as well as specific social protection schemes; b) strengthen the capacity of public, private and civil society organisations to provide efficient technical assistance, support savings and micro-entrepreneurs; and c) support national capacity to formulate policies and strategies to reduce poverty, reinforce

synergy among poverty related, development programs in order to respond adequately to the needs of the target groups. The FASE project started with an initial budget of US\$2 million (2000 -2003) and later with an additional budget of US\$0.58 million (2005-2006). During the course of its implementation, the FASE project was able to facilitate the creation and organisation of micro and small enterprises in the informal sector. This was a part of its strategy to create income-generating activities which will result in sustainable incomes for the beneficiary groups. These small and micro enterprises were created and organised in the form of groups and individuals. In total, the project created 193 groups (functioning as community-based small enterprises), 320 individual SMEs and 37 small business associations, involving a total of 16,109, and 2, 968 beneficiaries respectively in the informal sector (see table below).

Table 4.1

Number of SMEs organised by the FASE Project in the Informal Sector

Geographical Divisions	Groups	Number of Beneficiaries	Small Business Associations	Number of Beneficiaries	SMEs	Number of Beneficiaries
Greater Banjul Area	55	3,965	12	720	33	2,976
Western Division Area	69	4,692	9	511	60	5,292
Central River Division	38	3,515	8	1211	134	4,491
Upper River Division	31	3,937	8	526	93	7,268
Total	193	16,109	37	2,968	320	20,027

Source: UNDP FASE Project (2006)

In addition to creating these SMEs (both groups & individuals) in the informal sector of The Gambia, the FASE project managed to register significant success in linking microfinance institutions to trained groups (in both skills and business management), who were able to access credit for ongoing lending to the group members/beneficiaries, who were able to start up incoming generating activities. The project was able to linked nine microfinance institutions to 165 groups that it created and developed. A total amount of D6, 353,484 (US\$240,000) was disbursed by the

nine microfinance institutions to the 165 groups created by the FASE project. On average, each group received an amount of D38, 505.00 (US\$1,500), which they used to create, expand and strengthen their incoming generating activities in the informal sector. See table below for a breakdown of groups that benefitted from the loans disbursed by the microfinance institutions.

Table 4.2
Number of loans and groups beneficiaries

Number	Microfinance institution	Number of groups benefitted	Number of beneficiaries	Amount (Dalasi)
1	Social Development Fund	40	872	1,699,584
2	Gambia Women Finance Association	40	5,466	1,346,280
3	Micro-Fims	30	900	900,000
4	Village Aid	10	1000	555,800
5	Village Savings & Credit Associations	15	800	730,800
6	National Savers & Credit Associations	12	933	559,290
7	Gambia Arab Islamic Bank	1	50	250,000
8	Wuli and Sandu Development Association	11	90	110,730
9	Gambia Food & Nutrition Association	6	153	201,000
Total		165	19,264	6,353,484

Source: UNDP FASE Project (2006)

Further to creating effective and solid linkages between the microfinance institutions and the 165 SMEs in the informal sector, the FASE project has played an instrumental and pivotal role in the development and facilitation of 14 different types of training courses for those groups operating in the informal sector. With the cooperation of partner institutions like Department of Community Development, Gambia Food and Nutrition Association, Livestock Services, Gambia Workers Confederation, Department of State for Tourism and Culture etc., the FASE project was able to develop training courses which covered a wide variety of skills acquisition in key income generating activities such as Tie & Dye, Batik, Soap and Soap-powder, pottery, poultry and animal husbandry, juice processing (including its sanitation requirements), weaving, brick and roof tile making, enterprise development, group management, accounting, marketing, computer and business management, horticultural production and social protection. The table below gives an indication of the different training courses developed and the number of beneficiaries.

Table 4.3

Number of skills training courses developed

Institution(s)	Course Developed	Number of Beneficiaries
FASE, UNV & CSIP	Tie & Dye/batik, Soap, OMO powder production	1762
FASE, UNV & Department of Community Development	Pottery production	541
Food & Nutrition Unit and GAFNA	Juice processing	64
Livestock Services	Poultry & Animal Husbandry	1450
GAFNA	Fruit Processing Hygiene	187
FASE	Enterprise Development	3905
FASE & UNV	Weaving	53

FASE, DCD & MDFTs	Group management	4310
FASE & DCD	Press Bricks and roof tile making	20
FASE & NYSS	Accounting, marketing, computer software, general management, finance management, office administration	10
FASE & Peri-Urban Project	TOT in horticultural production	14
FASE & NANA	Technical assistance for local salt production	8
FASE & Gambia Workers Confederation	Course on social protection	60
NAYAF	Food Security	85
FASE & NAS	HIV & AIDS sensitivity & Skills	195
TANGO/FASE/NACCUG	Institutional strengthening	1653
FASE/SDF	Staff capacity building on microfinance	25
FASE/Food and Nutrition Unit	Food processing & preservation	1747
Department of State for Tourism and Culture	Tie/dye, Batik Production, Food processing, skills training business management, enterprise training	271
Gambia Food & Nutrition Association	Food processing, skills training, tourism development	1485
National Women's Farmers Association	Sesame production, livestock rearing, literacy, manual development, business and management training	26,000
Other Government agencies & NGOs	Product design and marketing	37

Source: UNDP FASE Project (2006)

The FASE project although lasted for a period has significantly contributed to the development of the informal sector through the provision of loans, trainings programmes, and technical support. This has led to the establishment of a significant number of SMEs in the informal sector thriving on low-income generating activities. In addition to the support rendered to the informal sector, the project has played an instrumental role in linking the informal sector to the formal economy. Testament to this is the number of partnerships it has created with organisations, NGOs and Government Departments. From 2002 to 2006, the FASE project managed to establish partnerships and Memorandum of Understandings with 33 different organisations operating in the formal sector. It used some of these organisations to provide resource, finance and technical assistance to those operating in the informal sector. This number of partnerships established by the project with organisations functioning within the formal sector did account for the efficiency and effectiveness of the project. See table below for the number of partnerships initiated by the FASE project.

Table 4.4

Number of key partnerships established

Institution	Main areas of partnership
Department of State for Tourism & Culture	Tie/dye, batik production, Food Processing, Enterprise & business management
Gambia Food and Nutrition Association	Food Processing, skills development for vendors
National Women's Farmers Association	Business Enterprise Management & Animal husbandry
National Association of Cooperative Credit Unions	Institution strengthening, capacity building, manual development
Trust Agency for Rural Development	Literacy Support, Enterprise Development
National Youth Association for Food Security	Support in food security, capacity building
The Association of Non-Governmental Organisation	Capacity building, institutional strengthening

Social Development Fund	Support to Microfinance institutions for onward lending to SMEs, Technical support
Department of Community Development	Capacity building, group management, enterprise management
Young Men Christian Association	Skills and enterprise development
National Youth Service Scheme (NYSS)	Technical support
Food and Nutrition Unit (Department of State for Agriculture)	Food processing
Department of Livestock Services	Training in Animal Husbandry
Sustainable Fisheries Livelihood Project	Technical support
Micro-Fins	Microfinance
Village Aid Gambia	Enterprise Development, microfinance
Gambia Women Finance Association	Microfinance
Christian Children Fund	Capacity building, enterprise development
Village Initiative Support & Credit Associations	Microfinance
FANDEMA	Microfinance
Wuli and Sandu Development Association	Skills and enterprise development
GAMCEM	Microfinance
Department of State for Trade, Industry & Employment	Marketing of products, policy & program development, institutional assessment

Department of State for Finance & Economic Affairs/ SPACO	Technical support, capacity building
World Health Organisation	Health Micro insurance Scheme
Gambia Tourism Authority	Skills training, juice pressing, business development, training to hotel vendors on enterprise management

Source: UNDP FASE Project (2006)

The Association of Small Scale Enterprises in Tourism (ASSET)

The Association of Small Scale Enterprises in Tourism (ASSET) resulted from a British High Commission/Gambia Government sponsored workshop on Private Small Scale and Community Based Tourism Enterprises held in The Gambia in October 1999. It was established in April 2000, bringing together some 40 small and micro enterprises in the informal sector of the tourism industry. These included craft market vendors, tourist taxi drivers, official tourist guides, juice pressers and fruit sellers as well as a number of small hotels, guesthouses and ground tour operators. This project was established in order to bring together, advocate for, and promote a large number of small enterprises that were active in the tourism industry in The Gambia. ASSET's aim is to assist and support small-scale enterprises in tourism to trade fairly and pursue sustainable development, which contributes to the conservation of the physical environment and the social and economic welfare of the community in The Gambia.

It provides assistance to its members operating in the informal sector by offering free training on product/service development, product marketing, customer care, health and safety, computer, quality control and access to finance. In addition, it promotes effective networking and joint activities amongst members, whilst at the same time developing partnerships with government departments, NGOs, and other international development agencies. It also advocates and protects the interests of small-scale businesses within the informal sector of the Tourism industry. As a result of the different trainings it was able to offer to its members in the informal sector particularly the juice presser, the tourist guides and craft market vendors, a significant

rise was realised in the incomes generated by such activities. The four tables below give an indication of the positive impact of the project in terms of the earnings for juice pressers; licensed guides and craft market vendors in the informal sector of the tourism industry between 2001 and 2002.

Table 4.5
Juice Pressers' Earnings at Kotu Beach (2001-2002)

	2001 (Dalasis)	2002 (Dalasis)	Change %
Mean Daily turnover	66.7	148	132%
Mean Daily Surplus	47.5	105	128%
Weekly Income	333	736	121%

Source: TCF surveys (2008)

Table 4.6
Licensed Guide earnings at Senegambia and Kotu Beach

Location		2001	2002	Change %
Senegambia Beach	Mean income per trip	D144 (US\$ 8.8)	D174 (US\$10)	20.8%
	Trips per week	2.38	2.49	4.6%
	Mean weekly income	D345 (US\$21.1)	D408 (US\$24)	18%
Kotu Beach	Mean income per trip	D93 (US\$5.7)	D94.2 (US\$5.5)	1.3%
	Trips per week	3.06	4.2	37.25%
	Mean weekly income	D285 (US\$17.4)	D380 (US\$22)	33.3%

Source: Ibid.

Table 4.7
Earnings Comparison for Kotu Beach Craft Market Vendors

	2001 Mean	2002 Mean
Sales	D96.5	D335.3
Cost of Goods	D55.3	D209.4
Commission payments		1.3
Income	D41.2 (US\$2.5)	D122.8 (US\$6.46)

Source: Ibid.

Table 4.8
Earnings Comparison for Senegambia Beach Craft Market Vendors

	2001 Mean	2002 Mean
Sales	D162.13	D316.92
Cost of Goods	D97.94	D194.79
Commission payments		2.01
Income	D162.13 (US\$9.9)	D316.92 (US\$16.68)

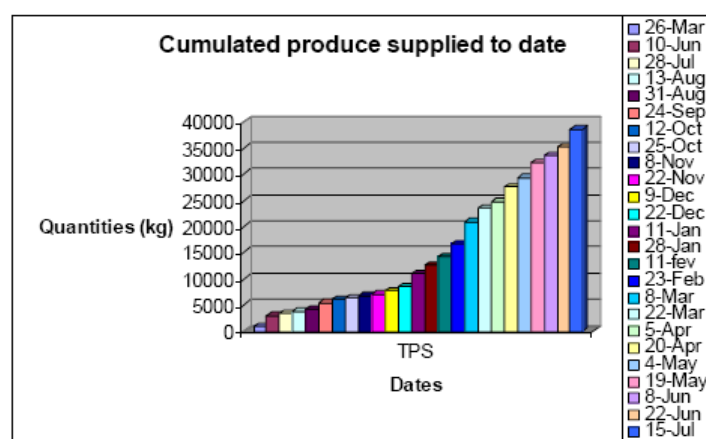
Source: Ibid.

Other than increasing the earnings of those operating in the informal sector of tourism industry through advocacy, training and development, the ASSET project has also played an instrumental role in the establishment of The Gambia is Good (GIG) project, which is a horticultural marketing company that provides tangible economic and social benefits to poor rural Gambian communities surviving on low income generating horticultural and farming activities. It is a registered fair trade business and works in partnership with Concern Universal (a UK based charity) and Haygrove Development (a fresh produce business in the UK). Other key partners include The

Gambia Tourism Concern (GTC), Methodist Mission Agricultural Project (MMAP), Njawara Agricultural Training Centre (NATC), St. Joseph Family Farm (SJFF) and Farmers' Associations. The main focus of GIG is to stimulate a vibrant Gambian fresh produce market that develops local livelihood, inspires entrepreneurship and reduces the environmental and social cost of cheaply imported produce. This integrated production and marketing project since its initiation has produced significant and positive results to those operating on low income generating farming activities. By providing technical support, resources, advice and training to rural community farmers operating in the informal sector, the GIG project has been pivotal in the informal sector to the formal sector by enabling local horticultural farmers to supply their produce to the hospitality industry particularly hotels and restaurants. Some of the hotels and restaurants currently been supplied by local horticultural farmers through the GIG project include Bungalow Beach Hotel, Kairaba Beach Hotel, Ocean Bay Hotel, Safari Garden Hotel, Tafbel (now Sarge's) Hotel, Sun Beach Hotel, Atlantic Hotel, Paradise Suites, Seaview Hotel, Kololi Beach Club, ROC Heights, Ali Butcher Restaurant, Weezos, Grand Place Restaurant and Ali's Restaurant. In addition to supplying hotels and restaurants, the GIG project also enables local rural farmers to supply their fresh produce to supermarkets, wholesale dealers and retailers, NGO staff like Concern Universal and other individuals. The charts below give an indication of the production and capital turnover of the GIG project (production of fresh produce by local horticultural farmers) from March 2004 – July 2005.

Figure 4.1

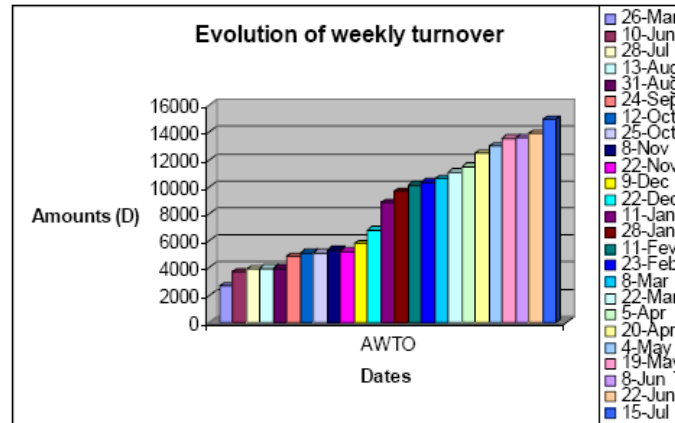
Evolution of Production from March 2004 – July 2005



Source: Bah Gambia Tourism Concern (2006)

Figure 4.2

Evolution of Turnover from March 2004 – July 2005



Source: Ibid.

What the GIG project aims to achieve in the long run is to increase and improve local production both in terms of quality and quantity and to help effect a transition from subsistence farming to market-lead, commercial farming that will help local rural horticultural farmers in the informal sector not only trade locally but also globally through the Fair trade Foundation and its key partners.

The Artisanal Fisheries Development Project (AFDP)

Prior to 1979, artisanal fishers operating in the informal sector were widely scattered and highly migratory. This and the poor state of the roads made artisanal fishers inaccessible to the underdeveloped fisheries extension service. They were highly unreceptive to new techniques and often believed that fish resources were unlimited. Apart from a few temporary huts, fish drying racks and smokers of various designs, fish landing sites were devoid of any significant infrastructure. Fish handling, processing, preservation, marketing and distribution facilities in the informal sector were completely lacking.

Fishers lacked technical knowledge and the managerial skills to develop and run their fishing activities in a business-like manner. Existing traditional organizational structures were based on family or interest groups and were often temporal, informal and weak (Njie 1997). Opportunities for formal training were nonexistent, as were credit facilities.

Njie (2001: p. 41-42)

In the 1960s, The Gambia Government introduced an artisanal fisheries development strategy aimed at increasing catches and employment by increasing the availability of capital and introducing improved fishing technology (ibid.). A credit scheme was introduced and training programs initiated to train youth in fishing technology and outboard engine mechanics. However, benefits were slow to be realized. This was linked to the top-down approach adopted by government and the individualistic and migratory nature of artisanal fishermen. In addition, the diverse, widely dispersed and part-time nature of artisanal fisheries activities, the inaccessibility of landing sites and limited material and human resources hindered organization of fishers and the development of marketing infrastructure (ibid.).

In an effort to improve the living conditions of fisher-folk in the informal sector, the Government of The Gambia with assistance from EU began in 1979 to implement the first phase of the (Coastal) Artisanal Fisheries Development Project (AFDP). This first phase ran from 1979 - 1985 with EU input of about ECU 1.5 million. AFDP I applied a top-down development approach and emphasis was placed on the construction of Community Fisheries Centres (CFC) at Gunjur, Batokunku and Tujereng. The first phase was followed by AFDP II which ran from 1988 - 1992 with EU support estimated at ECU 3.2, million. During this phase a participatory development approach was adopted. The project's sphere of action was also extended to cover four other coastal villages: Tanji, Brufut, Kartong and Sanyang (IMM, 1992). The general objectives of AFDP were:

- To raise the incomes of fish-workers through increased catches,
- To increase the consumption of fish by improving the marketing and distribution of fish,

- To increase rural job opportunities,
- To develop the industrial and artisanal fisheries in an integrated manner,
- To diversify the economy and intensify economic activities in the fisheries sector,
- To improve national socio-economic standards.

The main vehicle for achieving these objectives was the establishment of Community Fisheries Centres (CFCs). AFDP provided the CFCs with infrastructure and a number of facilities and support services, including fish handling and processing facilities, outboard engine mechanical workshops (with trained mechanics), fishing gear and fish products stores, fish marketing infrastructure and individual savings facilities. A network of VHF radios linked the CFCs nationwide and with Fisheries Department Headquarters in Banjul. Project sites were provided with windmill powered water wells for piped water supply to the fishing centres/ communities.

In collaboration with the Forestry Department, a 200-hectare fuel wood plantation was established at the Selagi Forest Park to supply the increasing fish smoking activities. Except at one village where women opted instead for a day-care centre and playground for their children, vegetable gardens were incorporated for women to supplement diets and incomes. The first CFC was established at Gunjur between 1979 and 1982. In addition to the CFC and its facilities, the AFDP constructed a 10-ton/day ice making plant in the inland town of Brikama, (about 10 km from Gunjur). It rehabilitated a bridge at Tanji and constructed about 27 km of feeder roads to improve access to coastal fish landing sites. Fishing canoes were provided and a fishers training program initiated (see table below).

Table 4.9
Resources Provided by the AFDP

Facilities	Comments
Fishing gear store	For storage of fishing materials & personal effects
Fish products store	For sheltered storage & protection of fishery products
Improved sun drying rack	With increased capacity and protection

Improved fish smokers	Increased capacity, efficiency & product quality
Fish boxes	For proper handling
Insulated fish containers	For ice storage & distribution of fresh fish
Canteens/Restaurants	Rented to private individuals
Water tank and accessories	To supply potable water to the community
Water well and windmill	Clean water for domestic & commercial activities
Fish market area	For the landing & marketing of fresh fish
Fish landing Jetty (300m2)	Only at Tanji CFC but now damaged by storm
Mechanical workshop	Repair & maintain outboard engines, 2 are now private
General market	Used for marketing of various commodities
Offices	Shared by FD staff & Management Committees
Main Centre Store (30 m2)	For storage of CFC & fisheries items
Vegetable Garden	For women as part of their cultural activities
Praying area/ Mosque	By the FCMC and in use by the Muslim community
Fuel selling station	Rented and used by private persons
Petty cash savings boxes	For fishers to effect personal short-term savings
VHF Radios	For general communications by the fishing communities
Revolving Loan Fund	To provide credit to support fisheries-related activities
Fishermen training program	Operational for training of young Gambians

Source: Njie (2001)

In 1987, AFDP Phase II was launched and established five more CFCs at Brufut, Tanji, Sanyang, Kartong and Batokunku/Tujereng. A seventh CFC was financed and constructed at Bakau by the Japanese International Cooperation Agency (JICA). Eight other CFCs were constructed in inland fishing villages along both banks of The Gambia River through support provided by the Italian Government (Njie 1998). With three smaller CFCs initiated by the Fisheries Department, the amount of CFCs added up to 18 nationwide - 7 along the coast and 11 on the river.

Although the first phase of the AFDP was implemented without the consultation and involvement of the artisanal fish-folks and communities in the informal sector, however the implementation of the second phase laid emphasis on an integrated and participatory approach. The early and continued participation of beneficiaries in all project processes was ensured. Local fishers' organizations (user group associations) were set up in each CFC village. A fisheries centre management committee (FCMC) was formed from representatives of user groups and such resource persons as village heads, elders and members of village development committees. Project and fisheries extension staff formed a Fisheries Development Unit (FDU) that facilitated and supervised project implementation. Management was initially a joint responsibility of the FDU and the FCMCs to whom this responsibility was completely devolved over time.

Fisheries Centre Management committees (FCMCs) were instituted to take over management responsibility of the CFCs. The formation of the FCMCs was a gradual process from 1987 to 1988. It involved intensive sensitization of user groups by the FDU and regular meetings of the groups at which representatives were elected. The FCMCs worked closely with the FDU during project implementation and through interactive training in organization and management related disciplines, business and financial management, bookkeeping, credit and savings.

The FCMCs managed the affairs of the CFCs. They employed people from the community on casual or permanent bases including a secretary, a watchman, a cleaner and a pump mechanic. Although many CFC services were operating on free of charge basis, however some facilities incurred charges to users. These fees and service charges were collected and managed on behalf of the community. Periodic (usually monthly) meetings were held where matters concerning revenue from rental collections, expenditures, budgets and future development of the CFC were discussed. For the proper up-keeping and care of the facilities, responsibilities were assigned by committees to various committee members who would often inspect, report damages and ensure payment of fees to the CFC secretary/ treasurer.

However, the AFDP phased out in 1991, having recorded considerable impact on the lives of fishers, their families and the socio-economics of coastal fishing communities in the informal sector. Interventions responded to development needs of the communities in terms of technology, infrastructure, training, organization, credit

and communication. As a result of the AFDP, fish landings were increased which eventually came to serve as an important source of relatively cheap animal protein and foreign exchange earnings (Njie, 2001). The project also helped in improving fish preservation and marketing. For example, the Chorkor Fish Smoker invented in Ghana was modified and introduced by the CFCs. The construction of The Gambian Bonga Oven resulted in 40% fuel wood savings and reduced fish and capital lost to fires (Jallow, 1992). Fish landing sites underwent profound physical, social and economic changes during the implementation of the AFDP. According to Njie (2001) people from all over The Gambia and the sub-region used the CFCs as business points and for various socioeconomic engagements. Fish and fishery products from the coastal CFCs are marketed countrywide and exported. The CFCs also served as points of convergence for various government and non-government organizations and institutions active in the work of sustainable development. These landing sites have become bustling centres of activity for a number of economic spin-offs. Apart from fishing and directly related industries, the AFDP project also enabled fisher-folks in the informal sector and their families to engage in diversified low income generating activities like operating local restaurants, canteens, mechanical workshops, petty trading, selling of basic household supplies, transportation and fuel stations. This was made possible through the reinvestment of income generated from the sales of fishes and fish related products. All of these activities have created employment and sustained economic growth that has been socio-culturally compatible, politically acceptable and environmentally sound (Satia and Hansen 1994: Njie, 2001). See table below for fishing and related income generating activities facilitated by the AFDP project.

Table 4.10

Fishing and Related Income-Generating Activities

Fishing and related activities	People engaged in activity
Fishing	Primarily male fishers
Fish smoking	Men and women processors and traders
Fishy drying	Women fish dryers
Fish marketing	Men and women processors and traders
Smoked bonga peeling	Women casual workers

Vegetable gardening	Women gardeners
Fish off-loading	Women and children
Boat building, repair and maintenance	Male carpenters
Net construction, repair and maintenance	Older men, boat owners and fishing crews
OBE repair and maintenance	Trained male mechanics
Boat mooring	Young men and fishing crew
Shop-keeping	Male shop keepers
Petty trading	Male and female aged 12 and older
Market vending	Males and females of all age groups
Fruit and vegetable selling	Women
Fuelwood supply and marketing	Male wood cutters and wood sellers
Selling of prepared foods	Women
Restaurant keeping	Men and women operators
Land and sea transportation and distribution	Cargo canoe operators (Guineans)
Petrol vending	Male vendors

Source: Njie (2001)

All of these projects initiated by the Government of The Gambia with the help and support of NGOs and International Aid Agencies clearly demonstrate Government's involvement in the informal sector. In addition, what is also very clear is the link between the formal and informal sectors of The Gambia. Based on the evidence reflected in the above projects, the informal sector of The Gambia operates effectively with the support it receives from the formal sector. The formal sector in the form of government departments, NGOs, private enterprises and international aid agencies offers technical support, training and development, resources and loans to the informal sector. At the same time the formal sector also serves as a market for the goods and products generated from the informal sector as in the case of The Gambia is Good (GIG) project. The development of partnerships and MOUs between the formal and informal sectors also tends to show a positive relationship. Based on the above evidence, it could also be suggested that government's positive intervention in the informal sector can result to productivity and growth especially when it comes to sustainable livelihoods as in the case of the AFPD, FASE and GIG projects.

However, despite the fact that The Gambian informal sector creates income generating activities for the poor and helps them in acquiring sustainable livelihoods,

it is still perceived as less of an economic stimulating sector, hence the failure to include them in the national accounts of The Gambia. The Gambia Government's intervention in the informal sector has been very biased towards the paid dimension of the sector. The non-market/unpaid informal sector, although significant in the livelihood coping strategies of households in The Gambia, is not often associated with economic growth but rather it is perceived on a socio-cultural base and is not considered to have any form of economic value. However, the next section makes an attempt to measure the economic value of unpaid/nonmarket informal activities.

THE SOCIO-ECONOMIC VALUE OF UNPAID INFORMAL WORK IN THE GAMBIA: PROVISIONING OF GOODS AND SERVICES

The economic value of unpaid informal work has been on the agenda of economists and sociologists for the past four decades. Neo-classical economists have often perceived unpaid informal activity as a form of consumption, a logical consequence of the emphasis put on market phenomena. Some commentators have come to argue that unpaid informal work or activities as such fall outside the relevant production boundary, as it does not stimulate economic growth in an economic sense. A similar argument forwarded by other neo-classical economists is the idea that imputed income does not have the same significance as monetary income as it does not give the consumer freedom to choose on what goods or services he/she can spend it now or later; the imputed income from unpaid informal work/activity is bounded to the output of the unpaid production process itself. Some have even gone further by asserting that the incorporation of unpaid informal work in the System of National Accounts would damage its usefulness as an indicator for the development of the market economy; the analysis of data on the business cycle, inflation, unemployment etc. would become impossible because of the change in definitions of incomes and expenditures in the System of National Accounts. These arguments from neo-classical economists have led to the omission of unpaid informal work/activity in the System of National Accounts. The consequence is that the measurement and valuation of unpaid informal work has been relegated to so-called satellite accounts of the System of National Accounts (Bruyn-Hundt, 1996), following the recommendation of the UN

Statistical Commission for the preparation of such accounts that are separate from, but consistent with core national accounts.

Such measurements display that unpaid informal work has real value as a very substantial share of human needs is satisfied by the fruits of unpaid informal labour. According to the 1995 Human Development Report, the value of unpaid informal work accounts for more than half of private consumption and at least half of gross domestic product in developing countries (UNDP, 1995). Some have even suggested that the incorporation of the value of unpaid work in national accounts, which measure national GDPs, would give a much realistic reflection of real growth and welfare of a nation and make comparisons between different countries more valid (Swiebel, 1999). However, in developing countries particularly those in Sub-Saharan Africa, not much progress has been made in measuring the economic significance of unpaid informal work although unpaid informal work constitutes a larger part of the economic lives of the people (Giok In, 2006). Latigo and Neijwa (2005) observe that only five countries in Africa had by 2005 conducted time-use surveys to measure the economic value of unpaid informal work, namely Nigeria, Morocco, Benin, South Africa and Madagascar.

Up to the time of conducting my research in The Gambia on the informal economy, there was yet to be a comprehensive study that focused on the economic value of unpaid informal work. Based on my research conducted in The Gambia on eighty rural and urban households, unpaid informal work/activity came in different shapes and sizes. The different most common types of unpaid informal activities observed during the course of my research on household livelihood coping strategies included but were not limited to the following activities on the table below.

Table 4.11
Common Types of Unpaid Informal Activities

1. Washing up the dishes	14. Taking care of adults, invalids, elderly
2. Cleaning the house	15. Breeding cattle
3. Ironing clothes	16. Breeding chicken and other livestock
4. Washing clothes	17. Hairdressing
5. Cooking meals	18. Vegetable gardening

6. House, tools or utensils repairing	19. Fishing
7. Drying subsistence products	20. Indigenous weaving
8. Fetching water from wells, boreholes	21. Matting
9. Collecting firewood	22. Basket-making
10. Undertaking administrative procedures	23. Processing food and agricultural products
11. Baby-sitting	24. Home tutoring
12. Organising of naming and marriage ceremonies	25. Going shopping to the market
13. Voluntary work at local women 'kafos' (groups), religious societies and NGOs	26. Family meetings
	27. Bee-hiving

In an attempt to determine the economic value of unpaid informal work in The Gambia, a method known as the 'input method' was used. In principle, there are two ways of measuring and valuing unpaid informal work – the 'input method' and the 'output method' (Bruyn-Hundt, 1996). Whereas the output method tries to measure the results of unpaid informal work by assigning a price to the quantities of goods and services produced, the input method counts hours worked in unpaid informal productive activities and assigns a price to it, using a comparable wage rate. The input method is made up of two methods, namely- the 'opportunity cost method' and the 'market replacement cost method'. In each of these methods, the monetary values from the market sector are used to impute values to unpaid informal work (Goldschmidt-Clermont, 1993). The opportunity costs method calculates the income a worker would have received if he or she had a done the same work in the official or formal sector. The premise of the replacement cost method is that the time spent on unpaid activities can be valued at the hourly earnings of individuals who are engaged in similar activities in the market sector. It is assumed that household members and their "replacements" are equally productive. The assumption behind this approach is that households save money by deciding to perform the activity themselves. The amount they save, and hence the value to the household of doing the work, is the cost of purchasing the same services in the market or hiring someone else to perform the activity. More specifically with reference to The Gambia, the market replacement cost method was applied.

In applying the market replacement cost method in valuing unpaid informal work in households in The Gambia, a total number of 27 activities were identified as the most common types of unpaid informal work in eighty (80) rural and urban households in The Gambia (see table above). The hourly price value of these activities was then determined through an empirical process of enquiry. Since no official database was available for the price values of these activities, I had to enquire from people who were doing such activities on an hourly paid basis. The price market value of these activities was then added and averaged in order to produce an average hourly price. The average hourly price for the twenty-seven (27) different unpaid informal activities was D8.96 (see table below for the hourly prices of the 27 activities).

Table 4.12
Average Hourly Price of Informal Activities

Informal Activity	Dalasi/Hour
Washing up the dishes	8
Cleaning the house	8
Ironing clothes	6
Washing clothes	10
Cooking meals	6
House, tools or utensils repairing	7
Drying subsistence products	5
Fetching water from wells, boreholes	5
Collecting firewood from the bush	7
Undertaking administrative procedures	10
Baby-sitting	15
Organising of naming and marriage ceremonies	10
Vegetable gardening	10
Breeding cattle	10
Breeding chicken and other livestock	7
Hairdressing	10

Hair-cutting	10
Fishing	12
Indigenous weaving	10
Matting	15
Basket-making	6
Processing food and agricultural products	10
Home tutoring	10
Going shopping at the market	5
Family meetings	5
Bee-hiving	15
Voluntary work at local groups and NGOs	10
Total Sum	242
Average	9

Once an average hourly market rate for all 27 activities was determined, this was then taken and multiplied with the number of hours spent by the 80 rural and urban households. The total number of hours spent on unpaid informal activities/work on a daily basis by the 80 households interviewed in The Gambia added up to 3677 hours. The forty rural households were observed to have used more hours carrying out unpaid informal work as they spent 1937 hours on a daily basis compared to the 1740 hours spent by the forty urban households. Similarly on average, a rural household out of the forty rural households studied spent 48.425 hours in doing unpaid informal work on a daily basis compared to the average of 43.5 hours of an urban household (see appendixes 13 and 14 for time used by the 80 rural and urban households in The Gambia for 2006).

The monthly time used in performing unpaid informal work in 2006 by the 40 rural households interviewed was 58,110 hours, whilst it was 52,200 hours for the 40 urban households. The annual hours spent by the rural households summed up to 697,320 hours and 626,400 hours for the urban households. These hours for the rural households translated into D520, 666.66 (US\$17,880.00) on monthly basis, and D6.2 million (US\$214, 560.00) for the year 2006. For the urban households, these hours

translated into D467,712 (US\$16,061.54) on monthly basis, and D5.6million (US\$192,738.00) for the year 2006. The 80 rural and urban households studied in The Gambia spent 1.3 million hours performing unpaid informal work in 2006, which when calculated with the average market rate of D8.96 amounted to D11.8 million (US\$407,298.00) – note that the conversion rate between the US dollar and The Gambian Dalasi in 2006 was US\$1-D29.12.

These amounts were then taken and calculated as a percentage of the GDP of The Gambia for 2006 in order to determine and estimate the value of unpaid informal work performed by the 80 rural and urban households studied. According to a World Bank report (2007), The Gambian GDP was US\$508 million (D14.79 billion) in 2006 (see appendix 15). The time used by the 80 households studied in The Gambia came to a value of 0.08% of The Gambian GDP for 2006. See the two tables below.

Table 4.13

Time Used and Economic Value

Location	Number of households	Time Used (Hours)		Economic Value	
		Monthly	Annual	Monthly	Annual
Rural	40	58,110.00	697,320.00	US\$17, 880 (D520, 665.66)	US\$214, 560.00 (D6.2m)
Urban	40	52,200.00	626,400.00	US\$16,061.54 (D467, 712)	US\$192, 738.00 (D5.6)
Total	80	110,310.00	1,323,720.00	US\$33,941 (D174, 708)	US\$407,2 98.00 (D11.8m)

Table 4.14

GDP of Rural and Urban Locations

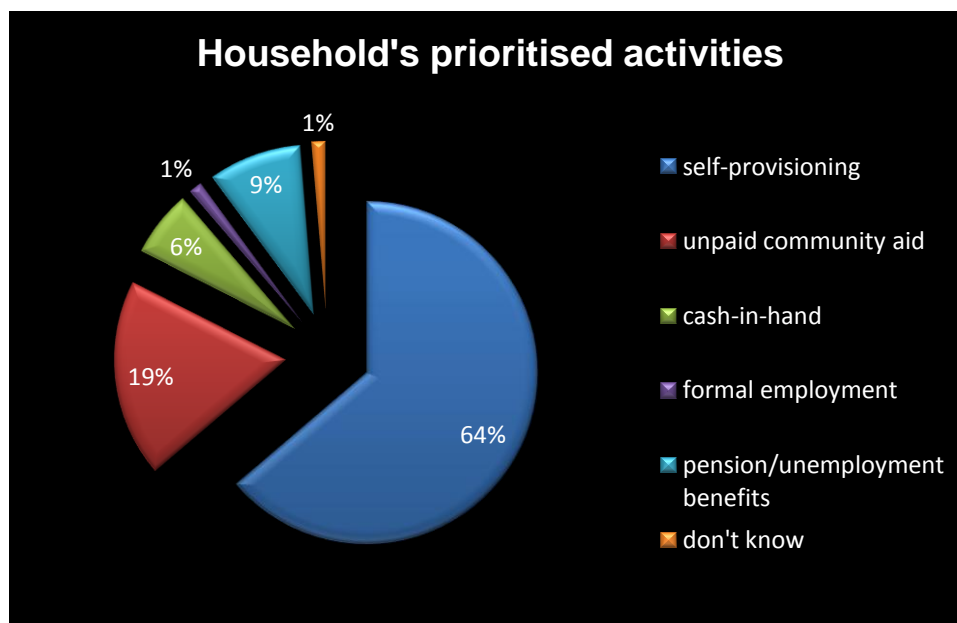
Location	Annual Economic Value	% of GDP (2006)	GDP (2006) US \$
Rural	US\$214,560(D6.2m)	0.042	508,000,000.00
Urban	US\$192,738 (D5.6m)	0.038	
Total	US\$407,298 (D11.8m)	0.08	

The significance of non-market or unpaid informal work is demonstrated in figures 4.3 and 4.4 below. In the 80 rural and urban households surveyed, 64% identified self-provisioning as their most important livelihood practice contributing to their standard of living. The majority of households in rural and urban Gambia use self-provisioning on socio-economic and cultural basis. For most households, using self-provisioning enables them to save cost on services that could be undertaken by members of their households, which could later be reinvested elsewhere. Equally most households confirmed that they use self-provisioning because they see it as the traditional or cultural role of household members. As observed by Chant and Jones (2005: p. 191)

...whereas boys may only be expected (or asked) to sweep the compound, to run errands and/or to accompany younger brothers and sisters (especially the latter) to school, girls regularly perform a wide of activities including cooking, cleaning, washing, sewing, minding younger siblings and so on. This gender disparity stems mainly from the fact that domestic labour is deemed fundamentally to be 'women's work' in accordance with the normative ideal that in adulthood women should be the principal homemakers in the household.

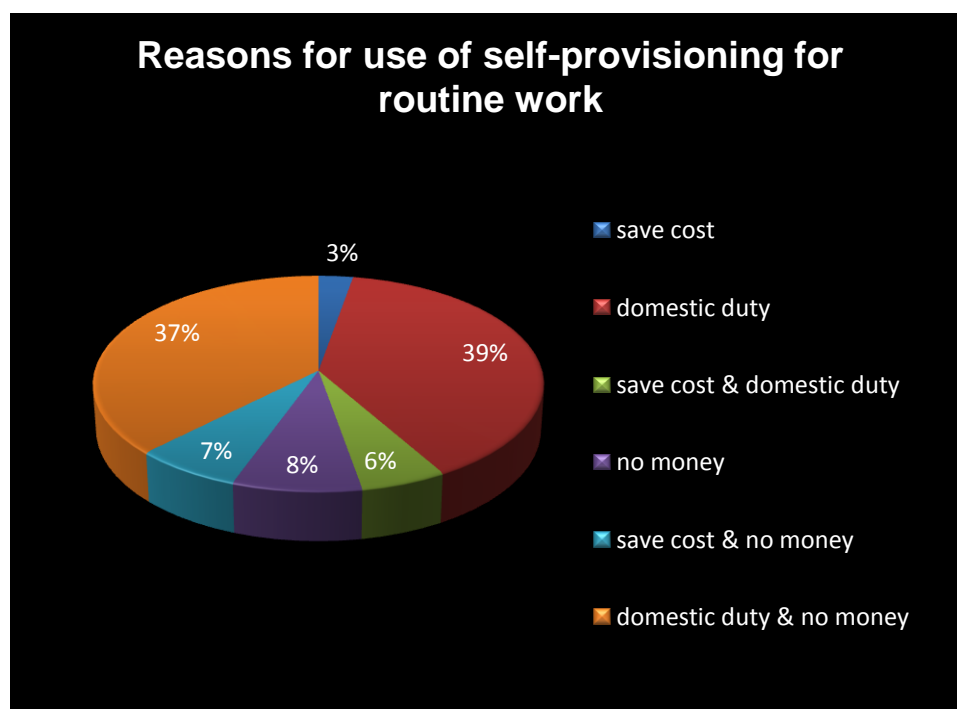
In addition, households were also found to depend on unpaid community aid, which in The Gambia is known as 'tesito'. According to Njie (1993), the notion of "tesito" (unpaid community aid or self-help) is important in the sense of building a trained and motivated cadre of development workers in the community to enable people to help themselves promote change. Families and neighbours in the same community rely on each other's support and help, and at times share resources.

Figure 4.3



Source: Researcher's study (survey) on Households in Gambia (2006)

Figure 4.4



Source: Ibid.

So far, unpaid informal work or non-market activity plays a significant role in the coping strategies of rural and urban households in The Gambia. Most households acquire services through self-provisioning whilst at the same time getting engaged in low income generating activities. However, most of these activities are rarely recognised or recorded in national accounts, which makes it difficult to measure their contribution towards the GDP of The Gambia. This is largely due to the fact that such coping practices are not perceived by the Government of The Gambia as activities that can stimulate economic growth. Table 4.15 gives an indication of how the 80 rural and urban households in The Gambia acquired services or get work done.

According to the findings of my investigation on 80 rural and urban households in The Gambia, self-provisioning is the most widely used household strategy for completing work. For instance, when one takes a look at an activity like indoor painting which was done by 58 out of the 80 households within the last five years, 27 households (46.5%) used self-provisioning to accomplish this activity, whilst only 1 household (1.7%) used formal employment (commodified market)

Table 4.15 Indicators of how households acquire services or work

	1 Self-provis- ing - male	2 Self-provis- ing - female	3 Self-provis- ing - female and male jointly	4 Unpaid exchange - relative	6 Unpaid exchange - neighbour	8 Paid informal work - relative	9 Paid informal work - friend	10 Paid informal work - neighbour	11 Paid informal work - self-emp. ind previously unknown	12 Paid informal work - firm or business	13 Non-monetary gift - relative	14 Non-monetary gift - friend	15 Non-monetary gift - neighbour	17 Employment
	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count
Labour used to do indoor painting	27	0	0	0	0	1	5	4	16	0	3	0	1	1
Labour used to replace a broken window	21	1	0	0	0	0	4	5	20	0	0	2	0	0
Labour used to maintain appliances	6	0	0	0	1	0	2	2	1	1	0	0	0	1
Labour used to do double glazing	18	0	0	0	1	0	2	6	12	1	3	0	1	0
Labour used to do plumbing	3	0	0	1	0	0	2	5	6	0	1	1	1	3
Labour used to improve kitchen	17	0	0	0	0	0	3	2	8	1	1	0	0	0
Labour used to improve bathroom	17	0	1	0	0	1	3	3	13	0	3	1	0	0
Labour used to do routine housework	1	61	9	0	0	0	0	1	8	0	0	0	0	0
Labour used to clean windows inside	1	61	10	0	0	0	0	0	8	0	0	0	0	0
Labour used to do the shopping	1	75	2	0	0	0	0	0	2	0	0	0	0	0
Labour used to wash/iron clothes	0	60	4	0	0	0	0	1	15	0	0	0	0	0
Labour used to cook the meals	0	74	2	0	0	0	0	0	4	0	0	0	0	0
Labour used to wash the dishes	0	71	3	0	0	0	0	0	6	0	0	0	0	0
Labour used to do hairdressing	0	37	0	0	0	0	8	13	3	5	3	6	2	0
Labour used to do administration (book-keeping)	10	1	3	0	0	0	0	0	0	0	0	0	0	0
Labour used to make or repair clothes	1	15	3	0	0	1	3	35	12	1	0	0	1	0
Labour used to make or repair curtains	1	16	3	0	0	1	2	22	8	2	0	0	1	0
Labour used to make or repair tools	8	0	0	0	0	1	1	2	2	1	0	0	0	0
Labour used to make or repair furniture	20	0	1	0	0	0	2	11	5	0	0	1	0	0
Labour used for baby sitting (day-time)	0	62	7	0	0	0	0	0	0	0	0	0	0	0
Labour used for baby sitting (evening)	0	63	6	0	0	0	0	0	0	0	0	0	0	0
Labour used for tutoring	3	0	4	0	0	0	0	2	10	3	0	0	0	1

to complete their indoor painting. In the same vein, 12 (20.7%) households used friends, families and neighbours to accomplish their indoor painting within the last five years, who were either paid money or given a token to say thank you. The profit motive was completely absent. Similarly, when one takes a look at a more complex activity like double-glazing, 18 (47.4%) out of the 38 households that accomplished this task used self-provisioning, whereas none of the households used the commodified market or hired the services of a professional person or company. Self-provisioning appears to be a widely used practice among rural and urban households in The Gambia in simple as well as complex tasks. For many simple daily tasks like cooking in which 76 households (92%) used self-provisioning, washing and ironing 64 households (75%), routine housework 71 households (77.5%), although many of the households in The Gambia consider it to be a part of the marriage package, it also serves as a cost saving strategy.

The majority of the male household heads interviewed expressed that it was a compulsory responsibility for their wife (ves) to cook, clean and take care of the domestic duties in their households and for them the men it was their responsibility to go out to work and feed their families. Some argued that this was what they inherited from their fathers and forefathers and that it is a practice they will continue to apply. Others argue from a religious point of view, highlighting that their religion (mostly Islam) has provided them with a clear division of labour framework, where they (men) have got specific responsibilities and women have theirs too. In a similar vein, most women household heads expressed similar sentiments asserting that domestic chores like cooking, washing, cleaning, sewing, ironing etc. are the things their parents have thought, which they were advised and encouraged to comprehend and utilise very well in their marriage lives. Thus, in an average Gambian household, such domestic chores are classified as women's work. However, most men household heads conceded that if they really had the means to employ a domestic servant they would do so in order to ease the workload on their wives and daughters.

An interesting factor that makes self-provisioning a widely used work practice among rural and urban households in The Gambia is family-clustering or the large size of household members. My research shows that the average Gambian household surveyed usually consists of no less than 15 members, who in most cases live under the same roof. For some households, increasing the size of the household through the mobilisation of extra family members is used as a deliberate strategy to generate extra

household income, thus reducing the dependency on a single source of income, which constitutes a key determinant of vulnerability. For other households interviewed however, the mobilisation of extra family members enables them to deploy non-waged labour when and where it is most needed. For instance, in one household in the rural community of Eassau, I came across a household where 12 brothers, sisters and little cousins were been cared for by their aunt who informed me that she was there assisting her elder sister (their mother) because her brother-in-law was admitted at the Royal Victoria Teaching Hospital in Banjul, which required her sister to travel to Banjul to be with her husband, crossing the river everyday. As a result she had to cover for her sister until her brother-in-law gets well and comes back home. This meant that she had to cook the meals for the children, prepare them for school, baby-sit some of them and do all their washing and ironing. Some households also expressed that they increase and mobilise extra family members when they have important family functions, social gatherings, or wedding, naming (christening) ceremonies. As a matter of fact, a significant number of households confirmed to me that at some point they did increase their household members because of a function or ceremony they were having. Rather than hiring the services of catering companies or other professional agencies to prepare food or other things, they instead mobilise extra family members to carry out such work. Some of the households pointed out to me that this mobilisation of extra family members often generates non-commodified labour in the form of self-provisioning, but equally important is the social cohesion it brings about. Table 4.16 below gives an indication of household sizes among the 80 rural and urban households interviewed in The Gambia.

Table 4.16

Number of people in household * Location

		Location		
		Urban	Rural	Total
Number of people in household	1-5 people	6	5	11
	6-10 people	15	13	28
	16-20 people	7	10	17
	21-25 people	6	2	8
	26-30 people	3	4	7
	31-35 people	2	4	6
	36-40 people	0	2	2
Total		40	40	80

A further factor that makes self-provisioning a very common work strategy among Gambian households is the availability of labour, skills and the high unemployment rate. According to the 1998 National Poverty Survey Report, 55% of households and 69% of The Gambia's population constitute the poor. At the same time the National Economic Census (2005) reveals that almost 65% of the employable workforce in The Gambia remains unemployed. All these statistical percentages put together would reveal a situation where - (a) most households cannot afford to hire professional services or used the commodified market to accomplish their daily tasks; and (b) that the high unemployment rate means that there is a very high probability that people have the skills to do most of the activities for themselves. The Gambia's Secretary of State for Finance and Economic Affairs during our interview highlighted to me that The Gambia has made great strides in developing the capacity of its human resources as they see it as a significant factor in their agenda to attract more foreign investors, which however has failed to materialise thereby leaving a lot of untapped skilful personnel. Over the past ten years, a lot of capacity development projects, skills centres, technical institutions and even a university of The Gambia, have been initiated, triggering a reservoir of talented and skilful labour force, which unfortunately has been sabotaged by the lack of foreign investors. Today in The Gambia, there are a lot of high school graduates who feel disappointed and betrayed by the system in The Gambia.

One female household head in the urban community of Old Jeshwang confirmed to me that education has become more expensive and they as parents struggle financially to pay for their children's education but after graduating they find no jobs or sources of income generation, which for them means that the (the parents) will have to continue accommodating and taking care of their children's needs. Thus to this effect, when the opportunity arises for a job or task to be perform, they do not hesitate to do for themselves even though the quality of the work may not be up to a professional standard. Table 4.17 gives a demonstration of the key factors that prompted households to use a particular work strategy to accomplish their tasks.

The aforementioned shows that under the activity of indoor painting, which was carried out by 58 households within the last five years, out of the 27 households that used self-provisioning as a work strategy, 11 households associated their work practice as cost-saving or expenditure minimizing strategy, 8 households agreed that they used self-provisioning in accomplishing their indoor paintings because they

Table 4.17 Reasons for Using Source of Labour

Correspondence Table

Labour used to do indoor painting	why used source of labour														
	save cost	domestic duty	support others to generate income	have the skill	combination 1&2	combination 1&4	health problems	no skill	combination 1&8	no money	combination 1&10	combination 4&10	combination 2&10	ease familywork	Active Margin
1 Self-provisioning - male	11	0	0	0	0	8	0	0	1	2	5	0	0	0	27
2 Self-provisioning - female	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Self-provisioning - female and male jointly	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Unpaid exchange - relative	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 Unpaid exchange - friend	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Unpaid exchange - neighbour	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Unpaid exchange - voluntary group or other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Paid informal work - relative	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1
9 Paid informal work - friend	3	0	1	0	0	0	0	1	0	0	0	0	0	0	5
10 Paid informal work - neighbour	3	0	1	0	0	0	0	0	0	0	0	0	0	0	4
11 Paid informal work - self-emp. ind previously unknown	0	0	0	0	0	0	0	16	0	0	0	0	0	0	16
12 Paid informal work - firm or business	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Non-monetary gift - relative	2	0	0	1	0	0	0	0	0	0	0	0	0	0	3
14 Non-monetary gift - friend	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Non-monetary gift - neighbour	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1
16 Non-monetary gift - other person	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Employment	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1
Active Margin	19	0	2	1	0	8	0	19	1	3	5	0	0	0	58

want to save cost but at the same time because they have the skill to paint, whilst 5 household asserted the lack of money and cost saving as their reasons. Thus in contemporary rural and urban Gambian households the key factor contributing to the utilisation of self-provisioning as a work strategy is poverty or lacking the money to hire professional services; that is when one puts complex or skill-oriented activities like indoor painting. However, the equation completely changes when one considers housework or domestic chores like cooking, cleaning, routine housework etc. For instance, take a look at the table 4.17. This table highlights that out of the 74 households that used self-provisioning as a work strategy to cook meals, 50 households put down domestic duty as their reason for using self-provisioning, whilst 18 households presented lack of money to hire domestic servants and domestic duty as their reasons.

In the area of goods provision, the Permanent Secretary at the State Department for Trade, Industry and Employment highlighted that almost 80% of products consumed in The Gambia are imported products, most of which comes from the European Union, whom he described as the biggest trading partner of The Gambia. In order to be able to identify the sector where the provision of goods/products is embedded as part of my research, I also asked the 80 rural and urban households how they acquired their goods/products.

Table 4.18
Ownership of Furniture

	Do you own a piece of furniture?		
	Yes	No	Total
1 Relative	11	0	11
2 Friend/neighbour	2	0	2
3 Person advertising their sale	0	0	0
4 Bought second-hand from black market	4	0	4
5 Bought new from black market	44	0	44
6 Bought second-hand from retail shop/store	9	0	9
7 Bought new from retail shop/store	4	0	4
Total	74	0	74

Bearing in mind the claim and theory of economic globalisation, that is, that the majority of the goods/products we consume today are provided by multi-national, trans-national, international global companies in a free, borderless and deregulated market; I centred my research on common and everyday products like furniture, beds, cars, cigarettes, clothes, carpets, fans etc. In this part of my research, the focus was to check whether rural and urban households in The Gambia depended on the formal sector (which represents a free-borderless and deregulated market) or the informal sector in acquiring their goods/products. Whereas Table 4.18 gives a break down on how one particular product/good was acquired by 80 rural and urban households in The Gambia, Table 4.19 gives a breakdown of all the products/goods acquired.

Taking a careful look at the results reported in Table 4.19, a situation is revealed wherein most households in The Gambia acquired their goods not through the 'formal market' but through the informal sector. Contrary to the economic globalisation thesis, Gambian households by far depend on the informal sector, which is a testament to their embeddedness in subsistence production and consumption. Bearing in mind that over 69% of The Gambian population live below the poverty line, comprising 55% of households (National Household and Poverty Survey, 1998), it becomes common sense to believe that 80% of the imported products/goods do not usually get consumed by the majority due to their financial position. It also shows why foreign investment is very slow in its growth rate and explains why foreign investors are not establishing in The Gambia. Although 80% of the products in The Gambia are imported, the poor who represent 69% of the population do not often have the means to consume them, thus leading to a high percentage of unsold products, which to the foreign investors and importers does not generate profits.

When one takes a product like furniture, which was acquired by 74 households out of the 80 during the past five years, 11 households confirmed that their furniture was given to them by relatives, 2 by friends and neighbours, 4 bought theirs second-hand from the 'black market' (informal sector), 44 bought theirs new from the 'black market' (informal sector), whilst 9 bought theirs new from 'proper shops/stores' (formal market). Rather than buying furniture from the commodified market sphere market', which are usually imported by investors, local people seem to prefer getting their furniture from the local carpentry and metal workshops, which represent a significant proportion of the informal sector. The majority of these carpentry and metal workshops are usually owned by single individuals, and sometimes by families. Rather than operating in 'conventional' workshops,

Table 4.19 All Products/Goods Acquired

Source	Goods/Products									
	Fridge	Furniture	Cooker	Cigarette	Car	Fan	Bed	Carpet	Television	Cooking Utensils
1 Relative	3	11	1	0	4	1	11	8	9	10
2 Friend/Neighbour	1	2	0	0	0	1	1	1	1	0
3 Person advertising their sale	0	0	0	0	1	0	0	0	0	0
4 Bought second-hand from black market	11	4	0	0	8	1	0	2	9	0
5 Bought new from black market	1	44	2	13	0	14	54	25	14	55
6 Bought second-hand from retail shop/store	0	0	0	0	0	0	1	0	0	0
7 Bought new from retail shop/store	7	9	2	0	0	13	5	6	13	0
8 Other	2	4	1	0	1	1	8	0	2	13

most run their workshops from home, thus using their homes as their base for operation. In actual fact, most of the furniture used by households in The Gambia are often locally made and sold at very reasonable and affordable prices to a specific clientele who represent the lower stratum of Gambian society although they are the majority. It is also interesting to note that some affluent members acquire their goods/product from the informal sector.

Indeed when other products such as televisions, cars, refrigerators, cookers and fans are analysed, few, if any, are manufactured in The Gambia because The Gambia does not possess the manufacturing capacity and the technological strength to produce such products in the informal sector. But how then do these products find their way into the informal sector and eventually into the households of the majority poor? For some households such products come as gifts as a result of their political affiliation or loyalty to the people of authority/power, or from rich relatives, families, friends or neighbours. However, for the other households, buying them from the 'black market' is the only option. As discussed earlier, economic globalisation has created powerful networks of informal trading in Sub-Saharan Africa, which is providing much needed diversified products/goods into the informal sector. It is as a result of the existence of such powerful informal global networks that most goods/products find their way into the informal sector, enabling the majority poor of Gambian civil society to afford such products. In addition, tourism also provides such goods to individuals and households. A significant number of youths in The Gambia are involved in the tourism sector, where they prey on tourists, befriend them and get products and money (this subject area will be dwelled on in more detail in the next section, which looks at coping strategies).

Judging by the empirical evidence presented throughout this section on the provision of goods and services in contemporary Gambian society based on 80 rural and urban households, one can safely argue that the majority of Gambian rural and urban households are not embedded in the formal sector nor is the 'market' pervasive in their daily lives as proclaimed by the economic globalisation and commodification theses. More than anything, it reflects the emptiness and shallowness of such claims especially when one looks at things from a Gambian perspective, or from the viewpoint of Sub-Saharan Africa. The evidence also confirms what Williams (2005) described as a 'fatalistic acceptance' of the commodification thesis, implying that the claim that has now become a near universal belief is ungrounded and does not reflect

reality and is rather a desired phenomenon that the neoliberal and capitalist agenda is pursuing.

THE INFORMAL SECTOR: EXPOSING THE HOLLOWNESS OF FORMALISATION THEORY

The informal economy within the past decade has grabbed the attention of researchers and social scientists. Most importantly, it has created an intense debate in the socio-economic arena of development. Although the informal economy has been described by some as a leftover of pre-capitalist social formations and/or as the ‘criminal underworld’ (Feige, 1989; Smithies, 1984), my research on Gambian households’ livelihood practices reveals that the informal sector plays a very significant role in the overall survival of The Gambian population. The informal sector in The Gambia is neither perceived as ‘illegal’ nor conceptualised as a ‘barrier’ towards socio-economic development. Rather, the majority of the households interviewed perceived it as a weapon against the failure of the state to meet their basic socio-economic needs and as a way out of poverty and desperation. Some of the households even see it as the only solution to a better and happier life and even preferred it to the formal sector. During the journey of my research in The Gambian rural village of Barra (20km away from Banjul the capital city), I came across a household of twenty-five members headed by a thirty-seven year old Fire Officer. As the only individual in the household engaged in the formal sector, he described to me how he would sit on his bed every night and cry over his poorly paid job. With his formal employment, he earns D750 per month, which is the equivalent of £15, and with this amount he needs to look after the needs of twenty-five other members of his household. His only wish and aspiration was to leave the fire-service and participate in the informal sector by becoming a fisherman in the local fishing industry in Barra. He elaborated that in this way he can earn ten times more than his monthly paid salary with the Fire Service.

According to the findings of my research on Gambian households, and as Table 4.16 displays, 85% of the forty households in the urban area were in the informal sector for their livelihood whilst 15% were in the formal sector. In the same vein, 67.5% of the forty households interviewed in the rural area were in the informal

sector whereas only 32.5% relied on the formal sector. In total, as much as 76.2% of the 80 households interviewed in The Gambia are in the informal sector, whilst 23.8% are in the formal sector. This statistical evaluation is perhaps reflective of the wider situation in The Gambia where the majority of households depend on the informal sector as their primary source of sustenance and socio-economic wellbeing.

Table 4.20 below displays that there are more urban households in the informal sector than rural households and that there are more rural households in the formal sector than urban households. One explanation for this phenomenon is that a heavy rural-urban migration took place in the development decades when the agricultural sector was commercialised by the government to cater for the needs of the global market. After independence in 1965, the government of The Gambia endeavoured to give a facelift to the economy, which was mainly agrarian. It believed that the only way out of the agrarian, which inhibited its status-quo to compete and integrate into the global economy, henceforth triggering the urgency to commercialise and institutionalise its agriculture sector. This process of commercialisation and global integration led to the overused and exhaustion of the fertile agricultural lands in the rural regions, which was the main and only source of income and sustenance for the rural population. The Gambia's geographical location in the Sahelian region of Sub-Saharan Africa combined with the over exhaustion of the lands soon rendered such lands infertile occasionally causing draughts and soil erosions. It soon became clear to the rural farmers that what used to be their main and only source of survival and livelihood was destroyed. This together with a highly centralised state structure permeated the genesis of the rural-urban migration in The Gambia. The destabilization of the rural way of life and the extirpation of the subsistence farming prompted the local indigenous farmers and their families to make an exodus to the urban cities in search of better lives and greener pastures. Since education was a treasured commodity which most of these migrants did not possess, the newly institutionalised systems and state apparatus alienated them. Only the very few privileged individuals were able to enjoy the benefits offered by a highly centralised Gambia. As a result of the high fluctuation of the rural-urban migration it soon turned urban cities into high-density populated areas with the migrants from the rural regions commanding the majority in population-wise. With heavy isolation and alienation from the benefits of urban life, the migrants from the rural regions soon resorted to the

exploration of other alternatives for survival thus leading to the initiation and introduction of significant and diverse number of informal economic activities.

Table 4.20

Location * Household employment status

		Household employment status						
		Full employment with formal pay	Self-employed	Unemployed for more than a year	Registered as unemployed but has informal income	Not registered as unemployed but has informal income	House-wife/House-husband	Disabled
Location	Urban	6	23	2	3	2	0	4
	Rural	13	9	1	0	7	9	1
Total		19	32	3	3	9	9	5

The empirical evidence laid out in table 4.21 shows that contrary to the formalisation thesis (which argues that the informal sector is in demise and that it is just a matter of time before it is totally eradicated by the formidable force of the formal economy); the informal economy is slowing down the institutionalisation of economic activities. Research in the past has tended to indicate a link between poverty and the informal sector which proponents of the formalisation thesis and neoliberals have tried to use to argue their case in order to gain maximum support for the prevalence of their ideologies, systems, policies and institutions as the only way forward particularly when it comes to sustainable human development and socio-economic growth. Such research mainly conducted by neoliberals for the sake of promoting a desired neo-liberal status-quo have made the informal sector looked anti-development, a barrier to human civilization, and a criminal activity used by the poor and destitute who need help and support, which can only be attained and achieved through the formal and an institutionalised market economy supported by the wisdom of neoliberalism.

After interviewing 80 households in The Gambia from both the rural and urban areas, empirical data reveals that households who are engaged in the informal

sector are earning more and better than their counterparts in the formal sector or market economy. Tables 4.21 and 4.22 demonstrate the gross incomes of households involved in the formal and informal sectors. If the empirical evidence is something to go by, then it will reflect a situation whereby households depending on the informal sector are richer financially than those in the formal sector, thus countering the belief held by the neoliberals and the proponents of the formalisation thesis. The statistical data in tables 4.21 and 4.22 shows that the informal sector in The Gambia based on the 80 households interviewed has done much better in creating employment opportunities for the citizenry of The Gambia than the formal sector. This is no news to the books of formalisation and neoliberalism as previous research in post-socialist states and even in advanced economies (Williams, 2005) has revealed the strength and tenacity of the informal sector in creating employment opportunities and reducing unemployment levels. Indeed it is even the tacit policy of European governments to count on the informal sector to reduce the open rate of unemployment and to provide new incentives to battered national economies (Benton, 1986; 1985; Gerry 1984). Evaluating things from The Gambian spectre, it becomes flawed to argue that the informal sector is a euphemism for poverty and destitution. Table 4.22 also serves as statistical evidence to substantiate the conventional argument that the informal sector is indeed not a set of survival activities performed by destitute people on the margins of society (Castells and Portes, 1989).

It also equally becomes counter productive to argue that the informal sector is anti-development or does not promote sustainable human development because my research together with other studies conducted during the last two decades consistently indicates that the informal economy which is now perceived as a universal phenomenon is an integral component of total national economies, rather than a marginal appendix to them (Peattie, 1987; Standing 1990).

THE INFORMAL SECTOR IN THE GAMBIA: STATE HELPLESSNESS OR STATE STRATEGY?

The overarching phenomenon about the genesis and expansion of the informal sector in The Gambia has been the impact of international competition, economic restructuring and the premature integration of its economy into the global economy.

Table 4.21
Household Employment Status

Household employment status * Total gross household income Crosstabulation

			Total gross household income								Total
			under D1000	D1000 - 2000	D2000 - 3000	D3000 - 4000	D4000 - 5000	D5000 - 7500	D7500 - 10,000	D10,000 - 15,000	
Household employment status	full employment with formal pay	Count % within Total gross household income	0 .0%	6 17.1%	7 35.0%	3 60.0%	2 40.0%	1 20.0%	0 .0%	0 .0%	19 23.8%
	self-employed	Count % within Total gross household income	2 28.6%	16 45.7%	7 35.0%	1 20.0%	1 20.0%	3 60.0%	2 100.0%	0 .0%	32 40.0%
	unemployed more than one year	Count % within Total gross household income	0 .0%	3 8.6%	0 .0%	0 .0%	0 .0%	0 .0%	0 .0%	0 .0%	3 3.8%
	registered as unemployed but has informal income	Count % within Total gross household income	1 14.3%	1 2.9%	1 5.0%	0 .0%	0 .0%	0 .0%	0 .0%	0 .0%	3 3.8%
	not registered as unemployed but has informal income	Count % within Total gross household income	2 28.6%	4 11.4%	1 5.0%	1 20.0%	1 20.0%	0 .0%	0 .0%	0 .0%	9 11.3%
	house wife/husband	Count % within Total gross household income	1 14.3%	1 2.9%	4 20.0%	0 .0%	1 20.0%	1 20.0%	0 .0%	1 100.0%	9 11.3%
	disabled	Count % within Total gross household income	1 14.3%	4 11.4%	0 .0%	0 .0%	0 .0%	0 .0%	0 .0%	0 .0%	5 6.3%
	Total	Count % within Total gross household income	7 100.0%	35 100.0%	20 100.0%	5 100.0%	5 100.0%	5 100.0%	2 100.0%	1 100.0%	80 100.0%

Table 4.22
Total Gross Household Income

		Total Gross Household Income (Dalasi)								
		Under 1000	1000 - 2000	2000 - 3000	3000 - 4000	4000 - 5000	5000 - 7500	7500 - 10000	10000 - 15000	Over 15000
Number of households	Formal	0	6	7	3	2	1	0	0	0
	Informal	7	29	13	2	3	4	2	1	0

Since the informal economy does not result from the intrinsic characteristics of activities but rather from the social definition of state intervention (Castells and Porte, 1989), it becomes clear to see how the institutionalisation of economic activities by state authorities triggers the expansion of the informal sector. However, does this ability to institutionalise economic activities through the creation and introduction of formal protocols and, or neoliberal policies give the state the absolute power to control the informal sector, or are the dynamics of the informal sector beyond state control? In order words, is The Gambia government using the informal sector as a strategy to counter the failures of neoliberal policies that it has adopted since independence, or has the informal sector positioned the government into a place of helplessness?

Castells (1980) asserts that the informal sector as a whole tends to develop under the auspices of government tolerance and that governments tolerate or even stimulate informal economic activities as a way to resolve potential social conflicts or to promote political patronage. After spending two months in The Gambia and interviewing different departments of state (i.e. the department of state for finance and economic affairs, department of state for trade, industry and employment, department of state for health and social welfare, department of state for agriculture), it became clear that The Gambian government was very much aware of the existence of the informal sector and in actual fact saw it as a way of catering for the needs of the lowest stratum of The Gambian society. During my interview with The Gambian Secretary of State for Finance and Economic Affairs, he expressed that

the informal sector per se has a certain cliental base and their services and products are for a certain stratum of society...the work and product of the

people in the informal sector are meant for the lowest stratum of the population...the ordinary poor people in the country [who] are the majority people but [who] do not possess the wealth that makes an impact on economic activity and economic development.

From The Gambia government's standpoint based on the expressions of the SOS for Finance and Economic affairs, it can be deduced that the informal sector is not perceived as a viable alternative for economic development as the majority poor who participate in it do not possess the financial muscle to stimulate economic growth. This line of argument or viewpoint of the informal sector would place The Gambia government in the same category as western neo-liberals and it also shows the extent to which Gambia's socio-economic policies are externally driven by neo-liberalism. In addition, it demonstrates The Gambia's commitment towards global integration at the expense of the informal sector or the ordinary poor. This perspective held by the government is contrary to my research on eighty households in The Gambia. As shown in Table 4.22, my findings indicate that households and individuals actively engaged in the informal sector were financially better off than their counterparts in the formal sector. They also reveal that out of the eighty households interviewed in some rural and urban areas, 6 had a gross income of between D1000 to D2000 in the formal sector, whilst 29 were in the same income region in the informal sector, and whereas 1 was in the gross income region of D5000 to D7500 in the formal sector, 4 were in the same income region in the informal sector and whereas none was in the region of D7500 to D10, 000 in the formal sector, there were 2 in this income region in the informal sector. Thus based on this statistical evaluation and empirical findings it becomes invalid to argue that the participants in the informal sector do not have the financial capability to stimulate economic growth or sustainable human development. See table 1.6 above for further details. Henceforth based on my findings on Gambian households and many other previous studies carried on the informal sector, it can be argued that the informal economy is not a set of survival activities performed by destitute people on the margins of society. As a matter of fact, studies in both advanced industrial and less developed countries in Latin America and Asia have shown the economic dynamism of unregulated income-generating activities and the relatively high level of income of many informal entrepreneurs, sometimes above the level of workers in the formal economy (Ferman et al., 1978; Henry 1978; Lozano, 1985; Portes et al., 1986; Williams 2005).

However, almost all the interviewed households actively engaged in the informal sector agreed that their execution of informal activities derives from their desperate need to cater for their families, which are the same reasons forwarded by their counterparts in the formal sector. Although most Gambian households involved in the informal sector were found to be poor and living in conditions of abject poverty, it also came across in my research that the processes of informal activities occur across the whole Gambian social structure. Most of those engaged in the formal sector were equally engaged in the informal sector with most of their gross income coming from their informal activities.

For instance, in the urban area of Old Jeshwang, I interviewed a 29-year-old male household head who works in the formal sector as an Agricultural Technician for a garden centre. According to him, he works from 9 am to 5pm five days in the week and he gets paid D1500 every month. However, he equally participates in the informal sector by working as a barber, cutting and styling the hairs of friends, neighbours and acquaintances who live within his neighbourhood and the wider Old Jeshwang community. Everyday from Monday to Friday, he starts his informal work from 6pm to 8pm and on Saturdays he starts from 10 am to 5pm, whilst he goes to church and visits families on Sundays. He expressed that even though he works less hours in his informal work compared to his formal employment, he earns between D1000 to D2000 every month, without having to pay tax or bills even buy materials. All he had was a small mirror, a comb and a chair and clients would usually come to his home with one or two razor blades depending on the size of their hair. He remained very optimistic that clients will keep coming to him to have their hair done because his price is far cheaper than the hair stylists and barbers in the formal sector who incur overhead costs.

A similar story was also related in one of the urban households I interviewed in City Bazaar. A primary school teacher related that he works in the formal sector as a primary school teacher from 8am to 3pm from Monday to Friday and earns a D1000 every month. However, from 3pm onwards, he works in the informal sector as a private study teacher going to his clients' homes to teach them. He stated that he earns a minimum of between D1500 to D2600 every month. Many more stories of such nature were told by many of The Gambian households I interviewed. Thus based on such stories related by household heads in The Gambia, the informal economy can be perceived as not an individual condition but as a process of income-generation characterised by one central feature; it is unregulated by

the institutions of society, in a legal and social environment in which similar activities are regulated (Castells and Portes, 1989).

Conventional opinion, as discussed earlier, has pointed to the state institutionalisation of economic activities as the main triggering factor for the genesis of informalisation and that any change in the institutional boundaries of regulation of economic activities will produce a parallel realignment of the formal-informal relationship, thus implying that it is because there is a formal economy that there is an informal economy. Thus the high magnitude of the informal sector in The Gambia as reflected by the households engaged in it also reflects The Gambia's high commitment level in institutionalising economic activities using the neo-liberal tools of trade liberalisation, free market mobility, commercialisation and privatisation, which are seen as necessary requirements for global integration. We have learned from the proponents of the formalisation thesis and also from neo-liberals that formalisation or institutionalisation of economic activities or state apparatus will eventually lead to the demise of the informal economy thus leading to more economic prospects and opportunities particularly developing countries like The Gambia. There is no doubt that The Gambia government is in agreement with this theory because during my interview with the Secretary of State for Finance and Economic Affairs he expressed the following sentiments;

As far as The Gambia is concerned we have accepted that we have to participate in the global economy but first we must work within the sub-region...that is integrating our economy within the economies of the sub-region...the small size of our country makes us believe that in moving into a larger economy, a larger market there are quite a number of advantages for the country especially within the sub-region and to achieve this we have to really develop the infrastructure of this country especially the roads and the bridges that link up with other countries in the sub-region to allow for the free movements of people and goods from The Gambia to these countries and from these countries to The Gambia...so for us globalisation involves transforming the economy and making it fit within the global economy...

Can it be argued that it is because of The Gambia's efforts to integrate into the global economy that an expansion of the informal sector is taking place? According to

Castells and Portes (1989), the more a society institutionalises its economic activities following collectively defined power relationships, the more individual actors will try to escape this institutionalised logic, hence creating more space for people to participate in the informal sector. This is particularly true in the case of The Gambia especially since its adoption of neo-liberal policies in the form trade liberalisation and privatisation, which were formalisation initiatives taken to address its financial and economic crisis of the 1970s and 1980s. During this process of economic rehabilitation, a significant number of people referred to as 'excess baggage' were retrenched from public offices and the civil service, locally made products were replaced by cheaply imported products, and public companies were privatised etc. according to the Secretary of State for Finance and Economic Affairs,

In the 80s came the Structural Adjustment Programmes which were championed by the International Monetary Fund (IMF) and the World Bank...they had their shortcomings but the liberalisation of the economy and the formalisation of activities started in 1985 when the exchange rate was liberalised, when the importation of rice, fertilizer and cooking oil were also taken out of Gambia Producing Marketing Board (GPMB had its monopoly on that), they were taken from GPMB and liberalised and the private sector was allowed to participate in their importation and since then the scarcity of those commodities became history...those programmes provided certain measures which rarely assisted the economy...especially the banning of GPMB which has created a problem in groundnut marketing up to day...which we have not been able to overcome...this prompted people to seek for other alternatives...

The Governor of the Central Bank of The Gambia who at one point in time in his career had served as the Secretary of State for Finance and Economic Affairs for five years also shared similar thoughts. During my interview with him at his residence, he confirmed to me that

obviously the government's efforts to formalise our social systems and means of economic activity have contributed to the enlargement of the informal sector especially when most of The Gambians are illiterates and

lack the competency to comprehend policies... it meant having less people with the capacities to perform in the formal sector and more people seeking for other ways other than the formal sector.

The Permanent Secretary at the Department of State for Trade, Industry and Employment believes that the institutionalisation of economic activities is unavoidable for The Gambia as the European Union stands as its major trading partner and from which it gets 80% of its revenue. As a result of this partnership, The Gambia has always been determined to implement standards and measures of a European and global nature, which in effect alienates and disqualifies a significant number of entrepreneurs and local businesses who eventually go to seek refuge in the informal sector until such time they are able to graduate and meet the requirements of a global standard.

It can be observed that the government's involvement with the informal economy is a very tactical one in that it delegates part of its responsibility to the informal sector whilst it focuses on laying the groundwork for its integration into the global economy. Thus the informal sector is left to cater for the immediate basic needs of the majority of Gambians which otherwise would have been the sole responsibility of the government. To this effect, the government reallocates its resources and time towards global integration that it would have otherwise used on the majority of poor Gambians. The interesting paradox here is that whilst the government relinquishes some of its responsibilities to the informal sector it fails to recognise it as a potential force towards national development or sustainable human development. The government is also placed in a position of helplessness and hopelessness, as it survives on the hope that someday businesses and enterprises in the informal sector will eventually become mature and graduate into the formal sphere. Thus for the government the informal sector is a seedbed where economic activities are nourished and nurtured until such time they are ready to be transplanted into the 'bigger' and 'conventional' garden.

THE INFORMAL ECONOMY IN THE GAMBIA: A GLOBAL DIMENSION

As discussed in the previous section, the government's inability to control or even measure the informal sector puts it in a position where as a government, it can only hope

that one day informal economic activities will eventually graduate and get transformed into the formal sector and be able to compete at both the regional and global levels in order to stimulate economic growth. This state of hopefulness on the side of the government plus the institutionalisation of economic activities in the West African sub-region through bilateral and multilateral trade agreements and policies has introduced a new twist with both a regional and global flavour. As stated earlier, neoliberals and proponents of the globalisation and formalisation theses saw the informal sector as a leftover of pre-capitalist formations and a by-product of market distortions, which is inevitably absorbed into the formal economy when distortions are removed by liberalisation and exposure to global market forces. Meagher (2003) points out that economic reforms and structural adjustment programmes particularly the formalisation and institutionalisation of state apparatus and systems were seen as the ultimate weapon against the extensive informal sector but instead has ended up stimulating the informal sector to claim a global and regional status through trans-border trading. This formalisation process and the implementation of neoliberal policies have had the ironic effect of reinforcing confidence in the informal sector. According to some households interviewed in the urban areas of Old Jeshwang and Banjul, the formal sector has strangled popular livelihoods in the context of rising unemployment and escalating standards of living, fanned by a high inflation rate. Some even described the government as a traitor for discouraging the flow of their locally produced products and encouraging the importation of goods, which are expensive and unaffordable for the majority of the local poor. Although not echoed in the same vein, the Permanent Secretary at the State Department for Trade, Industry and Employment confirmed that 80% of the products consumed in The Gambia are imported from outside. During my interview with the Secretary of State for Finance and Economic Affairs, he lamented that 'those programmes (referring to the structural adjustment programmes) provided certain measures which rarely assisted the economy...especially the banning of GPMB which has created a problem in groundnut marketing up to day...which we have not been able to overcome...this prompted people to seek for other alternatives'. This phenomenon also encouraged official complicity as most officials struggled to survive on their monthly incomes whilst the very few well off tried to profit from it, thus causing an expansion of the informal trans-border trade. For instance during one of my household interviews in the rural area of Barra with a male household head, he confirmed that his monthly income of D3000 as a custom official was not enough to feed his household of

twenty-five members. He works in the border station between The Gambia and Senegal called Amdalie and according to him, he makes nothing less than D10, 000 a month from bribes. He described this as 'very profitable, although I should not be doing this...but I cannot let my family starve to death'. He pointed out to me that what he earns from such dealings is a very marginal proportion of what the people involved in the trans-border make and that he also sees it as helping his fellow Gambians get products at affordable prices. In his own words, he stated the following:

I see this as my moral obligation because most of us are poor and the living standards are very high...if we Gambians don't help each other, who would help us...and helping local business people to do business and provide affordable products particularly to us the poor is very justifiable...those officials on top, they don't care about you and me- they are only after their pockets...I am not the only one doing this, many of my colleagues do it and most of us see it this way.

According to another household I interviewed in the rural region of Essau, they have depended on farming for generations. Part of their farm products, which were mainly groundnuts and millets, were used for local and domestic consumption whilst 60% were sold through the government. However, since the privatisation of GPMB, they have not been able to sell their 60% farm products. The household head who was in his early 70s echoed that life had become more difficult as they put all their labour into the farm and at the end of the year their groundnuts and millets remain unsold thus usually leading to wastage. He also asserted that this process had been going on until 2001 when they decided to use the informal/unofficial route in the form of trans-border trading. From then on, at the end of every year, they smuggle their products to neighbouring Senegal and Guinea Bissau where they are sold to local and private credit firms. Although their sales are not yielding high profits due to the devalued currencies of these particular countries, he pointed out that what they are earning is satisfactory and worth their labour. He also highlighted that they also buy products from such countries and resell them in The Gambia to get much needed cash. This he stated is what has been sustaining their household for the past seven years and that it is the only practical future for them because for him and his household they have come to the conclusion that the government will never be able to sell their farm produce for

them in a global market determined by intense competition because it has not been able to do so for nearly twenty years. As he eloquently puts it,

Every time the government tells us that they have got people to buy our groundnuts and we see nothing...and they will come and say to us sorry there was a disagreement or the buyers we never see have decided to buy our groundnuts on credit...for years we have been living on hope whilst our families disappear into the urban cities to look for jobs...all our strong and able children have moved into the urban areas, we rarely see them...now its time to do things our own way to survive...depending on the government will kills us slowly and painfully...even as I speaking to you now they are telling me that there people to buy our groundnuts and corn but for me and most other households in this village we sell our produce through the informal route.

Some households interviewed in both the urban and rural areas of Banjul, Old Jeshwang, City Bazaar, Barra and Essau expressed similar sentiments. For some households with the opportunity to travel abroad, they smuggle local products such as fish and fish products, palm oil, groundnut paste, cigarettes, tourist products like shirts, jewelleries etc into Western Europe, the Middle East, and the United States of America where they are then sold to local Gambians and other African nationalities through their local distributors at affordable prices in dollars, pounds and Euros. In the same vain they would buy cheap products in one-dollar/pound shops and charity shops and resell them in The Gambia at cheap affordable prices, which under normal circumstances greatly undermine normal market prices. For these people, such trades and business dealings apart from providing income, also provide foreign currencies like the dollar, pound and Euro. These business dealings are unregistered and neither pay tax nor custom duties as they are presented or labelled as gifts at ports of entry. They are virtual and loose and neither have shops nor outlets, thus enabling them to come in any shape or form.

One female household head pointed out that she has been involved in this kind of informal economic activity for the past decade and has never registered or has any regrets, and has generated much needed income to feed herself and her family and take care of all their basic needs. According to her, the informal trade is very basic and simple as all she

ever does is to buy and sell. Whilst in The Gambia, she buys catfish and dried fish, palm oil and local fragrance called 'churai' from the local market and then travels to the UK and USA where her cousins and relatives serve as local/sale agents. In one trip she could earn up to £1000 and this minus her expenses usually leave her with at least £400. On her way back to The Gambia, she would bring cheap perfume sprays, watches and one pound jewelleries which she later resells upon her return to The Gambia at very reasonable prices and for those neighbours, friends and families who cannot afford such products, she uses a credit scheme or hire-purchase system where they pay in instalments. She also confirmed to me that this form of informal economic activity is becoming the norm in Gambian society and that most people who have relatives and cousins abroad are beginning to venture into this kind of business as it proves to be very profitable. She however declared that the only potential barrier for this kind of activity would be the granting of visas as conditions and requirements for obtaining a visa to such destinations is becoming stricter and ever more difficult due to global threats imposed by terrorism and political espionage.

However despite such potential barriers and difficulties it seems that such an informal economic activity is expanding very rapidly as local business people according to her have started moving into Morocco, Egypt, Dubai, Saudi Arabia and other parts of the Middle East. Some commentators have also brought to our attention about the expansion of such informal activities which they refer to as informal 'intercontinental activities', highlighting its shift to the East, towards Asia and the Gulf (Bayart *et al.* 1999; Hashim and Meagher 1999). As discussed earlier, although state officials are very much conscious about such informal activities, they tend to play a complacent role which enables them to profit from it.

The growth of global financial markets, which derives from the fusion of advances in communication technology with financial deregulation, has made a powerful contribution to the development of informal global financial institutions in the form of money transfer agencies, which are neither registered nor taxed. In my interview with the Governor of the Central Bank of The Gambia, he highlighted that a number of informal financial transactions take place and is initiating a reservoir of individual entrepreneurs in a global context. Some individual household members who are involved in this form of financial service also confirmed this. In demonstrating how this system operates, a twenty-five year old unemployed high school graduate told of how his brother who was based in the UK uses his network of Gambian friends in the UK to transfer money to The Gambia.

His brother made sure that he (in The Gambia) was left with sufficient money and a mobile phone to transact with. Whilst in the UK, his brother's network of friends would usually send money to their loved ones and families through him by depositing the right amount into his bank account (which the brother has access to through on-line banking) and would then call to inform him, usually leaving him with a receiver's name, number and address. It is only after verifying the amount in his account would he then call the younger brother in The Gambia, furnishing him with the details, amount and number of the receiver in The Gambia. His brother places a commissioning or processing fee that is reasonably cheap compared those of the likes of Western Union Money Transfer, banks and other financial institutions, which operate in the formal sector. Although such financial services and transactions are not regulated by a set of rules and regulations, they tend to operate on trust and social connections, which for some people are more effective and efficient than a set of formal rules. The high school graduate pointed out that as a result of the high client base of his brother, this has now become a full-time job for him and that he is planning to employ another friend of his, as people are not only transferring money from the UK but also from USA and other European countries like Sweden, Denmark, France and Germany.

Gambia's local and informal business sector is not the only active participant in trans-border trading or informal intercontinental economic activities. Most countries in sub-Saharan Africa are actively involved in trans-border trading and other forms of intercontinental activities. Whereas most local Gambian informal businesses operate within the West African region or ECOWAS zone, Babou (2002) informs us that the Mouride traders (a particular Islamic sect) in Senegal have expanded operations and made stronger links in the USA and the Far East mostly bypassing their erstwhile Lebanese and Mediterranean middlemen, whilst Forrest's (1994) observation points to the expanding nature of the Hausa-Fulani networks in Nigeria, which have direct and bigger links with Belgium, Dubai, and Indonesia. This in turn has created powerful networks within the informal sector, operating on a global level. This according Meagher (2003) is due to the imposition of a global liberal policy agenda through economic globalisation, which is trying to enforce a global policy framework of deregulation and privatisation- all in an effort to formalise and institutionalise economic activities which neoliberals see as a remedy for countering market distortions.

Having considered and empirically demonstrated how economic globalisation through its manifest mechanisms of economic restructuring, deregulation, liberalisation and

privatisation has impacted on the informal sector in The Gambia, it cannot be argued that it is in demise or in a transition to formalisation as proclaimed by neoliberals and proponents of the formalisation thesis. Instead economic globalisation appears to be empowering the informal sector, stretching its tentacles wider and strengthening its global base, creating powerful informal global networks, which appear to be catering for the needs of a large market base - the marginalised and majority poor and even the highest strata of the social spectrum of Gambian society and sub-Saharan Africa. In its global form, the informal sector would tend to denunciate its inherit identity which is usually characterised by low productivity, high labour intensive and low incomes and adopt the celebrated status of high income and employment generator. As eloquently put by Meagher and Yunusa (1996), rather than the informal sector playing its previous supplementary role in the provision of employment and welfare, it is now the primary medium for sustaining the livelihoods of millions of people who have been retrenched from their jobs, or whose incomes are no longer sufficient to support their basic needs and also for the wealthy echelons of society who see it as a catalyst for capital accumulation. Whether one sees the informal sector in The Gambia to result from market distortion or as a safety net for protecting people from the failures of neoliberal policies is a contested notion. However, what is clear from my research on Gambian households and their involvement in the informal sector is that the government endeavours to integrate into the global economy by adapting neoliberal policies is resulting in the globalisation of the informal sector and creating informal intercontinental activities.

If the informal sector is catering for the needs of a large market base in The Gambian and in most sub-Saharan African countries, does this mean that the provision of goods and services is embedded in the informal sector or is it the other way round? The next section will fully explore where the provision of goods and services is embedded in Gambian society.

COPING STRATEGIES USED BY RURAL AND URBAN HOUSEHOLDS IN THE GAMBIA

Economic restructuring, structural adjustment, economic globalisation and the implementation of neo-liberal policies in developing and transition economies particularly in Sub-Saharan Africa have resulted in the disintegration of national economies and their

reintegration into an 'inevitable' and 'irresistible' global economy grounded in a neo-liberal and capitalistic agenda (Ake, 1996; Akindele *et al.*, 2002; Giddens, 2002; Rupert, 2002; Wiseman, 1998). As previously stated, this has resulted in the withdrawal of state funding in many sectors, the curtailment of domestic spending, retrenchment of workers, intense competition, devaluation of currencies, huge debts and the destruction of local industries. Such changes in socio-economic policies according to some commentators have unleashed the venomous potency of mass poverty, activated the dynamics of underdevelopment and widened the gap between the rich and the poor in Sub-Saharan Africa (Ake, 1996; Akindele *et al.*, 2002). In this process, both rural and urban households have been affected. For instance, in the case of The Gambia, poverty has increased up to 52% from 1992 to 1998, households in the highest income quintile have incomes 13.8 times that of the lowest income quintile, whilst 55% of households (69% of the population) live below the poverty line (National Poverty Survey Report, 1998).

This socio-economic status quo has placed poor rural and urban households in The Gambia in a very vulnerable position, usually reducing their capacities to convert resources into assets as they spend two thirds of their income on food, particularly on staple foods (National Poverty Survey Report, 1998). Moser (1998) in her 'asset-vulnerability' framework argues that in responding to such 21st socio-economic challenges, households have come to initiate innovative and resourceful coping strategies to enable them to survive. Their coping survival strategies are mainly embedded in private initiatives, implemented at household and community levels, sometimes with support from non-governmental organisations (UNDP, 1999). Livelihoods in rural and urban households in The Gambia are sustained by a multiplicity of sources including waged formal employment, production for sale, subsistence production, domestic work, claims and entitlements, and support from networks of relatives, friends, local community groups and religious associations. Bearing in mind that The Gambian formal sector employs less than 15% of the employable workforce and that almost 65% of the working age population are unemployed (National Economic Census, 2005), my analysis in this section will mainly focus on the informal sector, particularly on household coping strategies.

During my investigation on 80 rural and urban households in The Gambia and their livelihood coping practices, a multiplicity of coping practices used by such households were observed, one of which was what was locally referred to as 'Osusu'.

The Osusu Practice

Osusu is a type of savings club that is widely practiced by rural and urban households in The Gambia. Out of the 80 households interviewed, 70 (87.5%) confirmed that a member of their household was involved in Osusu, a savings club in which local people (mainly women) who live in the same community or geographical proximity come together and save mutually agreed amount of money on a predetermined day at regular intervals. This mutually agreed amount is usually deposited into the hands of an individual who is often a member of the club. The money realised after a predetermined time or date is then given on a rotating basis to a member of the club and this process is repeated until all the members have had their turn. The predetermined period may last up to one month, two, three, or even six months. For instance, the group can mutually agree that all members must contribute £5 at the end of every week for a period of two months, after which all saved money within these months is collected and given to one member. However, there are no conventional financial laws or rules regulating this kind of practice, although there are unwritten social rules based on trust and communality. For instance, once a member has had his/her turn, they cannot leave the group until every member has had their turn, or else he/she would have to refund the monies of all those he/she collected. In the event of a failure to pay, social and amicable means are used to resolve the problem, but where this does not solve it, the police are then involved. In the same vein, a member cannot quit the group after he/she has contributed and has not yet had a turn, as this would mean a loss on his/her side. Once every member has had their turn, then anybody who wants to leave can leave or stay. A ballot determines individual turns, but, if some members were in desperate need of money or have big financial problems within that period, they can always negotiate among themselves. Members who usually participate in this kind of practice are often from the same community as stated earlier on, which may include members from the same family, members of the same office, members of the same local market, and members of the same school or other fields' discipline.

Although the primary purpose of the Osusu is to save money as very few people and households hold bank accounts in The Gambia, particularly those in the informal sector and rural communities, Osusu savings clubs also serve as a forum where group members (mostly women) get to socially interact and share their experience. Since 69% of Gambia's population live below the poverty line (National Poverty Household Survey, 1998), those who have access to bank accounts are very low as the majority, particularly those in the

informal economy, do not usually have the financial requirements to open up bank accounts. For instance, it is a common requirement among all banks operating in the formal sector in The Gambia to at least have D2000 to open up a savings account. Meeting this banking requirement coupled with the high level of illiteracy in Gambian society makes it extremely difficult for the majority of local Gambians to open up of bank accounts as most people and households survive on a hand to mouth basis. To this effect, most local people in rural and urban communities who are alienated by banks in the formal sector, see the Osusu practice as an alternative to a formal savings account.

It was observed that this practice was female dominated as women were found to be in the majority. In fact, no male household member was identified who was engaged in such a practice. Indeed, some male household heads reported that there were very few men involved in this kind of practice and it was mainly their wives and daughters. Brown (1995: p. 221) informs us that the reason for such occurrence is that

in most African cultures women have no assets in land ownership and do not receive the income to cash crops as men monopolize these rights and therefore the access to cash and credit.

Such a practice we are informed is widespread in Sub-Saharan Africa particularly among marginal poor communities (Brown, 1995). The Osusu scheme in The Gambia is very much similar ‘Susu’ practice in Ghana, ‘Tontine’ in Cameroon and Niger, ‘Sande’ in Sierra Leone, ‘Upatu’ in Tanzania, ‘Sanduk’ in Sudan, ‘Hagbad’ in Somalia, ‘Pisces’ in Kenya, and ‘Six S’ in Burkina Faso, Mali and Senegal (Brown, 1995). See Table 4.23 below for the number of households in the different local rural and urban communities that were found to be practicing the Osusu savings scheme.

Table 4.23

Households Using the Osusu Scheme

Location/community	Number of Households
Banjul	5
Old Jeshwang	15
City Bazaar	10
Barra	11

Kanuma	1
Serrekunda	9
Essau	10

The 'NAACO' (Subsistence) Farming

'Naaco' is a local Mandinka word meaning small or subsistence farming. Naaco farming is a widely used livelihood practice among women, particularly those in the rural communities. Although it is not as widely practiced as the Osusu savings scheme, it is nevertheless widespread. In the urban community of Old Jeshwang, I came across 17 households who were actively engaged in subsistence farming or were operating 'naacos'. They revealed that the 'Alkaalo' or head of the community gave them small arable lands to farm, which they use to grow different rice and different vegetables like onions, garden eggs, tomatoes, salads, chilli pepper etc. They confirmed that on average they work between eight to twelve hours a day during the rainy season. The harvest they get from the naacos, although small, goes a long way in providing food and cash for the household. One female household head informed me that the only food she grows on her plot is rice, which when harvested saves her household a lot of money as a bag of rice has become more expensive. Once again, women are the front-runners in this kind of practice, as in most poor households in contemporary Gambian society it is the woman who struggles to provide food for the children and the husband.

Out of the 80 households interviewed in rural and urban communities, 48 households were involved in subsistence farming, the majority of which were located in the rural communities of Kanuma, Essau, and Barra. The low rate of subsistence farming in the urban communities like Banjul, Serrekunda, Old Jeshwang and City Bazaar is due to the unavailability of land, as most of the lands have been converted into residential lands. Some households in these communities lamented that most of their lands have been sold to commercial businesses and entrepreneurs. An interesting observation was that the women who were found to be working in these naacos have a well-organised work structure that enabled them to cook for their families, and at the same time fulfil their other household duties, all combined with their work commitment in the naacos.

Another interesting observation that was made in the rural communities was what the locals referred to as 'Lumo'. Lumo a local native word describing a process of trading whereby people from different communities come together in the form of a market and

exchange their farm or naaco products in a non-monetised way. This is similar to barter trading in which the use of money is absent. Thus the local people meet on specific dates (often market days) in a market place and exchange their farm products. For such households and communities, money does not serve as the medium of exchange but rather it is farm/agricultural products, and according to some participants, this is far more effective in fostering community cohesion and socio-economic stability. In addition, other households highlighted that they only specialise in one type of product, which enables them to have more of that crop or product, which thus could be exchanged with other crops or vegetables during lumo. The lumo ensures that everybody gets what they came for and often priority is given to the most deserving or desperate participants. Lumo trading unlike the market system, which survives on a mixture of market forces and competition, is competition-free and is not founded on the basis of economic rationality but rather on communitarism. See table 4.24 below for a breakdown of the number of urban and rural communities that were found to be actively involved in naaco farming.

Table 4.24

Number of Households Operating Naacos

Community		Number of households
Urban	Rural	
Banjul		0
Serrekunda		0
Old Jeshwang		7
City bazaar		2
	Barra	12
	Essau	16
	Kanuma	11

Petty Trading

Petty trading was the most widely used livelihood practice among the 80 rural and urban households surveyed in The Gambia. Out of the 80 households, 79 engaged in some form of petty trading, including the selling of fruits, vegetables, fish and fish products,

baobab and other kinds of juices, cooked food, cold water, ice blocks, perfumes and porridge. This serves as a main source of income generation for most households, whilst women dominate it. Bearing in mind that as much as 65% of the population are unemployed (National Economic Census, 2005), the majority of such unemployed people seek refuge in this kind of practice, particularly those with no educational background or those whose education is limited. Many of those engaged in this kind of activity highlighted that although it does not generate much profit, it did afford them the opportunity to take care of their most basic urgent needs thereby enabling them to get by without having to starve or beg. This very common activity happens to be highly practiced in urban communities where lands are very scarce for subsistence farming. Whereas some of the people prepare their food and sell them in primary and secondary schools, others take a more complex approach by going into other households and selling their cooked food to them. Meanwhile, some still stay in their own households to sell their food, thus allowing customers and consumers into their homes.

During my interviews, I came across a household in the community of Old Jeshwang where I found a mother of two children who was actively engaged in petty trading. She revealed to me that she sells a kind of food locally known as 'ebbeh' (a food combined of cassava, palm oil, fish and other sea products). When she wakes up in the morning, she prepares her children for school after which she would get her ingredients to prepare her 'ebbeh'. She finishes cooking by 11:30 am and heads for the Old Jeshwang Primary School before 12 noon as the primary school pupils come out for break at 12. She sells her 'hot ebbeh' to the children, after which she returns back home to buy more ingredients for the afternoon and evening. In the afternoon and evening, she does not go to the primary school but rather stays at home where her clients (usually neighbours, friends and acquaintances) would come and buy the 'ebbeh' from her home. She pointed out that although the sale from the ebbeh does not bring generous profits, it does enable her to pay for the school fees of her children and provide for their basic needs.

In as much as this activity was observed to be practiced by poor, unemployed and less educated women, women with formal employment and good educational background were equally observed to be practicing petty trading. For instance, in the same community of Old Jeshwang I came across a female office manager who was working for a top employer in The Gambia. Apart from her normal office job, she prepares and sells ice blocks to the fishmongers from City Bazaar. City Bazaar being a fishing community

produces a significant amount of fish but receives less electricity supply compared to Old Jeshwang. Apart from the fact that most parts of the community lack electricity supply, the very few households that have electricity can go for three to four days without electricity. This situation triggers a lot of fish wastage as the community lacks electricity to enable to them freeze their fish and fish products. As a result, this office manager who lives in the community of Old Jeshwang and has access to electricity, produces as many ice blocks as possible, which is usually bought by the fishmongers in City Bazaar. Rather than her going out to sell the ice blocks, instead they (the fish mongers) from City Bazaar come all the way to her home in Old Jeshwang to buy her ice blocks.

An interesting observation about these petty trading and traders was that they were neither registered nor taxed for operating in their communities. In addition, there was no limitation as to when they could operate or how often they should operate. They were free to operate at any time even at night or during bank holidays. Although their operation was determined by supply and demand, there were no conventional laws or rules governing how they should trade. Instead they had their own procedures and unconventional laws of trading. Like 'normal' business in the market system, they also had their own customer loyalty schemes, credit buying system, safety precaution procedures and feedback systems.

CONCLUSIONS

In this chapter, we have critically explored the commodification and economic globalisation theses, exposing the shallowness of their claims. We have presented evidence to display that the belief in the near universality of free market capitalism has become subversive in our everyday lives, is highly contestable when one considers the empirical results from The Gambia. Based on 80 rural and urban households in The Gambia, we have shown that the provisioning of goods and services is heavily embedded in the informal sector and non-commodified work. Contrary to the neoliberal claim that capitalist multinational corporations are providing the goods and services we receive today, we have come to the conclusion that this claim at its best can be regarded as a desired phenomenon and at its worst as a fatalistic illusion. As a matter of fact, we have seen a situation whereby all the promises attached to the adoption and implementation of neoliberal policies, or the integration into the global economy, is delivered by the informal sector in terms of providing more employment opportunities, generating income, serving as a safety net for

the failures of the market and neoliberal policies, and also significantly contributing to sustainable human development.

Indeed, it has been clearly demonstrated and proven that contrary to the marginality thesis, the informal sector is not a euphemism for poverty (Castells & Portes, 1989), and nor is it a sector only constituting marginalised, poor and unemployed people of civil society, but rather it is a sector that draws its participants from all levels of contemporary societies. We have observed in the case of The Gambia that even those employed in the formal sector are still engaged in the informal sector, thus proving the point that it (the informal sector) is not a leftover of pre-capitalist activities nor is it the result of market distortions.

CHAPTER 5: CONCLUSIONS

INTRODUCTION

This chapter presents the key contributions of the findings and a reflection of the findings in relation to the original research questions and objectives. It also presents a model on how the informal sector can lead to economic growth and sustainable livelihoods for households and individuals in the Gambia.

Key Findings of Research

- This thesis has demonstrated that the informal sector in the Gambia plays a very vital role in the daily livelihood coping strategies of households.
- Although the paid informal sector in the Gambia helps households to generate income, most households depend more on unpaid informal work to secure their standard of living, which is given less attention by policy makers and existing literature.
- The thesis also showed that the provisioning of goods and services in the Gambia is embedded more in the informal sector than in the formal sector.
- The thesis also demonstrated that although the Gambia has adopted neo-liberal economic policies, through the support of NGOs and international aid agencies, the informal sector has a positive relationship with the formal sector. This positive relationship between the formal and informal sectors is an indication that both sectors can work side by side.
- It shows that with appropriate intervention from government and support from NGOs and aid agencies, the informal sector in the Gambia has the potential to stimulate economic growth and sustainable livelihoods as demonstrated in the Artisanal Fishing Development Program (AFDP) and the Gambia Is Good (GIG) projects.

Until now, there have been no contemporary evaluations of the extent and nature of the informal sector in Gambia, its relationship to economic globalisation and the

role it plays in enabling households to secure a livelihood. This thesis has undertaken the task of filling that gap. Right from the beginning, this thesis has seek to develop a comprehensive understanding of the Gambian informal sector concerning its contribution and significance in the coping practices of rural and urban households in relation to the process of economic globalisation. Henceforth one of the key objectives of this thesis has been the undertaking of a critical review of the extent to which a process of economic globalisation could be identified in contemporary Gambian society. With reference to the existence of a process of globalisation, the thesis was able identify three viewpoints – namely; the globalist, the sceptics and the transformationalist. Within the viewpoint of the globalists, there is the wide held belief that the process of globalisation is in existence and that the process is absolute and natural. They argue that the process of globalisation has altered ways of human economic interaction. For these globalists, economic globalisation has been an inevitable and irresistible development, which forms part and parcel of the evolutionary cycle of human advancement. They underscored that the process of globalisation has created a new world order in the form of a seamless borderless world where capital mobility and hyper mobile capitalist corporations dominate the globe, leading to the hegemony of the commodified global market, which now produces and delivers the majority of the goods and services we consume today.

The sceptics and transformationalists on the other hand have argued that the process of economic globalisation as a new phenomenal development is a myth and that the process is a continuation of capitalist exploitation and imperialism. They also contended that structural transformations have taken place but that the extent to which the process of economic globalisation is taking place has been highly exaggerated by the globalists. The sceptics viewpoint is embedded in a more localised approach towards sustainable human development that is contrary to a global approach, which they believe, is activating the dynamics of underdevelopment and the venomous potency of mass poverty. The globalists who advocate a global market-oriented approach towards sustainable socio-economic development believe that it is only through this approach that nation states can be offered worldwide opportunities, larger export and import markets, technology and knowledge transfer, and a diversity of products. Within the content of this study, it was found that the concept of globalisation had many meanings and interpretations, thus making it a very nebulous concept to define. Hence the thesis adopted a working definition of economic

globalisation, which recognises the process as the integration and interdependence of economies through a homogenised system of foreign direct investment and trade including the free movement of goods and services, labour, capital, technology and knowledge and the integration of economic activities across borders and through markets (Wolf, 2004). Thus based on this adopted definition and the coexisting viewpoints of the globalists, sceptics and transformationalists, was the study able to identify a process of economic globalisation in the Gambia and if so, to what extent?

Was the process of Economic Globalisation identified in the Gambia and to what extent?

The thesis was able to identify the existence of the process of economic globalisation in the Gambia. The process was observed to have started in the mid 1980s when Structural Adjustment Programmes were introduced and adopted by the Gambia Government through the support of the International Monetary Fund and the World Bank as a response to the consequences of the oil shocks of the late 1970s, which had an adverse effect on the Gambian economy. These programmes were designed to enable the Gambia to recover from the economic devastation it suffered, by integrating and positioning it into the global economy through the adoption of free market economic policies, economic liberalisation, privatisation and market deregulation. These tools embedded in the structural adjustment programmes were meant to help diversify the Gambian economy, by attracting more trade opportunities through foreign direct investment, facilitate the transfer of technology and knowledge, create more employment opportunities for the Gambian populace, and make more export and import markets available.

The thesis found that since the implementation of the structural adjustment programmes in 1985, the Gambia had experienced a steady rise in the inflow of foreign direct investment worth over D706.2 million for the year 2000 alone (Gambia Government Trade Policy Review, 2004). In addition, this effort to integrate into the global economy has enabled the Gambia to access a good number of markets including the North American market through the African Growth and Opportunity Act (AGOA), the European market and the Asian market. As demonstrated in section three of chapter two, the Gambia's horticultural subsector was able to make

significant exportation of fruits and vegetables to the European market from 1984 to 2005 (see section three of chapter two). It was found that this process of global integration through the adoption of the structural adjustment programmes exposed the Gambia as a market for other products like machinery and agricultural (horticulture & poultry). The thesis found that the process of economic globalisation has had some significant impact on the informal sector of the Gambia through the inflow of foreign direct investment in the hospitality industry. From the thesis, we learn that the hospitality industry (hotels, bars, restaurants), which received 24% of foreign direct investment inflow to the Gambia in 2000, has served as a major source of market for the fruits, vegetables and poultry products produced by the local farmers in the informal sector. Similarly, the thesis found that through economic globalisation in the form of foreign direct investment, the artisanal informal fishing sector has found new markets to supply fish and fish products even though this industry received only 3% of foreign direct investment inflow to the Gambia in 2000. In this respect, economic globalisation through foreign direct investment has facilitated the creation of new markets for the Gambian informal sector, which have been a source of income generation, employment and means of livelihoods for the urban and rural poor. These findings of the thesis play an important role in contributing to our understanding of how the informal sector works in partnership with formal sector in the Gambia and thus bridging the gap in our understanding of how the process of economic globalisation can impact on the informal sector since the ILO in its *Report on the Employment Sector of the Informal Sector in Sub-Saharan Africa* acknowledged that;

Not enough is known yet about the exact impact of globalisation on the informal economy, whether globalisation presents new possibilities for workers in the informal economy to enter global markets or how practically accessible such possibilities are – these are all areas in which further research is needed.

(ILO, 2002: p. 21)

Contrary to the wisdom of Lewis' theoretical model of economic development, which is based on the premise that modern economic development will absorb surplus labour from the informal sector, these findings help us understand that this may not necessarily be the case. Rather modern industrial economic development

through foreign direct investment may support the development of the informal sector by increasing its capacity to create improved sources of livelihoods and employment, hence making the informal sector to absorb its own surplus labour. In addition, contrary to the popular neoliberal belief that the informal sector is a distortion of market forces, these findings help us understand that the formal sector is not hostile to the development of the informal sector and verse-versa, but rather that they can work together in complimenting each other.

However, the thesis also found that these structural adjustment programmes have had severe effects on the Gambia, including the retrenchment of civil servants, the privatisation of the Gambia Produce Marketing and the Gambia Utilities Corporation, the curtailment of domestic spending on health, education and agriculture and the devaluation of the Gambia Dalasi. With the thesis been able to identify a process of economic globalisation in the Gambian coupled with its significant effects on both the formal and informal sectors, to what extent has the provisioning and production of goods and services embedded in the global commodified formal sector and the informal sector?

Was the provisioning and production of goods and services in the Gambia formalised or informalised?

Another key objective of this thesis was to explore the extent to which goods and services provisioning and production in rural and urban households in the Gambia was formalised or informalised. In assessing and measuring the embeddedness of goods and services provisioning and production in the Gambia, a survey was conducted on 80 rural and urban households through a questionnaire. As illustrated in chapter four, the thesis found that 64% of the households surveyed chose self-provisioning as the most important activity for their standard of living, 19% chose unpaid community aid, whilst 1% opted for formal employment, implying that as much as 84% of rural and urban households surveyed acquire their goods and services through the informal sector or through informal means. For the thesis we learn that the widespread of self-provisioning as a means of acquiring goods and services by Gambian households is associated with a number of factors. From the thesis we find that apart from the fact that they 'lacked money' and wanted to 'save cost', many

households used self-provisioning because they considered it as part of their 'domestic duty'. In addition, through the survey conducted on 80 households, the thesis found that the informal sector was more pervasive in the provisioning of goods and services as the average household was found to be using 46 hours in carrying out unpaid informal work in the Gambia. The use of labour in the provisioning and production of goods and services in rural and urban households in the Gambia was considered by many households to be part of the wider cultural economy of the Gambia.

These findings play a vital role in contributing to our understanding of the nature of work and the means of production for goods and services in contemporary Gambian society. From these findings we come to learn that employment within the Gambian formal sector is very low due to the small size of the sector and that the nature of work activities is rather less commodified and more informalised. Hence contrary to the globalists' view that a specific type of commodified market system (in the form of free market capitalism) has dominated the provisioning and production of goods and services consumed today, the findings of the thesis contribute to our understanding of the influence and persistent nature of alternative non-commodified modes of provisioning goods and services. This is very a significant contribution to note in that in the past the belief in the demise of alternatives non-commodified modes of provisioning goods and services has often impacted on the trajectory of economic development in the Gambia.

The fact that majority of households acquire their goods and services through self-provisioning and other informal means may also help us understand why the Gambia is a lesser attractive environment for foreign investors when compared to other countries in the West African sub-region. The Gambia is ranked 114 out of 144 countries in terms of attractiveness to foreign investment according to the International Transaction and Investor Perception Census (2001). The widespread use of self-provisioning and other informal means of acquiring goods and services among Gambian households also tend to demonstrate the existence of an immense surplus of untapped labour in the Gambia due to the limited capacity of the formal sector. The findings of the thesis on the widespread use of self-provisioning and other informal means in acquiring goods and services by rural and urban households within the Gambian economy also helps us understand that investments in productive value-enhancing activities have been scarce. Instead, services and petty manufacturing apart

from agriculture remain important pools of jobs with little success in attracting investment. Under these conditions, the Gambia has tended to follow a growth path where most investment opportunities, especially for short-term profits, tend to be located in the sphere of exchange and distribution, while other productive sectors appear less attractive. Hence from these findings we can learn that investment opportunities in productive activities in the Gambia could be greatly enhanced by substantially improving incentives and capacity, especially in the poultry, fishing, horticulture and tourism sectors, where informal economic activities are highly concentrated. Policies would need to be developed to shift the country onto this alternative growth path.

The findings of this thesis on the widespread use of self-provisioning as a source of labour in acquiring goods and services also concurs with the study (*Towards an Employment-Centred Development Strategy for Poverty Reduction in The Gambia: Macroeconomic and Labour Market Aspects*) that was conducted in 2008 by The International Poverty Centre of the United Nations Development Programme, which observed that:

Most Gambians depend on employment for their primary source of income. Moreover, the productive resource which poor households command in abundance is their own labour. Therefore, improving employment opportunities and raising the returns to labour can lead to poverty reduction and progress towards meeting broader human development objectives, such as those reflected in the Millennium Development Goals (MDGs).

(International Poverty Centre UNDP, 2008: p. 2)

The findings here help us understand that in the formulation of any effective macro or micro strategy for poverty alleviation and employment creation, the surplus labour available within the informal sector cannot be absent. The understanding here is that the process of simply having access to formal employment may not prove sufficient. Many Gambians employed in the formal sector like civil servants do not earn enough to lift their families out of poverty. Therefore, reducing poverty requires a joint emphasis on the quality and quantity of employment. Research shows that the greater the employment focus, the more effective economic growth becomes in

fighting poverty (Khan, 2006). Economic growth alone can not be counted on to generate significant improvements in the quality and quantity of employment opportunities (Osmani, 2006). What may be needed for the Gambia Government would be an employment-centred approach to growth and development, one that emphasizes the creation of economic opportunities that those using informal means like self-provisioning, particularly the poor can access, which would provide a return to their labour sufficient for raising their households out of poverty. This may suggest that rapid and sustained reduction of poverty in the Gambia would require the confluence of three factors: sustainable growth at high levels, the improvement of employment opportunities, and greater access to jobs for the poor (Osmani, 2006).

However, the pervasive influence of the informal sector in the provisioning of goods and services in the Gambia does not mean that the formal sector or the process of commodification is non-existence. Indeed what this thesis has found is that the formal sector plays crucial role in supporting the informal sector as some who were found to be operating in the informal sector were also operating in the formal sector and verse-versa, to supplement and support and supplement their livelihood coping practices. Based on the understanding that the provisioning and production of goods and services are largely embedded in the informal, just how significant is the Gambian informal sector and what in what shape does it exist?

The nature and significance of the Gambian informal sector

In addition to the already discussed objectives, another important objective that the thesis set out to achieve was to understand the significance and nature of the informal sector of the Gambia. Already, the previous subsection has enabled us to understand the pervasiveness and influence of the informal sector in the production of goods and services, but does this mean that the informal sector is significant for the Gambia as a whole and for the households in particular?

In the thesis, we learn that the Gambian informal sector plays a significant role in the day-to-day livelihood coping practices of rural and urban households in the Gambia. Apart from the fact that most households acquire their goods and services through the informal sector or informal means, the thesis found that most civil society organisations (NGOs and CBOs) are going through the informal sector to develop the

capacities of rural as well as urban households in the hope of alleviating poverty in the Gambia. Through the Fight Against Social and Economic Exclusion (FASE) project, the Gambia is Good (GIG) project, the Artisanal Fisheries Development Project (AFDP) and the ASSET project (see further discussion of these projects in chapter four), civil society organisations have enabled rural and urban households to earn and improve on their means of livelihoods by developing their skills, expertise and capacity to engage in subsistence agriculture, fishing and other low income generating activities. Thus in essence, this thesis found that a lot of investment is been undertaken by civil society organisations in developing the capacity of the informal sector to tackle poverty, unemployment and economic exclusion. The significance of the informal sector cannot be overemphasised in that the Gambia has an illiteracy rate of 60% and a poverty rate of 69%, and therefore any development or poverty reduction strategy cannot exclude the majority of rural and urban households whose source of livelihood is dependant on the informal sector. In addition, what these findings clearly demonstrate is that the development and productivity of the informal sector would need the support of the formal sector.

Overall, this study was undertaken with the aim of understanding the nature and role of the Gambian informal sector and its relationship with economic globalisation and in the process contest the view that most of the goods and services consume today are produced by a specific type of market system (in the form of free market capitalism) – the outcome being that alternative modes of provisioning goods are either weak or non-existence. This view has significantly impacted on the trajectory of economic development, with developing countries like the Gambia using global integration (economic globalisation) as the only vehicle for economic growth and sustainable development without due attention being paid to the significance and potential of the informal sector to contribute to a development pathway for socio-economic growth. This thesis does not advocate that the informal sector be used as the only avenue for achieving sustainable development and economic growth, but rather that its potential should be harnessed to compliment and supplement already existing routes to socio-economic development used by the Government of the Gambia. For this to be achieved, further research would need to be done on the informal sector since this study does not cover the full extent of the informal sector, which is very heterogeneous and complex.

Further Research

Economic globalisation in relation to the Gambian informal economy has been the focus of this thesis. Within this context, an understanding was developed based on how they both existed and impacted on each other from the Gambian experience. Through this understanding, we have come to know that free market capitalism channelled through the process of economic globalisation, is not as dominant a factor in the livelihood coping strategies of households as previously thought, although its impact (both positively and negatively) was felt within the realms of the informal sector, which plays a significant and dominant role in the livelihoods coping strategies of households.

At a time when the very foundations of free market capitalism have been shaken by a tsunami of global economic and financial crises both in advanced, developing and underdeveloped economies, leading to protectionist sentiments, business liquidations, massive unemployment and subsequent loss of earnings, and increased poverty, the very belief in this commodified mode of production and provisioning is being questioned. The key and critical question that arises, is whether people should start looking elsewhere for a solution or an alternative? Whatever such solutions or alternatives maybe, would it be feasible for policy makers and politicians to factor into their policies and strategies the possibility of harnessing whatever the informal economy has to offer since previous studies have shown that in most cases victims of economic exclusion often recede to the informal sector? In order to maximise the potential of the informal economy without comprising the positives of the global economy, the need for further research would have to be given a priority in the trajectory for recovery and socio-economic stabilisation.

Further research would need to be undertaken to understand how government's strategies and policies for economic development through global integration can be aligned to support the needs of the informal sector, whose outcome could be very significant in improving the productivity of the informal sector. In addition, a much more extensive study would also need to be undertaken on the available surplus labour in the informal sector and how it can be made more productive through the establishment of a national volunteering institution. This process will also require further studies into the other aspects of globalisation

(including socio-cultural, political and technological) in order to develop a more comprehensive understanding of how all these dimensions of globalisation interact with each other to impact on the development of the informal sector.

A POTENTIAL WAY FORWARD

This thesis has revealed that although the process of economic globalisation has had benefits for the Gambia especially in the creation of new markets through foreign direct investment, its benefits however have been very limited. In addition, it also demonstrates that the livelihood coping practices of majority of Gambian households are less concentrated in the formal sector or the commodified realm, whilst Gambia Government's trajectory for socio-economic growth and sustainable human development is largely influenced by the process of economic globalisation, propelled by the neoliberal premise that global integration and the adoption of free market policies will stimulate economic growth, create more employment opportunities, reduce poverty, create a larger export market and pave the way for the easy transfer of and access to technology and knowledge. This policy approach, as demonstrated by the above research, is being pursued despite the recognition that the informal sector is widespread and extensive in Gambia, used by the majority of rural and urban households as an avenue for survival, work and employment. In consequence, rather than ignore or brand the informal sector as insignificant as a pathway for socio-economic and sustainable human development, it is perhaps necessary to more fully recognise its potential and to seek to harness it by eliminating the various restrictions and forces militating against its growth and development as a means of livelihood. To achieve this, and based on the findings of this research, I here tentatively recommend a model of sustainable human development that will foster both social and economic development for the Gambia.

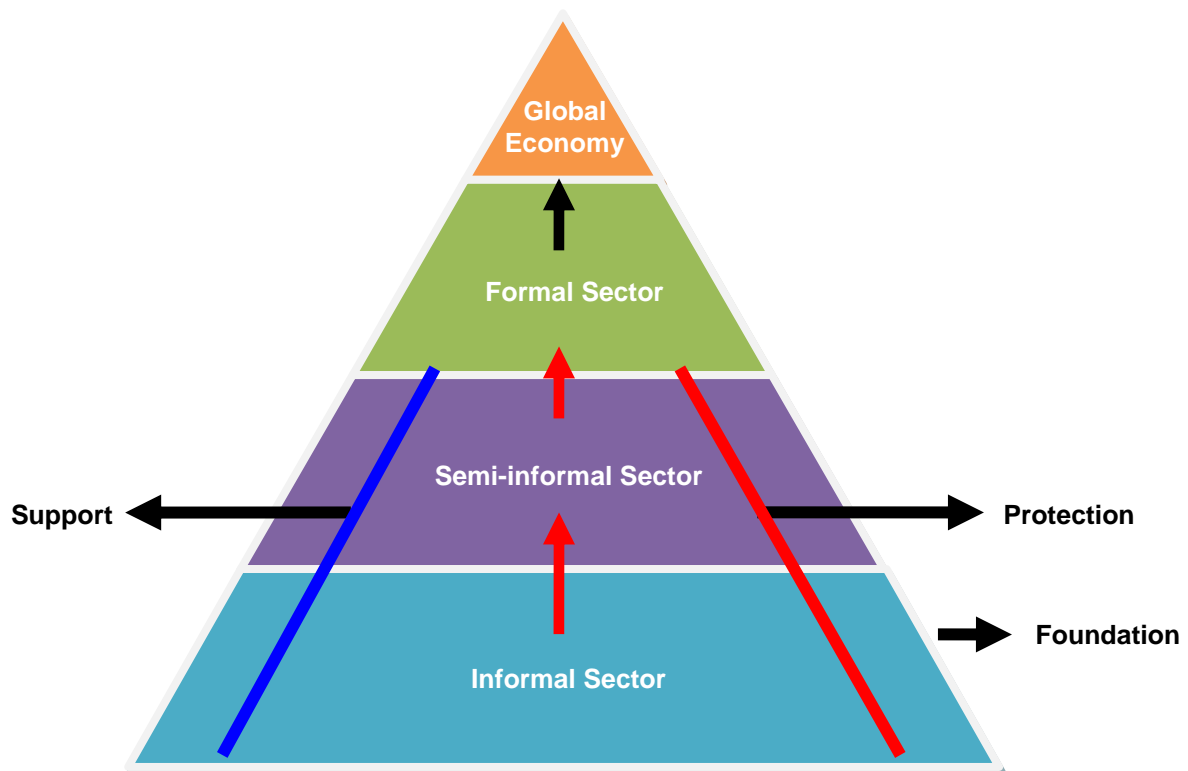
Pyramid of Sustainable Socio-Economic Development (PSSSED)

This conceptualisation of a pyramid of sustainable socio-Economic Development (PSSSED) tentatively demonstrates an approach more grounded in harnessing the informal sector for attaining sustainable socio-economic development

in the Gambia. As demonstrated throughout the whole thesis, the informal sector cannot be ignored or left out of discussions of socio-economic development and neither will its absence or elimination trigger sustainable socio-economic development in the Gambia. Simply put, given its current prevalence and importance, it has to form a key element of any model of socio-economic development.

Figure 5.1

Pyramid of Sustainable Socio-Economic Development

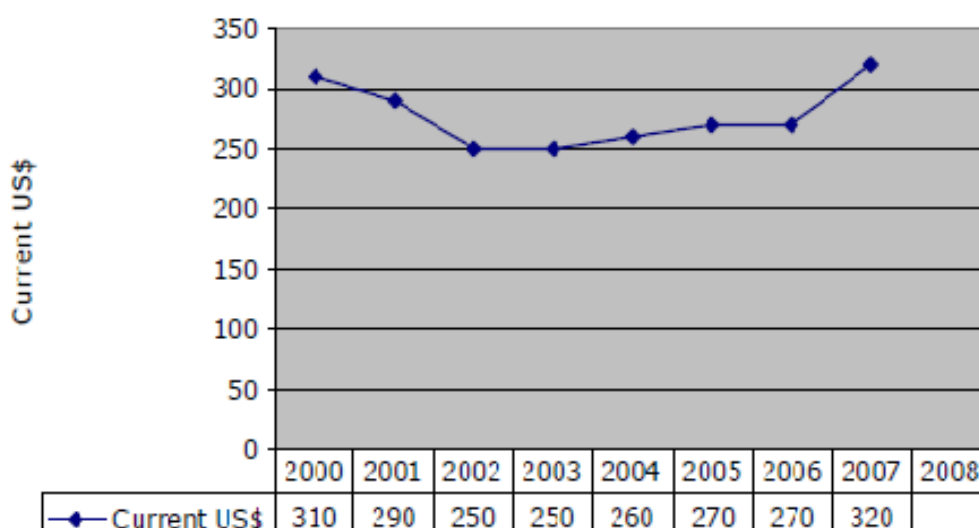


The first step out of the many steps that would need to be taken in order to harness the potential of the informal sector in the Gambia would be the commissioning of a detailed and comprehensive study on the sector by Government of the Gambia through the Bureau of Central Statistics. The lack of information, statistical analysis and significant data was very manifest during the course of my research in the Gambia. The lack of information on the informal sector of the Gambia was also apparent in the unavailability of a clear and comprehensive definition of what the informal sector is and is not in the Gambia. The undertaking of a detail study of the informal sector would be the Gambia Government's first role.

Based on the evidence presented in section three of chapter two, it appears that the informal sector may have three potential areas that could be harnessed to contribute to the economic growth and development of Gambia if given the required support and facilitation by the Government of the Gambia – these are the horticultural, fisheries, and the poultry subsectors. The Gambia is one of the poorest countries in the world with a per capita Gross National Income (GNI) of US\$ 320 in 2007 (see Figure below). The Gambia's Human Development Index (HDI) is 0.502, which gives the country a rank of 155th out of 177 countries (UNDP Human Development Report, 2007).

Figure 5.2

Gross National Income (GNI)



Note: Atlas method, current US\$

Source: The World Bank Group, World Development Indicators (October 2008)

Agriculture accounts for 29.4% of the Gambian GDP (see Table below), and 70% of the labour force. It also generates, principally through the export of groundnuts, nearly 30% of foreign exchange earnings. Owing to shortfalls in farming technology, notably irrigation methods, only about 40% (on average) of the total arable land area of 550,000 hectares have been used for farming since 1997, though land use has been increasing. The relatively low use of arable land is explained by low fertility levels, aggravated by the rapid development of acid sulphate deposits, by bushfires, and by the salt water infusion in swamp areas; a low usage of inputs; and

unsatisfactory land tenure practices, which render unused land unavailable to potential investors (Gambia Government Trade Policy Review, 2004).

Table 5.1

Contribution of agriculture and various sub-sectors to GDP (at market prices), 1997-2002

	1997	1998	1999	2000	2001	2002
Agriculture	20.2	18.7	24.0	24.8	25.2	23.3
Crop production	13.2	12.5	17.0	18.1	20.0	18.1
Groundnuts	5.0	4.3	6.9	7.2	7.7	6.9
Other	8.2	8.2	10.1	10.9	12.3	11.2
Livestock	4.2	4.5	4.7	4.6	4.7	4.7
Forestry	0.5	0.5	0.5	0.4	0.5	0.5
Fishing	2.3	1.2	1.8	1.8	2.0	2.3

Source: Gambia Government (2004)

About 43% of land under cultivation was devoted to groundnut cultivation between 1992 and 2000. Cotton is a second exportable cash-crop, though both production and land devoted to cotton cultivation have been low and declining. The proportion of land used for non-exported food crops, which comprise cash crops sold on local markets and crops grown for subsistence, accounted for slightly fewer than 56% of total land use over the period 1992-00. The Gambia is a net food importer, and food imports account for between 30% and 40% of the total value of imports. Horticultural production, which is our centre of focus here, has been recognised as an emerging export-oriented activity, principally for the winter-market for vegetables and tropical fruit in Western Europe (Gambia Government Trade Policy Review, 2004). According to the Department of State for Agriculture (2008),

The production of fruit and vegetable in the Gambia is an important source of on-farm income and food for the rural farm families. Women perform the functions of producing vegetable, marketing the produce

and feeding the family despite major obstacles. The Private sector acts as the vehicle of economic growth and export development and promotion of the horticulture industry.

The production of fruits and vegetables mainly concentrated in the Peri-urban and rural areas, contributes 4.2% to GDP (Sanyang et al., 2008). Fruits and vegetables production holds the greatest potentials for the provision of additional sources of food, nutritional value and income particularly for the women farmers in the Gambia - as much as 60% of total women farmers are engaged in horticulture activities, whilst large commercial horticultural farms currently employ over 4000 labourers from the informal sector to produce primarily for export markets (Department of State for Agriculture, 2008). According to the approved International Monetary Fund's Poverty Reduction Strategy document of the Gambia (2006: p. 61);

The Horticulture Sector is rapidly emerging as one of the key sectors and growth areas of the Gambian economy. The sector currently contributes about 4% to GDP on average, employs over 65% of the agricultural labour force and its development is favoured for socio-economic development of the country. Horticultural production, mainly fruits and vegetables, is an important source of rural income, employment and food, thus ensuring food security and poverty alleviation. It offers great potential for the export trade and generates foreign exchange earnings for the Gambia. The Horticulture Sector also contributes to import substitution with strong linkages to other sectors notably, the tourism industry. Over the last fifteen years tremendous improvement in horticultural production in the Gambia has been realised. A wide variety of high value tropical and off season fresh fruits and vegetables are now grown in the Gambia for both the domestic/tourist and export markets. Most of this growth was due to greater private sector involvement and investment as well as organised communal village based women vegetable growing schemes. The later was encouraged by donor assistance to cater for the local market boosted by a thriving tourism industry.

The horticultural subsector in the Gambia has made some progress in exporting products to the European market over the past years but has experienced some decline towards the end of 2002 mainly due to a number of factors, one of which is the high cost of airfreight and mounting competition (see table 5.2 & figure 5.3 below).

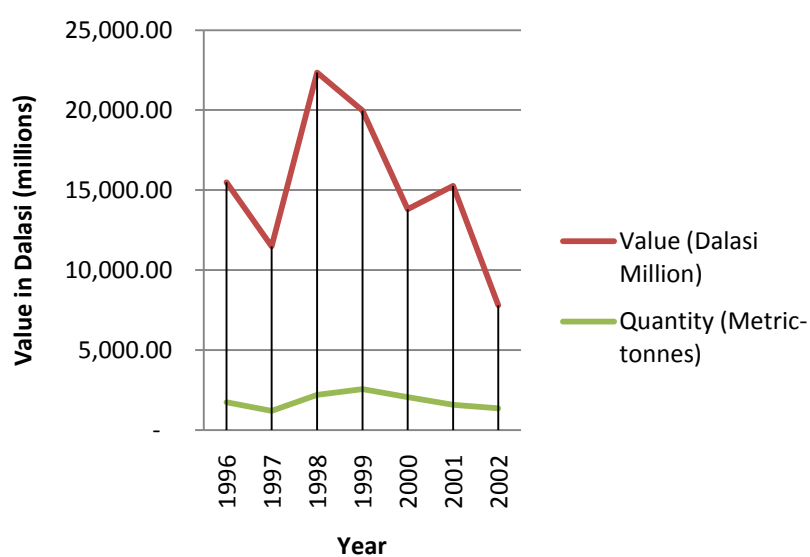
Table 5.2

Export of Fruits and Vegetables from The Gambia (1996- 2002)

Year	Value Dalasi (million)	Quantity (M-tones)
1996	15,477	1,733
1997	11,489	1,193
1998	22,341	2,203
1999	19,961	2,556
2000	13,795	2,048
2001	15,271	1,573
2002	7,790	1,344

Figure 5.3

Export of Fruits and Vegetables from The Gambia (1996-2002)



Source: Department of Central Statistics (2003)

As also demonstrated earlier on in chapter four under the Gambia Is Good Project (GIG), local farmers operating in the horticultural subsector were able to supply 40, 000kg of fresh horticultural produce to some of the hotels and restaurants in the Gambia between 2004 and 2005, resulting in a weekly turnover of D16, 000. Yet, Tourist hotels and restaurants offer mainly imported canned vegetables and fruits, canned fruit juices and conserves (Mitchell and Faal, 2007)

However, most farming activities carried out in the horticultural subsector are on small-scale plots (Sanyang *et al.*, 2008). Farming methods used in this subsector are also marked by a low level of mechanization, with farmers reliant mainly on hand-held tools, and draught power provided by animals (Gambia Government Trade Policy Review, 2004). Irrigation techniques for the overall production of horticultural products are largely dependent on rainfall. Other factors still plaguing the horticulture subsector include the following:

- Cultivation of horticultural produce is mainly limited to dry season production due to scarcity of suitable rainy season cultivars and harsh weather and pests problems.
- Since irrigation is a must for horticultural produce for nine months of the year (dry season) producers face great costs in water supply development and distribution. The potential of the River Gambia is yet to be exploited for horticultural production.
- Soils in the Gambia are generally poor in organic matter as well as chemical fertility requiring high input of manure and fertiliser to increase yield and quality.
- The control of pests – weeds, insects, diseases in horticultural crops is of paramount importance in order to produce very good quality, high yielding and profitable crops, pest control in the sector is very poor and often inefficient.
- Difficulties in the availability and accessibility of production inputs such as seeds fertiliser, pesticides contributes to low yields and poor quality produce.

- Lack of adequate air cargo space during peak horticultural season and high cost of airfreight are the biggest constraints limiting the export of Gambian horticultural produce.
- All levels of the horticulture industry lack market information and promotion.
- Packaging materials for export of horticultural produce is lacking as there is no carton manufacturing in the Gambia. All cartons are imported at very high costs.
- The availability and high costs of local transport as well as poor roads in rural areas impact negatively on local marketing of horticultural produce.
- Most growers do not have suitable storage facilities for the highly perishable horticultural produce grown.

(Gambia Poverty Reduction Strategy, 2006: p. 62)

Coupled with these factors, is the very little institutional support for the horticultural subsector and the absence of export promotion state agencies (*ibid.*).

Going back to the pyramid, this subsector within the informal sector would need sufficient support and protection (indicated by the red and blue lines) from the Government of Gambia if its potential for socio-economic development is to be fully harnessed. The Gambia Government over the past decade has left the provisioning of support to civil society organisations and NGOs, whose operational capacities for outreach are quite limited. As mentioned earlier, over 87,000 local women are operating horticultural gardens in the Gambia and majority of them are still using primitive and traditional cultivating practices, which impacts on their quantity and quality of production (National Agricultural Sample Survey, 2004). To this effect, the Government would need to take a more proactive and well-coordinated approach in providing support to the local horticultural producers. Firstly, the Government would need to make land more available to the horticultural subsector since only 40% of the total arable area for farming is under utilisation. The availability of more arable land for horticultural production may encourage more participation from households in the Gambia. As demonstrated in my research findings in chapter four, out of the 80 rural and urban households studied in the Gambia, the average household was spending 46 hours doing unpaid informal work or non-income generating activities. Thus, more land may mean more households participating in the horticultural subsector. The

participation of more people or households in the horticultural subsector may help in reducing the dependency rate in the Gambia, which is quite significant as of now. Furthermore, it may also mean more people and households engaging in low income-generating activities, thus creating more employment and reducing income poverty in the Gambia.

Through its Department for Agriculture, the Gambia Government may consider establishing an extension structure that would facilitate quantity and quality production within the horticultural subsector. This will include the creation of more agricultural and improvement stations, structured production and marketing teams, farmer training, credit facilities, use of improved varieties etc, that would help in the technology development and transfer in The Gambia. In this kind of approach there will be integration, and cohesive linkages between the researchers and extension agents and farmers' capacity will be strengthened, as staff would serve as researchers and extensions to train and disseminate new technologies to farmers.

Production of horticultural products in The Gambia is not only dependent on the total land area available, but also on how these areas are utilized by the women horticultural growers. The horticultural products yields are largely determined by good management practices such as water conservation practices, pests and diseases control, use of improved seeds, use of fertilizers, and improvement of soil fertility. Agricultural technology development, transfer and adoption are important tools for researchers, and extension workers as well as farmers for rural construction in the Gambia. Since most of the local horticultural producers in the Gambia lack exposure to new and innovative methods and technology for vegetable production, the Government's introduction and establishment of an extension structure and research agents would help in providing agricultural technology development and transfer to the horticultural subsector. In the Gambia, although the National Agricultural Research Institute (NARI) also develops new technologies, its capacity is very limited as it is poorly equipped and poorly financed to carry out technology development on a routine basis or throughout the year (Sanyang et al., 2008). The Gambia Government may also need to consider the replication of NARI and similar research institutes throughout the length and breadth of the Gambia. For appropriate technology development, transfer and adoption to take place greater emphasis may need to be put on the linkages with clients and external sources of innovation; the emergence of regional partnership covering all components of technology generation, and the

strengthening of a central or core institution to focus on research priorities, resource allocation, and institutional interactions best suited to meet national and clients needs and capacities.

However, the Gambia Government should not only stop at providing support to the horticultural subsector but also offer it protection once quality and quantity production prevails. As observed by Mitchell and Faal (2007), hotels, bars and restaurants in the Gambia are buying less than 50% of their fresh horticultural produce from the horticultural subsector, thus implying that over 50% of their supply of fruits and vegetables are imported from outside the Gambia. The table below gives an illustration of the import and export of fruits and vegetables to the Gambia from 1996 to 2002.

Table 5.3

Import and Exports of fruits and vegetables to the Gambia (1996-2002)

Year	Quantity exported (Metric-tonnes)	Quantity imported (Metric-tonnes)
1996	1,733.00	14,306.00
1997	1,193.00	18,572.00
1998	2,203.00	12,561.00
1999	2,556.00	10,937.00
2000	2,048.00	23,420.00
2001	1,573.00	15,596.00
2002	1,344.00	18,511.00
Total	12,650.00	113,903.00

Source: Central Bureau of Statistic Gambia (2003)

From the table above, it could be observed that throughout these periods, imports of fruits and vegetables have been higher than exports. What it also means is that most of the consumed fruits and vegetables within the Gambian domestic market have been

imported rather than locally produced. Henceforth, with improved quality and quantity production of horticultural products through Government's support, protection of the local producers and the sector should be ensured, as often-imported fruits and vegetables stand out cheaper compared to the locally produced products. The Government would also need to ensure that the domestic market is not all the time flooded with imported products as this may compromise the saleability of the local horticultural produced by local farmers in the informal sector. The Government of the Gambia may protect the subsector by increasing its tariffs on fruits and vegetables importation through its Customs & Exercise department. As it currently stands, the Gambia has the lowest tariffs in West Africa for the importation of fruits and vegetables (see table 5.4 below).

Table 5.4

Tariffs for selected products applied in the ECOWAS area

Product	WAEMU CET (%)	Cape Verde	Gambia	Ghana	Guinea	Mauritania	Nigeria
Fruits and Vegetables							
Potatoes	20	35.45	18	39.29	17	5	100
Tomatoes (fresh or chilled)	20	10	18	20	17	10	100
Onions (fresh or chilled)	20	25.69	18	20	17	10	100
Tomato concentrate not for retail sale	10	10		20	17	13	
Prepared tomatoes	20	10	10-18	20	17	13	
Cereals							
Cereals (unspecified)					17 - 24		
Wheat or meslin	5	5	18	20	7		5
Prepared cereals					17-32		
Wheat or meslin flour	20	15	18	40		5	Import prohibition
Pasta	20	37.92	18	20		20	100
Bread, cakes, biscuits	20	42.12	18	40		20	100
Meat							
Meat (unspecified)					2 - 17		
Meat / bovine animal	20	50	18	20		20	Import prohibition
Meat / poultry	20	50	18	39.31		20	Import prohibition
Cotton Fibre							
Cotton Yarn	10	15		10		13	
Worn Clothing	20	10		40		20	

Source: WAEMU website, The Gambia: WTO, Trade Policy Review (2004)

Although this may be seen as a protectionist measure, however its application will ensure that local farmers remain in employment and that their products are given preference within the domestic market of the Gambia.

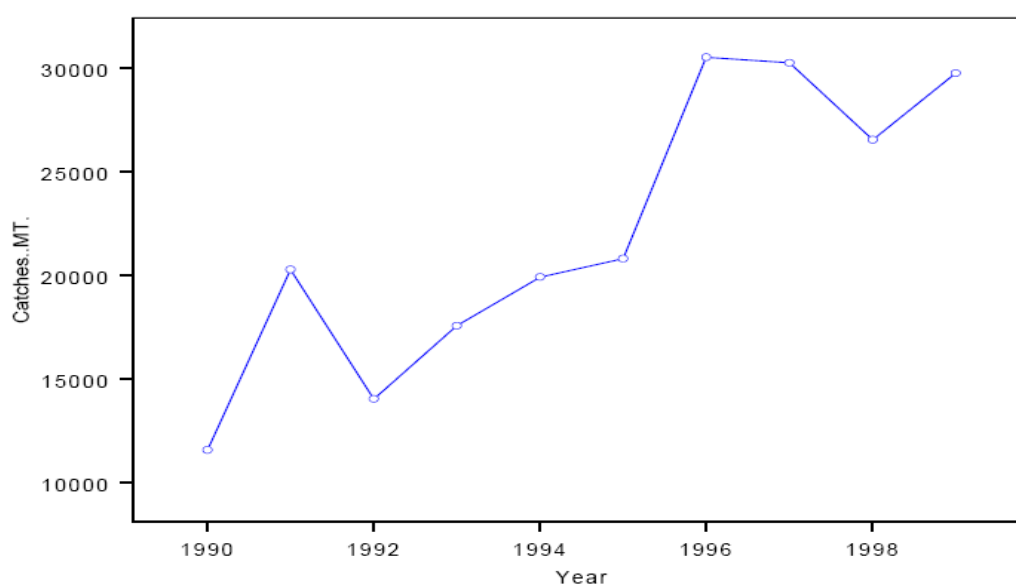
With reference to moving from the informal sector to the formal sector, the Gambia Government may need to consider undertaking a pilot study on 250 to 300 horticultural local farmers for a period of four years. The purpose of this pilot would be to determine, monitor and measure the activities of the local farmers. In this process, the Government would provide all the required support (including more arable and fertile land, agricultural technology, marketing, training and development, chemicals for pest control, irrigation systems, modern storage facilities and equipment etc.) to these local farmers, keep a record of their earnings and production for a period of four years. At the end of the pilot study, the Government would then need to formulate a comprehensive policy on the horticultural subsector, wherein it will be able to determine the criteria for transferring the local producer from the informal sector to the formal sector. Factors that would determine the graduation from the informal sector to the formal sector could be associated to gross profits, returns on sales, size of the business etc. However, this should be determined solely by the outcomes of the pilot. In the evaluation of the pilot study, where local producers are found to be matured, strong and self-sustaining and have developed effective management and production systems and are making decent and satisfactory profit margins, then these could be taken as indications for their readiness to graduate into the formal sector, thus becoming registered and tax paying enterprises. The policy framework, which will come as a result of the pilot study would determine and create different tax categories for the new graduates into the formal sector. In this way, the Government would be able to derive revenue from the sector, whilst the horticultural producers would be able to earn decent incomes and livelihoods. The graduation of these producers would automatically bring them into the fold of the global economy, as they will not only be serving the domestic market in the Gambia but also the European market as is already happening in this subsector. Once there is success in the pilot study, then the Government of the Gambia may consider extending this support and facilitation throughout the country through the extension structure discussed earlier on.

Similarly as discussed earlier on (see discussion in section three of chapter two), the fishing subsector, which has a gross output of D1.1 billion, accounts for 4% of total production in the Gambia (Gambia Economic Census, 2006). The Gambia has a continental shelf area of approximately 4000 sq. km and an Exclusive Economic Zone (EEZ) of 200 nautical miles with a total area of 10,500 sq. km. The Continental shelf is located within the eastern central Atlantic Ocean, an area classified as one of the richest fishing zones of the World. Some surveys conducted by the Food and Agricultural Organisation have estimated a standing biomass of about 168,000 metric tonnes for the small pelagic species, whilst maximum sustainable yield (MSY) stands between 15,000 and 17,500 metric tonnes for Demersal fish species, 1,000 metric tonnes for Crustacea and 1,000 metric tonnes for cephalopods (mainly cuttlefish) (IMF, 2007). The Artisanal sub-sector supplies almost all fish consumed locally and is also the major supplier of raw high value fish and shrimps to processing plants in the formal sector (Gambia Poverty Reduction Strategy, 2006).

The informal sector through the artisanal subsector dominates the fishing industry and accounts for 65% of fish production in the Gambia (Gambia Economic Census, 2006). For instance, the two figures below give an indication of the number of catches that were made by the artisanal informal sector and the industrial sector between 1990 and 1999.

Figure 5.4

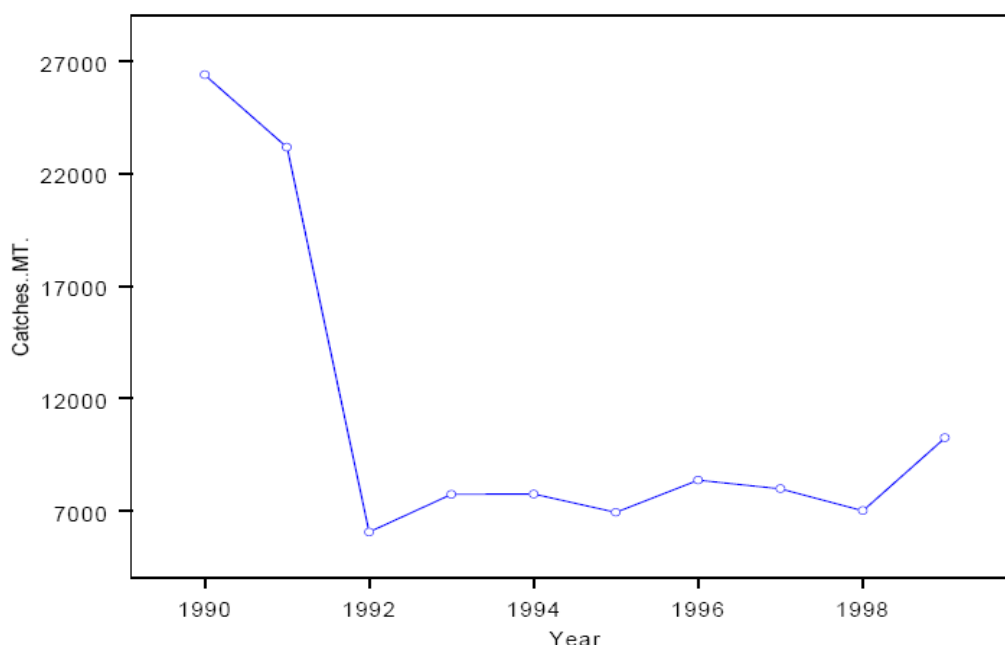
Estimated annual fish catch from the artisanal sub-sector (1990-1999)



Source: The Gambia Fisheries Department (1999)

Figure 5.5

Estimated annual fish catch from the industrial sub-sector (1990-1999)



Source: Ibid.

According to the Poverty Reduction Strategy of the Gambia (2006: p. 70), ‘the fisheries sector has the potential to generate significant employment and income for Gambian nationals, provide affordable animal protein to Gambian households for improved nutrition, and generate significant foreign exchange earnings for the country’. The Gambia Economic Census (2006: p. 31) highlighted that

value added for the industry was D 783 million. Industrial fishing registered a lower value added of D276 million accounting for 35 percent of the total value added in the industry while artisanal fishing recorded the highest value added of D 507 million accounting for 65 percent. Artisanal fishing had the highest ratio of VA/GO of 77 percent while industrial fishing had a ratio of 61 percent.

In addition to having more added value than the industrial/formal sector, the artisanal informal sector (artisanal sector) provides about 90% of the domestic fish supply and

employs the majority of Gambians in the fishing industry (Ndow, 1997). The Fisheries Department Statistics estimates that about 30 000 people are employed in the artisanal fisheries subsector, comprising about 5 000 fishermen, together with fish processors, fish traders, boat builders and mechanics. According to the 1997 Frame Survey, there were 542 motorized and 1243 non-motorized fishing canoes in the informal artisanal sector. The artisanal informal sector has also contributed to the foreign exchange earnings of the Gambia, mainly contributing an average of 2.4%, estimated to be US\$3.65 million (Njai, 2000). See table 5.5 below.

Table 5.5
The Gambia's Foreign Exchange Earnings

Merchandise	17.3
Groundnuts	10.6
Fisheries (artisanal sector)	2.4
Other Merchandise	4.3
Services	62.8
Re-export trade, net	18.8
Transportation	10.8
Tourism	33.2
Remittances	19.8
Total	100

Note: By category, 1997-2003 average
Source: International Monetary Fund (2004)

This subsector has continued to play a significant role in the supply of fish and fish products to different markets locally, regionally and internationally. According to Njai (2000), the artisanal subsector has helped in catering for the needs of consumers, whilst the trend in fish trade has increased significantly in this subsector, both in terms of the quantities of products and fish species traded, as well as the number of people it engaged and the markets served. The table below shows the value (in US dollars),

quantity and markets of the fish and fish products (smoked fish) produced by the informal artisanal subsector in 1996.

Table 5.6

Distribution of different artisanal smoked fish products according to markets

Market	Products	Quantity (kg)	Value (US\$)
Urban markets	Hot-smoked shad Smoked-dry shad Smoked shark Hot-smoked catfish Smoked speciality products	13875 1278 30875 33885 1350	8,325 281 22,318 51,844 2,484
Rural markets	Hot-smoked shad Smoked-dry shad Smoked shark	971 8951 1543	301 3580 1,419
Regional markets	Smoked-dry shad Smoked shark Smoked speciality products	27031 88227 685	47,304 194,099 1,665
Ethnic markets (Europe & U.S.A.)	Hot-smoked shad Hot-smoked catfish Smoked speciality products	256 6777 5881	486 18,501 20,584

Note: According to markets

Source: Njai 2000

Although the informal artisanal subsector plays such an important role in Gambian society, it is however hampered by a number of factors including inadequate infrastructure (Njai, 2000). Some studies conducted in the informal artisanal subsector have observed that due to the absence of storage and cooling facilities, there have been as much as 20 percent post-harvest losses. In addition to the storage problem noted above, The Gambia does not have a dedicated fishing port (Diagnostic Trade Integration Study, 2006). Given the perishability of the product, the frequent power cuts and inadequate transportation facilities are important constraints on the artisanal fishing subsector. According to the Diagnostic Trade Integration Study (2006: p. 13),

these difficulties have entailed a substantial decline in fish exports in recent years.... after peaking at about 2000 metric tons (MT) in 1997, fish exports dropped steadily to 405 thousand MT in 2004, recovering somewhat to 751 MT in 2005. The value of fish exports has

correspondingly also plummeted in 2005 to one quarter of its value in 1997.

Among the many factors constraining the full potential of the informal artisanal subsector includes the following:

- Lack of sufficient fish distribution and marketing centres, refrigerated vehicles and ice plants to cater for the artisanal sub-sector and reduce post harvest losses.
- Fishing companies lack the appropriate equipment and machinery and are reluctant to invest and engage in pelagic fishing and processing.
- Inadequate number of pre-mixed fuel (oil and gasoline) stations at artisanal fish landing sites compelling fishermen to obtain fuel from other sources outside the country.
- An intractable difficulty in recruiting and training nationals in artisanal fishing is still an important constraint.
- Paucity of efficient patrol boats and other means of effective monitoring, control and surveillance of the country's territorial waters.
- Irregular supply and high cost of energy resulting in a problematic electrical transmission and distribution network.
- Packaging materials and manufacturing plants are non-existent.
- Unavailability of sufficient qualified tradesmen coupled with inadequate repair and maintenance facilities for the artisanal fishing crafts, machines and ancillaries.
- A shortcoming in quality control practices and lack of knowledge in quality assurance
- Complete absence of basic training programmes from industrial establishments and artisanal fishing communities on issues relating to preservation, quality, sanitation and proper manufacturing practices etc.
- Lack of market information globally.
- Inadequate knowledge of the biology, population dynamics and annual sustainable yield of the inland (riverine) stocks, especially species of high economic importance.

- Need for effective sensitisation and recruitment schemes for nationals operating as part-time fishermen in the inland fishery
- Use of the information generated to begin operating full-time and realize the benefits of commercial fishing
- Access to micro-finance facilities for artisanal operators is constrained by high interest rates of loans.
- Inadequate budgetary provisions limit capacity to carry out research and provide statistics extensively; advance product development and quality control; and mobilize extension staff for monitoring, control and surveillance of artisanal fishing villages and landing sites.
- Insufficient number of trained personnel
- Weak Administrative structures, programmes and functions of the Associations of Artisanal fishermen and seafood dealers, and Industrial fishing companies.

(IMF Poverty Reduction Strategy Paper for Gambia, 2006: p. 71-72)

In addition to these factors, I also came across constraints that were affecting some fish processors (fish smokers and dryers) in the rural communities of Essau, Nuimi and Kanuma during the course of my research in the Gambia in 2006, which I profiled into brief case studies (see the three cases below).

Case Study 1: The Fisco Kafo (Group) in Nuimi

The Fisco Kafo was established in 2005 and consists of 24 members of fish smokers and dryers who operate in the informal sector (artisanal subsector) and headed by a lady president called Marie Sarr. Since its establishment, the Fisco Kafo has been having meetings, where they discuss issues of common interests and matter pertaining and affecting their work productivity within the Nuimi community. They contribute D50 per month. It is from this contribution that loans are issued to themselves, and repaid in a period of three months with an interest of 10%. This monthly contribution and issuing of loans by themselves appear to be working successfully in that presently they have generated an amount of D15, 000 in their cash box. According to the lady president, this amount is insufficient for them to enlarge their business especially for the fish dryers who take their products to other regions within the Gambia on a weekly and monthly basis. They've expressed the need for a loan or credit facility of about D30000 to enable them expand their business activities, thus developing the capacity to take their products to farther markets in the Gambia.

Case Study 2: The Jamoral Kafo (Group) in Kanuma

The “Jamoral Kafo” is also another group comprising of 51 fish smokers and dryers that operates in the informal sector of artisanal subsector. Based in the village of Kanuma, they were established in 2003 and meet once every week. The group is headed by Fatou Saine, a 45 year old fish smoking and drying veteran. Each month, members of the group make a contribution of D30, from where they get their loans, which they repay in a two month period time frame with an interest of 20%. So far, they have managed to successfully put D45, 000 into their cash box. However, like the Fisco Kafo, they have also expressed the dire need for a loan /credit facility of about D75, 000 in order to expand their business activities and also improve the quality and quantity of their production.

Case Study 3: The Sabari Kafo (Group) in Essau

The “Sabari Kafo” (translated as: Patience Group) was established in November 2005 in Essau. It consists of 24 active fish processors (fish smokers and dryers), all of whom operate in the informal artisanal fishing sector. Although fish landing in this village has been insufficient resulting in less processing for the group member, they have however managed to stay in business since their existence, mainly by sharing their resources and purchasing fish on alternating days. According to the group head (Anna Sambou), the group among many things face the current problems: A) lack of enough capital to enlarge their business activities – in spite of their heavy problems due to insufficient fish landed, they have managed to generate a small fund through monthly contributions of D5 which they issued to themselves on a revolving loan scheme, and repaid after two months of operation with an interest of 30%. As of the time of interviewing the group head, they were having an amount of D7500; B) lack of proper drying racks – the drying racks in use were made by them and were very poor in quality; C) they used to operate a vegetable garden to augment their cash takings but this has failed since due to the salty nature of the water in the garden wells. They expressed the need for financial support and capacity building, in the form of loans/grants, training, modern fish processing infrastructures and access to transportation.

These factors according to the Poverty Reduction Strategy Paper (2006) have heavily impacted on the potential of the artisanal informal sector over the past decades and that it is only by addressing these constraints that one would be able to more fully explore and harness the potential of this subsector.

In addressing these issues and providing support for the artisanal subsector, the Gambia Government should consider replicating the extension structure that was introduced in 1979 through the Artisanal Fisheries Development Project (AFDP), which was funded by European Union. The first and second phases of the Artisanal Fisheries Development Project (for full discussion on this project- see the Gambia Government and the informal sector under chapter four) registered significant success

in developing the capacity of this subsector whilst at the same time improving the livelihoods of households and families. The two phases of this project was able to create Community Fisheries Centres in a number of rural communities with modern fishing infrastructures, and a number of facilities and support services (including fish handling and processing facilities, outboard engine mechanical workshops, fishing gear, fish products stores, fish marketing infrastructure and individual savings facilities). This project was able to raise the incomes of fish workers in the artisanal subsector through increased catches, increased rural job opportunities and provided sustainable means of livelihoods to households in the artisanal subsector.

In addition to creating projects and extension services like the Artisanal Fisheries Development Project, the Gambia Government in consultation with the artisanal subsector may consider rolling out a comprehensive national training programme through the Departments of State for Fisheries and Education. This national training programme would cover vital areas such hygiene, health and safety, basic first aid, modern techniques in fish processing, marketing, customer services, quality assurance, record/book keeping and business management etc. This training programme would then be accredited by the Department of State for Education hence becoming nationally recognised. This national programme could also be considered within the framework of capacity development, where civil society organisations like NGOs and CBOs could integrate it into their developmental programmes. In addition to creating a national training programme for the artisanal subsector, the Government should also try to strengthen and develop the capacity of the Department for Fisheries, enabling them to monitor, manage and coordinate the programme and extension structure countrywide.

Within the insurance sector, there are currently no insurance schemes specifically designed to meet the needs of the artisanal fishery subsector, which makes it extremely difficult for those in this subsector to reclaim or recover their possessions in cases of accidents or other mishaps at sea (Njai, 2000). The only insurance policy available so far for the artisanal subsector within the insurance industry is limited to “total loss”, which is non-beneficial as it only gives compensation when and where all fishing items (including the canoe, nets and engine etc) are said to be lost rather than covering any single item. It therefore becomes necessary to have an insurance package specially designed for the artisanal subsector, which will cover and protect those in the sector against mishaps in their respective activities whether in fish

catching or fish processing or marketing. A good insurance scheme for the artisanal subsector may go a long way in sustaining livelihoods and keeping people in business. To this effect, the Government of the Gambia should consider encouraging the insurance sector to cater for the needs of the artisanal subsector by creating incentives for those insurance companies that are prepared to work with the sector.

At some point also, the Government may need to consider offering protection to the artisanal subsector. According to the Poverty Reduction Strategy Paper (2006), the demersals and other fish resources are been over exploited by licensed foreign trawlers, who by law are only obliged to pay a commission of 10% of their catches (either in fish or money value). This if not controlled or regulated may hamper the availability of fishes for the artisanal sector, thus impacting on their quantity of production. Hence the Government may consider initiating a measure that would allow them to systematically reduce the number of licensed foreign trawlers to avoid over exploitation of the demersals resources. The establishment of a fishing harbour by the Government of the Gambia may also help in monitoring the activities of the licensed foreign vessels, most of whom rarely land their catches in the Gambia. The fishing harbour if established will enable the Government to oblige foreign trawlers to give account of their catches whilst at the same time landing their catches in the Gambia.

With reference to the transition from the informal sector to the formal sector in the artisanal subsector, the Government of the Gambia would need to take very proactive and innovative approach in the form of a well-organised and coordinated structure. Already, a significant number of those operating in the artisanal subsector are functioning as “Kafos” (groups), although they are largely organised into small groups. In consultation with the subsector, development agents, NGOS and CBOs, the Government may need to design a stimulus package wherein bigger groups will be created with the aim of transforming them into potential medium and large scale enterprises. The Government would support them both financially and technically with fishing trawlers/vessels (rather than dug out canoes), industrial fishing gears, business development officers/expertise, grants and credit facilities etc. This special package will run for a period of three years and within this period such potential enterprises will not be required to pay taxes although they will need to be registered with the business registry office. This kind of treatment would help in improving productivity and at the same time increase the quality and quantity of fish production.

Through the Department of Fisheries, the Government would despatch fisheries personnel who would monitor, assess and evaluate the activities and performances of these groups for the three year period. Once fully established and striving with satisfactory profit margins after the initial three years, they would then become obliged to pay taxes, and operate with a full status of a business enterprise. This process would ensure their transition from the informal sector to the formal sector and hence to the global economy, where they will be able to export with quality and quantity.

Now comes the key and critical question – if and when all the required support and protection is offered to the informal sector, is it feasible to harness it as an alternative to a development pathway of a de-regulated global marketplace? The answer to this question would need to be treated with care since not the entire informal sector in the Gambia has the potential to contribute to economic growth and sustainable development. Within the Gambian informal sector, a significant number of people who operate in it, do so as mere survivalists – they only need something to get them through the day. The primary motive of these people for operating in the informal sector hardly goes beyond the motivation of business development. Such people include the woman street vendor who sells a handful of vegetables or fruits on a table in front of her house in Nuimi or the man who rides his bicycle every morning in the village of Kanuma selling bread to the local community. They also include the mother of three in Old Jeshwang who cooks a big bowl of “Ebbeh” (local Gambian dish) everyday and sells it to neighbours, families and friends from her house so that she could provide food for her three children, and the woman who cooks “Benachin” (local Gambian dish) everyday and takes it to the local market in Essau for sale. These people only engage in such survivalists’ activities as coping strategies for their livelihoods. For these people, the prospects for growth are non-existence and if they do, then they are very limited. Therefore, it becomes unfeasible or extremely difficult to harness such livelihood coping practices as part of a development pathway in achieving economic growth and sustainable development, although on the other hand these people see such practices as sources of employment and a means to generate income. Hence in this respect, the informal sector may only be perceived as a source for low-income generation, employment and an inconsistent means of livelihood rather than a means and a development pathway for economic growth and sustainable development.

However, based on the evidence demonstrated in the horticultural and artisanal subsectors earlier on, the informal sector has a potential, which if harnessed can lead to a development pathway in contributing to economic growth and sustainable development in the Gambia. Both these subsectors have shown that with the provision of the required support, they have the capability to supply rural, domestic, national, regional and global markets, which in turn provides revenue and foreign exchange for the Government. They've also displayed their ability to serve as a source of employment and a means of livelihood for the local citizenry of the Gambia. As illustrated by these two subsectors, the potential of the informal sector to contribute to economic growth and sustainable development in the Gambia cannot be harness in the absence of the formal sector as the development of the sector is very much interdependent on the formal sector. Hence the formal sector will play a crucial role if the informal sector is to lead to a development pathway.

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APPENDIX 1: THE GAMBIA IMPORT OF PRODUCTS 1997-2007

(PERCENTAGE OF GDP)

1997-2001		2002	2003	2004	2005	2006	2007
Oil-exporting countries	39.1	42.8	42.3	41.2	41.0	43.3	46.3
Angola	74.1	62.2	63.1	53.7	51.7	52.5	54.4
Cameroon	22.6	26.2	23.4	25.0	25.4	26.1	25.8
Chad	35.4	113.7	59.0	50.8	39.5	38.4	37.6
Congo, Rep. of	57.8	53.9	53.7	57.3	50.1	45.2	48.9
Côte d'Ivoire	33.2	33.4	34.9	39.4	42.4	43.2	43.5
Equatorial Guinea	115.6	50.8	74.6	57.5	45.8	39.5	39.1
Gabon	37.9	34.2	31.0	31.8	28.2	32.1	34.9
Nigeria	36.4	41.0	41.5	39.9	40.3	44.1	48.6
Oil-importing countries	29.1	29.0	29.9	32.1	33.7	36.7	36.6
Benin	26.9	27.5	26.5	26.6	23.1	21.8	22.9
Botswana	41.9	36.3	33.5	37.6	35.5	40.6	39.4
Burkina Faso	24.9	22.1	21.7	24.3	25.1	26.0	24.8
Burundi	17.5	22.3	27.7	33.9	45.3	47.5	49.5
Cape Verde	59.7	68.5	67.4	69.5	64.8	70.3	72.6
Central African Republic	24.8	20.6	17.5	18.5	18.7	18.6	18.5
Comoros	35.0	30.8	31.8	32.6	34.7	37.3	38.0
Congo, Dem. Rep. of	20.7	26.1	33.3	34.6	45.7	42.0	41.4
Eritrea	73.9	74.5	100.5	88.6	55.7	42.3	39.5
Ethiopia	22.8	27.9	29.2	33.4	38.4	40.1	38.8
Gambia, The	53.0	54.4	56.5	70.4	66.9	67.2	66.8
Ghana	56.3	54.8	52.7	60.4	61.7	62.3	61.0
Guinea	26.3	28.4	24.6	24.8	30.4	35.1	32.8
Guinea-Bissau	47.3	51.2	44.1	47.1	50.7	52.6	60.5
Kenya	28.5	25.8	28.2	34.2	37.4	34.9	34.5
Lesotho	97.7	114.7	100.8	100.7	94.9	90.6	84.4
Liberia	n.a.	31.3	42.0	66.4	66.4	73.8	66.1
Madagascar	32.4	22.6	32.1	47.5	40.2	39.4	37.1
Malawi	38.4	51.4	49.7	53.5	63.7	50.9	45.4
Mali	33.9	32.0	33.2	32.9	33.8	34.6	31.2
Mauritius	63.0	58.7	57.4	55.0	61.6	67.3	66.8
Mozambique	35.7	47.8	44.0	39.2	42.6	42.6	46.9
Namibia	54.2	48.1	43.8	45.0	44.5	45.2	46.5
Niger	24.9	24.1	25.0	29.4	31.5	29.6	32.4
Rwanda	24.4	24.5	27.6	28.6	31.0	31.8	33.1
São Tomé and Príncipe	88.1	85.1	90.1	88.6	89.6	115.9	113.2
Senegal	35.6	39.0	39.0	40.2	41.9	43.4	41.6
Seychelles	84.3	84.1	84.0	95.8	125.7	136.5	176.1
Sierra Leone	27.2	35.9	40.8	34.1	40.1	36.5	37.8
South Africa	24.3	29.1	25.8	27.0	28.4	33.2	34.5
Swaziland	97.4	95.2	80.9	84.3	84.8	86.1	86.8
Tanzania	25.1	22.6	23.5	26.2	30.4	36.6	39.5
Togo	44.9	49.1	57.3	56.2	57.6	60.5	56.9
Uganda	22.5	26.5	26.7	27.7	27.1	30.1	30.4
Zambia	40.0	42.0	41.5	42.6	37.4	30.2	36.8
Zimbabwe	33.8	7.2	20.7	51.3	53.7	37.0	10.2

Sources: IMF, African Department database, March 29, 2007; and World Economic Outlook (WEO) database, March 29, 2007.

APPENDIX 2: THE GAMBIA EXPORTS OF PRODUCTS 1997-2007 (PERCENTAGE OF GDP)

1997-2001		2002	2003	2004	2005	2006	2007
Oil-exporting countries	45.7	46.5	50.4	56.4	63.7	67.8	64.8
Angola	75.2	73.5	69.6	69.7	77.7	74.1	70.1
Cameroon	24.6	25.0	24.0	22.7	23.5	25.2	22.8
Chad	17.4	12.7	24.8	51.0	54.9	58.9	54.4
Congo, Rep. of	76.4	81.5	79.3	84.3	86.4	91.0	77.6
Côte d'Ivoire	40.7	50.0	45.8	48.6	49.7	52.2	52.0
Equatorial Guinea	98.3	97.0	94.8	95.8	96.2	98.2	90.6
Gabon	59.3	53.3	55.2	59.9	66.9	67.0	61.0
Nigeria	43.1	40.1	49.8	57.6	65.2	72.1	71.1
Oil-importing countries	26.5	27.2	27.4	28.1	28.6	30.3	29.8
Benin	15.1	13.5	13.7	14.3	13.0	10.8	12.2
Botswana	50.1	47.8	44.2	45.7	52.8	55.3	53.3
Burkina Faso	10.3	8.9	8.6	10.6	10.1	12.4	11.7
Burundi	8.0	6.2	8.4	9.6	11.4	10.9	11.9
Cape Verde	25.3	32.5	31.4	32.0	36.8	42.9	43.8
Central African Republic	19.9	15.4	11.8	11.8	12.0	12.2	11.9
Comoros	15.1	15.7	15.8	12.7	12.5	11.7	12.3
Congo, Dem. Rep. of	22.2	21.2	26.1	30.3	34.0	31.7	31.7
Eritrea	15.2	13.5	9.6	10.1	6.5	5.2	4.4
Ethiopia	12.4	13.2	14.2	15.8	16.4	15.8	15.7
Gambia, The	45.1	46.1	47.3	44.4	38.6	45.0	44.2
Ghana	38.5	42.4	40.7	39.3	36.1	38.2	35.6
Guinea	22.5	24.5	22.3	20.9	27.8	32.4	29.0
Guinea-Bissau	24.1	29.8	30.0	30.9	37.4	30.4	32.1
Kenya	21.8	24.7	23.7	26.7	27.7	24.2	23.8
Lesotho	31.1	55.3	49.6	54.3	49.3	50.6	46.0
Liberia	n.a.	38.4	33.9	29.6	27.3	29.9	31.3
Madagascar	25.5	16.0	23.1	32.6	26.5	27.7	26.0
Malawi	27.2	23.9	26.8	28.4	26.7	23.0	21.8
Mali	24.3	31.9	26.0	24.6	25.1	28.6	27.2
Mauritius	60.8	63.1	58.4	55.5	57.3	60.5	58.4
Mozambique	17.9	29.0	28.2	30.9	32.6	38.6	36.8
Namibia	45.4	42.9	37.2	41.0	40.9	46.6	47.4
Niger	17.1	15.2	15.7	18.4	18.2	17.3	18.8
Rwanda	7.4	7.7	8.3	10.3	10.6	11.0	10.4
São Tomé and Príncipe	33.8	34.6	35.0	31.4	29.3	28.6	26.5
Senegal	28.2	28.5	26.8	27.4	26.2	23.6	24.0
Seychelles	71.0	77.8	95.1	97.8	98.7	115.8	137.7
Sierra Leone	15.2	16.4	21.4	21.7	22.1	23.3	26.1
South Africa	26.7	33.0	28.1	26.7	27.5	29.8	30.8
Swaziland	79.7	94.9	82.9	82.7	80.8	80.1	80.5
Tanzania	14.4	15.3	16.7	20.4	22.2	24.2	24.8
Togo	30.3	34.9	41.4	38.3	36.6	37.8	37.8
Uganda	11.7	12.0	12.0	14.2	13.8	14.4	15.7
Zambia	29.0	28.6	29.0	38.2	34.3	38.4	42.3
Zimbabwe	33.5	6.5	17.6	42.6	42.7	34.5	9.9

Sources: IMF, African Department database, March 29, 2007; and World Economic Outlook (WEO) database, March 29, 2007.

**APPENDIX 3: ORIGIN & QUANTITY (MT) OF IMPORTED
POULTRY PRODUCTS TO THE GAMBIA (2002-2007)**

Origin	2002	2003	2004	2005	2006	2007
		Fresh or Chilled Whole Chicken				
France	27	0	0	0	28	0
Germany F.	154	2956	0	0	0	29
Netherlands	2	0	31	0	0	0
United Kingdom	3	0	3	0	0	0
Belgium	0	0	0	3	0	0
Brazil	0	0	0	26	21	0
Denmark	0	0	0	0	113	15
Ghana	0	0	0	0	0	6
Cote D'Ivoire	0	0	0	0	0	24
Kenya	0	0	0	0	844	0
Lebanon	0	0	0	0	253	0
United States	0	0	0	0	0	89
			Frozen whole Chicken			
Belgium	353	0	2	0	0	0
Germany F.	3,195	657	140	0	28	0
Netherlands	16	78	212	77	0	0
Argentina	0	0	0	115	0	0
Brazil	27	160	0	0		89
India	0	0	25	0		
United States	0	0	0	932		27
Hong Kong	0	0	0	0	29	0
Lebanon	0	0	0	0	2	0
Saudi Arabia	0	0	0	0	0	285
South Africa	0	0	0	0	0	0
			Chicken Offal			
Brazil	20	0	0	25	0	26
Denmark	0	3	0	0	0	0
France	0	27	0	0	0	0
Netherlands	0	113	0	0	47	1
United States	0	798	0	0	0	0
Belgium	0	0	0	146	0	0
China	0	0	0	0	0	18
Sierra Leone	0	0	0	0	27	0

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APPENDIX 4: ORIGIN & QUANTITY (MT) OF IMPORTED
POULTRY PRODUCTS TO THE GAMBIA (2002-2007)

Origin	2002	2003	2004	2005	2006	2007
			Frozen Cuts and Offal			
Belgium	615	1	0	1	0	0
France	27	0	0	0	0	0
Germany F.	27	84	26	0	0	0
Lebanon	0	8	0	763	0	0
Netherlands	29	0	2	0	0	868
Brazil	0	0	0	0	27	0
United States	0	0	673	600	27	0
			Birds eggs in shell, fresh, preserved or cooked			
France	75		59	1	28	0
Germany F.	1,417	634	247	132	1	0
Netherlands	439	151	590	1,011	740	940
United Kingdom	0	0	29	0	0	0
Belgium	9	0	103	0	0	0
Brazil	0	0		0	0	57
Denmark	0	37	52	0	0	0
United States	0	0	52	127	23	124
South Africa	0	3	0	0	0	0
China	0	0	0	19	0	0
India	0	0	44	0	98	78
Senegal	0	0	18	0	0	0
Spain	0	0	34	92	0	0
Thailand	0	0	18	0	0	0
Singapore	0	0	0	0	0	20
United Arab Emirates	0	0	0	0	0	27

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APPENDIX 5: SAMPLE OF STRUCTURED QUESTIONNAIRE

INTERVIEW NO.	
LOCATION	

1 – Rural

2 - Urban

BACKGROUND

Q 1. **Roughly how many years have you lived in the area?**

Q2. **How long have you lived at this particular address?**

Q3. **Who lives in this compound?**

FAMILY MEMBER	ASSIGNED LETTER	(a) MALE/ FEMALE	(b) ESTIMATE OF AGE	[c]Work Status	(d) Work history
Respondent:	A				
	B				
	C				
	D				
	E				

CODES FOR ABOVE

Male/female	Age	[c] Work Status	[d] Work History
1. Male	1. 0-16	1 Full-time paid employment	1. Never in formal employment
2. Female	2. 16-25	2 Part-time paid employment	2. Mostly not in formal employment
	3 26 - 35	3 Self-employed	3. Mostly in formal employment
	4 36 - 45	4 Unemployed (< year)	4. Always in formal employment
	5 46 - 55	5 Unemployed (> year)	
	6 56 - 65	6 Registered unemployed but working informally	
	7 Over 65	7 Full-time housework	
		8 Retired	
		9 Student	
		10 Registered disabled, incapacity benefit, etc	
		11 Other	

Q.4 SHOW CARD 'A'

(a) 'Which activity on this card is the most important for the standard of living of you and your family?'

(b) 'Which activity on this card is the second most important for the standard of living of you and your family?'

COPING PRACTICES USED BY HOUSEHOLDS

Q5. I am interested in how people get the work done around the home. I'd like to find out if the following jobs have been completed in your own house in the last 12 months or so, and who carried out the work the last time that they were undertaken?

EXAMPLE

(a) In the last five years has any 'indoor painting' been carried out? (YES / NO)

(b) If NO, why not? (categorise as N= Needed to be done but could not, U= did not see it as needing to be done)

(c) if YES,
who actually did the work the last time it was done?]

USE THIS TO FIND

]

SOURCE OF LABOUR

SHOW CARD B SEE SEPARATE FILE]

USE [CODES 1-17 -

]

SEPARATE FILE]

Were they paid in some way to do this job?]

If paid, was it 'cash-in-hand' or formal?]

If not paid, were they given something instead of money/]

(d) If paid (formally or informally), How much?

THEN ASK:

(e) Why did they do it rather than someone else?

(f) If you had the choice, how would you have got the task done? (Code 1 -17)

HOUSE MAINTENANCE/IMPROVEMENT (LAST 5 YEARS)

	(a)	(b) N= necessary U= unnecessary	[c] Type of labour [code	(d) How much paid?	(e)Why did they do it rather than someone else?	(f) If had choice, how would
--	-----	---	--------------------------------------	-----------------------------	---	--

			1-17]			you have got the task done [Code 1-17]
1 Indoor or outdoor painting	Yes No					
2 plastering a damaged fence or house	Yes No					
3 Replace or repairing a broken window	Yes No					
4 Maintaining appliances	Yes No					
5 damaged/broken furniture	Yes No					
6 Plumbing	Yes No					
7 Improve Kitchen						
8 Improve bathroom						
9 Double glazing	Yes No					

ROUTINE HOUSEWORK (Within the last month)

	(a)	(b) N= necessary U= unnecessary	(c) Type of labour [code 1-17]	(d) How much paid?	(e) Why did they do it rather than someone else?	(f) If had choice, how would you have got the task done [Code 1-17]
10 Routine housework	Yes No					
11 Clean windows	Yes No					

inside						
12 Do the shopping	Yes No					
13 Wash\iron clothes	Yes No					
14 Cook the meals	Yes No					
15 Washing dishes	Yes No					
16 Hairdressing	Yes No					
17 Administration (book-keeping)	Yes No					

MAKING AND REPAIRING GOODS

	(a)	(b) N= necessary U= unnecessary	[c] Type of labour [code 1-17]	(d) How much paid?	(e)Why did they do it rather than someone else?	(f) If had choice, how would you have got the task done [Code 1- 17]
18 Make or repair clothes.	Yes No					
19 Make or repair curtains	Yes No					
20 Make or repair tools	Yes No					
21 Make or repair furniture	Yes No					

CARING ACTIVITIES (Last few months)

	(a)	(b) N= necessary U= unnecessary	[c] Type of labour [code 1- 17]	(d) How much paid?	(e)Why did they do it rather than someone else?	(f) If had choice, how would you have got the task done

						[Code 1-17]
22 Baby sitting (day-time)	Yes No					
23 Baby-sitting (evening)	Yes No					
24 Tutoring	Yes No					

WORK UNDERTAKEN FOR OTHERS

Q6. Can you tell me whether anybody in this household has recently done any of the same tasks for anybody else?

- (a) In the last five years, has anybody in this house helped carried out any 'outdoor painting' for another household? (YES / NO)
- (b) If yes, who did you/ they do the work for? SHOW FLASHCARD 'C']
Were you/they paid in some way to do this job? (YES / NO / UNSURE)]
[c] How much?]
Use to Code as 4-16
If **NO**...were you/they given something in exchange instead of money?]
(YES / NO / UNSURE)]
- (f) Why did you/they do the work?

HOUSE MAINTENANCE/IMPROVEMENT (Last 5 years)

	(a)	(b) TYPE OF WORK [CODE]	[c] How much?	(d)Why did it?
1 Indoor painting	Yes No			
2 Wallpapering	Yes No			
3 Replace a broken window	Yes No			
4 Maintaining appliances	Yes No			
5 Double Glazing	Yes No			
6 Plumbing	Yes No			
7 Improve Kitchen	Yes No			
8 Improve bathroom	Yes No			
9 Double glazing	Yes No			

ROUTINE HOUSEWORK (Within the last week)

	(a)	(B) TYPE OF WORK [CODE]	[c] How much?	(d)Why did it?
10 Routine housework	Yes No			
11 Clean windows inside	Yes No			
12 Do the shopping	Yes No			
13 Wash \ iron clothes	Yes No			
14 Cook the meals	Yes No			
15 Washing dishes	Yes No			
16 Hairdressing	Yes No			
17 Administration (book- keeping)	Yes No			

MAKING AND REPAIRING GOODS (Last year)

	(a)	(B) TYPE OF WORK [CODE]	[c] How much?	(d)Why did it?
18 Make or repair clothes.	Yes No			
19 Make or repair curtains	Yes No			
20 Make or repair garden tools	Yes No			
21 Make or repair furniture	Yes No			

CARING ACTIVITIES (Last few months)

	(a)	(B) TYPE OF WORK [CODE]	[c] How much?	(d)Why did it?
22 Baby sitting (day-time)	Yes No			
23 Baby-sitting (evening)	Yes No			
24 Tutoring	Yes No			

ACQUIRING GOODS

Q7 I now want to find out a little about how you got hold of various items for your home. The last time that you obtained any of the following items, could you tell me who you got them from?

GIVE FLASHCARD D

1	Relative
2	Friend/neighbour
3	Person advertising their sale in shop window, newspaper, etc
4	Bought second-hand on 'Black market'
5	Bought new on black market
6	Bought second-hand from 'proper' shop/store
7	Bought new from 'proper' shop/store
8	Other

	Do not own	Source	How much paid?
Last item of furniture		1 2 3 4 5 6 7 8	
Fridge		1 2 3 4 5 6 7 8	
Cooker		1 2 3 4 5 6 7 8	
Microwave		1 2 3 4 5 6 7 8	
Cigarettes		1 2 3 4 5 6 7 8	
juices		1 2 3 4 5 6 7 8	
Clothes		1 2 3 4 5 6 7 8	
Car		1 2 3 4 5 6 7 8	
Television		1 2 3 4 5 6 7 8	
Shoes		1 2 3 4 5 6 7 8	
Fan		1 2 3 4 5 6 7 8	
Carpet		1 2 3 4 5 6 7 8	
Bed/beddings		1 2 3 4 5 6 7 8	
Cooking utensils		1 2 3 4 5 6 7 8	

Q8: Besides the activities mentioned earlier, are there any other jobs that any member of this household has done for any other households on a CASH-IN-HAND basis?

.....
.....
.....
.....
.....

Secondary employment

Alongside your first/main employment do you work informally for another firm or business, or your own business? Is all of your income from your first/main employment 'formal'?

.....
.....
.....
.....
.....
.....
.....

Where does your extra work take place?

How much time do you spend doing other works other than your main or formal employment in a day?

Approximately what percentage of your household income is taxed by the state?
.....

How important is informal work to your household budget?

- Extremely important / Important / Not important / Does not contribute

Have you every experienced any difficulties from the state over your informal work – such as interference from the tax police?

.....
.....
.....
.....

Does anyone in your household receive benefits from the state? If yes were they difficult to obtain? Is it paid regularly?

.....
If you require medicines are they easy to obtain?
.....
.....

Could you borrow as much as a week's wage or pension from: a- Bank ; b- Friend or a relative

- Definitely / Probably / Probably not / Definitely not / Difficult to answer

In a time of economic crisis who would you be most likely to turn to for assistance –?

- Family / Friends / State / NGO /local community groups/ Church / other.....

When you are too old to work, what do you expect to rely on? (more than one answer permitted)

- State pension / Children / relatives will provide / Private insurance / Savings in bank / Don't know / other.....

Domestic production of food

Do you have access to land where you grow food that is consumed by your household? Yes/No

If yes

Who owns the land?.....

During the growing season approximately how long do you, and/or your household members spend on the land?

.....
...

How important is the produce grown on your land to your daily diet?

.....
.....
.....
.....

Do you grow food which you would otherwise be unable to buy?

.....

Do you socialise/share labour with your neighbouring land owners?

.....
.....
.....
.....

Do you keep all of the produce grown for yourself or do you share it with other family members/friends?

.....
.....
.....
.....

Do you exchange any of the produce grown for goods/services?

.....
.....

Any other comments about the importance of your land?

.....
.....

Economic marginalisation

Do you and other family members earn enough from your main job to buy all you really need?

- Definitely enough / Just enough / Not enough / Definitely not enough

In the past year, has your household:

- Saved money / Just got by / Spent some savings / Borrowed money / Spent savings and borrowed money

In the past twelve months did your family often, sometimes, rarely or never have to do without?

- Food.....
- Heating/Electricity.....
- Clothes, shoes that are really necessary.....
- Medicines.....

Do you plan your household's economic future?

.....
.....
.....
.....

What difficulties do you encounter as a household and why?

.....
.....
.....
.....
.....
.....

Do you think that everyday life is becoming more or less stressful?

.....
.....
.....
.....

Do you think that current development initiatives taken by the government is addressing your immediate and basic needs?

.....
.....

Do you consider NGOs to be of much help to your present household needs/difficulties?

.....
.....
.....
.....

How optimistic are you about the future?

.....

ADDITIONAL QUALITATIVE NOTES FROM INTERVIEW NOT INCLUDED ELSEWHERE [IE. ON THEIR COPING PRACTICES]

APPENDIX 6: FLASH CARDS AND CODES

CARD A

1	Male household member
2	Female household member
3	Male and female household member jointly
4	Relative (but not a household member)
5	Friend or neighbour
6	Firm or business
7	Self-employed individual
9	Other (please describe)

SOURCE OF LABOUR USED - CODES

Code	SOURCE OF LABOUR
1	Self-provisioning - male
2	Self-provisioning - female
<u>3</u>	<u>Self-provisioning - female and male jointly</u>
4	Unpaid exchange - relative
5	Unpaid exchange - friend
6	Unpaid exchange - neighbour
<u>7</u>	<u>Unpaid exchange - voluntary group or other</u>
8	Paid informal work - relative
9	Paid informal work - friend
10	Paid informal work - neighbour
11	Paid informal work - self-employed individual previously unknown
<u>12</u>	<u>Paid informal work - firm or business</u>
13	Non-monetary gift - relative
14	Non-monetary gift - friend
15	Non-monetary gift - neighbour
<u>16</u>	<u>Non-monetary gift - other person</u>
17	Employment

CARD B

1	They are a Relative
2	They are a Friend
3	They are a Neighbour
4	They are a Business
5	Other

Work undertaken for others - Codes to be used

- 1 Unpaid exchange for relative
- 2 Unpaid exchange for friend
- 3 Unpaid exchange for neighbour
- 4 Unpaid exchange for other
- 5 Paid informal work for relative
- 6 Paid informal work for friend
- 7 Paid informal work for neighbour
- 8 Paid informal work for firm or business
- 9 Paid informal work for other
- 10 Non-monetary gift from relative
- 11 Non-monetary gift from friend
- 12 Non-monetary gift from neighbour
- 13 Non-monetary gift from other

CARD C

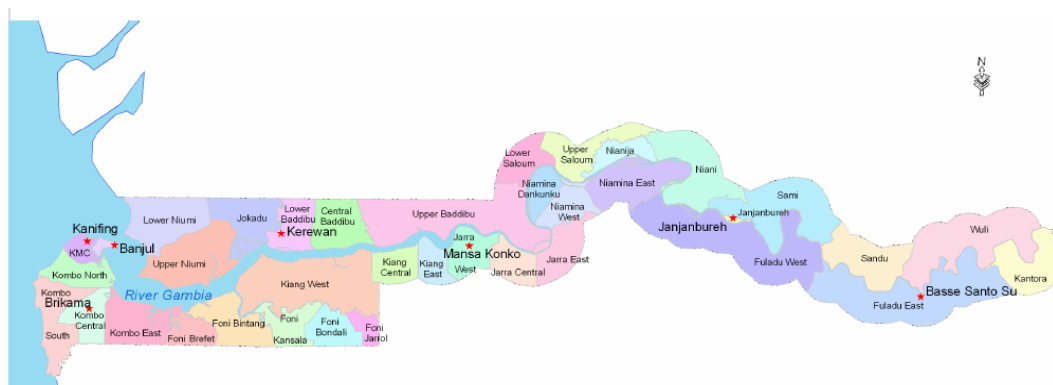
1	Relative
2	Friend/neighbour
3	Person advertising their sale in shop window, newspaper, etc
4	Bought second-hand from 'black market'
5	Bought new from 'black market'
6	Bought second-hand from 'proper' shop/store
7	Bought new from proper' shop/store
8	Other

CARD D

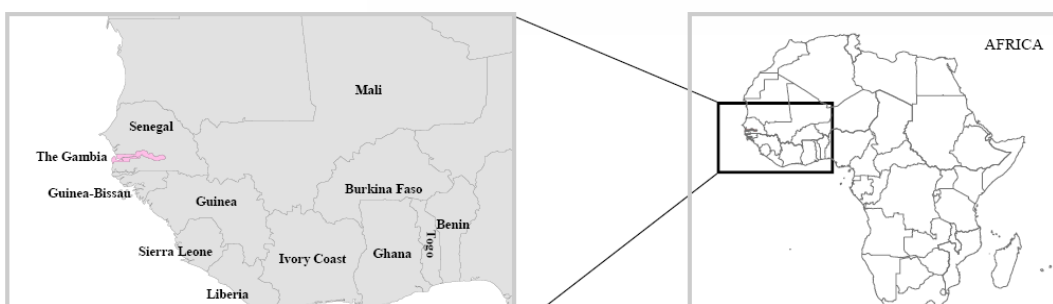
Monthly Household Income

CODE	Monthly
1	Under D1000
2	D1000 – D2000
3	D2000 – D3000
4	D3000 – D4000
5	D4000 – D5000
6	D5000 – D7500
7	D7500 – D10000
8	D10000 – D15000
9	Over D15000

APPENDIX 7: MAP OF THE GAMBIA

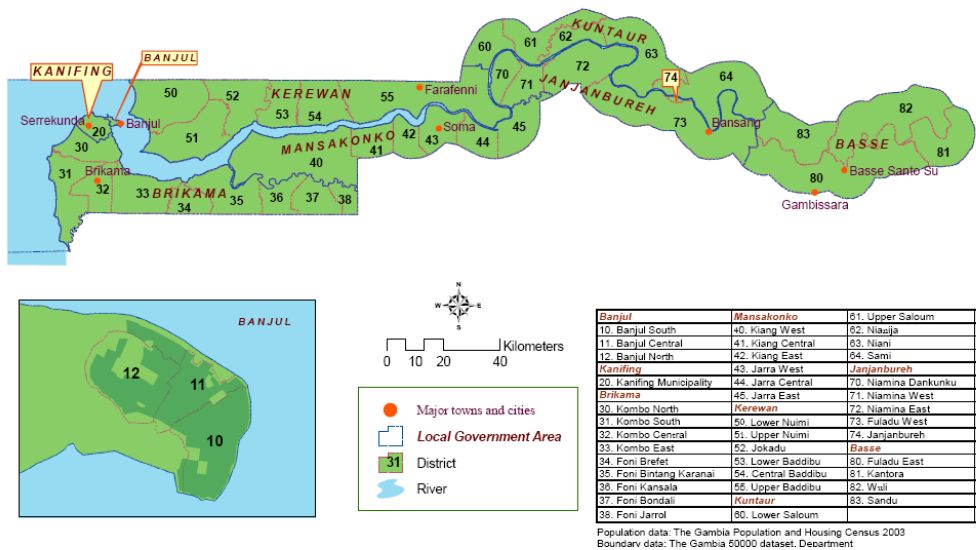


LOCATION MAP OF THE GAMBIA



APPENDIX 8: REGIONS & LOCAL GOVERNMENT AREAS OF THE
GAMBIA

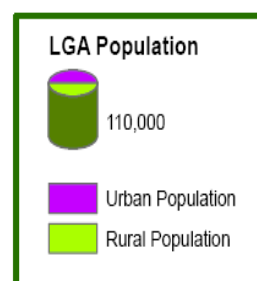
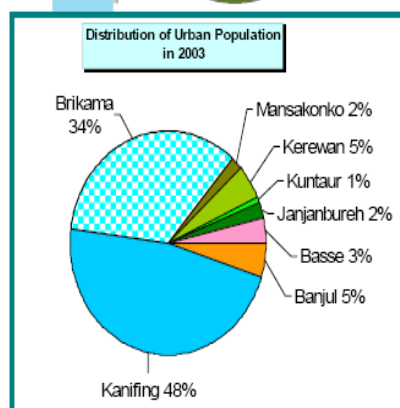
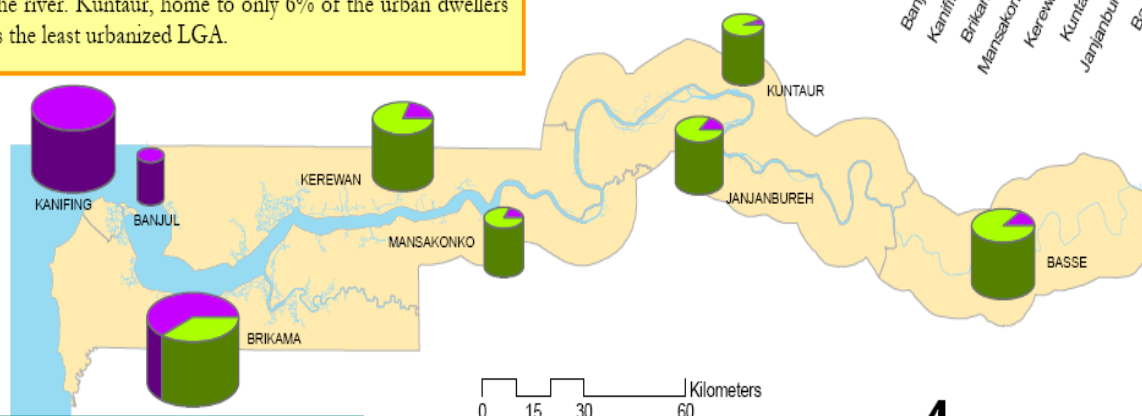
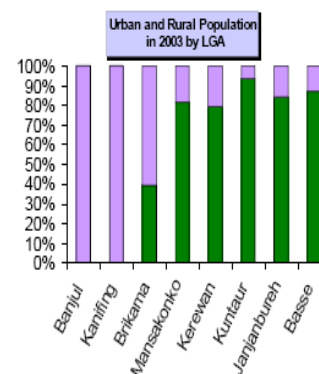
Administrative districts in 2003



APPENDIX 9: URBAN & RURAL REPRESENTATION OF THE GAMBIA

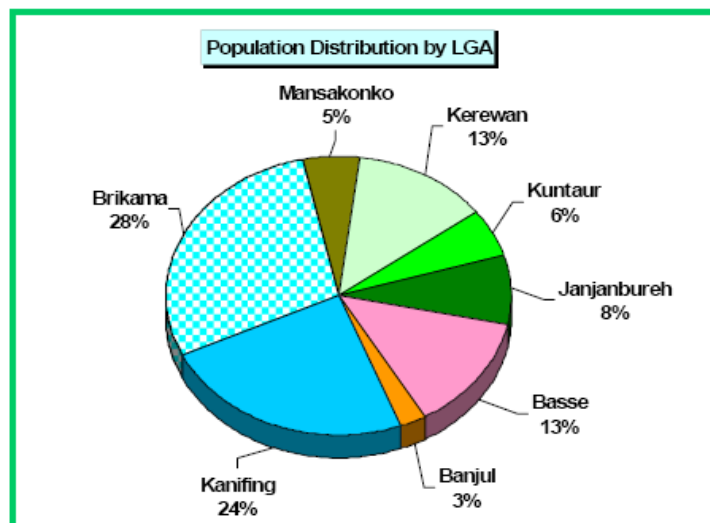
Urban and Rural population in 2003

Fifty-one percent of Gambia's population lives in the urban areas compared to 37% in 1993. Fifty-three percent of urban dwellers live in Banjul and Kanifing Municipalities. Overall, urbanization decrease with distance from Banjul with about 85% of urban population living within 20km of the Atlantic coast. The south bank (with relatively good roads) is more urban than the north bank of the river. Kuntaur, home to only 6% of the urban dwellers is the least urbanized LGA.



Population data: The Gambia Population and Housing Census 2003
District boundary data: The Gambia 60000 dataset. Department of State for Local Government and Lands, 2001.

APPENDIX 10: POPULATION DISTRIBUTION OF ALL LGAS OF THE GAMBIA



Land area (Sq. km) and total population of local government areas in 2003

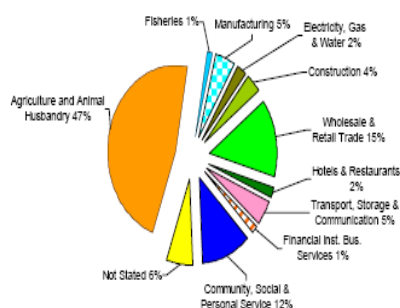
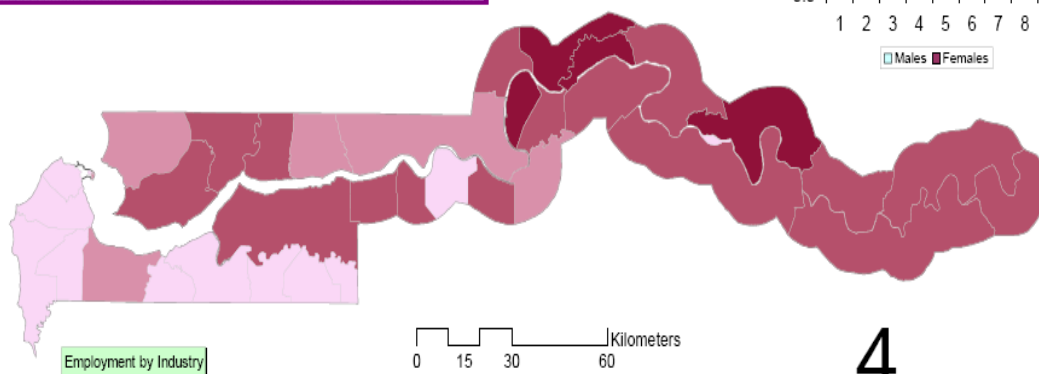
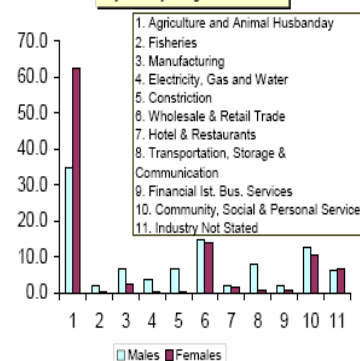
LGA	Land area (Sq. km)	Population in 2003
Banjul	12	35,061
Kanifing	76	322,735
Brikama	1,764	389,594
Mansakonko	1,618	72,167
Kerewan	2,255	172,835
Kuntaur	1,467	78,491
Janjanbureh	1,428	107,212
Basse	2,070	182,586
The Gambia	10,690	1,360,681

APPENDIX 11: PERCENTAGE OF THE ECONOMICALLY ACTIVE POPULATION IN LGAS OF THE GAMBIA

Employment of the economically active population in 2003

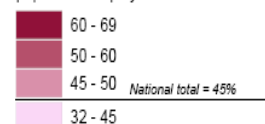
Forty-five percent of the economically active population reported being employed. The economically active population includes all persons 7 years and over. Agriculture and animal husbandry is the largest employer engaging forty-nine percent followed by wholesale and retail trade (15%). Employment in manufacturing accounts for only 5% of the total employed.

Percentage of employed population
by industry and gender in 2003



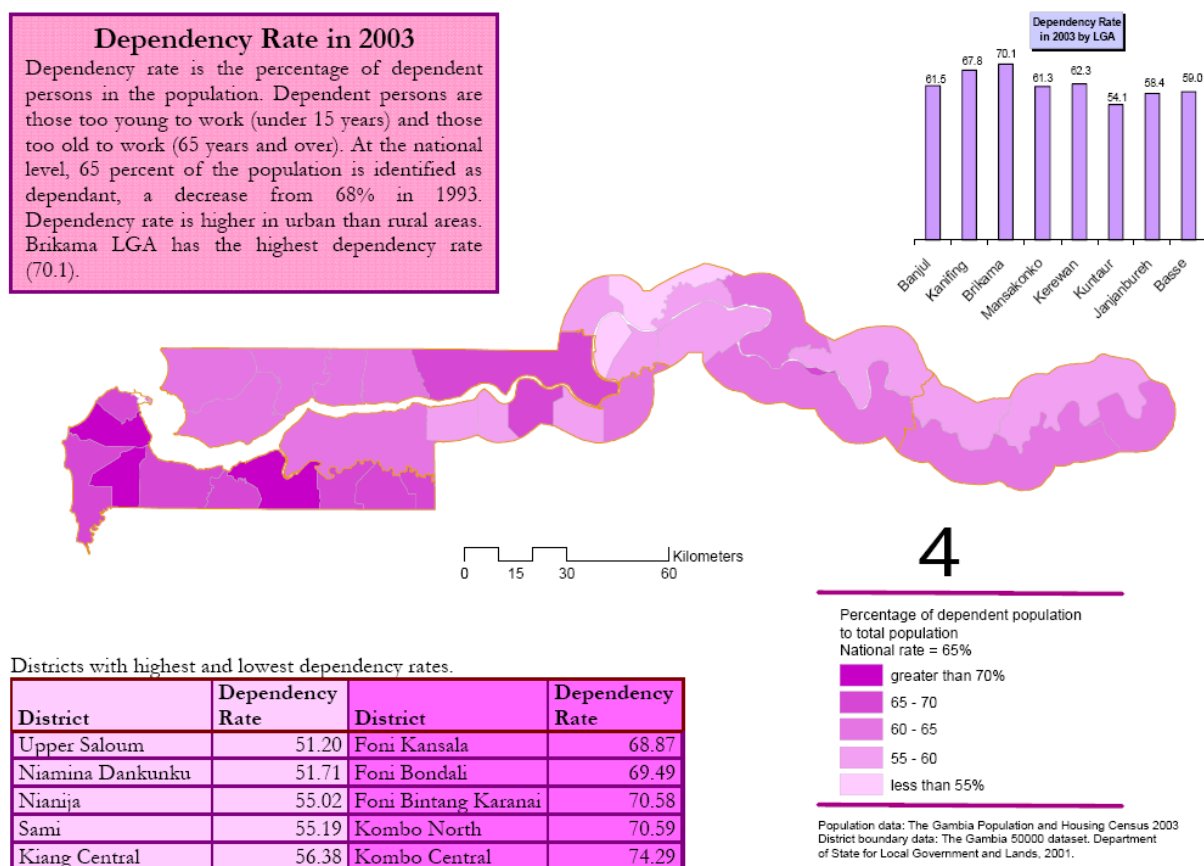
4

Percentage of economically active
population employed in 2003



Population data: The Gambia Population and Housing Census 2003
District boundary data: The Gambia 50000 dataset. Department
of State for Local Government and Lands, 2001.

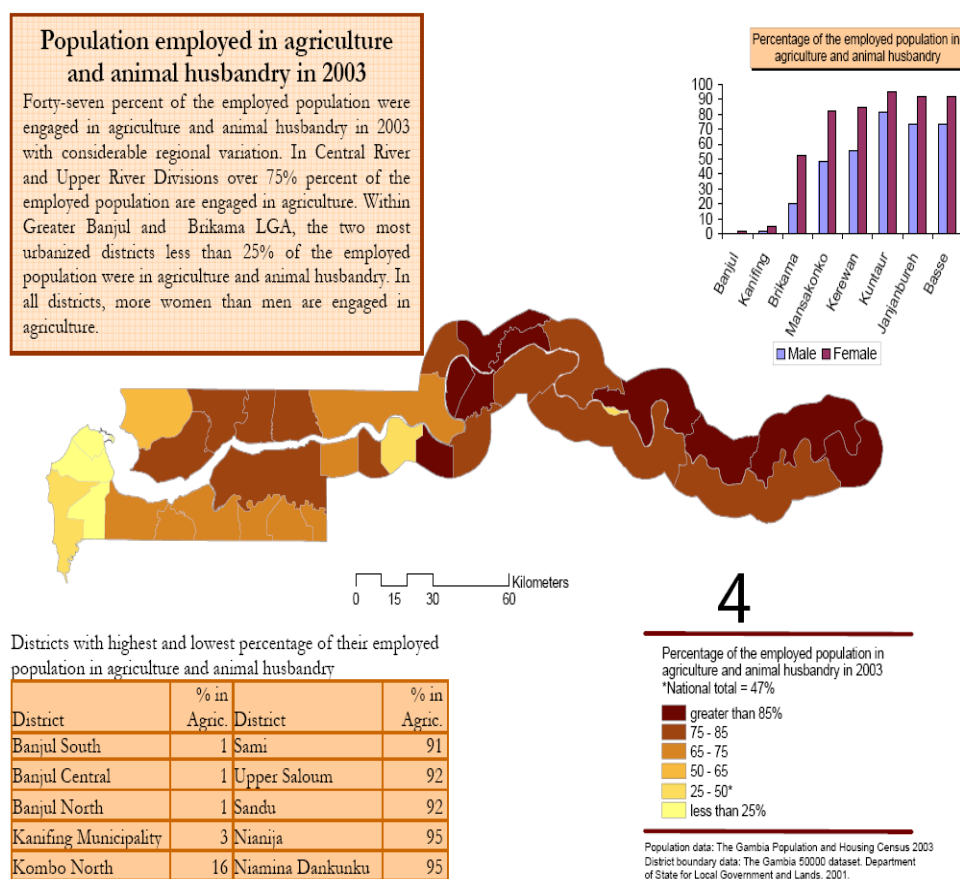
APPENDIX 12: DEPENDENCY RATE IN LGAS OF THE GAMBIA



Districts with highest and lowest dependency rates.

District	Dependency Rate	District	Dependency Rate
Upper Saloum	51.20	Foni Kansala	68.87
Niamina Dankunku	51.71	Foni Bondali	69.49
Nianiya	55.02	Foni Bintang Karanai	70.58
Sami	55.19	Kombo North	70.59
Kiang Central	56.38	Kombo Central	74.29

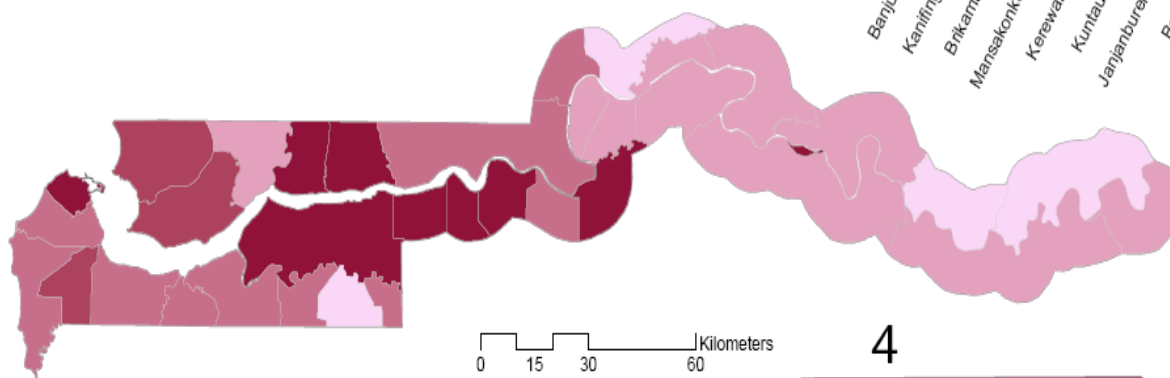
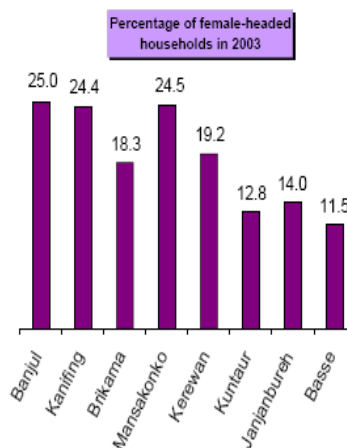
APPENDIX 13: DISTRICTS POPULATION EMPLOYED IN AGRICULTURE & ANIMAL HUSBANDRY IN 2003 IN THE GAMBIA



APPENDIX 14: FEMALE HEADED HOUSEHOLDS IN 2003 IN THE GAMBIA

Female-headed households in 2003

One in five households in The Gambia is headed by a female. Overall, Upper River and Central River Divisions have smaller percentage of households headed by females than the rest of the country. Female-headed households are more prevalent in Kerewan and Mansakonko LGAs where migration among males to the urban centers and overseas is high.



Districts with highest and lowest percentage of female-headed households

District	%	District	%
Jarra West	27.0	Upper Saloum	8.0
Banjul South	26.9	Sandu	8.3
Banjul Central	25.9	Wuli	8.8
Jarra East	25.2	Foni Bondali	9.7
Lower Baddibu	24.4	Nianija	10.0

4

Percentage of female-headed households in 2003. *National total = 20%

greater than 22%
 20 - 22
 15 - 20*
 10 - 15
 less than 10%

Population data: The Gambia Population and Housing Census 2003
 District boundary data: The Gambia 50000 dataset. Department of State for Local Government and Lands, 2001.

APPENDIX 15: LAND AREA, POPULATION AND NUMBER OF HOUSEHOLDS BY DISTRICT IN THE GAMBIA IN 2003

Land Area, population and number of households by district in 2003

District Code	Name	Area (sq km)†	Population	Households	District Code	Name	Area (sq km)	Population	Households
Banjul		12 *	35,061	6,853	Kerewan		2,199	172,835	18,241
10	Banjul South	0.90	8,453	1,671	50	Lower Niuni	392.99	44,611	4,890
11	Banjul Central	0.51	9,094	1,891	51	Upper Niuni	382.77	24,959	2,445
12	Banjul North	0.91	17,514	3,291	52	Jokadu	279.21	17,871	1,664
					53	Lower Baddibu	200.61	15,349	1,665
Kanifing		76	322,735	49,015	54	Central Baddibu	254.55	15,282	1,660
20	Kanifing Municipality	76	322,735	49,015	55	Upper Baddibu	689.29	54,763	5,917
Brikama		1,764	389,594	45,138	Kuntaur		1,501	78,491	7,103
30	Kombo North	181.09	166,493	20,585	60	Lower Saloun	155.76	13,564	1,361
31	Kombo South	299.71	61,615	6,874	61	Upper Saloun	273.93	15,157	1,257
32	Kombo Central	196.23	84,296	9,497	62	Nianija	138.24	8,305	697
33	Kombo East	267.19	27,944	3,060	63	Niani	433.92	22,239	2,087
34	Foni Brefet	128.07	10,822	1,176	64	Sami	499.58	19,226	1,701
35	Foni Bintang Karanai	291.11	15,136	1,514	Janjanbureh		1,463	107,212	10,113
36	Foni Kansala	144.73	11,353	1,205	70	Niamina Dankunku	127.86	5,926	648
37	Foni Bondali	158.16	6,080	632	71	Niamina West	148.33	6,577	649
38	Foni Jarrol	97.59	5,855	595	72	Niamina East	386.40	19,320	1,942
Mansakonko		1,561	72,167	8,474	73	Fuladu West	789.31	72,166	6,446
40	Kiang West	710.92	14,610	1,666	74	Janjanbureh	11.26	3,223	428
41	Kiang Central	158.36	7,882	929	Basse		2,048	182,586	12,592
42	Kiang East	119.87	6,510	656	80	Fuladu East	798.83	98,078	7,421
43	Jarra West	171.02	24,220	3,222	81	Kantora	312.39	30,006	1,594
44	Jarra Central	169.43	6,500	604	82	Wuli	605.91	36,198	2,356
45	Jarra East	231.73	12,445	1,397	83	Sandu	331.09	18,304	1,221

**APPENDIX 17: DAILY TIME USED BY 40 URBAN HOUSEHOLDS
DURING UNPAID/NON-MARKET WORK**

Num. Of People	Location Code	Daily Time use		Daily Value in Dalasi
1	U	10		92
2	U	0		0
3	U	6		55.2
4	U	10		92
5	U	3		27.6
6	U	7		64.4
7	U	17		156.4
8	U	8		73.6
9	U	3		27.6
10	U	2		18.4
11	U	3		27.6
12	U	8		73.6
13	U	0		0
14	U	12		110.4
15	U	8		73.6
16	U	15		138
17	U	17		156.4
18	U	0		0
19	U	12		110.4
20	U	0		0
21	U	11		101.2
22	U	8		73.6
23	U	9		82.8
24	U	9		82.8
25	U	9		82.8
26	U	6		55.2
27	U	0		0
28	U	1		9.2
29	U	1		9.2
30	U	6		55.2
31	U	8		73.6
32	U	0		0
33	U	8		73.6
34	U	8		73.6
35	U	0		0
36	U	0		0

37	U	10		92
38	U	4		36.8
39	U	0		0
40	U	10		92
	Sum	249	Sum	2290.8
	Average	6.225	Average	57.27

**APPENDIX 18: DAILY TIME USED BY 40 RURAL HOUSEHOLDS
DURING UNPAID/NON-MARKET WORK**

Num. of People	Location Code	Daily Time use (hrs)		Daily Value in Dalasi
1	R	7		64.4
2	R	4		36.8
3	R	6		55.2
4	R	14		128.8
5	R	12		110.4
6	R	8		73.6
7	R	13		119.6
8	R	9		82.8
9	R	10		92
10	R	12		110.4
11	R	15		138
12	R	17		156.4
13	R	1		9.2
14	R	18		165.6
15	R	9		82.8
16	R	11		101.2
17	R	4		36.8
18	R	12		110.4
19	R	12		110.4
20	R	22		202.4
21	R	17		156.4
22	R	0		0
23	R	10		92
24	R	9		82.8
25	R	10		92
26	R	10		92
27	R	4		36.8
28	R	8		73.6
29	R	0		0
30	R	11		101.2
31	R	10		92
32	R	8		73.6
33	R	0		0
34	R	12		110.4
35	R	22		202.4
36	R	5		46

37	R	12		110.4
38	R	12		110.4
39	R	0		0
40	R	8		73.6
	Sum	384	Sum	3,532.80
	Average	9.6	Average	88.32

APPENDIX 19: CALCULATIONS OF TIME

Rural	
Monthly Time Use (Hrs)	Annual Time Use (Hrs)
11,520.00	138,240.00
Monthly Value (D)	Annual Value (D)
105,984.00	1,271,808.00
Monthly Value (\$)	Annual Value (\$)
3,639.56	43,674.73
	Dalasi/USD (2006)
	29.12

Urban	
Monthly Time Use	Annual Time Use
7,470.00	89,640.00
Monthly Value (D)	Annual Value (D)
68,724.00	824,688.00
Monthly Value (\$)	Annual Value (\$)
2,360.03	28,320.33