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Markets

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Lifting the Blinkers: A New View of Power and Poverty in Mozambican Rural Labour Markets

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ABSTRACT

This paper presents some results from the largest rural labour market survey yet conducted in Mozambique. Evidence from three provinces shows that labour markets have a significant impact on the lives of a large number of poor people and that employers exercise considerable discretion in setting wages and conditions of casual, seasonal and permanent wage employment. The evidence presented comes from a combination of a quantitative survey based on purposive sampling with other techniques, including interviews with large farmers. The findings contrast with ideas that rural labour markets are irrelevant to poverty reduction policy formulation in Africa and the paper concludes with methodological, analytical and policy recommendations.

Keywords: Labour Markets, Economic Development, Poverty Reduction, Methodology, Africa, Mozambique.

Introduction

This paper presents some results from the largest rural labour market survey yet conducted in Mozambique. The survey shows that labour markets in the Mozambican countryside have a significant impact on the lives of a large number of poor people. Although some of the poorest Mozambicans are captured in this survey, not all of the men and women engaged in rural wage work (temporary or permanent) live in similarly deprived rural households - their levels of education, wages and experiences of poverty are very diverse. The data show a range of labour market opportunities, characterised by great variations in barriers to entry, levels of pay,

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contractual terms, and conditions of work. These findings are difficult to explain in terms of conventional economic theory and, more importantly, lead to the conclusion that it is necessary to pay careful attention to the heterogeneity and dynamic features of rural labour markets when analysing trends in poverty and the impact of policy interventions in Africa.

There is a stark contrast between these findings and the explicit or implicit assumptions made in some of the literature on rural economies in sub-Saharan Africa and on Mozambique specifically. For example, a recently constructed model of rural household behaviour in post-war northern Mozambique rests on the assumption that there are, simply, no labour markets at all (Brück, 2004). Other researchers claim that “it will be very difficult to use wage labour markets as a policy tool to alleviate poverty” (Tschirley and Benfica, 2001, 338). The reason for this is that they assume that the poor do *not* have access to wage labour opportunities in Mozambique, especially to better paid work, and that all those who do have such access are already non-poor. In effect, this amounts to arguing that a ‘rural labour aristocracy’ bequeaths scarce wage labour opportunities inter-generationally, precluding opportunities for most poor people to benefit from labour market participation. The implication is that the demand for wage labour is static and that the labour market is crisply bifurcated between those jobs available to *non-poor* rural Mozambicans and other wage employment that is so badly remunerated it could not conceivably make a dent in poverty levels.¹

¹ Binswanger *et al.* (1989) is a widely cited reference to support this view. A recent survey of some rather dated and inappropriate evidence similarly concludes that “non-market forms of labour exchange remain very common throughout rural Africa. There is only limited evidence of these being displaced by wage labour” (White *et al.*, 2006, 11). The same authors cite a former World Bank chief economist for Africa who “crossed out any sections of African poverty assessments referring to rural labour markets since these did not exist” (p.3).

Nonetheless, Tschirley and Benfica acknowledge the lack of information about labour markets in rural Mozambique. Similarly, the Commission for Africa acknowledges the urgent need to build up more labour market information (2005, p.242); but their report has hardly any discussion at all of *rural* wage employment.² This omission is a striking feature of the Commission's section on agriculture and rural development, as well as its section on "participating in growth". NEPAD also fails to mention rural wage employment in its "Comprehensive Africa Agriculture Development Programme" (2003).³

Further discussion of the rationale for and the methodology used in the Mozambique Rural Labour Market Survey (MRLS) is provided in the first section of this paper. The following sections focus on presenting the survey evidence covering both types and levels of payment for both agricultural and non-agricultural rural workers. Some of the nuanced detail of how people were paid, for example whether they were effectively paid per task or per day, are complex and do not emerge clearly in tabulations derived from the questionnaires administered to workers. Thus, the results of interviews with employers are also introduced in these sections; these help to emphasize the degree of employer discretion in setting payment levels and their power to enforce particular types of labour contract. It is argued that relationships between workers and employers cannot be understood within the simple frameworks of supply and demand or in terms of the neutral operation of imperfect markets.

The heterogeneous characteristics of the workers participating in rural wage labour markets and the impact of employment on some simple measures of household welfare are also discussed. The evidence shows clearly that many Mozambicans, who

² On the inadequacy of African data on agricultural wage labour see Mwamadzingo, (2003, 31) and FAO-ILO-IUF (2005, 21).

³ Many proposals to promote agricultural development in Africa, even those that do focus on such wage labour intensive crops as cotton, fail to mention the importance of the income currently earned through rural wage employment for the survival of the poorest Africans, e.g. Boughton et al (2003).

would by any criteria be considered among the very poorest in the country, have been pitched into wage work. However, the evidence also shows important gradations in the severity of poverty among the rural wage labour force, as well as suggesting the potential for more decent jobs to transform the living standards of even the poorest rural women. The conclusion discusses the significance of the survey findings and suggests that the research results imply a need for innovative policy design.

Survey Rationale and Methodology

The colonial era and the early years of independence, after 1975, as well as the war that lasted till 1992, were periods of profound rural change and social upheaval in Mozambique. The formation of a class depending on wage employment was already deeply rooted at independence (O’Laughlin, 2002: 517; Castel-Branco, 1983). After independence, the ruling Frelimo party, ignoring the heterogeneity of rural society, implemented policies on the basis of a simple dualist assumption, pitting a homogeneous subsistence-oriented peasantry against a ‘commercial’ sector. During the war, the class stratification of rural society continued⁴, but differentiation processes were largely ignored by policy makers and academics alike and, as a result, the “dualist premises underlying the smallholder model now projected by critics of Frelimo’s socialist options are similarly flawed” (O’Laughlin, 1996: 1).

Since the end of the war, new processes of economic and social change have begun to have substantial effects on the demand for labour and rural inequality. These changes have included: the rehabilitation of transport infrastructure; the influx of new foreign investment in agriculture, the immigration of farmers from both Zimbabwe

⁴ Wuyts (2003) argues that socio-economic differentiation and the formation of labour markets in many areas *accelerated* during the war in Mozambique.

and South Africa (concentrated especially in Manica Province); the revival of tea plantations in Zambezia Province; the privatization of other state-owned plantations; and the rapid integration of small- and middle-scale farmers into international commodity markets (especially the markets for tobacco and cotton).⁵

Unfortunately, the data collected in recent household surveys designed to provide poverty indicators are not useful for analysing the impact of these uneven developments on the market for wage labour. The usefulness of these household surveys is limited because they adopt international statistical conventions for measuring labour market participation that are ill-suited to the complex reality of labour transactions in poor rural areas.⁶ As shown in Table 1, the results from two recent household surveys in Mozambique, the *Inquérito dos Agregados Familiares* (IAF, 2002-3) and the *Questionário de Indicadores Básicos de Bem-Estar* (QUIBB, 2000-1), yield surprisingly different measures of the relative significance of wage labour, depending on the specific questions asked in each of these surveys and their interpretation. In particular, conventional questions in both of these surveys about rural respondents' "main" job suggest that wage labour is rare - only about 7.3 percent of household members in the QUIBB survey, or 4.7 percent in IAF, claimed to have been paid a wage or salary in their main job.⁷ In contrast, almost 21 percent of rural households in IAF, but only 17.4 percent in QUIBB, claimed that a household

⁵ Similar dynamic influences on rural labour markets, in some cases even more pronounced, are a feature of many African societies. So the findings of this survey in Mozambique may well be relevant to other sub-Saharan African economies. For some examples see: Peters (2004); Sender (2003); Wiggins (2000); Barrett et al (2001); Gabre-Madhin and Haggblade, (2004); and Humphrey et al (2004).

⁶ These limitations are discussed in detail in Sender, Cramer and Oya (2005).

⁷ Most standard survey questionnaires ask questions about the "main" activity and they focus on only those activities undertaken during a very short reference period, i.e. the last seven days. Given the complexity of rural people's strategies of time management, and given the variability of economic activities across agricultural seasons, this approach tends to generate simplistic, misleading information.

member had been *employed as an agricultural labourer* in the most recent agricultural season.⁸

Table 1. Responses to Questions about Wage Labour at Household and Individual Level (IAF2002 and QUIBB2000)

	<i>Did <u>any</u> household/member work as seasonal or casual labourer last <u>agricultural</u> season? (% responding yes)</i>	<i>How was NAME paid in <u>main</u> job? (% responding with a wage/salary)</i>
<i>IAF 2002/2003</i>		
National	16.3	13.4
Rural	20.9	4.7
Urban	6.5	36.2
<i>QUIBB 2000/2001</i>		
National	14.0	15.3
Rural	17.4	7.3
Urban	6.3	39.6

Source: Authors' calculations from IAF 2002-3 database

The Mozambique Rural Labour Market Survey (MRLS) was designed to overcome some of the limitations of household surveys. During 2002-3, fieldwork was completed in three provinces in the centre and north of the country: Manica, Nampula and Zambezia, where 2,638 wage-employed respondents (slightly less than half of them women) answered a lengthy questionnaire and provided information not only about themselves but also about other household members. As a result, the survey collected data on some 16,000 individuals in these provinces. The respondents were employed by a wide range of different types of establishment (around 900 separate enterprises), varying from very small farms, bars, and market stalls to large plantations employing thousands of temporary workers.

The sampling was purposive rather than random. There was, of course, no reliable sampling frame on which to base a random sample of rural wage workers.⁹

⁸ The gap between the IAF and QUIBB results is one of a number of anomalies in the QUIBB data on rural wage employment. For example, examination of the raw data revealed that 80 percent of households farming very large areas, i.e households cultivating more than 20 hectares and several cultivating more than 100 hectares, made the implausible claim that they *never* employed any hired labour.

The research team therefore used a range of sources to construct, as completely as possible, its own sampling frames on the basis of existing agricultural censuses, recent household survey lists and visits to all the relevant provinces and districts to assemble: lists of large and middle-scale farms; lists of households reporting hiring-in or out of wage labour; lists of those enumeration areas that had experienced a recent episode of relatively dynamic economic growth and structural change, but had *not* been covered by previous household surveys (IAF, QUIBB); and the names and location of other employers in different districts of Nampula, Zambézia and Manica.¹⁰ This preliminary work to establish sampling lists provided some assurance that the MRLS would not miss either the most significant rural employers, or those enumeration areas where wage employment was particularly important in each of the provinces.

The sample purposively included a relatively large number of small and middle-scale farmers. The most successful of these farmers, who account for much of the demand for agricultural wage labour, are *non-randomly* distributed in rural Mozambique and there is, therefore, no guarantee that their wage workers would be included in conventional, randomised sample surveys. The range of occupations and types of employer captured was large enough to ensure that sufficient diversity was achieved to make the results statistically relevant and to obtain a well-targeted coverage of the most important rural labour markets within the selected provinces.

Comparisons between this research and the results of the nationally representative IAF survey establish two important points. First, the purposive

⁹ The official statistics not only fail to collect information on employees in enterprises employing fewer than 10 workers, but also exclude many enterprises employing more than 10 workers if, as is often the case, these enterprises are not legally registered. Ministry of Labour officials lack the resources, training or incentives to investigate employment, especially seasonal and temporary employment in many local firms.

¹⁰ The three central and northern provinces were selected because the importance of rural wage labour in the south is quite well recognised and documented in the literature on Mozambique (O’Laughlin 2002). Moreover, these provinces also account for the bulk of labour intensive cash crop production (cotton, tobacco, sisal and tea) and Nampula and Zambezia contain a very large proportion of the Mozambican rural population.

sampling of people working for wages in the MRLS succeeded in capturing many respondents who would certainly be classified by IAF as among the *poorest* Mozambicans (see Table 2). Thus, the bottom third of the MRLS sample, ranked according to a simple but robust household asset index, is at least as poor or poorer than the bottom quintile of households surveyed by IAF in the same provinces, both in terms of their ownership of key assets and in terms of the level of education achieved by household members.¹¹ As Table 2 shows, fewer of the poorest tercile of MRLS respondents in Manica own a bicycle, a watch or a radio than the poorest quintile of IAF respondents in that province. And in all three provinces fewer MRLS respondents had eaten meat within the last week or owned a watch. Educational status is known to be closely associated with other measures of poverty in Mozambique (Simler et al. 2004); it is noteworthy that 80 percent or more of the poorest households in both MRLS and IAF (with the surprising exception of IAF respondents in Manica) failed to complete primary school. Other education statistics and most demographic statistics suggest the whole sample of rural wage workers in the MRLS is not atypical or biased, since results are not statistically different from the IAF rural samples in the same provinces.¹²

Table 2. Assets and Education Compared: MRLS and IAF Surveys

<i>Percentage of poorest quintile (IAF) / tercile (RLM)</i>	Nampula		Zambézia		Manica	
<i>Variable</i>	IAF02	RLMS02	IAF02	RLMS02	IAF02	RLMS02
Bicycle (owns)	29	29	23	36	47	21
Radio (owns)	44	46	25	41	56	47
Watch (owns)	6	3	14	4	31	6
Meat eaten last week	24	14	15	9	31	15

¹¹ Sender, Oya and Cramer (2006) discuss asset index methodology.

¹² The main demographic peculiarity of the MRLS sample was the large proportion (40 percent) of separated, divorced or widowed women among female respondents, which was an important finding in itself.

Three meals per day	16	13	19	2	33	48
Primary education not completed	87	86	80	85	63	81

Sources: IAF, 2002/03; MRLS, 2002/03.

Second, the MRLS shows that rural inequality is very significant. This result too cannot be used to suggest that the MRLS sample is atypical. Nationally representative surveys have also found similarly high levels of inequality within rural Mozambique (Elbers et al., 2003). In sum, the purposively sampled survey is an important and policy-relevant complement to standard survey techniques; both the questionnaire design and the MRLS sampling procedures were planned specifically to fill in gaps that are common to household surveys in Africa (Sender, Cramer and Oya, 2005).

This paper not only reports findings from 2,638 respondents to the MRLS questionnaire, but also from 120 respondents to a different questionnaire administered to a sample of small and medium-scale agricultural employers. In addition, the researchers conducted semi-structured interviews with 33 large-scale employers, all employing more than 50 workers at the peak of the agricultural year, and collected the life histories of 15 female wage workers.¹³ Thus, this paper aims to combine the findings of representative and purposive sample surveys with qualitative material to challenge both the policy conclusions reached in much of the current literature on rural Mozambique, as well as some of the methods commonly used.

Variations in Methods of Pay: Monthly, Daily, and Piecework Pay

Payment arrangements in rural labour markets are extremely complex. They are difficult to investigate and summarise (Hatlebakk, 2004; Rogaly, 2005). The

¹³ Sender, Oya and Cramer (2006) discuss in detail the life histories of six of these women.

literature on piece-rate systems and farm wage differentials attempts to explain marked differences between how workers are paid, even when they are doing similar things and in comparable locations. The focus in this literature is often on the costs of labour recruitment and supervision faced by employers and on the implications of different payment methods for labour productivity, although many other, non-neoclassical explanations for observed variations in payment methods have also been investigated (Newman and Jarvis 2000; Rubin and Perloff 1993; Rogaly, 2005; Wells, 1996; Bardhan and Rudra 1986; Ortiz 1999). In Mozambique, forms and levels of payment vary within provinces from one rural area to another; they appear to be influenced by cropping patterns as well as by the strategies adopted by individual employers, making any general statement about prevailing methods on Mozambican farms questionable.

The discussion in this and the following sections pays particular attention to analysing different categories of employer as a proxy for the demand side factors accounting for payment variance. However, the influence of other factors like the specific tasks (weeding, harvesting, grading, etc) set for each crop, the season, and the precise location of the enterprise are also examined, when the data are available.¹⁴ Useful information was extracted from open-ended questions on job/task descriptions in order to identify differences in payments arising from task or employer characteristics and to qualify and correct responses to coded questions on pay rates.

The main payment methods in rural Mozambique include daily wages, monthly salaries, and piece- and task-based cash payments. The MRLS found little evidence of payment systems based on negotiations with labour brokers, i.e. contracts

¹⁴ It was not always possible to collect systematic, detailed and codified evidence to compare exactly the same agricultural operations performed in the same season by different workers. Most seasonal and casual workers performed a wide range of tasks for the same employer, from clearing/stumping to weeding and harvesting, but they only reported *one* payment type or rate to the MRLS enumerators.

for the supply of gangs of labourers by intermediaries. Table 3 shows the distribution of the main methods of payment, based on classifying workers' responses to both coded and open-ended questions. However, in many of these responses the distinction between (unwritten) contracts to purchase labour *time* and contracts to complete a specific *task* was unclear, so the classifications in Table 3 should be regarded as 'best estimates', rather than definitive. The remuneration of workers with food, prepared meals and other non-cash benefits is discussed later (Tables 5 and 10).

In the whole sample, roughly 40 percent of respondents received a monthly wage. However, more than two thirds of the respondents employed as agricultural labourers were *not* paid on a monthly basis. An even larger proportion (almost 80 per cent) of the agricultural workers employed by local farmers (small Mozambican farmers or medium-scale private farmers known as *privados*), were paid either by task or on a daily basis.¹⁵ In contrast, over 80 percent of agricultural workers employed on foreign-owned firms were paid monthly wages.¹⁶

Table 3: Wage Payment Methods for Agricultural and Non-Agricultural Workers, by Type of Employer

<i>Data in %</i>	<i>Agricultural labour (2171)</i>	<i>Non Agricultural labour (467)</i>	<i>National company/ plantation (268)</i>	<i>Foreign company/ privado (227)</i>	<i>Local farmer/ privado (1657)</i>	<i>Other** (469)</i>	<i>Total (2620)</i>
Daily wage	20	4	36	9	18	6	17
Weekly wage	2	0	0	2	2	0	1
Monthly wage	30	86	44	81	21	83	40
Based on specific contract/ work	2	5	2	1	2	4	2
Piece/task rate	47	4	17	7	57	4	39
Other	0	2	0	0	0	2	0

¹⁵ Note that the survey of 120 Small and Medium Employers (SMEs) confirms these results: only 22 percent of respondents employed 'permanent', monthly paid workers (almost invariably men), usually living with them for most of the year or working for the whole agricultural season. However, almost all of these respondents employed casual workers (94 percent); their casual workers, both males and females, were paid on a task rate basis (77 percent), rather than daily.

¹⁶ A 'foreign company/privado' is defined as an establishment run by foreign managers and/or mostly owned by foreign investors. 'Local farmers/privados' encompass a more heterogeneous mix of national and local small and medium-scale individual farmers employing workers for wages.

Total	100	100	100	100	100	100	100
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^aNumber in brackets shows the total number of observations for each category.

** Includes non- agricultural labour.

Source: MRLS, 2002/03

Payment methods on the larger farms, particularly on ‘foreign’ or ‘national corporations’, were more clearly defined than on other types of farm where the variation in payment methods and rates was particularly large. Table 4 shows that larger farming enterprises are more likely to employ monthly paid workers than smaller farmers. However, many of the large employers recorded as paying a monthly wage to temporary workers were, in fact, applying a daily rate (often derived from the legal monthly minimum rate), although the number of days of work required per month was specified at the discretion of individual employers.¹⁷

Table 4: Wage Payment Methods by Size of Establishment (Agricultural Workers)

	<u>Category of employer by no. of workers at peak</u>			Total
	<i>Small employer^a (723)</i>	<i>Middle employer^b (754)</i>	<i>Large employer^c (694)</i>	All Employers (...)
Daily wage (%)	14	18	28	20
Weekly wage (%)	1	2	2	2
Monthly wage (%)	15	33	42	30
Based on specific contract/work (%)	3	1	1	2
Piece/task rate (%)	67	46	26	47
Total	100	100	100	100

Notes: ^a 1-10 workers; ^b 11-50 workers; ^c 50+ workers

Source: MRLS, 2002/03

¹⁷ Most of the 33 large-scale employers interviewed by the research team claimed to use the national minimum wage of MT560,000 a month as a reference for **pro rata**, daily wage rates for unskilled labourers. However, some used MT565,000 or MT575,000 as a reference rate, while one used MT500,000 a month. The most common form of variation in daily payment rates reported by these employers was in the number of the days used to divide into the monthly wage reference rate. Thus, some workers might be paid MT18,000 a day (dividing the monthly minimum wage by 31), others MT21,500 (dividing by 26), while some farmers ignored the monthly minimum wage when setting the daily rate.

Larger farms also need to employ a great many temporary workers for one to three months to meet seasonal labour peaks. These workers are usually required to complete the task set by their employers before they receive a ‘daily’ payment. What was involved in tasks varied, as did the judgement of what could be done in a day and of how many hours a casual worker should be expected to work. On some farms there was a stable daily wage paid for seasonal tasks, but these tasks would vary in intensity. Yet on other farms the daily wage varied according to the task set. For example, on a large joint venture farm in Nampula Province growing sisal and cotton, day workers were paid MT31, 347 a day for a set task (cutting 98 piles of sisal leaf), but for clearing weeds in sisal fields the rate was MT21,577 (for three ‘lines’ of weeding). Table 5 below gives some idea of the latitude for setting differing wage rates for weeding. Meanwhile, some of the farmers interviewed in the sample of large farmers pointed out that, if an individual worker could not finish the proposed task within a day, he or she would either return the next day to finish the task or bring in friends or family (including children) to help complete the task.

Table 5: Daily Pay for Weeding by Selected Large and Mid-Scale Employers in Nampula (Meticals)

Employer	Daily Rate for Casual Labourers	Weeding Task per day
Tobacco mid-scale local farmer - Manica	20,000	50 x 20 ‘steps’
Sisal company - Nampula	21,577	3 ‘lines’
Mid-scale local farmer - Nampula	15 fishes or 2kg sugar or 2 bars soap	50-100 x 2 metres
Mid-scale cotton farmer - Nampula	20,000	6/7 lines
Large local farmer - Nampula	10 fishes	15-20 x 2 metres
Large local farmer - Nampula ^a	20,000	5 lines
Large local Farmer -	10,000	10 lines

Nampula ^b		
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Note: ^a for tough weeding; ^b for lighter weeding.

Source: MRLS, 2002/03

On the larger farms in the sample, with hundreds of casual workers at peaks of the agricultural cycle, employers often paid a bonus for work well done or for a regular presence on the farm. Although some respondents only performed an occasional day of *ganho ganho* (casual) labour on these farms, employers appeared to prefer offering longer (unwritten) contracts - typically for one to three months - to 'daily' labourers. For example, on one farm five days of 'good work' earned a temporary worker a bonus of MT6,000. On another farm the employer offered MT5,000 per day on top of the daily wage, payable on the last day of an agreed span of work and conditional on the employee having turned up regularly. In many cases it is left to field supervisors to judge whether a task has been done satisfactorily or whether a bonus has been earned.¹⁸ As one South African farmer in Manica Province put it, the daily wage is MT18,000 but "it depends".

Local farmers/*privados* paid some of their 'regular' workers on a monthly basis, even if they did not work every month of the year, but only 21 per cent of their workers were 'regular' in this sense. Smaller employers rely much more heavily on task-based payment systems. The tasks their workers have to perform are even less clearly defined than on the large farms and require widely varying amounts of time and effort to complete, making it extremely difficult to calculate the wage received per hour or per day.¹⁹ One important advantage of task-based payment systems is that

¹⁸ One of the women interviewed for the life stories described the power wielded by her supervisor. She had worked carrying tobacco leaves and the set task involved carrying 140 strings. However, the supervisor arbitrarily increased the task and then began to insult her when she lacked the physical strength to reach the new target. So she requested a transfer to do 'lighter' work with the weeding team. Unfortunately, the same man was re-assigned to supervise this team and singled her out for abuse and tried to dock her payments. She felt she had no alternative but to leave the plantation where she had been working for three years and, at the time of the interview had been unemployed for two weeks.

¹⁹ Maninha, whose life story is discussed in Sender et al (2006), was often set tasks for MT10,000 by small-scale farmers that were so strenuous that they could not be completed in a day, especially if she

they allow *privados* to incorporate the labour efforts of female and child labour without having to contract (or pay) these workers directly. Thus, a woman who has difficulty completing the task set by her employer will bring along her children and female relatives to ‘help’ with the work. Similarly, if husbands are reluctant to allow their wives to work on other men’s farms as independent wage workers, then an employer can gain access to the labour of married women by setting their male workers tasks that cannot be completed easily without the ‘help’ of their wives.

Payment methods are determined not only by the size and ownership characteristics of farms, but also appear to depend on the crop and the farming operation. An analysis of 733 responses to open-ended questions concerning agricultural tasks (mainly from the sample in Nampula province) reveals the following patterns:

- a) Where the main crop farmed is cotton, a combination of daily wages and piece-rates is clearly the most important payment method;
- b) Work in cultivating maize, cashew and rice is almost always paid on a task or piece-rate, rather than a daily or monthly, basis;
- c) Where tobacco, sisal and horticulture are the main crops, the proportion of more regular, monthly-paid workers is much higher;
- d) Weeding and harvesting are more likely to be paid on a task or piece-rate basis (especially in cotton and cashew), whereas clearing and stumping (mainly for sisal) are usually paid on a daily or monthly basis;²⁰

took a break for a meal. Maninha was often obliged to return the following day in order to complete the set task and earn the MT10, 000 quoted as the daily wage by the small farmers who employed her. In contrast, a larger farmer has paid her MT50, 000 for a task she could complete in a day.

²⁰ Since sisal is mainly grown by rather larger scale enterprises and most of those engaged in ‘clearing and stumping’ are sisal workers, it is likely that their payment methods are influenced by the scale of the enterprise, rather than the nature of the task they perform. However, the direction of causality may be complex, with certain types of employer preferring to specialize in producing particular crops.

Variations in Rates of Pay for Agricultural Work

How much people can earn on different types of farm enterprise also varies. The median monthly wage ranges from a low of MT250,000 for people working for local farmers or neighbours, through MT381,000 earned on the farms of *privados*, up to MT460,000 on Mozambican-owned companies and plantations and MT525,000 on foreign enterprises. The range of daily, as opposed to monthly wage payments, is more compressed, varying from a low median rate of MT10,000 per day paid by local or neighbouring farmers to a high of around MT15,000 paid by national and foreign agricultural companies. The modal as well as the median daily payment rate (MT10,000)²¹ was equivalent to about \$0.42 cents/day, at the exchange rate prevailing during the main period of fieldwork.²²

Distinguishing employers by size (defined in terms of the number of workers employed at the peak of the agricultural year), rather than by ownership type, reveals a similar pattern of variation in rates of pay, as seen in Table 6, below.²³ The fact that larger enterprises tend to pay their workers more is hardly surprising. However, the widespread belief that concentrating resources on small farm agriculture and food production will reduce African poverty ignores the fact that many of the poorest rural people depend on earnings from agricultural wage labour. Small farmers in the MRLS, especially food producers, do *not* offer very high or regular wages to their workers.

²¹ The SME survey confirms that there is a widely accepted 'norm' for daily payments. Thus, a high proportion of the employers in this survey paid 10,000 Mt per day for a range of tasks, especially weeding. There was remarkably little variance in employers' responses to questions about daily payments to temporary workers in this sample.

²² The mean exchange rate for May 2002 to the beginning of February 2003 was about \$1 = MT23,700.

²³ Only 15 percent of the small-middle employer sample employ permanent (male) workers on a monthly paid basis; the wages they pay average 273,000 MT per month (median = 250,000 MT), i.e. less than the median monthly wages paid by the larger employers and less than 50 percent of the minimum wage. Some of these relatively small employers do pay above average wages, if they are more prosperous and educated. Thus, the highest wages in the SME sample are paid by respondents with the highest asset possession score and the largest number of years of completed education.

Table 6: Payment Rates by Size of Agricultural Employer

Size of employer, by no. of workers at peak		<i>Daily wage</i>	<i>Monthly wage</i>
Small employer (1-10)	N	99	115
	Mean	13885	285257
	Median	10000	250000
Middle employer (11-50)	N	156	272
	Mean	11422	371763
	Median	10000	350000
Large employer (50+)	N	210	358
	Mean	15691	463913
	Median	15000	460000
Total	N	465	745

Source: MRLS, 2002/03

Workers engaged in the production of some crops are more highly paid than workers on other crops.²⁴ For example, Table 7, below, shows payment rates on cotton and sisal farms in Nampula and on rice growing farms in Zambezia. Work on sisal and cotton growing enterprises is relatively highly paid (at a median daily rate of MT14, 000 and MT25,000, respectively), compared to work on food crops such as rice, maize, groundnuts, sesame, etc. (typically paid at the rate of MT10,000 per day). Men usually cut sisal and this work is arduous, involving risks of cuts and snake-bites. Thus, some combination of gendered job segregation and the need to provide incentives for dangerous and unpleasant work may account for relatively high payment rates on sisal plantations. However, higher payments for sisal and cotton cultivation are also probably a result of the fact that these crops are commonly grown on larger farms or plantations, usually owned and managed by national *privados* or corporations.

In general, cotton workers are relatively highly paid, but their rates of pay vary dramatically, even when all the workers concerned are employed within one province to carry out a very standard task such as harvesting. For example, an examination of

²⁴ Thus, tobacco out-growers paid higher wages than the SME respondents growing other crops.

payments made to 122 cotton pickers in Nampula, who were usually paid on either a daily or a piece rate basis, reveals a large range of levels of pay (Table 7). This Table shows that the range of payments made for similar tasks to workers cultivating cotton, sisal and rice in a single province is still significant, even if there is generally a lower standard deviation than for less disaggregated comparisons of wider groups of workers.²⁵

Table 7: Payment Rates for Cotton, Sisal and Rice Workers*

	Monthly	Daily	Task/piece rate
<i>Cotton (Nampula)</i>			
Harvesting	-	(53)	(69)
Mean	-	14,017	443
Median	-	14,000	400
Standard deviation	-	2,374	222
<i>Sisal (Nampula)</i>	(11)	(31)	(5)
Mean	524,636	21,737	10,600
Median	546,000	25,000	1,000
Standard deviation	59,104	5,523	16,891
<i>Rice (Zambezia)</i>	-	-	(38)
Mean	-	-	11,447
Median	-	-	10,000
Standard deviation	-	-	2,575

* Bracketed figures refer to the number of workers in the sub-sample.

Source: MRLS, 2002/03

A small sub-sample of workers employed to harvest cashew nuts, all paid on a piece rate basis and working on the same farm in Nampula, also showed a surprising degree of variation in rates of payment. These differences in task payments could not be explained by reference to the gender, levels of education or age of the workers, although the lowest recorded rates per task were paid to very young workers. Thus, out of 19 workers in this sub-sample, eight received less than MT5,000 and five

²⁵ This evidence does not corroborate the existence of payment 'norms' and 'conventions', which have been found elsewhere. The importance of norms and conventions in poor agrarian labour markets has been discussed by Bardhan and Rudra (1986). Breman (1985) criticises the idea of norms of 'fairness' in Indian labour markets.

obtained MT10,000 per task (Table 8).²⁶ This simple case illustrates the idiosyncratic spread of payment rates, particularly when they are on a task or piece-basis, and suggests the difficulties involved in using standard Mincerian equations to explain variations in these rates.²⁷

Table 8: Piece rates on a cashew-nut farm for harvesting (Nampula)

	Frequency	Percent	Cumulative Percent
MT2000	1	5.3	5.3
MT2500	1	5.3	10.5
MT3000	6	31.6	42.1
MT5000	6	31.6	73.7
MT10000	5	26.3	100.0
Total	19	100.0	

Source: MRLS, 2002/03

It is also difficult to account for the variation in monthly wage payments received by another sub-group of workers, all of whom were male, semi-skilled and working on large scale farms. Some of the interviews with large farmers yielded information on the range of salaries they had decided to pay their tractor drivers. The lowest reported monthly wage for a tractor driver was MT600,000 and the highest was MT1.5 million. Most drivers were reported to earn around MT800,000, though a few were earning less and a handful were paid more than MT1 million monthly.

Wages for other related jobs – e.g. foremen, field captains, supervisors – also differed across these large-scale employers, from MT700,000 per month to MT2.5

²⁶ In fact the range of payments on this farm was even larger than shown in the Table, which excludes outliers (all payments of more than MT10,000 per task and one of MT30,000 per task).

²⁷ On the inability of standard neo-classical wage functions to explain agricultural wages in terms of worker attributes, see Datt (1996:66-7).

million. In addition, interviews with large farmers revealed an astonishingly wide range of monthly payments to their most senior, skilled workers. Skilled permanent workers earned between MT800,000 and MT3,000,000 a month. On a couple of the farms in this sample, employers reported that they paid skilled permanent workers below the minimum wage but that these workers received some payment in kind and were not expected to work more than four hours a day. At the other extreme, on one farm the top rate for a skilled worker was MT8.5 million, while on another two expatriate Malawian junior agronomists were earning \$650 a month plus benefits (including use of a company motorbike).

Variations in payment rates for non-agricultural work

Table 9, below, summarises the survey results for the monthly wages reported by 391 respondents employed by rural non-agricultural enterprises. During the survey period, the non-agricultural minimum wage was set at MT812,163 (roughly \$34.26) a month.²⁸ So, median monthly earnings of MT150,000 (\$6.33) for working on a market stall, or the MT200,000 that was the median amount earned by the 159 domestic servants (*empregadas*) in the survey, are not only extraordinarily low, but also illegal. Payments reported by *empregadas* were remarkably consistent, having the lowest standard error of the mean wage among the categories surveyed. By contrast, people (usually males) working in the transport and construction sectors in the same rural towns could earn substantially more, although there was a relatively large variation around the mean wage for drivers and bricklayers. The fourteen drivers interviewed had the highest median monthly wage (MT875,000).

²⁸ The minimum wage for industry and services was increased from MT665,707 to MT812,163 per month in May 2002; at the same time the government raised the minimum wage for agricultural labour from MT459,222 to MT560,251 per month (AIM, 2002, May 20th). Very few of the workers in the survey were aware of the minimum wage for agricultural labour and none of the provincial officials working for the trade union or the Ministry of Labour could quote the current rate accurately.

Table 9: Monthly Wages of Non-Agricultural Rural Workers (MT)

Categories of non-agricultural labour	N	Mean	Median	Std. Error of Mean
Hotel/hostel	30	488900	475000	41371
Restaurant/barraca ^a	74	379649	300000	31583
Market/banca ^b	42	231071	150000	43514
Domestic servant	159	242440	200000	14494
Transport driver	14	975000	875000	175078
Transport other (cobrador/chova) ^c	24	517167	500000	45946
Pedreiro in construction ^d	5	780000	750000	135536
Construction others (servente) ^e	4	707500	700000	47148
other	39	449615	350000	65702
Total (paid in monthly wages)	391	361486	280000	16184
Total non agricultural sample	458	n.a.	n.a.	n.a.

Notes: ^a An informal, 'street' bar. ^b market stall. ^c Ticket collector or cart-boy. ^d Bricklayer/mason. ^e Assistant.

Source: MRLS, 2002/03

A classification of jobs and payment methods

The analysis above has shown that rural Mozambicans experience a complex range of methods and rates of payment for wage labour. A crude dichotomy between privileged labour aristocrats and all other workers cannot capture this reality. The MRLS allows for a more nuanced, although still rather simple, taxonomy of wage employment. Thus, Table 10, below, identifies five main types of employment obtained by rural Mozambicans, using a mixture of quantitative and qualitative criteria suggested by responses to the questionnaire and by more open-ended questions and interviews. The main purpose of this classification is to investigate the characteristics of those workers who are relatively (un)successful in the labour market, as discussed further below. Here, the earnings (mean and median) and some aspects of working conditions (e.g. access to trade unions and compensation for working overtime) are tabulated for each of the five types of employment.

Table 10 shows that some (770 workers) enjoy access to ‘good’ jobs that guarantee a relatively decent and more or less regular flow of income. A larger number of workers (708) have only succeeded in finding casual or very low-paid (‘bad’) jobs. The five types of employment identified in the Table are not mutually exclusive. For example, the second is a fraction of the first. Categories ‘*bad1*’ and ‘*bad2*’ are also partly overlapping and a few workers with access to ‘good’ jobs also perform some of the ‘*bad*’ jobs on the side.

Table 10: Better and Worse Jobs – Payment methods and rates

<i>Types of jobs</i>	<i>Good 1 Monthly paid and regular income (770)</i>	<i>Good 2 Monthly paid, regular income in agriculture (472)</i>	<i>Bad 1 Performed ‘ganho’ casual work for less than 15 days per month (708)</i>	<i>Bad 2 Same as Bad 1 and obtained no seasonal contracts or non- agricultural job (591)</i>	<i>Bad 3 Domestic servant + below agricultural minimum wage (145)</i>	<i>Other (non classified)</i>	<i>Total sample (2628)</i>
Paid monthly wages <i>% within job type</i>	100	100	10	1	100	57	40
Paid on piece or task rate basis <i>% within job type</i>	0	0	68	80	0	33	39
Median payment (daily) <i>(number of cases in brackets)</i>	15,400 (16)	15,000 (15)	10,000 (142)	10,000 (96)	n.a.	12,500 (328)	12,000 (484)
Median payment (monthly wage) <i>(number of cases in brackets)</i>	400,000 (761)	450,000 (466)	300,000 (78)	300,000 (9)	150,000 (145)	350,000 (318)	360,000 (1145)
Median payment (task) <i>(number of cases in brackets)</i>	n.a.	n.a.	15,000 (336) <i>SD/ mean ratio = 1.6</i>	15,000 (333) <i>SD/ mean ratio = 1.6</i>	n.a.	15,000 (488) <i>SD/ mean ratio = 4.5</i>	15,000 (824) <i>SD/ mean ratio = 4.8</i>
Received payment in kind <i>% within job type</i>	0	0	29	34	0	11	13

Note: SD = Standard deviation

Source: MRLS, 2002/03

Although the median wage of all the agricultural workers classified as having ‘good’ jobs is still below the statutory minimum, the *good2* category workers do receive 13 percent more than *good1* category workers, and over 25 percent more than other monthly-paid unclassified workers. Moreover, these agricultural workers are more likely to have access to trade union representation than workers in any other type of job (Table 11). However, the benefits they derive from union representation are not clear. Interviews with large-scale farmers suggested that there was little or no union activity on their farms – even where formally at least some workers were members of a union. Even where the union appeared well organised, there was not a great deal of activity at the time of the fieldwork. One or two of the biggest agricultural employers stated that in the past unions were combative and even aggressive; of late they have only been ‘helpful’. Others said that the closer a farm is to a large town or city the more likely that union activity is lively and ‘political’. This was confirmed by other employers (and by provincial union officials) who said that union officials either never visited farms or that they did visit from time to time but would only do so if they could get a lift from the farmer – in other words, one major constraint on union officials organising on farms is the lack of transport facilities. Clearly, the disorganisation of unions – chiefly the *Sindicato Nacional de Trabalhadores Agro-Pecuário e Florestais* (SINTAF) – and the failure of both government and international donors to invest in increasing their capacity allows for the high degree of employer discretion in setting wages and their composition in terms of money wages, benefits, and payments-in-kind.

Among monthly-paid workers, the 145 domestic servants receiving less than the minimum wage are particularly disadvantaged, since half of them earned below MT150,000 per month. The median daily rates of the agricultural workers employed

on a casual basis (*ganho ganho*), whether they are classified as having a *bad1* or a *bad2* job, are consistently lower than the daily rates for any other type of worker.

Moreover, workers with bad jobs were more likely to be paid in kind (usually with food) than any other worker (Table 10). The most common forms of substitutes for money wages reported in interviews with large farmers were dried fish, sugar, soap, maize or cassava flour, and *capulanas* (the cloth wraps worn by women). For example, workers might be paid MT60,000 ‘worth’ of maize for two or three days work, or a woman worker might work for four days to earn a *capulana* ‘worth’ (according to the farmer) MT35,000. Obviously, precise estimates of an imputed money wage (or the employer’s wage costs) are difficult when payments are made in kind. The lack of precision appears to increase employers’ control over the terms on which they acquire labour.

Table 11: Employment tenure and other work conditions, by types of job

<i>Types of jobs</i>	<i>Good 1 Monthly paid and regular income (770)</i>	<i>Good 2 Monthly paid, regular income in agriculture (472)</i>	<i>Bad 1 Performed 'ganho' casual work for less than 15 days per month (708)</i>	<i>Bad 2 Same as Bad 1 and no seasonal contracts or non-agricultural job (591)</i>	<i>Bad 3 Domestic servant and below agricultural minimum wage (145)</i>	<i>Other (non classified)</i>	<i>Total sample (2628)</i>
Months of tenure with same job/employer <i>(median)</i>	12	12	5	4	9	6	7
Number of days worked as seasonal contract workers <i>Median</i>	208 (395)	208 (118)	207 (107)	n.a.	n.a.	210 (291)	208 (749)
Number of days worked as casual ganho <i>median</i>	58 (390)	60 (108)	20 (706)	21 (591)	n.a.	78 (735)	45 (1508)
Meals provided at work <i>% within job class</i>	42	19	17	16	90	22	27
Housing provided by employer <i>% within job class</i>	23	21	3	2	45	7	11
Loans (wage advance) provided <i>% within job class</i>	35	29	17	17	42	28	28
Compensation for over-time work <i>% within job class</i>	46	53	17	4	6	35	39
Presence of Labour Union at workplace <i>% within job class</i>	13	21	2	0	0	11	9

Source: MRLS, 2002/03

In all types of rural employment, job tenure appears to be insecure. Even for those workers who have a ‘*good*’ job, a high proportion (50 percent) report spending 12 months or less in their present job. Those workers combining access to ‘good jobs’ with some casual work are able to secure more days of casual work than those who rely on casual work alone. More than half of the workers with the worst jobs (bad jobs 1 and 2) only manage to find 20 days or less of wage work per year. An increase in the number of days per year when they can find employment would have a dramatic impact on their standards of living.²⁹

Even workers selected to hold relatively ‘good’ jobs for more than a few months suffer from employment conditions that are below statutory minimum standards. For example, about half of them do not receive any compensation for working overtime (Table 11).³⁰ Nevertheless, they are more likely than workers with *bad jobs 1* and 2 to be provided with housing, meals and credit by their employers. On all counts, therefore, workers in ‘good’ jobs, especially in the agricultural sector, enjoy much better conditions than workers in other types of jobs. It is also clear that small-scale employers and especially Mozambican-owned small farm enterprises are unlikely to offer *good* jobs to their workers, while almost two thirds of workers employed by foreign agricultural investors enjoy good jobs in agriculture (Table 12).

²⁹ This argument about how living standards could be improved is supported by strong evidence from India, where the move from *casual* forms of rural wage employment to more *regular* rural wage employment, implying higher annual real wages, has been decisive in reducing poverty (Ghose, 2004: 5112).

³⁰ The interviews with large farmers suggest that they have considerable discretion regarding compensation payments for long hours of work. For example, some pay double time for overtime, some pay time and a half, and others do not pay for overtime.

Table 12 – Workers by employer categories and job types
(% of workers within each employer category)

<i>Types of jobs</i>	<i>Good 1 Monthly paid and regular income (%)</i>	<i>Good 2 Monthly paid, regular income in agriculture (%)</i>	<i>Bad 1 Performed 'ganho' casual work for less than 15 days per month (%)</i>	<i>Bad 2 Same as Bad 1 and no seasonal contracts or non- agricultural job (%)</i>
<i>National company / plantation</i>	32	32	7	1
<i>Foreign agricultural employer</i>	67	63	9	2
<i>Local agricultural employer</i>	14	14	39	35
<i>Small</i>	31	8	31	28
<i>Medium</i>	24	21	30	26
<i>Large</i>	32	32	17	9

Source: MRLS, 2002/03

The amount and quality of these non-wage benefits, as revealed in interviews with large farmers and in the quantitative surveys, is variable and discretionary. Benefits can be and are withdrawn, whenever the employer feels this is appropriate. Moreover, almost all the women captured in the MRLS were denied access to the most basic non-wage benefits. Thus, less than 4 per cent of all female wage workers were given paid holidays by their employers and less than 10 per cent were given paid sick leave or any medical benefits. Only about three per cent had paid maternity leave.

The political economy of labour control

Employer discretion over labour contracts is exercised within a context of widespread poverty, a generally weak presence of trade unions and labour inspectors, low levels of literacy and education, and, by the accounts of large farmers, a huge excess in the supply of labour.³¹ As local monopsonists, most rural employers are in a strong position to shape labour relations by using an array of discretionary gambits in

³¹ One farmer in Manica told of his predecessor as farm manager, who had used the local radio to announce vacancies: the next day 2,500 people turned up at the farm gate. Another, also in Manica, said that recently he needed 100 extra temporary workers and had put the word out via existing workers: within two days 300 people came asking for work. A tobacco company operating in Nampula claimed that at the start of the buying and grading season there were 'thousands' of people lined up outside the offices waiting for work.

setting wage levels, imposing payment methods, offering incentives and threatening to withhold them, as well as by choosing what combination of male and female permanent, seasonal, and casual labour to employ. Nevertheless, many employers feel constrained to follow prevailing norms for daily wage rates, or to calculate payment rates by reference to the legal minimum wage; they feel themselves to be embattled and hemmed in by hostile local interests.

In particular, large and medium-sized commercial farmers - both Mozambican and foreign - are constantly embroiled in social tensions and legal conflicts and face encroachment onto their land. These conflicts may involve long-standing claims to landownership or grazing access rights that clash with recently granted land concessions to large-scale farmers. The conflict can play itself out in different ways: through legal challenges and bureaucratic tangles; through insinuations of the engagement of spirits and curses; and through aggressive encroachments onto the concession.³² Recently arrived *boere* farmers in Manica, for example, not only complain of the bribes they have to pay to provincial officials, but also that the locals frequently burn their crops and stymie their farm equipment.³³ One response to routine theft and trespassing is to locate selected permanent workers on smallholdings along the perimeter, or border area, of the farm. This response has the advantage not only of promoting local social and political allies who are expected to help in the struggle to secure contested property rights³⁴, but also, when it takes the form of

³² On the various forms of conflict that arise in the course of increasing inequality in land holdings and the emergence of new capitalist forms of farming, ranging from the petty theft and bureaucratic wrangling to both isolated and organised violence, see Peters (2004), André and Platteau (1998), and Cramer (2006).

³³ In Nampula, there are disputes between large farmers—between a long-established plantation company and a more recently arrived subsidiary of a major international tobacco firm. This conflict involves using political levers at the national level of policymaking and also efforts to manipulate smaller local farmers over whom the two firms vie for influence.

³⁴ Another means of securing local allies is to co-opt the local ‘traditional’ rulers by paying them and giving them the responsibility, as in the colonial period, for recruiting workers. This strategy was

smallholder out-growers surrounding a nucleus estate, of acquiring the labour inputs of women and children for tobacco and cotton production without having to employ additional wage labour directly.

The interviews with large-scale farmers shed some light on their preference for hiring casual workers on very short-term contracts, rather than permanent workers. The largest agricultural enterprises (and generally also foreign-owned enterprises) cite the complexity of the labour law and the inflexibility of the fines for firing workers as the main disincentive to hiring more permanent workers. Smaller farmers (and nationals) are more likely to explain a relatively low number of permanent relative to temporary workers in terms of either insufficient resources to pay permanent workers while 'idle', or in terms of the workers' own preferences.

Both the gender composition of labour force and its division into permanent or casual employees are presented (in interviews with employers) either as an employer choice or as a worker (and worker's family) choice. For example, some employers might say that they rely on temporary workers because they want to evade the perils of a prying bureaucracy and a complex labour law, or to reduce supervision costs,³⁵ while others might say that their dependence on temporary workers is driven entirely by the fact that "they prefer it that way". Thus, one very large employer – on a tea plantation in Zambezia Province – claimed that he needed 1,400 permanent workers but could not get them (he had only about 70), because local people do not want

adopted by a new Zimbabwean owned enterprise in Manica that refused to employ anyone who had not been sent to the farm by the local chief.

³⁵ Permanent workers are legally entitled to various benefits apart from compensation for lay-offs, including the right to paid annual holidays and maternity leave. A typical employer strategy is to lay-off casual workers on the 25th of the third month of employment (for three days) and then to offer them a new casual contract. Large-scale and foreign-owned agribusinesses adopt this practice to prevent workers demanding permanent status after three months continuous employment. Their argument concerning supervision costs is that permanent workers do not work properly: if you want to get people to work then you have to pay only by task.

permanent employment, they lack ‘ambition’, and have only intermittent need for cash.

These stereotypical prejudices are also evident in some of the large-scale farmers’ explanations for the gendered division of labour on their farms and for the fact that men are more likely to be permanently employed than women. The standard explanation is couched in terms of physical abilities and/or skills. Many agricultural tasks are physically demanding, e.g. pruning cashew trees or cutting sisal, require male strength. And many farm jobs depend on the kind of skills that are assumed to be male preserves (driving tractors, working as mechanics, acting as supervisors). Yet employers commonly make assessments of the relative superiority of women for other, less well-remunerated types of job. Most tobacco grading and bundle tying, for example, is done by women. Most employers explain this in terms of women “having better eyesight” or being more “nimble-fingered”, or women liking to sit and chat while patiently working, whereas men get bored and wander off from the work in hand.

Sometimes, rather more general assertions are made. Some farmers claim that women are better at jobs “needing care” or that women are better at “ensuring quality”. Others argue that women “are more serious”, while men either work for a month or two, and then leave, or “pretend to work” while actually slacking, taking cigarette breaks furtively, etc. Women are often said to be “more trustworthy”: for example, one farmer claimed that women are better to employ for harvesting because “they steal less than men”. Finally, men were said by one farmer to be more likely to “run to the labour department to make complaints”. These statements seem to suggest that employers generally aim to hire at least a certain number of women and girls chiefly because they are regarded as more compliant.

Yet some employers also had a clear sense that the choice was not theirs to make freely. As one (expatriate) farmer put it, the situation in “our community” is delicate: hiring women causes tension in an area where there is enormous male need for wage labour. Other employers claimed, more convincingly, that they would hire more women but that husbands often prevented their wives from working for wages.

Larger farmers often invoke the idea that they are “developing the local population”, “we are doing this to help people”, “nobody round here had anything, not even any soap, till we started farming here”, and so on.³⁶ These avowals of paternalist intent are partly a means to justify the presence of large farmers in a context in which many of them, especially foreign investors, face overt or covert local threats to their property. Thus, allocating food production plots along the borders of the farm to favoured permanent workers is cited as evidence of concern for workers’ nutrition and welfare. Similarly, a cotton farmer in Nampula grew maize and beans as well as his principal crop, but only “to distribute” to the local population, i.e. to sell them locally. One well-established practice, usually represented by farmers as evidence of paternalistic concern for employees’ welfare, is the sale of food and other basic consumer goods to workers through farm shops at “fair prices”, or on credit repaid through deductions from wages. However, these practices can also be seen as further evidence of employers’ discretion in manipulating real wage rates, or as adding to workers’ difficulties in understanding, or complaining about, the relationship between their net wages and hours of work.

³⁶ Smaller farmers also boast of their charity towards their workers. Breman observed similar claims in rural Western Gujarat, where “wage settlement has taken on the character not so much of a business transaction, as that of granting a favour” (1985:277).

Some Characteristics of the Poorest Workers and their Labour Market Prospects

It is not surprising that the majority of the worst jobs (*bad2*) are performed by workers living in the poorest households. One third of the surveyed households lack even the most basic of those material possessions, (i.e. a paraffin lamp, a clock or watch, a radio cassette, a bed, pairs of shoes and access to some form of toilet), used to calculate a simple household asset score. Table 13 contrasts the experience of these extremely poor and deprived households with ‘rich’ rural households achieving a much higher asset score. A far greater proportion of the *good* and a very low proportion of *bad2* jobs (only 10 percent) are done by members of the richer households. Similarly, the majority of *bad* jobs were done by workers who lived in households in which no-one had completed primary school. In contrast, most of the *good* jobs (over 80 percent) were held by respondents who had attended school.³⁷

Table 13 suggests that there might be an association between household socio-economic status and the ability of household members to avoid employment in the worst types of rural jobs. ‘Better-off’ people in rural areas are likely to have very significant advantages compared to very poor people in searching and bargaining for the best available employment, because of their education, ability to move, household connections, and previous work experience.³⁸ At the other end of the spectrum, the strong relationship between household possession scores and participation in the worst type of insecure casual agricultural labour is graphically illustrated in Figure 1.

³⁷ Work in the best construction, transport and other non-agricultural jobs, which fell under the *good1* rubric, was largely the preserve of relatively well-educated men, living in households with high asset index scores. The MRLS data also suggest that some of the very best jobs in the agricultural sector were likely to be held by men aged between 30 and 35 years.

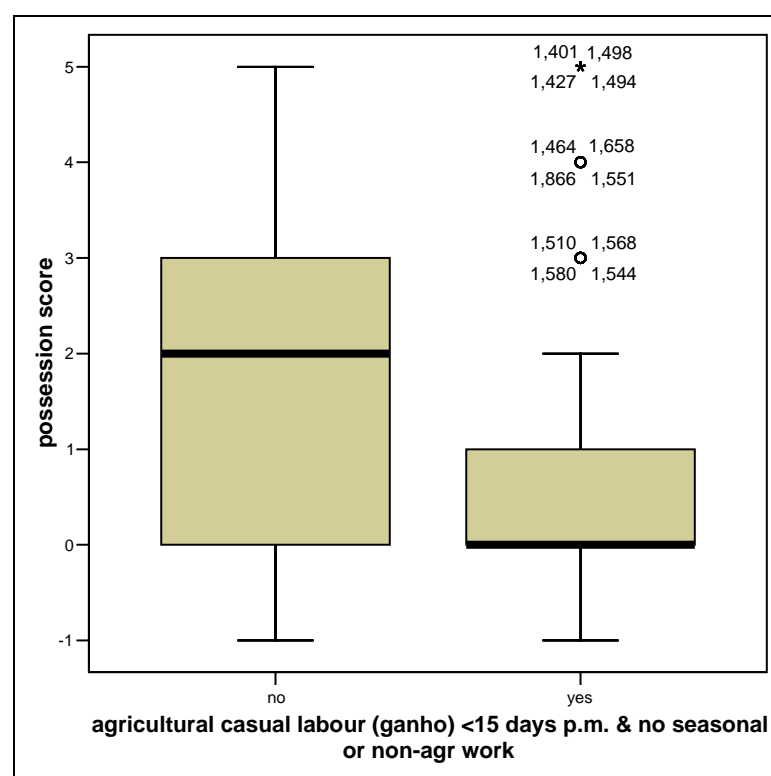
³⁸ The MRLS data show that by far the most important channel for obtaining employment was through ‘relatives and friends’.

Table 13: The Share of Different types of Household and Worker in “Good” and “Bad” Jobs

<i>Types of jobs</i>	<i>Good 1 Monthly paid and regular income (770)</i>	<i>Good 2 Monthly paid, regular income in agriculture (472)</i>	<i>Bad 1 Performed ganho casual work for less than 15 days per month (708)</i>	<i>Bad 2 Same as Bad 1 and no seasonal contracts or non- agricultural job (591)</i>	<i>Bad 3 Domestic servant and below agricultural minimum wage (145)</i>	<i>Total sample (2628)</i>
Possession index group (poorest) % within job type	15	18	48	53	21	33
Possession index group (richest) % within job type	47	40	14	10	41	27
Nobody in HH ever completed primary % within job type	37	42	56	56	39	48
Respondent never attended school % within job type	15	20	36	39	15	27
Females % within job type	35	25	60	68	62	47
Respondent divorced/ separated widow female % within job type	17	15	20	22	13	18

Source: MRLS, 2002/03

Figure 1: Possession scores and ‘bad’ jobs



Source: MRLS, 2002/03

However, the direction of causality is not obvious. As Table 13 shows, by no means all of the *good* jobs are monopolised by a ‘labour aristocracy’ consisting of the members of richer and more educated households. Table 13 also shows that although the worst jobs are much more likely to be performed by women, a significant proportion of the better jobs on farms are filled by female workers; and even some of the women with the weakest bargaining position in the labour market, divorced/separated and widowed women, have been able to find decent work. Thus, entry barriers into *good* jobs are not insuperable for the poorest households and, when

such a job is obtained, the impact in raising their standards of living can be dramatic, even in the short-term.³⁹

Moreover, the prospects for the poorest labour market entrants can be influenced by the policy environment. State interventions to increase demand and tighten rural labour markets can have a positive influence on the prospects for the poor. In India, for example, rapid growth in publicly financed employment had the direct effect of providing decent off-farm employment opportunities (in rural schools clinics, and in construction), although these new jobs were monopolised by relatively well-educated workers from prosperous backgrounds. Indirectly, however, much poorer (female) labour market entrants also benefited, by moving in to fill the less well-remunerated private sector agricultural jobs previously performed by members of richer rural households (Sen and Ghosh, 1993).

Conclusion

Rural labour markets remain on the periphery of policy discussions for growth and poverty reduction in Sub-Saharan Africa. However, evidence from the largest rural labour market survey to be conducted in Mozambique adds to other research in showing that these labour markets have become increasingly central to the lives and prospects of large numbers of poor rural Africans. Wage labour is not only associated with large plantations, agri-businesses or kulak farmers, but is also widespread among small and medium scale farmers, though these tend to offer much lower wages and worse working conditions than larger employers. Further, rural labour markets play an important part in the lives of many people who differ in terms of household background, sex, age, education, degrees of poverty and so on. This paper has shown

³⁹ The life stories of successful women wage workers confirm the transformation in the prospects for children and in household welfare that can be achieved after their mother has obtained a decent job (Sender et al, 2006).

how and why complementary and innovative survey methodologies can shed more light on the significance of wage labour relations in rural Mozambique. The combination of quantitative survey methods with qualitative techniques has also facilitated the task of making sense of complex wage labour arrangements in poor rural areas and investigating issues surrounding the unequal bargaining power of employers and workers.

The paper has methodological lessons. The types of questionnaire typically applied in large and statistically ‘representative’ surveys are unlikely to reveal the complex and multiple payment patterns, employment practices and working relations that have emerged from the findings of the MRLS research. Often these patterns, practices and relations are specific to individuals or particular types of employer. Thus, first, other investigative techniques are necessary to make sense of observed differences or apparent inconsistencies within quantitative datasets. Second, survey questionnaires themselves need to be designed, and enumerators trained, to capture the nuances of differences in payment methods and wage rates. They need to be able to pick up a great deal of detailed information on ‘task’s or piece-rates and their variation. And questionnaires need to be redesigned to escape the artificial vision of rural society imposed by questions framed exclusively in terms of ‘main activity’ over the past week or month. Third, representative sampling should be complemented by purposive sampling to add information on what are likely, especially in the dynamic contexts of rural Africa, to be non-randomly distributed trends, for example in labour demand. Fourth, surveys (and complementary techniques) need to be designed also to identify the scale and characteristics of rural non-agricultural employment in small rural towns, including the employment of domestic servants.

Labour market research in rural Mozambique has other implications too. Ideas of ‘fairness’ are not universally shared values of a moral economy but, rather, are part of the armoury of employers who are often embroiled in social and political conflicts at local and other levels. Meanwhile, ‘norms’ of payment and working conditions may have developed over time and are influenced by minimum wage legislation. However, employers in practice exercise a great deal of discretion in implementing these norms. The relatively weak bargaining power of wage workers, especially agricultural workers and domestic servants, means that a large proportion of them live on pitiful and irregular wages with no protection or non-wage benefits. However, this paper has shown that some types of employer are able to offer better working conditions than others, despite enjoying similar bargaining power. Some employers offering decent jobs - typically larger employers - are also more visible and exposed to control over their employment practices in spite of the generally weak enforcement of labour laws by unions and labour inspectors.

These characteristics of rural labour markets have policy implications. Incentives (fiscal, credit, infrastructural, etc) can be devised to generate demand for labour among the types of employer most likely to offer decent working conditions, instead of being distributed to small “family farms” or to the party/bureaucratic elite.

⁴⁰ Not only journalists, human rights activists, and NGOs, but also foreign donors should press governments and trade unions to implement existing legislation more effectively and should provide much more support for their ability to do so – analytically, administratively and in resource allocations. The evidence suggests that even poorly implemented minimum wage legislation does have some influence on the

⁴⁰ For example, subsidising improved airport and cold-chain storage facilities in Chimoio, capital of Manica could facilitate substantial investment in cut-flower production, which employs hundreds of workers enjoying some of the best work conditions (for agricultural workers) in the region. On policies to stimulate demand for labour more generally see Godfrey (2003).

level around which employers exercise discretionary power. Finally, there is a strong case for significant expenditures on public information and education, for example via radio, on rural women's rights under legislation on wages and working conditions.

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