

#### JOB CREATION THROUGH CONSTRAINING WORK AND LIVELIHOODS? CONTRADICTIONS AND DILEMMAS IN THE AGRO-INDUSTRIES IN MOZAMBIQUE

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# Outline

## Introduction

Background and approaches

Employment, work and livelihoods: some contradictions and dilemmas in the current pattern of growth in Mozambique

- □ Organisation of work and productive structure in agro-industries
- **□** Relations, ruptures and implications of current mode of organisation

□ Concluding remarks

# Introduction

- In Mozambique investment in large-scale agro-industrial plantations has been focused on the production of primary products for export and the pattern of growth has been narrowed in generating quality employment.
- This research has interest in the study of the relationship between the patterns of employment and the broad organisation of work and livelihoods under the current productive system and its implications for socioeconomic transformation.
- The research followed a political economy approach and drawn upon on a triangulation between qualitative and quantitative data.
- The research findings shows that the type of employment created in the agroindustries in Mozambique reflects the prevailing organisation mode of production and of work, based on the payment of low wages and precarious working conditions, in which different groups of workers are responsible for their own social reproduction.

# Background

- Policy focus on job creation to improve living conditions. But...
- There are questions on the quality and sustainability of jobs created in the large agroindustries plantations in Mozambique.
- Lack of discussion of the mechanisms and processes through which employment can actually improve people's livelihoods.
- A dualistic view is dominant in the conventional approach to labour markets in Mozambique.
- Policy documents reflect this dualistic method of analysis, which neglects and separate different forms of labour within the economy and their formal and informal subordination to capital. Paid work is seen as part of labour markets while family and unpaid work is excluded.
- This method of analyzing work is problematic. Labour force is structural and organically integrated into the system of capital accumulation (O'Laughlin & Wuyts, 2012, 2013; Fine, 1998, Castel-Branco, 1995, 2017; Sender et al., 2007).

- There is a contradiction between creating jobs and improving social conditions of work, in the current mode of organisation of the productive structure in Mozambique. Eg. agroindustries (forestry, tea plantations, sugar plantations, etc.).
- This contradiction is explained by the type of the prevailing productive structure, which is narrowed and extractive, focused on the production of primary commodities for export with very low or no processing and with weak productive linkages in the economy (Castel-Branco, 2010, 2017).

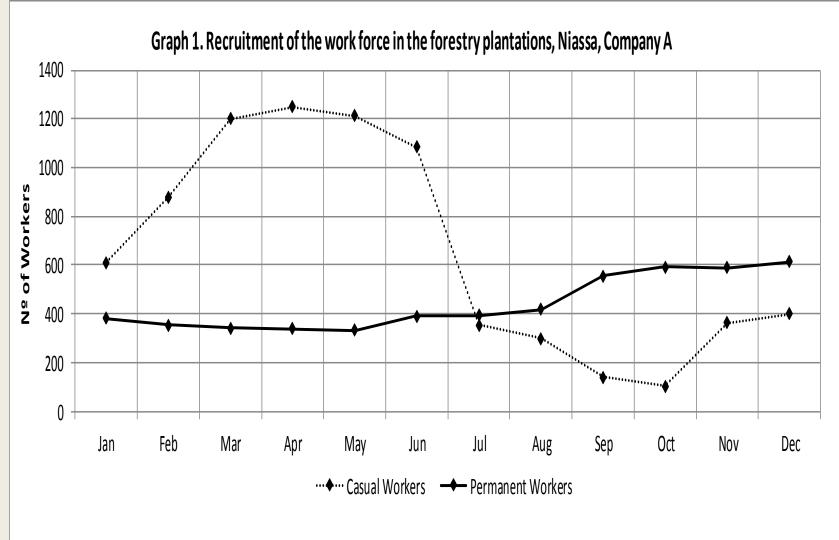
Eg. In the forest plantations, the focus is the planting of eucalyptus and pine for the production of paper pulp for export. Forward linkages are limited, with the exception of wages. There are some backward linkages but not well established (outsourcing to provide some services: land preparation and clearing, planting, etc.).

In this type of structure, capital has access to and control over resources (eg vast extents of land, water, etc.) at a low cost and with access to cheap labour force which is responsible for their own social reproduction costs.

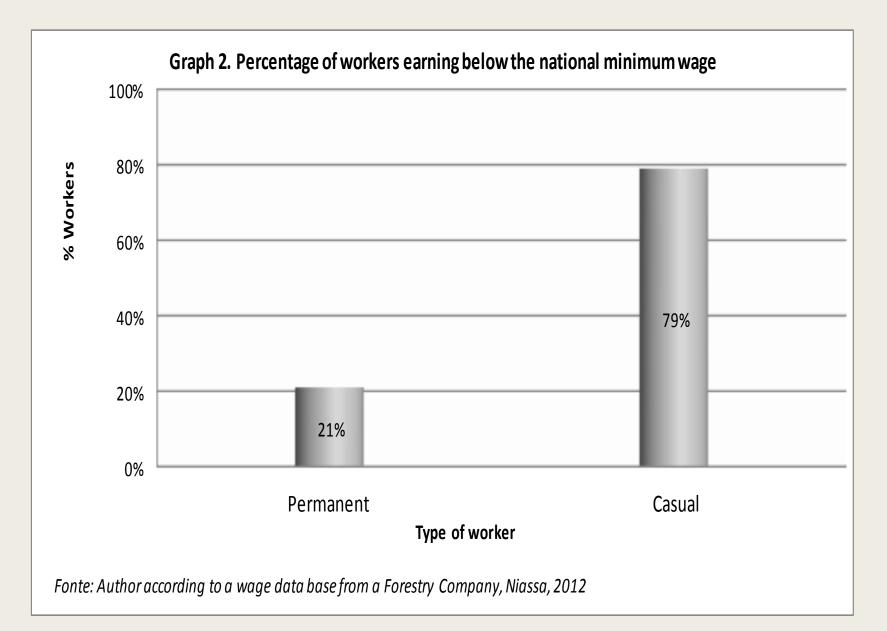
- Employment and income in plantations is mostly irregular, unstable and insecure, and developed in a context of tensions and contradictions in productive social relations.
- The current employment structures in agro-industries are the product of the prevailing organisation of production and work, which is task-based and marked by intensification of work.
- The current system of production and work determines the 'actual' work day, its respective wage and its possible benefit from social security. This system exacerbates the ruptures, instability and insecurity of work and income in monoculture.
- The precarious working conditions have implications on the type of labour force and the productive structure generated, and bring into question its reproduction and sustainability.

Eg. Absentism schemes, sabotage, quality of production.





Source: Estimate based on the data base referring to 2012 of forestry company A



- The profitability of the companies is based on the payment of low wages and in precarious working conditions where the workers are responsible for their own social reproduction.
- Workers are socially differentiated and get involved in a variety of activities and work, formally and informally subjected to the capital, including paid and unpaid work, agricultural and non-agricultural work, to cope with their livelihoods.
- Family agriculture and wage labour are interdependent and finance each other mutually, so that, given the dependence on monetary income for the consolidation of the peasantry, it supported the costs of its own reproduction.
- Work experience varies among workers depending on the different organisation of work and life they were and are involved. There are workers who experienced a reproduction of poverty.

## **Concluding remarks: challenges and further research questions**

• How to organize different?

 If the current forms of productive and labour organisation are maintained, this will continue to generate jobs that are not very productive, unskilled, uncompetitive and without quality.

• To look beyond the creation of employment itself its vital. How does the employment created relates with other general forms of work beyond the 'workplace'!

 It is necessary to challenge the dilemmas that the current mode of economic growth in Mozambique is generating which have implications for a potential broad development and improvement of the population's quality of life.

## **Concluding remarks: challenges and further research questions**

• Some of these dilemmas to face are:

(i) concentrated productive structures with limited potential for articulation;

(ii) the deepening of specialisation around primary production processes and goods with weak (or no) processing for export;

(iii) the inability of the economy to generate basic consumer goods and services which are necessary for the sustenance and social reproduction of the workforce, in order to maintain the workforce available and cheap, but with increasing quality of life.

- What is the relationship between the system of work, payment, quality of production, productivity and changes in livelihood organisation?
- How can the unions and other forms of organising labour help in ensuring that a working day is actual considered and paid!
- The transformation of the prevailing growth pattern in Mozambique is crucial. The precarious working conditions have implications for the availability and type of workforce that is generated, in the conditions of their reproduction and productivity as well as in the sustainability of the prevailing productive structure in the country.

Thank you!