

Linking Work, Skills and Knowledge: Learning for Survival and Growth
International Conference, 10–12 September 2001, Interlaken, Switzerland

**Lier le monde du travail, la formation professionnelle et le savoir:
Se former pour la survie et la croissance économique**
Conférence internationale, 10–12 septembre 2001, Interlaken, Suisse

**Vincular el mundo del trabajo con la formación profesional y el saber:
Aprender para la supervivencia y el crecimiento económico**
Conferencia Internacional, 10–12 de septiembre de 2001, Interlaken, Suiza

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Part 1

Overview

Overview

By Richard Gerster, Conference Organizer and Consultant of SDC¹

«The Conference was very useful to me. I have been distributing the Interlaken Declaration to people concerned with skills development and adult education in Namibia. It was refreshing to find that many people are taking skills development as key to poverty eradication. I hope we shall be able to build on the Interlaken spirit».

Nahas Angula, Minister for Higher Education, Training and Employment Creation, Namibia, and presenter at the Interlaken Conference.

1. Background

The generation of sustainable income in cash or kind is the backbone to development. However, the International Labour Organisation (ILO) estimates that, out of a labour force of three billion people, 25 – 30 per cent are underemployed and about 150 million workers are fully jobless. Many countries face an open or hidden unemployment even higher than these percentages. The Director General of the Swiss Agency for Development and Cooperation (SDC) stated in his opening remarks to the conference: «The *unemployment* and *underemployment* of almost one billion people is the greatest single challenge on our way of halving absolute poverty until the year 2015 – an objective of consensus among nations, an objective to which all of us are committed».

The invitation to the International Conference «Linking Work, Skills, and Knowledge: Learning for Survival and Growth» described the background of the event as follows: «The world of work determines survival and economic well-being everywhere. Having the appropriate skills and knowledge is crucial to getting a decent job or earning a living by being self-employed. The formal sector provides employment, particularly through its numerous small enterprises, but the «*people's economy*» (*informal sector*) is also a major creator of jobs, a source of opportunity, and a safety net in times of crisis. The informal sector provides opportunities to make a living for more than a billion poor people, often under insecure conditions and at subsistence level. It is a world of its own, not a marginal or transitional phenomenon. The growing shadow economies in the developed world correspond to the informal sector in developing and transition countries». A key element of the conference fo-

cus obviously are the informal sector and small enterprises.

Today we witness a fast changing context. The ongoing process of *globalisation* is creating winners and losers, is deeply transforming the world of work in the international sector of the economy. This is the case in the developed as well as in the developing world and the transition economies. What are the effects of globalisation for the informal economy and the small enterprises? What are the requirements for them to seize new opportunities? What skills are needed to survive in a decent manner in the economy and the society of the future?

These changing *needs* lead to major challenges for all stakeholders involved: Governments, private sector, civil society, and also international cooperation. A permanent effort to analyse needs and demand, and to adapt existing delivery mechanisms is required.

Strong *linkages* between the world of work, vocational training and basic education are crucial to pave the way to learning for survival and growth. The fast changing context permanently redefines the skills required to overcome the challenges of the formal and informal markets. Whereas the training needs are under constant evolution, the training and education systems and their regulatory framework react much more sluggish. The weaker the linkages are, the higher the risks grow to educate and train people in an ivory tower.

For more information on the background issues, consult part 2 of the conference report.

2. The Road to Interlaken

In 1996, an informal *Working Group for International Co-operation in Skills Development* (www.vetnet.ch/wg/index.htm) was formed by a number of bi- and multilateral donor agencies and international organisations involved in international assistance to vocational and technical skills development. The Working Group meets at least once an year and the meetings are hosted on an ad-hoc basis by its members. SDC actively participates in that forum. In the year 2000, Switzerland invited the members to the Working Group meeting 2001 and proposed to combine it with a preceding international conference. The basic idea of that event was to have a strong representation from developing and transition countries during the conference in order to give a needs oriented approach a more prominent place. On this background, SDC convened the Interlaken Confer-

¹ SDC Swiss Agency for Development and Cooperation

ence in close collaboration with the Working Group for International Co-operation on Skills Development.

An advisory *steering group* was formed to take different views and experiences on board during the preparation period. Members of the steering group were

- Torkel Alfthan, ILO
- Michel Carton, IUED
- Matthias Jaeger, KODIS
- Malte Lipczinsky, SDC
- Trevor Riordan, ILO

SDC entrusted the preparation and *organisation* of the conference to Gerster Development Consultants. The consultants Richard Gerster and Sonja Zimmermann usually participated in the steering group meetings. Between October 2000 and September 2001 the steering group met seven times in Berne or Geneva. It was a privilege to have experts from the International Labour Organisation (ILO), from the Geneva University and the private sector involved in the conference preparation right from the start. Sometimes differing views contributed to an enrichment of the conference.

3. Concept, Participants and Programme Overview

On the background described above, the Interlaken Conference pursued *three objectives*:

- (1) to seek common ground for clarifying skills and knowledge needs and demand in the informal sector and in small enterprises;
- (2) to identify good practices and weaknesses in skills development, in response to the needs and demands of the informal sector and small enterprises;
- (3) to strengthen co-operation and networking in skills development among developing, transition and developed countries.

Conference participation was *open* to government officials, representatives of associations and enterprises, non-governmental organisations, providers of public and private training, universities, and development agency staff members. As the Convenor of the conference, the Swiss Agency for Development and Co-operation favoured and sponsored in particular a strong presence from developing and transition countries.

The steering committee of the Conference had planned for a conference with 80 – 100 *participants*. The international interest in the conference was so

overwhelming that finally the number of participants arrived at 177 participants (see Annexes) from 53 different countries. 67 (38 %) only were based in Switzerland, the vast majority of 110 (62 %) being from other countries: 23 (13 %) from Africa, 21 (12 %) from Asia, 18 (10 %) from Latin America, 15 (8 %) from Mediterranean/ Transition countries, 3 (2 %) from North America, and 30 (17 %) from Europe excluding Switzerland. Most of the participants were working in skills development and related fields. Participants were associated with governments, universities, non-governmental organisations, and the private sector. It was an outstanding experience to note the knowledge assembled not only with the speakers but also with the participants. This unique richness was the basis for an intensive exchange of experience.

The following elements of the *conference itinerary* (for the detailed programme see Annexes) were key:

Monday, 10th September 2001

Day 1 – Keynote speeches (see Part 2 of the Conference Report) and plenary discussion:

- Walter Fust, Director General SDC, Switzerland: Opening of the Conference
- Lucita S. Lazo, Director General of the Technical Education and Skills Development Authority, Philippines: Effects of Globalisation on the World of Work in the Informal Sector and Small Enterprises in Developing and Transition Countries
- Tara Vishwanath, Senior Advisor World Bank, Washington/India: Needs and Demand in the Informal Sector and Small Enterprises for Skills and Knowledge: «An Asian Perspective»
- Mamounata Cissé, Assistant Secretary General ICFTU, Brussels/Burkina Faso: Needs and Demand in the Informal Sector and Small Enterprises for Skills and Knowledge: «An African Perspective»
- Aldis Baumanis, Rector of School of Business Administration Turība, Latvia: Needs and Demand in the Informal Sector and Small Enterprises for Skills and Knowledge: «A Transition Country Perspective»

In the evening SDC offered an excursion to the mountain «Schynige Platte» and the participants had dinner in the mountain restaurant.

Tuesday, 11th September 2001

Day 2 – The participants split into five working groups (for the issue paper, key inputs and the group report of each working group see Part 3 of the Conference Report). Each group met for a morning session, discussing their topic with a focus on targeting poverty, gender and youth, and an afternoon session on institutional implications, including delivery mechanisms. The topics, coordinators, facilitators, presenters, discussants and rapporteurs of the five groups:

**Working Group 1:
Context and Regulatory Framework for Skills
Development**

Coordinator/Facilitator:
Madhu Singh, India/Germany

Rapporteur:
Sunita Kapila, Kenya

Session 1

Presenter:
Enrique Pieck Gochicoa, Mexico

Discussants:
Maksim Konini, Albania

Session 2

Presenter:
Venni Venkata Krishna, India

Discussants:
Norma Añaños, Peru
Poorna Kanta Adhikary, Nepal
Eugene Ryazanov, Kyrgyzstan

**Working Group 2:
Linking (post)basic Education and Training: A
Way to Fulfil the Needs of Youth and Adults
for Generic and Vocational Skills?**

Coordinator/Facilitator:
Michel Carton, Switzerland

Session 1

Presenter:
Claudio Moura-Castro, Brazil

Case studies:
Gerard Barthelémy, France
Mayla Bakhache, Lebanon
Delphin Randriamihari-soa, Madagascar

Session 2

Presenter:
Marianne Nganunu, Botswana

Discussant:
André Kraak, South Africa

Case studies:
Kai-Ming Cheng, Hong Kong
Claudia Jacinto, Argentina

**Working Group 3:
Costs and Financing of Skills Development**

Coordinator:
Matthias Jäger, Switzerland

Facilitator:
Dev Bir Basnyet, Nepal

Rapporteur:
Hedy Bühlmann, Switzerland

Session 1

Presenters:
Bansi Rana, Nepal
Gary Flor, Ecuador

Session 2

Presenter:
Aboubacar Sidiki Traoré, Mali

Discussant:
David Atchoarena, France

**Working Group 4:
What Skills are Needed to Ensure Survival
and Growth of Enterprises?**

Coordinator:
Josiane Capt, Switzerland

Facilitator:
Lucita S. Lazo, Philippines

Rapporteur:
Jean-Marc Clavel, Pakistan

Session 1

Presenter:
Amy King-Dejardin, Switzerland

Discussant:
Sara Silveira, Uruguay

Session 2

Presenter:
Muhammad Ibrahim, Bangladesh

Discussant:
Robert Gichira, Kenya

Working Group 5: What Is the Role of International Cooperation in Skills Development?

Coordinator/Facilitator:
Kenneth King, UK

Rapporteur:
Simon McGrath, United Kingdom

Session 1

Presenter:
Nahas Angula, Namibia

Discussant:
Meine Pieter van Dijk, The Netherlands

Session 2

Presenter:
Hakim Malagas, South Africa

Discussant:
Manfred Wallenborn, Germany

Wednesday, 12th September 2001

Day 3 – The draft Interlaken Declaration (see below paragraph 4 and part 4 of the Conference Report) was presented and discussed in the plenary.

In the afternoon *excursions* to various sites in the region to see skills development in practice were organised (see Annexes).

In the evening a *farewell dinner* was organised with all conference participants.

Starting on Monday morning, a *Market Place* was installed to give space to presentations of organisations and individuals. The market place aimed at facilitating the exchange of information and dialogue on an individual level beyond the targeted and collective part of the official conference programme.

4. The Interlaken Declaration

The idea of an «Interlaken Declaration» was to have a vehicle to harvest the key insights of the conference and to put them into a nutshell. SDC stated as the objective of the Interlaken Declaration «to identify the needs and demands in skills development of the informal sector and the small enterprises in today's fast changing world of work and to propose key policy conclusions for the stakeholders involved». This conference statement was used as an input to the «Work-

ing Group for International Co-operation for Skills Development», which is composed of most of the bilateral and multilateral development co-operation agencies. The Working Group met immediately after the Conference, on September 13 and 14, 2001.

For all process details, the declaration text and participants' comments see part 4 of this Conference Report.

5. Key Messages & Highlights

- Globalisation offers also opportunities for the growth of informal economies, but the latter are ill-equipped to react to these challenges;
- Increasingly in developing countries the informal economy is a working and life reality for a majority of people, for employment and even for the economies as a whole.
- There is one economy including both formal and informal economies. Therefore policy makers and other actors should think and act rather according to measures which integrate, which are taking off hindering regulations and which adapt rather beneficial regulations for informal economies.
- Do not continue any longer with the dichotomy of education on the one side and training on the other; therefore a closer relationship between education and skills development for work and income is necessary.
- We need a broad concept of skills which includes basic skills that empower for learning.
- There is a strong call for a flexible training offer able to adapt to different local contexts and to the diverse needs of individuals, small enterprises and underprivileged.
- Co-operative funding of skills development comprises contributions of trainees, enterprises, governments and other stakeholders.
- Training which wants to be relevant for the world of work needs to know what clients demand. The more these clients speak with one voice, are getting organised in associations and like minded groups, the better training can be organised according to the demand.
- International co-operation has to do a lot with learning processes, this is even more true in the field of education and skills development. Also learning processes in the field of skills development and training need time, which calls for long term partnership between development agencies and local partner institutions.

Some Future Clarification Areas:

- How to design and deliver tailor-made training and skills development according to specific needs of groups in the informal economy?
- How to better know the costs of training and to use this knowledge as a tool while organising training delivery?
- How to use the Interlaken declaration and other contributions of the conference for regional exchange?

Some Process highlights:

- The conference topic met an, in its magnitude, unexpected interest; the systematic use of a special web page helped to detect this interest.
- Out of a total of some 177 participants a majority of participants were coming from partner countries from four continents.
- An extensive preparatory process was leading to a rich variety of inputs; many of them were already available on the web page before the beginning of the conference.
- Despite of the sad events of September 11 and without a safety net of a pre-prepared declaration, representatives of partner countries elaborated a declaration text of recognised quality and commitment.
- Close linkages between the conference and the working group: the conference event originated out of the working group for international co-operation in skills development and its results were immediately after the conference presented and discussed in the same working group.
- The conference provides SDC in the right moment with a rich harvest of contributions and inputs for its actual ongoing debates and reorientation of VET concepts.

6. Evaluation

All the participants received an evaluation form as part of their information kit. 35 participants handed in an evaluation before leaving. Being the voice of only one fifth of the participants, the representativity of the results is limited. However some issues were mentioned several times and some statements were very detailed, so that the results (see Annexes) are of interest beyond these limitations.

One major point is the issue of time: As usual there was not enough of it and the allocation to the various parts of the programme has been questioned several

times. Also the handling of the time for presentations (in the plenary as well as in the Working Groups) was mentioned more than once. It seems in general that people felt there was not enough time to allow (in depth) discussion.

Another issue which was to some extent beyond control was the cancellation of the session on Tuesday Evening due to the unfortunate events in New York. It seems that the lack of exchange of information and reporting about what has been happening in the other Working Groups was not only noticed in terms of completeness, but hampered the entire process of the Interlaken Declaration.

Apart from these two main points there are a lot of individual comments regarding the content and methods of the Conference, each of them valid and interesting. They have simply been collected (see Annexes) to speak for themselves and are not commented or explained. They have been grouped according to different topics, which should make it easier to find the specific information.

In general it can be said that the feedback was mainly positive, for the Conference content as well as the logistical arrangements. This is also underlined by the fact that the category 'poor' has been used a few times only. Overall it seems that the Conference seemed has fulfilled its main goals: the exchange of ideas and experiences as well as facilitating new contacts.

7. Follow Up

The Interlaken Conference was about to strengthen the international network of people working in skills development. SDC values the conference as an important part of an on-going process. A number of follow-up steps have already been taken or are in the pipeline:

- Two members of the Preparation Group (Sunita Kapila, Kenya; Muhammad Ibrahim, Bangladesh) were invited and presented the Interlaken Declaration to the Working Group for International Co-operation for Skills Development as a key input for their meeting on 13/14 September 2001 in Interlaken.
- An effort is made by SDC/ILO to use the Interlaken Declaration in the World Employment Forum of the ILO in November 2001. A further effort will be made by SDC/ILO to integrate the concerns expressed in the Interlaken Declaration into the ILO Conference 2002;
- SDC assesses its policies in the fields of work, skills and knowledge and its ongoing operational activities in bilateral and multilateral cooperation in the light of the «Interlaken Declaration» findings. Se-

lected project partners are asked to highlight the significance of the Interlaken Declaration for their work.

In April /May 2002 SDC will make a survey among the conference participants to find out whether and in

what way the Interlaken Conference and Declaration had been of use, what they think about it and whether (further) steps to implement the Interlaken Declaration are planned.

Rapport de synthèse

Par Richard Gerster, organisateur de la Conférence et consultant auprès de la DDC²

«J'ai trouvé cette conférence des plus utiles. J'ai diffusé la Déclaration d'Interlaken parmi tous ceux qui, en Namibie, s'occupent de formation professionnelle et d'éducation des adultes. J'ai été réconforté de découvrir que tant de gens voyaient dans la formation professionnelle la clé de l'élimination de la pauvreté. J'espère que nous saurons garder vivace l'esprit d'Interlaken».

Nahas Angula, Ministre de l'Enseignement supérieur, de la Formation professionnelle et de la Création d'emplois en Namibie, et animateur de la Conférence d'Interlaken.

1. Genèse de la question

L'obtention d'un revenu régulier –en espèces ou en nature– est le pivot du développement. L'Organisation mondiale du travail (OIT) estime cependant que, sur une main-d'œuvre totale de trois milliards d'individus, de 25 à 30 pour cent sont sous-employés et que 150 millions de travailleurs se trouvent sans emploi aucun. Nombre de pays doivent faire face à un chômage manifeste ou occulte qui dépasse les pourcentages ci-dessus. Dans son allocution d'ouverture, le Directeur général de la Direction du Développement et de la Coopération Suisse (DDC) a déclaré : «Le *chômage* et le *sous-emploi* de près d'un milliard d'êtres humains est le plus grand défi qui nous attende sur la voie d'une réduction de moitié de la pauvreté absolue d'ici à 2015 –objectif auquel les nations ont souscrit par consensus et auquel nous sommes tous voués.»

L'invitation à la Conférence internationale «Lier le monde du travail, la formation professionnelle et le savoir : se former pour la survie et la croissance économique» exposait l'historique du problème comme suit : «Le monde du travail conditionne la capacité de survie et le bien-être économique dans le monde entier. De bonnes compétences professionnelles, ainsi que des connaissances générales adéquates, sont essentielles pour obtenir un emploi décent ou pouvoir travailler de manière indépendante. Si le secteur formel fournit des emplois, en particulier à travers de nombreuses petites entreprises, «l'économie populaire» (le *secteur informel*) est, elle aussi, un important créateur d'emplois, une source d'opportunités et un filet de sécurité en période de crise. Plus d'un milliard

de personnes pauvres sont actives dans le secteur informel, souvent dans des conditions précaires et à un niveau de simple subsistance. C'est un monde en soi et non un phénomène marginal ou de transition. L'augmentation des économies parallèles dans le monde développé correspond au secteur informel dans les pays en développement et en transition.»

La Conférence a donc accordé une attention toute particulière au secteur informel et aux petites entreprises.

Nous vivons aujourd'hui dans un monde en évolution rapide. Le processus de *mondialisation* en cours produit des gagnants et des perdants et transforme en profondeur le monde du travail dans le secteur international de l'économie. Cela est vrai des pays développés comme des pays en développement ou des économies en transition. Quels sont les effets de cette mondialisation sur l'économie informelle et les petites entreprises ? De quoi ont-elles besoin pour être en mesure de saisir les occasions nouvelles qui s'offrent à elles ? Et de quelles compétences aura-t-on besoin pour survivre décemment dans l'économie et la société de l'avenir ?

Ces *besoins* en évolution constante représentent un défi majeur pour toutes les parties prenantes concernées : gouvernements, secteur privé, société civile, ainsi que pour la coopération internationale. Un effort permanent s'impose donc aux fins d'analyser les besoins et la demande et d'adapter en conséquence les mécanismes d'exécution.

Il faut impérativement tisser des *liens* très forts entre le monde du travail, la formation professionnelle et l'instruction élémentaire si l'on veut aider les individus à se former pour la survie et la croissance économique. Le contexte en évolution rapide dans lequel nous vivons redéfinit en permanence les compétences nécessaires pour faire face aux défis que posent les marchés formel et informel. Mais si les besoins en formation évoluent constamment, les systèmes de formation et d'enseignement (et les cadres réglementaires connexes) réagissent bien plus lentement. Moins ces liens seront forts, plus le risque sera grand d'éduquer et de former les êtres dans l'univers abstrait d'une tour d'ivoire.

Pour de plus amples renseignements sur la genèse du problème, se reporter au document d'information reproduit à la 2^{me} section.

² DDC (Direction du Développement et de la Coopération Suisse)

2. La route vers Interlaken

En 1996, un *Groupe de travail* (informel) sur la coopération internationale pour le développement de la formation professionnelle (www.vetnet.ch/wg/index.htm) fut constitué par un certain nombre d'agences donatrices, bi- et multilatérales, et d'organisations internationales vouées à l'assistance internationale dans le domaine de la formation professionnelle et technique. Ce Groupe de travail se réunit une fois par an au moins, les réunions étant organisées, sur une base ad hoc, dans chacun des pays concernés. La DDC participe activement aux travaux de ce forum. En l'an 2000, la Suisse proposa d'être l'hôte de la réunion 2001 et de l'associer à une conférence internationale sur ce thème. L'idée sous-jacente était de s'assurer une forte représentation des pays en développement et en transition afin de privilégier une approche fondée sur les besoins. C'est dans ce contexte que la DDC organisa la Conférence d'Interlaken, en étroite collaboration avec le Groupe de travail sur la coopération internationale pour le développement de la formation professionnelle.

Un *Comité directeur* fut constitué pour recueillir les différents points de vue et expériences au cours de la phase préparatoire. Il était composé de :

- Torkel Alfthan, OIT
- Michel Carton, IUED
- Matthias Jaeger, KODIS
- Malte Lipczynsky, DDC
- Trevor Riordan, OIT

La DDC confia la préparation et l'organisation de la conférence à Gerster Development Consultants. Les consultants Richard Gerster et Sonja Zimmermann participèrent le plus souvent aux réunions du comité directeur. Entre octobre 2000 et septembre 2001, le comité directeur se réunit à sept reprises, à Berne ou à Genève. Ce fut un privilège que de pouvoir compter, dès le début de la phase préparatoire, sur la participation d'experts de l'Organisation internationale du travail (OIT) et d'éminentes personnalités de l'Université de Genève et du secteur privé. La diversité – et parfois la divergence – des opinions exprimées enrichit considérablement les débats.

3. Idées maîtresses, participants et programme des travaux

Dans le contexte esquissé ci-dessus, la Conférence d'Interlaken se proposait *trois objectifs* principaux :

- (1) rechercher des bases communes permettant d'évaluer les besoins et la demande en termes

d'instruction et de formation professionnelle dans le secteur informel et celui des petites entreprises;

- (2) en réponse aux besoins et à la demande exprimés par le secteur informel et les petites entreprises, recenser les expériences positives et négatives de la formation professionnelle;
- (3) dans le domaine de la formation professionnelle, renforcer la coopération et faciliter la constitution de réseaux entre pays en développement, pays en transition et pays industrialisés.

La Conférence était *ouverte* aux représentants des gouvernements, aux représentants d'associations et d'entreprises, aux organisations non-gouvernementales, aux institutions de formation publiques et privées, aux universités, ainsi qu'aux collaborateurs des agences de développement. Comme hôte et organisateur de la Conférence, la Direction du développement et de la coopération suisse (DDC) souhaitait tout particulièrement une forte présence de délégués provenant de pays en développement et en transition.

Le *Comité directeur* de la Conférence avait prévu entre 80 et 100 *participants*. Mais l'intérêt de cette conférence sur le plan international se révéla si vif qu'au bout de compte, la DDC n'accueillit pas moins de 177 participants (voir Annexes) provenant de 53 pays. Sur ce total, 67 (soit 38 pour cent) étaient en poste en Suisse, 110, soit la grande majorité (62 pour cent) venant d'autres pays : 23 (13 pour cent) d'Afrique, 21 (12 pour cent) d'Asie, 18 (10 pour cent) d'Amérique latine, 15 (8 pour cent) de pays méditerranéens ou en transition, 3 (2 pour cent) d'Amérique du Nord, et 30 (17 pour cent) d'Europe, à l'exclusion de la Suisse. La plupart d'entre eux œuvrent dans le secteur de la formation professionnelle et les domaines connexes. Ils travaillent pour des gouvernements, des universités, des organisations non-gouvernementales ou pour le secteur privé. L'ampleur des connaissances ainsi rassemblées, non seulement parmi les orateurs, mais aussi parmi les participants, était assurément impressionnant. Cette extraordinaire somme de savoir permit un échange d'expériences particulièrement intense.

On trouvera ci-après une relation des moments clés de la *conférence* (pour le programme détaillé, voir Annexes) :

Lundi, le 10 septembre 2001

Le 1^{er} jour fut consacré à l'audition d'un certain nombre d'orateurs principaux (voir Annexes) et aux discussions en séance plénière:

- Walter Fust, Directeur général de la DDC (Suisse) :
Ouverture de la Conférence
- Lucita S. Lazo, Directrice générale de la Technical Education and Skills Development Authority (Philippines) :
Les effets de la mondialisation sur le monde du travail dans le secteur informel et les petites entreprises des pays en développement et en transition
- Tara Vishwanath, Conseillère principale à la Banque mondiale (Washington/Inde) :
Besoins et demandes du secteur informel et des petites entreprises : «la perspective d'un pays en développement d'Asie»
- Mamounata Cissé, Secrétaire générale adjointe de la CISL (Bruxelles/Burkina Faso) :
Besoins et demandes du secteur informel et des petites entreprises : «la perspective d'un pays en développement d'Afrique»
- Aldis Baumanis, Recteur de l'École de gestion des entreprises de Turība (Lettonie) :
Besoins et demandes du secteur informel et des petites entreprises : «la perspective d'un pays en transition»

Dans la soirée, la DDC invita les participants à une excursion au mont «Schynige Platte», où ils dînèrent ensuite dans une auberge de montagne.

Mardi, le 11 septembre 2001

Le 2^{ème} jour les participants se répartirent en cinq groupes de travail. Dans la matinée, ces groupes débattirent notamment de l'élimination de la pauvreté, de l'égalité entre les sexes et de la jeunesse. Dans l'après-midi, ils traitèrent des incidences sur le plan institutionnel, notamment sur les mécanismes d'exécution. On trouvera ci-après un récapitulatif des questions traitées, ainsi que la liste des coordonnateurs, animateurs, intervenants et rapporteurs des cinq groupes de travail :

Groupe de travail 1 : Contexte et cadre légal de la formation professionnelle

Coordonnateur/Animateur :
Madhu Singh, Inde/Allemagne

Rapporteur :
Sunita Kapila, Kenya

Session 1

Introduction du débat :
Enrique Pieck Gochicoa, Mexique

Intervenant(s) :
Maksim Konini, Albanie

Session 2

Introduction du débat :
Venni Venkata Krishna, Inde

Intervenant(s) :
Norma Añaños, Pérou
Poorna Kanta Adhikary, Népal
Eugene Ryazanov, Kirghizstan

Groupe de travail 2 : Faire le lien entre la (post) éducation de base et la formation : une façon de satisfaire les besoins des adultes et des jeunes en matière de connaissances générales et de qualifica- tions professionnelles ?

Coordonnateur/Animateur :
Michel Carton, Suisse

Rapporteur :
Ahlin Byll-Cataria, Suisse

Session 1

Introduction du débat :
Claudio Moura-Castro, Brésil

Études de cas :
Gérard Barthélémy, France
Mayla Bakhache, Liban
Delphin Randriamiharisoa, Madagascar

Session 2

Introduction du débat :
Marianne Nganunu, Botswana

Intervenant :
André Kraak, Afrique du Sud

Études de cas :
Kai-Ming Cheng, Hong Kong
Claudia Jacinto, Argentine

Groupe de travail 3 : Les coûts et le financement de la formation professionnelle

Coordonnateur :
Matthias Jäger, Suisse

Animateur :
Dev Bir Basnyet, Népal

Rapporteur :
Hedy Bühlmann, Suisse

Session 1

Introduction du débat:
Bansi Rana, Népal
Gary Flor, Équateur

Session 2

Introduction du débat:
Aboubacar Sidiki Traoré, Mali

Intervenant :
David Atchoarena, France

Groupe de travail 4 : Quelles sont les compétences nécessaires à la survie et à la croissance des entreprises ?

Coordonnatrice:
Josiane Capt, Suisse

Animatrice:
Lucita S. Lazo, Philippines

Rapporteur:
Jean-Marc Clavel, Pakistan

Session 1

Introduction du débat:
Amy King-Dejardin, Suisse

Intervenante:
Sara Silveira, Uruguay

Session 2

Introduction du débat :
Muhammad Ibrahim, Bangladesh

Intervenant:
Robert Gichira, Kenya

Groupe de travail 5 : Quel est le rôle de la coopération internationale en matière de formation professionnelle ?

Coordonnateur/Animateur :
Kenneth King, Royaume-Uni

Rapporteur :
Simon McGrath, Royaume-Uni

Session 1

Introduction du débat:
Nahas Angula, Namibie

Intervenant:
Meine Pieter van Dijk, Pays-Bas

Session 2

Introduction du débat:
Hakim Malagas, Afrique du Sud

Intervenant:
Manfred Wallenborn, Allemagne

On trouvera en 3^{me} section les documents thématiques, la liste des principales questions traitées et le rapport de chaque groupe de travail .

Mercredi, le 12 septembre 2001

Le 3^{eme} jour, le projet de Déclaration d'Interlaken (voir le paragraphe 4 ci-dessous, ainsi que la 4^{me} section) fut présenté et soumis à discussion en plénière.

Dans l'après-midi, des *excursions* furent organisées dans plusieurs institutions de formation professionnelle de la région.

Dans la soirée, un *dîner d'adieu* permit de réunir tous les participants à la Conférence.

Dès le lundi matin, un *marché* fut ouvert dans le hall attenant à la salle des réunions plénières; cet espace permit aux différentes organisations présentes de se faire mieux connaître. L'objet d'un tel marché était de faciliter l'échange d'informations et de stimuler le dialogue entre individus au-delà des thèmes inscrits au programme officiel de la Conférence.

4. La Déclaration d'Interlaken

Très tôt au cours de la phase préparatoire, l'idée d'une «Déclaration d'Interlaken» fut émise. L'intérêt d'une telle déclaration était qu'elle servirait de vitrine aux idées maîtresses émises à l'occasion de la conférence et permettrait de les présenter succinctement. Selon la DDC, l'objectif visé par la Déclaration d'Interlaken était «d'identifier les besoins et la demande du secteur informel et des petites entreprises en termes de qualifications et de savoir dans un monde du travail en évolution rapide et de proposer des solutions politiques fondamentales à toutes les parties prenantes concernées.» Cette Déclaration émanant de la Conférence devait nourrir la réflexion du Groupe de travail sur la coopération internationale pour le développement de la formation professionnelle, qui rassemble la plupart des agences bi- et multilatérales vouées à la coopération pour le développement. Le Groupe de travail s'est réuni à l'issue de la Conférence, les 13 et 14 septembre 2001.

En termes de *contenu*, la «Déclaration d'Interlaken» n'était pas censée être un mets précuit mais bien le

fruit des délibérations de la Conférence (documents de réflexion, discours principaux, débats du lundi et conclusions des groupes de travail réunis le mardi).

La Déclaration d'Interlaken doit être adressée aux gouvernements, à la société civile et au secteur privé, tant dans les pays en développement et en transition que dans les pays développés. C'est pourquoi le groupe chargé de la préparation et les participants à la Conférence avaient toute liberté pour mettre en relief – dans le cadre des délibérations de la Conférence – les éléments qui leur paraissaient importants de souligner. Quant au processus d'adoption de la Déclaration, il ne s'agissait en aucun cas d'aboutir à la rédaction d'un document édulcoré où les divergences auraient été aplanies en vue d'un consensus vidé de tout sens. Bien au contraire, le processus envisagé devait permettre d'exposer en toute transparence les divergences de vues et d'en faire part dans la Déclaration. Enfin, la Déclaration d'Interlaken n'est nullement contraignante pour les institutions représentées à la Conférence, leurs représentants l'ayant adoptée en leur nom personnel.

L'ouverture de la Conférence approchant, le secrétariat invita, au nom de la DDC, un certain nombre de participants inscrits à se joindre au *Groupe de préparation de la Déclaration d'Interlaken*. Parmi les critères retenus pour la composition dudit Groupe figuraient une expérience approfondie des sujets traités, l'aptitude à conceptualiser les problèmes, la représentation équitable de tous les groupes de travail de la Conférence et le nécessaire équilibre entre les sexes. Pour que les participants se sentent libres de s'exprimer en toute indépendance, la DDC ne se fit pas représenter au sein du Groupe de préparation de la Déclaration d'Interlaken. Et pour que le message des partenaires puisse se faire entendre, il fut décidé que tous les membres du Groupe de préparation devaient provenir de pays en développement ou en transition. Les personnalités ci-après acceptèrent l'invitation et constituèrent le Groupe de préparation de la Déclaration d'Interlaken:

- Nahas Angula, Ministre de l'Enseignement supérieur, de la Formation et de la Création d'emplois (Namibie)
- Aldis Baumanis, Recteur de l'École de gestion des entreprises de Turība (Lettonie)
- Kai-Ming Cheng, Vice-chancelier, Professeur et titulaire de la Chaire d'Enseignement supérieur à l'Université de Hong Kong (Hong Kong, République populaire de Chine), Président
- Muhammad Ibrahim, Directeur exécutif du Centre d'éducation populaire des sciences (Bangladesh)
- Violet C. Kaitano, Itachi P/L (Zimbabwe)

- Ali Kansu, Secrétaire général de la Fondation Meksa pour la promotion de la formation professionnelle et des petites industries (Turquie)
- Sunita Kapila (Kenya)
- Lucita S. Lazo, Directrice générale de l'Autorité chargée de l'enseignement technique et de la formation professionnelle (Philippines)
- Julia Schreiner Alves, Agence de protection de l'environnement de Sao Paulo (Brésil)
- Liliane Eggli, du secrétariat de la Conférence, assista les membres du Groupe en qualité de secrétaire.

Les *préparatifs* furent intenses. Le Groupe de préparation tint sa réunion constitutive le 10 septembre 2001 et désigna Kai-Ming Cheng à la Présidence. Il se réunit une seconde fois le lendemain matin pour organiser le travail de la Conférence. Le Groupe de préparation décida d'organiser un sondage rapide parmi les participants (voir 4^{me} section). Le soir même, ils tinrent une réunion à composition ouverte pour rédiger un projet de Déclaration d'Interlaken sur la base des rapports des groupes de travail déjà disponibles. Tôt dans la matinée du 12 septembre, le Groupe se réunit à nouveau et prépara le projet de Déclaration qui fut soumis, aussitôt après, en séance plénière. Un débat nourri permit aux participants de proposer nombre d'améliorations qui furent acceptées par le Président. À l'issue de la réunion plénière, le Groupe de préparation tint une ultime réunion et mit au point le texte final de la Déclaration (voir 4^{me} section). Ce texte fut distribué aux participants dans la soirée du 12 septembre 2001.

Ce processus comportait des *faiblesses*, et ce pour trois raisons :

- 1) En raison des événements tragiques intervenus aux États-Unis le 11 septembre 2001, la réunion plénière prévue, au cours de laquelle les différents groupes de travail devaient présenter le fruit de leur labeur, dû être annulée, d'où une information parfois insuffisante quant aux résultats obtenus par les différents groupes de travail;
- 2) certains participants se dirent gênés par le fait que le texte du projet de Déclaration ne fût disponible qu'en anglais, ce qui en compliquait la lecture pour les lecteurs francophones ou hispanophones;
- 3) faute de temps, il ne fut pas possible d'adopter en plénière les ultimes changements apportés au texte par le Groupe de préparation.

À l'issue de la Conférence, la Déclaration d'Interlaken a été traduite en français et en espagnol et envoyée à tous les participants, qui furent priés d'envoyer leurs commentaires avant le 10 octobre 2001. Dans la 5^{me} section (Annexes) vous trouvez un récapitulatif de ces *observations*. Le petit nombre de commentaires reçus montre que la plupart des amendements pro-

posés par les participants ont été dûment intégrés au texte par le Groupe de préparation. C'est pourquoi, plutôt que de parler d'une adoption formelle, celle-ci n'ayant malheureusement pas pu avoir lieu, nous avons usé de la formule : «Texte présenté, débattu et amendé par les participants présents à Interlaken (Suisse) le 12 septembre 2001.»

5. Idées maîtresses et points saillants

- La mondialisation offre également des possibilités de croissance aux économies informelles, mais celles-ci sont mal équipées pour répondre à ces défis;
- De plus en plus souvent, dans les pays en développement, l'économie informelle est une réalité tangible, qui fonctionne à l'avantage des citoyens, de l'emploi et même de l'économie nationale dans son ensemble;
- Il n'y a qu'une seule économie, qui englobe à la fois celles que l'on dit «formelle» et «informelle». En conséquence, les décideurs politiques et autres acteurs concernés devraient opter pour des mesures visant l'intégration et permettant de remplacer des réglementations trop contraignantes par des règlements plus souples, mieux adaptés et plus propices aux économies informelles;
- Il faut mettre un terme à l'ancienne dichotomie consistant à situer l'éducation d'un côté et la formation professionnelle de l'autre; il devient donc nécessaire d'établir un lien plus étroit entre l'éducation proprement dite et la formation débouchant sur un emploi et des revenus;
- Il nous faut élargir notre conception de la «formation», de manière à y inclure les compétences de base qui permettent à l'individu d'apprendre à apprendre;
- Le besoin se fait grandement ressentir d'une formation souple, capable de s'adapter aux différents contextes locaux, ainsi qu'aux différents besoins des individus, des petites entreprises et des personnes les plus démunies.
- Le financement «coopératif» de la formation professionnelle suppose une contribution des bénéficiaires de cette formation, des entreprises, des gouvernements et des autres parties prenantes;
- Une formation qui se veut adaptée au monde contemporain du travail doit impérativement savoir ce que veulent les clients. Et plus la clientèle apprendra à parler d'une seule voix, s'organisera en associations et autres groupements analogues, mieux la formation pourra être conçue et dispensée en fonction de la demande.

- La coopération internationale s'intéresse de très près aux processus d'apprentissage; c'est particulièrement important dans les domaines de l'éducation et de la formation professionnelle. Mais la mise en place de ces processus d'apprentissage dans les domaines de l'acquisition du savoir et de la formation professionnelle prend du temps, ce qui implique un partenariat à long terme entre les agences de développement et les institutions locales.

Quelques questions qu'il conviendra d'élucider à l'avenir :

- Comment concevoir et mettre en œuvre une formation professionnelle et un apprentissage "sur mesure" en fonction des besoins particuliers des groupes travaillant dans l'économie informelle?
- Comment apprendre à mieux cerner les coûts de formation professionnelle, de manière à se servir de cette information comme d'un outil lors de la préparation de programmes de formation?
- Comment utiliser la Déclaration d'Interlaken et les autres acquis de la Conférence dans le cadre d'échanges régionaux ?

Quelques faits marquants :

- Le thème choisi pour la conférence a soulevé un intérêt inusité par son ampleur. L'utilisation systématique d'une page web spécialement conçue en vue de la conférence a permis de mieux mesurer cet intérêt.
- La majorité des 177 participants provenaient de pays partenaires des 4 continents.
- La richesse et la diversité du contenu des débats s'expliquent par la préparation intensive de la conférence; nombre d'interventions étaient déjà disponibles sur le site web avant l'ouverture de la réunion.
- En dépit des événements tragiques du 11 septembre, et sans même disposer du "filet de sécurité" qu'eût représenté une Déclaration rédigée à l'avance, les représentants des pays partenaires ont réussi à élaborer un texte d'une qualité avérée qui témoigne de leur engagement.
- Articulation entre la Conférence et le Groupe de travail : la Conférence a été organisée à l'instigation du Groupe de travail pour la coopération internationale en matière de développement des compétences professionnelles et techniques. Sitôt après la conférence, ses résultats ont été présentés et discutés dans le cadre d'une réunion de ce Groupe de travail.

- La Conférence a fourni de nombreuses informations utiles à la DDC au moment où celle-ci débat de ces thématiques et cherche à réorienter ces concepts en matière de formation professionnelle.

6. Évaluation

Tous les participants avaient reçu, avec leur dossier d'information, un formulaire d'évaluation. 35 d'entre eux le rendirent, dûment rempli, avant de quitter Interlaken. Ces commentaires n'émanant que d'un cinquième des participants, les résultats ne sont que modérément représentatifs. Relevons toutefois que plusieurs thèmes ont été mentionnés à plusieurs reprises, et que certains de ces commentaires étaient très détaillés, de sorte que l'intérêt des réponses reçues (voir 4^{me} section) dépasse leur importance numérique toute relative.

Le facteur temps a joué un rôle crucial. Comme toujours, le temps imparti se révéla trop court et de nombreuses réserves furent émises quant à l'emploi du temps consacré aux différentes parties du programme. De même, les participants regrettèrent en plusieurs occasions que l'on n'eût pas alloué plus de temps à la présentation des thèmes de discussion – en plénière comme dans les groupes de travail. Il semble que, d'une manière générale, les participants aient estimé qu'ils n'avaient pas eu assez de temps pour des discussions en profondeur.

Le second problème – l'annulation de la séance du mardi soir en raison des événements tragiques intervenus à New York – était, bien évidemment, indépendant de notre volonté. Mais il semble que si certains ont relevé l'insuffisance des échanges et le petit nombre de rapports sur les discussions intervenues dans les autres groupes de travail, ce n'est pas simplement parce qu'il y avait là une lacune, mais aussi parce que cela eut une incidence sur l'ensemble du processus conduisant à l'adoption de la Déclaration d'Interlaken.

Indépendamment de ces deux observations, nous avons reçu nombre de commentaires, tous pertinents et intéressants, relatifs à la teneur de la Conférence et à la méthodologie utilisée. Nous les reproduisons tels quels en 4^{me} section, sans les commenter ni les expliquer. Ils ont été regroupés par thème, de manière à faciliter l'accès à l'information particulière recherchée.

L'information reçue en retour des participants s'est révélée globalement positive, tant en ce qui concerne la thématique des débats que la logistique. En atteste également le fait que, dans leur évaluation, peu de participants aient porté l'appréciation « médiocre ». Dans l'ensemble, la Conférence semble avoir atteint ses principaux objectifs : faciliter les échanges d'idées et d'expériences et permettre aux participants de nouer de nouveaux contacts.

7. Suivi

La Conférence d'Interlaken avait pour objet de renforcer le réseau international de personnes vouées à la formation professionnelle et au développement des compétences. La DDC considère qu'elle a constitué une étape importante dans le processus en cours. Un certain nombre de mesures de suivi a déjà été pris ou est en voie de l'être :

- Deux des membres du Groupe de préparation (Sunita Kapila, du Kenya et Muhammad Ibrahim, du Bangladesh) ont été invités à la réunion du Groupe de travail sur la coopération internationale pour le développement de la formation professionnelle, tenue les 13 et 14 septembre 2001 à Interlaken, et y ont présenté la Déclaration d'Interlaken, qui a fortement influencé les débats.
- La DDC et l'OIT vont ensemble s'efforcer d'utiliser la Déclaration d'Interlaken lors du Forum mondial sur l'emploi qui doit se tenir à l'OIT en novembre 2001. Ils s'emploient également à incorporer les préoccupations exprimées dans la Déclaration à la Conférence de l'OIT de 2002.
- La DDC entend réévaluer ses politiques en matière de travail, de formation professionnelle et de savoir, ainsi que ses activités en cours au titre de la coopération bi- et multilatérale à la lumière des conclusions de la Déclaration d'Interlaken. Un certain nombre de partenaires choisis a déjà été prié de vérifier l'impact de la Déclaration sur leur travail.

En avril-mai 2002, la DDC organisera un sondage parmi les participants pour mesurer l'utilité de la Conférence d'Interlaken et l'impact de la Déclaration, leur demander ce qu'ils en pensent et s'ils ont prévu d'autres mesures pour mettre en œuvre la Déclaration d'Interlaken.

Resumen

Por Richard Gerster, Organizador de la conferencia y consejero de la COSUDE³

«La Conferencia ha sido muy útil para mí. He distribuido la Declaración de Interlaken a la gente vinculada a la formación profesional y la educación de adultos en Namibia. Ha sido refrescante el encontrar mucha gente que considera la formación profesional como una clave a la erradicación de la pobreza. Espero que seamos capaces de construir basados en el espíritu de Interlaken».

Nahas Angula, Ministro de Educación Avanzada, Formación y Creación de Empleo, Namibia y presentador de la Conferencia de Interlaken.

1. Introducción

El ingreso sustentable en efectivo o especies es la columna vertebral para el desarrollo. Sin embargo, la Organización Internacional del Trabajo (OIT) estima que de la mano de obra de tres mil millones de personas sólo el 25 al 30 por ciento están sub-empleados y alrededor de 150 millones de trabajadores están totalmente desempleados. Muchos países enfrentan un desempleo abierto o escondido quizás mucho más alto que las cifras mencionadas. El Director General de la Agencia Suiza para la Cooperación y el Desarrollo (COSUDE) señaló en el discurso de apertura de la Conferencia: «El *sub-empleo* y el *desempleo* de casi mil millones de personas es el desafío más grande hasta el año 2015 en nuestro objetivo de reducir la pobreza absoluta: un objetivo de consenso entre las naciones, un objetivo al que todos estamos comprometidos».

La invitación a la Conferencia Internacional «Vincular el mundo del trabajo con la formación profesional y el saber: Aprender para la supervivencia y el crecimiento económico» describió la introducción de los hechos de la siguiente manera: «El mundo del trabajo determina la supervivencia y el bienestar económico en todas partes. El poseer la formación profesional adecuada y el conocimiento es crucial para la obtención de un trabajo decente o ganarse la vida a través del auto-empleo. El sector formal provee empleos, particularmente a través de sus numerosas pequeñas empresas, pero *«la economía de la gente» (el sector informal)* es también un gran creador de empleo, es una fuente de oportunidades y una red de protección en tiempos de crisis. El sector informal provee oportunidades a más de mil millones de personas pobres, a menudo bajo condiciones inseguras y

a un nivel de subsistencia. Es un mundo propio y no es un fenómeno de transición. La sombra creciente de las economías en los países desarrollados corresponden al sector informal en países en vías de desarrollo y de transición». Es por ello que el enfoque clave de la conferencia se centra obviamente en el sector informal y las pequeñas empresas.

Hoy, somos testigos de un contexto rápido y cambiante. El proceso continuo de la globalización genera ganadores y perdedores y está transformando profundamente el mundo del trabajo en el sector internacional de la economía. Este es el caso en las economías desarrolladas como también en vías de desarrollo y de transición. ¿Cuáles son los efectos de la globalización en la economía informal y las pequeñas empresas? ¿Cuáles son los requisitos para alcanzar nuevas oportunidades? ¿Qué competencias profesionales se requieren para sobrevivir de una manera decente en la economía y la sociedad del futuro?

Estas necesidades cambiantes dirigen hacia desafíos importantes a todos los actores interesados: gobiernos, sector privado, sociedad civil y también la cooperación internacional. Un esfuerzo permanente es requerido para analizar las necesidades, la demanda y adaptar los mecanismos de entrega existentes.

Es necesario el establecimiento de fuertes vínculos entre el mundo del trabajo, la formación profesional y la educación básica para preparar el camino de aprendizaje para la supervivencia y el crecimiento. El rápido contexto del mundo cambiante redefine permanentemente las competencias requeridas para superar los desafíos de los mercados informales y formales. Dondequiera que las necesidades de formación estén bajo constante evolución, la formación, los sistemas de educación y su marco regulatorio reaccionan lentamente. Mientras los vínculos sean débiles, más altos son los riesgos de educar y formar la gente en una torre de marfil.

Para mayor información, favor consultar los temas de introducción de la Parte 1 del informe de la Conferencia.

2. El camino hacia Interlaken

En 1996, un grupo informal «*Working Group for International Cooperation in Skills Development*» (*Grupo de Trabajo de la Cooperación Internacional del desarrollo de la formación profesional*) fue formado por una serie de agencias donantes bilaterales, multilaterales y organizaciones internacionales comprometidos en la

³ COSUDE Agencia Suiza para el Desarrollo y la Cooperación

asistencia internacional al desarrollo de la formación técnica y profesional. El Grupo de Trabajo se reúne por lo menos una vez al año y los encuentros son organizados y presentados en ad-hoc basis por sus miembros. COSUDE participa activamente en ese foro. En el año 2000, Suiza invitó a los miembros del Grupo de Trabajo al encuentro 2001 y propuso combinarlo con una conferencia internacional que precediera el encuentro. La idea principal de ese evento fue tener una fuerte representación de los países en desarrollo y de transición durante la conferencia para dar mayor relevancia a un enfoque orientado de las necesidades. Con esta plataforma, COSUDE convocó la Conferencia de Interlaken en estrecha colaboración con el «*Working Group for International Cooperation in Skills Development*».

Se formó un Comité Directivo – asesor para reunir diferentes opiniones y experiencias del panel durante el período de preparación. Los miembros del Comité fueron:

- Torkel Alfthan, OIT
- Michel Carton, IUED
- Matthias Jaeger, KODIS
- Malte Lipczinsky, COSUDE
- Trevor Riordan, OIT

COSUDE encargó la preparación y organización de la Conferencia a Gerster Development Consultants. Los consultores Richard Gerster y Sonja Zimmermann participaron en los encuentros del Comité Directivo. Entre octubre de 2000 y septiembre de 2001, el Comité Directivo se reunió 7 veces en Berna o Ginebra. Fue un privilegio contar con la presencia de los expertos de la OIT, de la Universidad de Ginebra y el sector privado en la preparación de la Conferencia desde el principio. A veces los puntos de vista o posiciones contrarias contribuyeron al enriquecimiento de la Conferencia.

3. Concepto, participantes y resumen del programa

Basados en la introducción descrita anteriormente, la Conferencia de Interlaken persiguió tres objetivos:

- (1) Encontrar un suelo común para aclarar las necesidades y demanda de las competencias profesionales, conocimiento del sector informal y las pequeñas empresas.
- (2) Identificar las debilidades y buenas prácticas en el desarrollo de competencias que respondan a las necesidades y demandas del sector informal y las pequeñas empresas.

- (3) Fortalecer la cooperación y la red de contactos en el desarrollo de competencias entre países desarrollados, en desarrollo y de transición.

La participación de la Conferencia se abrió a funcionarios de gobierno, representantes de asociaciones y empresas, organizaciones no-gubernamentales, proveedores de la formación profesional pública y privada, universidades, y miembros del equipo de la agencia de desarrollo. Como anfitrión de la Conferencia, la Agencia Suiza de Desarrollo y de la Cooperación favorizó y patrocinó, en particular, una fuerte presencia de representantes provenientes de países en vías de desarrollo y de transición.

El Comité Directivo de la Conferencia planificó una conferencia de 80 a 100 participantes. El interés internacional fue tan entusiasta que finalmente el número de participantes aumentó a 177 (ver Anexos) provenientes de diferentes países. 67 (38%) solamente provenían de Suiza, la gran mayoría 110 (62%) de otros países; 23 (13%) provenientes de África, 21 (12%) de Asia, 18 (10%) de Latino-América, 15 (8%) de países mediterráneos o en transición, 3 (2%) de Norteamérica, y 30 (17%) de Europa excluyendo a Suiza. La mayoría de los participantes trabajan en el desarrollo de la formación profesional y campos relacionados. Los participantes están vinculados al gobierno, universidades, organizaciones no-gubernamentales y el sector privado. Los conocimientos reunidos no solo de los presentadores sino también de los participantes fue una excelente experiencia. Esta riqueza única sirvió de base al intercambio intensivo de experiencias.

Los elementos del itinerario de la conferencia que presentaremos a continuación (ver Anexos, Programa detallado) fueron claves:

Lunes, 10 de septiembre 2001

Día 1 – Nota de los presentadores (ver Parte 2 El informe de la Conferencia) y la discusión de la plenaria.

- Walter Fust, Director General de COSUDE, Suiza: Apertura de la Conferencia.
- Lucita S. Lazo, Director General de la Educación Técnica y Autoridad del Desarrollo de la Formación Profesional, Filipinas: Efectos de la globalización en el mundo del trabajo del sector informal y la pequeña empresa en países en vías de desarrollo y de transición
- Tara Vishwanath, Asesor Senior del Banco Mundial, Washington / India: Necesidades y demanda del sector informal y la pequeña empresa para la formación y el conocimiento: «La perspectiva asiática»

- Mamounata Cissé, Asistente del Secretario General ICFTU, Bruselas/ Burkina Faso:
Necesidades y demanda del sector informal y la pequeña empresa para la formación y el conocimiento: «Una perspectiva africana»
- Aldis Baumanis, Rector de la Escuela de administración de negocios en Turība, Latvia:
Necesidades y demanda del sector informal y la pequeña empresa para la formación y el conocimiento: «La perspectiva de un país en transición»

Al final de la tarde COSUDE ofreció una excursión a la montaña «Schynige Platte» y los participantes cenaron en el restaurante de ese lugar.

Martes, 11 de septiembre 2001

Día 2 – Los participantes se dividieron en 5 grupos de trabajo (para el documento temático, las contribuciones y el informe del grupo de trabajo de cada grupo ver Parte 3 del Informe de la Conferencia). Cada grupo se reunió en una sesión matutina, discutieron su temática con un enfoque en la pobreza, el género y la juventud y una sesión vespertina sobre las implicaciones institucionales, incluyendo los mecanismos de implementación. Los temas, coordinadores, moderadores, presentadores, discutidores y ponentes de los cinco grupos:

Grupo de trabajo 1: El contexto y el marco regulatorio de desarrollo de la formación profesional

Coordinador/Moderador:
Madhu Singh, India/ Alemania

Ponente:
Sunita Kapila, Kenia

Sesión1

Presentador:
Enrique Pieck Gochicoa, Méjico

Discutidor:
Maksim Konini, Albania

Sesión2

Presentador:
Venni Venkata Krishna, India

Discutidores:
Norma Añaños, Perú
Poorna Kanta Adhikary, Nepal
Eugene Ryazanov, Kyrgystan

Grupo de Trabajo 2: Vincular la educación post-básica y la formación: una vía para satisfacer las necesidades de genérico y la formación profesional de la juventud y los adultos?

Coordinador/Moderador:
Michel Carton, Suiza

Sesión1

Presentador:
Claudio Moura-Castro, Brazil

Estudios de caso:
Gerard Barthelémy, Francia
Mayla Bakhache, Líbano
Delphin Randriamihari-soa, Madagascar

Sesión2

Presentador:
Marianne Nganunu, Botswana

Discutidor:
André Kraak, Africa del Sur

Estudios de caso:
Kai-Ming Cheng, Hong Kong
Claudia Jacinto, Argentina

Grupo de Trabajo 3: Los costos y el financiamiento del desarrollo de la formación profesional

Coordinador:
Matthias Jäger, Suiza

Moderador:
Dev Bir Basnyet, Nepal

Ponente:
Hedy Bühlmann, Suiza

Sesión1

Presentadores:
Bansi Rana, Nepal
Gary Flor, Ecuador

Sesión2

Presentador:
Aboubacar Sidiki Traoré, Mali

Discutidor:
David Atchoarena, Francia

Grupo de Trabajo 4:
¿Qué competencias se requieren para garantizar la supervivencia y el crecimiento económico de las empresas?

Coordinador:
Josiane Capt, Suzia

Moderador:
Lucita S. Lazo, Filipinas

Ponente:
Jean-Marc Clavel, Paquistán

Sesión 1

Presentador:
Amy King-Dejardin, Suiza

Discutidor:
Sara Silveira, Uruguay

Sesión 2

Presentador:
Muhammad Ibrahim, Bangladesh

Discutidor:
Robert Gichira, Kenia

Grupo de Trabajo 5:
¿Qué papel desempeña la cooperación internacional en el desarrollo de la formación profesional?

Coordinador/Moderador:
Kenneth King, UK

Ponente:
Simon McGrath, United Kingdom

Sesión 1

Presentador:
Nahas Angula, Namibia

Discutidor:
Meine Pieter van Dijk, Los Países Bajos

Sesión 2

Presentador:
Hakim Malagas, Africa del Sur

Discutidor:
Manfred Wallenborn, Alemania

Miércoles, 12 de septiembre 2001

Día 3 – El borrador de la Declaración de Interlaken (ver abajo párrafo 4 y la Parte 4 del Informe de la Conferencia) fue presentado y discutido en la plenaria.

En la tarde fueron organizadas diferentes *excursiones* a lugares en la región para ver la práctica del desarrollo de la formación profesional (ver Anexos).

Al final de la tarde se organizó una *cena de despedida* con todos los participantes de la conferencia.

Al comenzar la mañana del lunes, la *plaza del mercado* fue instalada para dar espacio a la presentación de organizaciones e individuos. La plaza del mercado tuvo como objetivo facilitar el intercambio de información y diálogo a niveles individuales más allá del target y la parte colectiva del programa oficial de la conferencia.

4. La Declaración de Interlaken

La idea de una «Declaración de Interlaken» surgió para tener un vehículo que recogiese las contribuciones de la conferencia y ensamblarlas. COSUDE estableció que el objetivo de la Declaración de Interlaken es «identificar las necesidades y demanda de la Formación Profesional en el sector informal y las pequeñas empresas en el actual y rápido mundo cambiante del trabajo y así proponer conclusiones de políticas claves a los participantes interesados». La declaración de esta conferencia fue utilizada como una contribución al «*Working Group for International Co-operation in Skills Development*» el cual está compuesto por la mayoría de las agencias bilaterales y multilaterales de cooperación al desarrollo. El Grupo de Trabajo se reunió inmediatamente luego de la Conferencia entre el 13 y 14 de septiembre de 2001.

Para mayores detalles sobre el proceso, el texto de la declaración y los comentarios de los participantes ver Parte 4 de este informe de la Conferencia.

5. Mensajes claves y puntos relevantes

- La globalización ofrece también oportunidades para el crecimiento de las economías informales, pero éstas están mal equipadas para reaccionar a los desafíos.
- Crecientemente, la economía informal de los países en vías de desarrollo es una realidad de vida y

trabajo para la mayoría de la gente, para el empleo y más aun para las economías en sí.

- Hay una sola economía incluyendo ambas, la economía informal y la economía formal. Es por ello que los formuladores de políticas y otros actores deberían pensar y actuar más bien de acuerdo a las medidas que integren y eliminen reglamentos obstaculizadores y que se adapten más bien a reglamentos beneficiosos a las economías informales.
- Necesitamos un amplio concepto de competencias que incluyan capacidades básicas que fortalezcan el aprendizaje.
- Hay un fuerte llamado a la oferta flexible de la formación profesional capaz de adaptarse a diferentes contextos locales y a la diversidad de necesidades de individuos, marginados y pequeñas empresas.
- Un financiamiento común de la formación profesional comprende la contribución de aprendices, empresas, gobiernos y otros participantes.
- La formación profesional que se desea pertinente para el mundo del trabajo necesita conocer qué solicitan los clientes. A medida que estos clientes hablen con una sola voz, se organicen en asociaciones de grupos abiertos, una formación de calidad puede ser organizada de acuerdo a la demanda.
- La cooperación internacional tiene mucho que ver con procesos de aprendizaje, esto es aun más real en los campos de educación y el desarrollo de competencias. También los procesos de aprendizaje en el campo de desarrollo de competencias profesionales y la formación profesional requieren tiempo, lo cual hace un llamado a la cooperación (partnership) a largo plazo entre agencias de desarrollo e instituciones locales.

Algunas areas futuras de esclarecimiento:

- ¿Cómo diseñar e impartir la formación profesional y las competencias profesionales a la medida de acuerdo a las necesidades específicas de grupos en la economía informal?
- ¿Cómo conocer mejor los costos de la formación profesional y cómo usar este conocimiento como una herramienta mientras se imparte la formación?
- ¿Cómo utilizar la Declaración de Interlaken y otros aportes de la conferencia para el intercambio regional?

Procesos relevantes:

- El tópico de la Conferencia encontró, en su propia magnitud, un interés inesperado; el uso sistemático de la página Web contribuyó a detectar este interés.
- De un total de 177 participantes, la mayoría son provenientes de países en vías de desarrollo y de transición de cuatro continentes.
- Un extenso proceso de preparación contribuyó a la riqueza de las diversas contribuciones; muchas de ellas ya estaban disponibles en la página Web antes del comienzo de la conferencia.
- A pesar de los tristes acontecimientos del 11 de septiembre y sin la red de protección de una declaración pre-preparada, representantes de los países participantes elaboraron una declaración de reconocida calidad y compromiso.
- Estrechos vínculos entre la conferencia y el grupo de trabajo: la idea de la conferencia se inició en el «*Working Group for International Cooperation in Skills Development*» y sus resultados fueron presentados y discutidos inmediatamente, después de la Conferencia en la reunión del grupo de trabajo.
- La conferencia proporciona a COSUDE, en un momento adecuado, toda una gama de inputs a ser utilizados en los actuales debates y la reorientación de los conceptos de la formación profesional.

6. Evaluación

Todos los participantes recibieron una planilla de evaluación en el paquete de información. Treinta y cinco participantes entregaron la evaluación antes de partir. Estas estadísticas son representativas de solo una quinta parte de los participantes, por lo tanto la representatividad es limitada. Sin embargo, algunos temas fueron mencionados varias veces y algunos comentarios fueron muy detallados, lo que los hace interesantes (ver Anexos) a pesar de las limitaciones.

El punto más importante es el tema del tiempo. Como sucede frecuentemente, no hubo suficiente tiempo y su distribución también fue cuestionada varias veces. La gerencia del tiempo de las presentaciones (tanto en la plenaria como en los grupos de trabajo) fue mencionada más de una vez. En general, el público percibió que el tiempo dado no permitió profundizar las discusiones.

Otro punto mencionado corresponde a la cancelación fuera de control de la sesión del martes en la tarde dados los eventos desafortunados en Nueva York. Parece que la falta de intercambio de información y de las conclusiones entre los grupos de trabajo sobre las actividades de los demás no solo fue obser-

vada en términos de complementaridad, sino dificultó el proceso entero de la Declaración de Interlaken.

Aparte de estos dos puntos principales hay varios comentarios individuales con respecto al contenido y los métodos de la Conferencia, cada uno de ellos es válido e interesante. Ellos han sido reunidos en el parte 4 de este informe de la Conferencia para que hablen por sí mismos sin ser comentados o explicados. Estos comentarios han sido agrupados de acuerdo a diferentes temas lo cual facilitará la búsqueda de la información.

En general, se puede decir que la reacción fue principalmente positiva por el contenido de la Conferencia como también los arreglos de logística. Esto está resaltado también por el hecho de que la categoría pobre ha sido utilizada pocas veces. Por lo general, parece que la Conferencia cumplió con sus principales objetivos: el intercambio de ideas y experiencias como también el establecimiento de nuevos contactos.

7. Seguimiento

La Conferencia de Interlaken buscó estrechar los lazos de las redes internacionales de gente que trabaja en el desarrollo de competencias profesionales. COSUDE valoriza la Conferencia como parte de un proceso continuo. Una serie de pasos para su seguimiento han sido tomados en cuenta o están tramitándose:

- Dos miembros del Grupo de Preparación (Sunita Kapila, De Kenia; Mihammad Ibrahim de Bangladesh) fueron invitados y presentaron la Declaración de Interlaken al «*Working Group for International Cooperation for Skills Development*» como una introducción clave para el encuentro del 13/14 de septiembre 2001 en Interlaken.
- Un esfuerzo ha sido hecho por COSUDE y OIT para utilizar la Declaración de Interlaken en el Foro sobre el Empleo Mundial de OIT en noviembre del 2001. Un esfuerzo será hecho por COSUDE y OIT luego para integrar las preocupaciones expresadas en la Declaración de Interlaken en la Conferencia de OIT en el 2002.
- COSUDE evalúa sus políticas en los campos de empleo, competencias profesionales, conocimiento y sus actividades operacionales en la cooperación bilateral y multilateral a la luz de los resultados de la «Declaración de Interlaken». A una selección de proyectos socios se les ha solicitado resaltar la importancia de la Declaración de Interlaken para su trabajo.
- En abril/mayo 2002 COSUDE hará un seguimiento entre los participantes de la Conferencia para encontrar cómo y de qué manera la Conferencia de Interlaken y la Declaración han sido útiles, qué piensan y si se han planificado algunos pasos para poner en marcha la Declaración de Interlaken.

Part 2

Background

Background Paper

The Changing Worlds of Work and Learning

The world-of-work is becoming increasingly complex and differentiated yet more integrated and inter-linked. The many opportunities emerging are counter-balanced by the challenges of keeping pace with frequent, externally driven and often dramatic change. The technologies of work, the work environment, learning methodologies and work itself are all in a state of semi-permanent flux. These changes influence all aspects of learning. The world of knowledge and skill transfer is struggling to keep up. The scale and pace of change place a particularly onerous burden on developing and transition countries where resources are limited and mechanisms for managing market-driven changes are weak.

Both positive and negative aspects of the changing world-of-work are encapsulated in two prominent phenomena: the informal sector and globalisation. The informal sector is a common yet imprecise term that refers to economic activities, usually modest in scale and often based on traditional technologies, that operate largely outside the bounds of formal oversight. The informal sector is comprised of micro-enterprises with employees, family labour, household production and the self-employed. The informal sector is ubiquitous, diverse, highly dispersed and difficult to reach.

Speaking with Fewer Louder Voices

Increasing the capability of small enterprises and their employees to engage in collective solutions and policy dialogue is an important component of enterprise development. Whether formal or informal enterprises can organise for business services, social protection and occupation health and safety. Enterprise associations can help ensure that many enterprise voices contribute to policy dialogue and stakeholder consultations at local and national levels.»

Job quality and small enterprise development.

ILO, 1999

The informal sector, often referred to as the «people's economy», is essentially a broad-based positive response to the dearth of livelihood opportunities. The informal sector is a growing and global phenomenon, though in practice usually a highly localised one. The expanding array of linkages between the formal and informal sectors is an aspect of globalisation that offers scope for both formal and informal sector development. Growth opportunities, for enterprises and

in terms of both job quality and numbers of jobs, are often found at the point where the informal sector and the formal sector intersect.

This increasingly global, inter-linked and informal world-of-work presents daunting challenges for knowledge and skill acquisition. The purpose of Linking Work, Skills and Knowledge is to arrive at a clear understanding of the current realities of work, learning and skills transfer in developing and transition countries and to identify those approaches and practices that best support equitable and locally sustainable learning for survival and growth.

Good Training

- Good training «recognises the wider economic environment»;
- offers training in «new, demand-led growth areas» and is «wary of training in already crowded sectors»;
- ensures that «skills offered are matched to the needs of communities»;
- encourages women and girls to train in «new and growing sectors that are as yet 'ungendered'»;
- keeps programmes «simple and consistent»;
- «exploits traditional knowledge» while being «wary of traditional barriers», and;
- «recognises that a business-like approach is more realistic and holds far greater potential for long-term success».

Adolescent Girls' Livelihoods:

Essential questions, essential tools

Population Council /

International Council for Research on Women, 2000

Globalisation: An Enabling Context?

Globalisation refers to the increasing interdependence of national and local economies and to the diminished local autonomy that operating within a global framework entails. Globalisation affects all countries and activities though the degree of influence varies considerably. Despite its growing ubiquity globalisation remains a controversial concept, and rightfully so. Globalisation has proven to be both beneficial and destructive. The benefits of globalisation are not being equitably shared. The notion of «winners and losers» as an unavoidable aspect of globalisation is no longer acceptable or credible. Though there remains a wide gulf between thinking and practice poverty alleviation is emerging as an imperative aspect of viable globalisation. Effective poverty alle-

viation demands skills and opportunities and sufficient access to resources to take advantage of both.

Multiple Skills as a Defence Against Poverty

Said Ahmed Elmi is a 34 year old Somali living in Hargeisa, the capital of Somaliland (formerly Northwest Somalia). Said has lived and worked many places in the past 15 years, for the most part compelled by circumstance to stay ahead of the shifting tides of war. Said was able to do so because he is willing to work and to learn and has an entrepreneurial sense of how to become self-reliant. In 1986 he joined a donor-funded shoemakers' apprenticeship programme. After training he became a self-employed shoemaker, working as a junior member of a shoemakers' co-operative. In 1988, following the outbreak of war, he fled to Mogadishu and joined his former teacher as an employee and improved his skills on-the-job. When the war came to Mogadishu in 1991 he returned to Hargeisa and re-established himself as a self-employed shoemaker. When civil war broke out in Hargeisa in 1994 he fled for a time to Ethiopia, where he was again self-employed. In 1996 he returned to Hargeisa joining the workers' co-operative of the Somaliland Handicapped Training Centre where he both makes shoes and trains others. Said has been an apprentice, an employee, a co-operative member, self-employed and a trainer. Said's defence against poverty include a solid base of human and social capital, multiple livelihood skills, the capacity to overcome adversity and the willingness to help others.

But while the case for poverty alleviation is clear and incontrovertible the questions must be asked: is this a realistic and obtainable objective? Can the skills needed to manage or master poverty be imparted on the scale needed? And if so, how? What are the practices and approaches that offer realistic prospects for poverty alleviation within the context of globalisation? Is there a risk of local innovations and traditional practices being lost in the confusion of globalisation?

Local Traditions, Local Solutions

'My mama say that if I am apprentice to this driver, after some time I will get my own licence and then I can get my own lorry to drive. And if I save my salary and my chop money, I can buy my own lorry and then I will be big man like any lawyer or doctor. So I like that and after we have paid money to the driver of «Progres» plus one goat, and one bottle of Gordon gin and one piece of cloth, I become his apprentice.'

Ken Saro-Wiwa, SOZABOY

One objective of the Interlaken conference will be to better understand the linkages among work, knowledge and skills with a view to identifying locally sustainable systems for poverty alleviation within the context of globalisation.

Acquiring Knowledge and Skills

Knowledge and skill acquisition practices and livelihood opportunities are usually highly local in character. Those who succeed and prosper are those who can detect and respond to fast-changing job and enterprise opportunities in local markets while at the same time avoiding or recovering from shocks and setbacks. Relatively few informal sector workers have the array of skills needed to prosper in this demanding world-of-work. Most merely survive, which in itself is no small accomplishment for those with limited skills and resources operating in over-crowded and stagnant markets. Knowledge and skills are but one part of the complex work environment in which they must operate.

Although «education» and «training» are interrelated within the broad domain of «learning», «education» and «training» play quite different roles in imparting the knowledge and skills needed for survival and growth. While both support socio-economic empowerment the fundamental difference between them is that education makes a broad general contribution to knowledge while training makes a specific and more immediately applicable one.

Education is the base asset on which most human capital is built. A solid foundation of basic education enhances virtually all other efforts to build human capital and results in a sustained and synergistic array of civic, social, health and economic benefits. This is the rationale behind the many calls for Education For All. For all too many, however, formal education remains an unattainable dream. Innovative informal and nonformal ways must be found to reach and serve those who, due to social or economic disadvantage, are not served by formal education systems.

Education lends itself to large-scale systematic delivery of standardised products and works best early in life at a time when most other options are either impractical (e.g. workplace-based training) or undesirable (e.g. child labour).

Education and training play different yet complementary roles. Hence, the growing acceptance of the view that improvements in education are needed to underpin skills upgrading if more than marginal improvements in productivity and welfare are to be achieved.

Bringing the School to the Children

Bangladesh's Underprivileged Children's Education Program (UCEP), a well-established large-scale NGO, offers primary education to urban street children in the poorest sections of Bangladesh's largest cities. UCEP is highly innovative. Perhaps the most important innovation is the pragmatic application of the notion that if the children cannot come to the school then the school must come to the children. Virtual all students in UCEP's schools are compelled by socio-economic circumstance to work, usually in poorly paid manual work that offers little chance of escape from poverty. This, together with the fact that their homes are in poorly serviced urban slums and the further restrictions imposed by poverty, youth and gender, effectively prevent them from attending normal schools. UCEP's response to this intractable problem has been to work with local communities to establish schools in poor neighbourhoods and to structure and schedule schooling to accommodate the day-to-day reality of the students. UCEP's schools are recognised by the government. A high percentage of UCEP schoolchildren complete primary education to government standard. Many go on to further education and training. UCEP's innovative approach to primary education has helped many thousands escape from dire poverty.

With few exceptions, training needs to be both specialised and situation specific. Specialised in the sense that it seeks to impart the precise set of skills needed for a narrow range of tasks. The application of such skills is most effective when the training-to-work transition is short and skills training and subsequent work are well matched. Good training responds to both the aspirations and ideas of those seeking training and to the opportunities available in local markets. In marked contrast with education, training's high levels of specialisation and specificity mean that the large-scale delivery of standardised training programmes is seldom viable.

While the respective contributions of education and training to survival and growth remain sharply differentiated, the roles and responsibilities of education and training systems are becoming less and less so. These relatively recent changes are driven by many forces to include greater understanding of the complementarity of education and training, pressures to explore the potential of greater private sector involvement and stakeholder commitment, and growing need amidst diminishing resources.

Knowledge and Skills for Employment and Enterprise

Communication, teamwork and networking skills are an economic asset in all work situations. Literacy and numeracy are needed in virtually all work and learning situations. Beyond these and a few other basics the skills needed to succeed as an employee or an entrepreneur vary considerably with the nature and the scale of the job. Technical and craft skills and the levels of proficiency needed to compete in local markets are directly related to the sector or trade involved. With some danger of over-generalisation it can be said that entrepreneurs at all levels need a broader array of skills than employees working in similar enterprises. The life of an entrepreneur is a demanding one. These demands vary with the scale of the enterprise. Micro-entrepreneurs and the self-employed need entrepreneurial skills as well the technical or craft skills called for by their products or services. In most cases they also need some skills transfer capability as well. As the scale of the enterprise increases the type and balance of skills changes. Management skills of all types (marketing, production, finance, personnel) are a requisite of enterprise growth. The hierarchy of survival and growth skills is a pyramid with a very broad base. The bulk of all jobs and most new jobs are concentrated at the base where an array of entrepreneurial and craft skills are needed to survive or grow.

An almost universal situation of growing need and shrinking resources serves to highlight three issues: cost-determination and pricing, revenue raising and cost-sharing. If cost sharing is to be equitably applied and broadly supported the real costs of training must be known and transparent. When well designed cost-sharing systems yield many benefits. Perhaps the most important is the degree to which cost-sharing empowers end-users and through them generates important information about local training markets. At present few training institutions are structured to communicate with and respond to the diverse array of «clients» that make up local training markets.

The Difficulties of Sharing the Costs

Cost-sharing mechanisms are constrained by three types of limitations:

- Complexity: All cost-sharing systems, including those based on «user-pay» and levy-grant principles, are demanding in administrative terms;
- Outreach: Few cost-sharing schemes reach and serve the informal sector; levy schemes present particular problems due the reluctance of those paying the levy to support re-distribution to the informal sector (which seldom contributes); and
- Equity: Virtually all cost-sharing schemes are inequitable in that they either deny resources to the most needy (e.g. levy schemes) or place a disproportionate burden on those least able to pay (e.g. user-pay schemes).

Collectively all these factors are stimulating a growing array of experiments with «vocationalising» primary and secondary curricula, with «self-employment re-orientation» and «enterprise transformation» within schools and training institutions and with greater stakeholder and private sector participation at all levels. The evidence emerging from these experiments strongly influences education and training policy.

From Introspection to Action

There remains a vast gap between endorsing poverty alleviation in principle and alleviating poverty in practice. The secrets of broad-based and equitable growth remain elusive. The quest for sustainable approaches to knowledge and skill acquisition has yet to come to terms with the notions of responding to demand, specialisation and inter-linkages that are among the basic characteristics of globalisation. The power and reach of globalisation is eroding the credi-

bility of the old rules-of-the-game, while not offering clear guidelines to replace those that have been degraded or discarded. The world of work is changing at all levels and in all regions much faster than knowledge and training systems have been able to respond. Overall the sense of urgency is not matched by a corresponding degree of clarity about what to do in response. The overarching questions remain. What should be done? What can be done? Where are the resources to come from?

Certainly new approaches and mechanisms will be needed even as existing institutions are rehabilitated and reformed. In most cases these changes will require policy decisions at national level accompanied by enabling legislation and regulatory frameworks down to the local level. The Interlaken conference will address a number of the key issues that need clarification before policy can be reformulated and reforms put into practice. The overriding objectives will be to understand the complexities faced by those seeking to enter and master the world of work, and to formulate responses that can help them succeed.

Document de référence

Travailler et apprendre: deux mondes en mutation

Le monde du travail devient toujours plus complexe et différencié, même s'il est également plus intégré et interconnecté. Les nombreuses opportunités émergentes sont contrebalancées par des défis: Il s'agit en effet de s'adapter au rythme rapide de changements pilotés de l'extérieur et souvent dramatiques. Les technologies du travail, l'environnement de ce dernier, les méthodes d'apprentissage ainsi que le travail lui-même changent en quasi permanence. Ces mutations influencent tous les aspects du processus d'apprentissage. Le monde du transfert de connaissances et de savoir-faire se bat pour se maintenir à niveau. La portée et le rythme des changements représentent une charge spécialement lourde pour les pays en voie de développement et de transition où les ressources sont limitées et où les mécanismes prévus pour gérer les changements provoqués par le marché sont faibles.

Les aspects positifs et négatifs du monde du travail en mutation s'expriment dans deux phénomènes essentiels: le secteur informel et la globalisation. Le secteur informel est un terme commun mais imprécis qui se réfère aux activités économiques, généralement modestes dans leur portée et souvent fondées sur des technologies traditionnelles fonctionnant largement en dehors de tout contrôle formel. Le secteur informel est formé de micro-entreprises ayant des employés, d'entreprises familiales, de production ménagère et de travailleurs indépendants. Le secteur informel est omniprésent, varié, très dispersé et difficile à atteindre.

Rassembler les forces pour mieux se faire entendre

Accroître la capacité de petites entreprises et de leurs employés à s'engager dans des solutions collectives et dans un dialogue de politique générale est une composante importante du développement de l'entreprise. Des entreprises, formelles ou informelles, peuvent s'organiser pour délivrer des services commerciaux, pour assurer la protection sociale ainsi que l'emploi dans le respect de la santé et de la sécurité.

L'association d'entreprises peut contribuer à garantir que de nombreuses voix favorisent une politique de dialogue et la consultation des parties prenantes au niveau local et national.

*Développement de la qualité du travail
et de la petite entreprise BIT, 1999*

Le secteur informel est essentiellement une réponse positive, ayant de larges fondements, à la pénurie de source de revenus. C'est un phénomène croissant et global bien qu'en pratique il soit habituellement très localisé. L'éventail croissant de liens entre les secteurs formel et informel est un aspect de la globalisation qui offre une perspective de développement pour l'un et pour l'autre. Des opportunités de croissance, s'exprimant pour les entreprises à la fois en termes de qualité et de quantité d'emplois, se trouvent souvent au point d'intersection entre secteurs informel et formel.

Ce monde du travail, toujours plus global, interconnecté et informel, présente des défis impressionnants quant à l'acquisition de connaissances et de savoir-faire. Le but de «Lier le monde du travail, la formation professionnelle et le savoir» est de parvenir à une compréhension claire des réalités actuelles du travail, de l'apprentissage et des transferts de connaissance dans les pays en voie de développement et de transition, ainsi que d'identifier les approches et pratiques qui favorisent le mieux un système d'apprentissage équitable et durable à l'échelon local pour la survie et la croissance économique.

Formation de qualité

- Une formation de qualité «reconnait l'environnement économique dans son ensemble»;
- offre des formations dans «de nouvelles zones de croissance axées sur la demande» et «dispense avec prudence la formation dans les secteurs où l'offre et la concurrence sont déjà très importantes»;
- garantit que «les formations offertes concordent avec les besoins de communautés»;
- encourage les femmes et les filles à se former dans «des secteurs nouveaux et en expansion, où leur accès ne s'est pas encore imposé».
- maintient des programmes «simples et cohérents»;
- «exploite un savoir traditionnel» tout en étant «conscient des obstacles classiques», et;
- «reconnait qu'une approche de type commerciale est plus réaliste et comporte un potentiel bien supérieur de succès à long terme».

*«Adolescent Girls' Livelihoods:
Essential Questions, Essential Tools
Population Council /
International Council for Research on Women, 2000*

Globalisation: Un contexte favorable?

Le terme «globalisation» fait référence à l'interdépendance croissante des économies nationales et locales ainsi qu'à la réduction de l'autonomie locale engendrée par une activité à l'intérieur d'un cadre global. La globalisation affecte tous les pays et activités même si le degré de son influence varie très fortement. En dépit de son omniprésence croissante, la globalisation demeure un concept controversé, et ce à juste titre. Elle a démontré qu'elle était à la fois bénéfique et destructrice. Ses avantages ne sont pas partagés équitablement. Les notions de «gagnants et de perdants», souvent présentées comme inévitablement liées à ce phénomène, ne sont plus acceptables, ni crédibles. Bien qu'il subsiste un large fossé entre la pensée et la pratique, la réduction de la pauvreté est en train de s'affirmer comme un aspect impératif d'une globalisation viable. Une diminution réelle de la pauvreté demande des compétences et des opportunités ainsi qu'un accès suffisant aux ressources pour tirer parti de ces deux exigences.

Des compétences multiples: Une défense contre la pauvreté

Said Ahmed Elmi est un ressortissant somalien âgé de 34 ans vivant à Hargeisa, la capitale du Somaliland (autrefois le nord-ouest de la Somalie). Said a vécu et travaillé en de nombreux endroits durant ces 15 dernières années, la plupart du temps poussé par la nécessité de se maintenir hors d'atteinte des conflits. Said est capable d'agir de la sorte parce qu'il est désireux de travailler et d'apprendre. Il possède un esprit d'entreprise lui ouvrant la voie au statut d'indépendant. En 1986, il rejoint un programme d'apprentissage de cordonnier financé par un donateur. Après une période de formation, il devient cordonnier indépendant, travaillant en qualité de membre junior d'une coopérative de cordonniers. En 1988, alors que la guerre éclate, il part pour Mogadishio et rejoint son ancien maître d'apprentissage à titre d'employé et parfait son savoir-faire en entreprise. Lorsque la guerre arrive à Mogadishio en 1991, il retourne à Hargeisa et se remet à son compte en tant que cordonnier. Comme la guerre civile éclate à Hargeisa en 1994, il se rend pour un temps en Ethiopie où il est à nouveau indépendant. En 1996, il revient à Hargeisa, s'affiliant à la coopérative des travailleurs du « Somaliland Handicapped Training Centre » où il confectionne des chaussures et forme d'autres personnes au métier. Said a donc été apprenti, employé, membre de coopérative et formateur. Les défenses de Said contre la pauvreté incluent une solide base de capital humain et social, de multiples aptitudes à assurer sa subsistance, la capacité de vaincre l'adversité et la volonté d'aider les autres.

Bien que les arguments en faveur de la diminution de la pauvreté soient clairs et incontestables, il faut poser les questions suivantes: Est-ce là un objectif réaliste et atteignable? Les aptitudes nécessaires à la gestion ou à la maîtrise de la pauvreté peuvent-elles être diffusées à l'échelle requise? Si oui, comment? Quelles sont les pratiques et les approches qui offrent des perspectives réalistes pour réduire la pauvreté dans le contexte de la globalisation? Y a-t-il un risque de perdre des innovations acquises et des pratiques locales dans la confusion de la globalisation?

A traditions locales, solutions locales

«Ma maman dit que si je deviens apprenti chez ce chauffeur, j'aurai mon permis de conduire après un certain temps et, ensuite, je pourrai posséder mon propre camion; alors, je serai quelqu'un, comme n'importe quel juriste ou docteur. Moi, j'aime bien cette idée et une fois que nous aurons donné au conducteur de «Progres» de l'argent, une chèvre, une bouteille de gin Gordon et un vêtement, je deviendrai son apprenti.»

Ken Saro-Wiwa, SOZABOY

Un objectif de la conférence d'Interlaken sera d'améliorer la compréhension des relations existant entre le travail, le savoir et la formation professionnelle afin d'identifier des systèmes durables au plan local, destinés à réduire la pauvreté dans le contexte de la globalisation.

Acquisition de connaissances et de compétences

Les pratiques visant à l'acquisition de connaissances et de savoir-faire ainsi que les opportunités de gagner sa vie ont généralement un caractère hautement local. Ceux qui réussissent et prospèrent sont ceux qui peuvent détecter et assumer un travail changeant rapidement ainsi que les opportunités d'entreprendre sur les marchés locaux tout en évitant ou surmontant chocs et revers. Seul un nombre relativement restreint de travailleurs du secteur informel disposent de l'éventail d'aptitudes nécessaires pour prospérer dans ce monde du travail si exigeant. La plupart d'entre eux ne font que survivre, ce qui en soi n'est pas une mince affaire pour ceux qui opèrent avec des compétences et des ressources limitées sur des marchés surchargés et stagnants. Les besoins en connaissances et en compétences ne sont qu'un aspect de l'environnement complexe du travail dans lequel ils doivent œuvrer.

Bien qu'«éducation» et «formation» soient liées dans le large domaine de «l'apprentissage», ces deux éléments jouent des rôles très différents dans le transfert des connaissances et du savoir-faire nécessaires à la survie et à la croissance économique. Alors que tous

deux favorisent l'autonomie socio-économiques, la différence fondamentale est que l'éducation fournit une importante contribution à la connaissance générale tandis que la formation offre un apport plus spécifique et plus immédiatement applicable.

L'éducation est l'atout essentiel sur lequel se fonde le capital humain. Une éducation de base de qualité multiplie les effets de tous les autres efforts entrepris pour développer ce capital et engendre des bénéfices durables et croisés au niveau civique, social, sanitaire et économique. Voilà l'élément rationnel motivant les nombreux appels à l'éducation pour tous. Mais pour un bien trop grand nombre, l'éducation formelle demeure un rêve inaccessible. Des voies informelles innovantes doivent être découvertes pour atteindre et servir ceux qui, en raison de leurs handicaps sociaux ou économiques, n'ont pas accès aux systèmes d'éducation formelle.

Amener l'école aux enfants

Le Bangladesh's Underprivileged Children's Education Program (UCEP) (programme d'éducation des enfants défavorisés du Bangladesh), une ONG à large audience, bien établie, offre une éducation primaire aux enfants de la rue dans les quartiers les plus démunis des principales villes du Bangladesh. L'UCEP est très novatrice. Peut-être que l'innovation essentielle est l'application pragmatique du principe suivant: Si les enfants ne peuvent pas venir à l'école, c'est l'école qui doit aller aux enfants. Les conditions socio-économiques contraignent pratiquement tous les élèves des écoles UCEP à travailler, habituellement pour un salaire de misère, dans des activités manuelles qui n'offrent que peu de chances d'échapper à la pauvreté. Ceci, ajouté au fait qu'ils habitent dans des bidonvilles urbains pauvrement desservis et qu'ils font face aux autres restrictions que leur imposent la pauvreté, la jeunesse et le genre, les empêche de suivre l'école ordinaire. La réponse de l'UCEP à ce problème difficile a été de travailler avec les communautés locales afin d'établir des écoles de proximité dans des quartiers pauvres, structurer et programmer la scolarité afin de s'adapter à la réalité quotidienne des élèves. Les écoles de l'UCEP sont reconnues par le gouvernement. Un grand pourcentage des enfants scolarisés par l'UCEP achèvent leur éducation primaire en satisfaisant aux standards du gouvernement. Nombre d'entre eux reçoivent une éducation et une formation complémentaires au sein même de l'organisation. L'approche innovante de l'éducation primaire développée par l'UCEP a aidé des dizaines de milliers de personnes à échapper à la pauvreté.

L'éducation permet la diffusion systématique à grande échelle de produits standardisés; c'est tôt dans la vie qu'elle se révèle la plus efficace, à un moment où la plupart des autres options sont soit impraticables (par ex. formation axée sur l'apprentissage en entreprise) ou indésirables (par ex. travail des enfants).

L'éducation et la formation jouent des rôles différents mais complémentaires. Par conséquent, le point de vue selon lequel l'amélioration de l'éducation est nécessaire à l'amélioration de la formation professionnelle si l'on veut atteindre davantage que des progrès marginaux de productivité et de bien-être trouve un écho toujours plus grand.

A quelques exceptions près, la formation professionnelle exige à la fois d'être spécialisée et spécifique à la situation. Spécialisée dans le sens qu'elle tend à transmettre l'éventail précis des talents nécessaires à une série limitée de tâches. L'application d'un tel savoir-faire est plus efficace quand la transition entre formation et travail est courte et lorsqu'il y a bonne concordance entre l'acquisition du métier et le travail qui s'ensuit. Une bonne formation répond aussi bien aux aspirations et idées de ceux qui cherchent à se former qu'aux perspectives offertes par les marchés locaux. En opposition avec l'éducation, les hauts degrés de spécialisation et de spécificité de la formation signifient que la délivrance à grande échelle de programmes standardisés est rarement viable.

Connaissances et compétences pour l'emploi et l'entreprise

Communication, aptitude à travailler en équipe et à se constituer des réseaux sont des atouts économiques dans toute situation de travail. Savoir lire, écrire et calculer sont indispensables à pratiquement tout travail ou pour poursuivre des études. Hormis ces aptitudes de base, d'autres sont nécessaires à la réussite, soit en tant qu'employé, soit comme entrepreneur, et varient considérablement avec la nature et le niveau du travail en question. Les capacités techniques et artisanales ainsi que les degrés de compétence indispensables pour pouvoir s'imposer sur les marchés locaux sont directement liés au secteur ou à l'activité commerciale concernée. Au risque de tomber dans une généralisation excessive, on peut dire que les entrepreneurs, à tous les niveaux, ont besoin d'une palette de compétences plus large que les employés travaillant dans les mêmes entreprises. Les micro-entrepreneurs ainsi que les indépendants doivent posséder des qualifications en matière de gestion d'entreprise, ainsi qu'un savoir-faire dans le domaine technique en rapport avec leurs produits ou services. Dans la plupart des cas, ils doivent de surcroît être capables de transmettre leur savoir. Le type et l'équilibre des compétences nécessaires changent en fonction du degré de développement de l'entreprise. Les capacités de gestion de toute nature (marketing, production, finance, personnel) sont indispensables à la croissance d'une entreprise. La hiérarchie des capacités favorable à la survie et à la croissance économique est une pyramide dont la base est extrêmement large. La grande majorité de tous les emplois et la plupart des nouveaux jobs sont concentrés à la base, où toute une série de compétences en matière de gestion d'entreprise et liées au métier en question sont nécessaires pour survivre ou croître.

Alors que les contributions respectives de l'éducation et de la formation à la survie et à la croissance économique demeurent très différenciées, les rôles et les responsabilités des systèmes y afférents le deviennent de moins en moins. Ces changements relativement récents sont engendrés par de nombreuses forces, au nombre desquelles il y a lieu d'inclure une plus grande compréhension de la complémentarité de l'éducation et de la formation, diverses pressions exercées pour explorer les potentialités d'une plus grande implication du secteur privé et des intéressés, ainsi que l'accroissement des besoins alors que les ressources diminuent.

L'augmentation des besoins et la diminution des ressources se vérifient quasiment partout et mettent en exergue trois problèmes: La détermination des coûts et la fixation des prix, l'augmentation des revenus et le partage des coûts. Pour que ce dernier point soit mis en œuvre de manière équitable et trouve un large support, les coûts réels de la formation doivent être connus et transparents. Lorsqu'ils sont bien conçus, les systèmes de partage des coûts génèrent de nombreux avantages. Le plus important d'entre eux est peut-être que l'utilisateur final voit son pouvoir et sa capacité de choix augmenter, ce qui fournit des informations importantes quant aux marchés de la formation locale. A l'heure actuelle, peu d'instituts de formation sont organisés pour communiquer et pour répondre à la « clientèle » très diverse qui constitue les marchés de formation locale.

Les difficultés du partage des coûts

Les mécanismes du partage des coûts subissent trois types de limitations:

- Complexité: Tous les systèmes de partage des coûts, y compris ceux qui sont fondés sur l'« utilisateur payeur » et sur le prélèvement de taxes sont exigeants en termes d'administration
- Portée: Peu de systèmes de partage des coûts touchent et servent le secteur informel; le prélèvement de taxes présente des problèmes particuliers en raison de la réticence de ceux qui les payent à accepter une redistribution de leur produit vers le secteur informel (qui y contribue rarement)
- Équité: Pratiquement tous les systèmes de partage des coûts sont inéquitables, soit qu'ils dénie la redistribution de ressources aux plus nécessiteux (par ex. systèmes de taxes), soit qu'ils exigent une contribution disproportionnée de ceux qui sont le moins aptes à payer (par ex. le principe de l'utilisateur-payeur).

Tous ces facteurs stimulent une série croissante d'expériences intégrant l'enseignement professionnelle dans les programmes d'études primaires et secondaires, accordant plus d'importance à l'auto-emploi et au développement des entreprises dans les écoles et les instituts de formation, sans oublier une participation plus importante, à tous les niveaux, des personnes concernées et du secteur privé. Les résultats de ces expériences influencent considérablement les politiques en matière d'éducation et de formation.

De l'introspection à l'action

Un grand fossé subsiste entre accepter la réduction de la pauvreté comme principe et réduire la pauvreté en pratique. Les secrets d'une croissance équitable, aux larges fondements, sont insaisissables. La quête d'approches durables pour l'acquisition de connaissances et de savoir-faire n'a pas encore intégré les notions de réponse à la demande, de spécialisation et d'interconnexions propres à la globalisation. Le pouvoir et la portée de la globalisation réduit la crédibilité des vieilles règles du jeu, sans offrir des directives claires pour remplacer celles qui se sont dégradées ou qui ont disparues. Le monde du travail change à tous les niveaux et dans toutes les régions, à un rythme bien trop rapide pour que les systèmes d'éducation et de formation soient capables de s'adapter. En général, le sentiment d'urgence n'est pas contrebalancé par un degré de clarté adéquat sur ce qu'il y a lieu de faire. Les principales questions demeurent. Que faut-il faire? Qu'est-il possible de faire? D'où les ressources doivent-elles provenir?

Il est certain que de nouvelles approches et de nouveaux mécanismes seront nécessaires même si les institutions existantes sont réhabilitées et réformées. Dans la majorité des cas, ces changements exigeront des décisions politiques à l'échelon national ainsi qu'une législation et des conditions-cadres favorisant les initiatives au niveau local. La conférence d'Interlaken traitera nombre de problèmes-clés qui demandent une clarification avant que les politiques en la matière puissent être révisées et que les réformes puissent être mises en œuvre. Les objectifs essentiels seront de comprendre la complexité des réalités auxquelles sont confrontés ceux qui cherchent à entrer dans le monde du travail, de maîtriser ces difficultés et de formuler des réponses susceptibles d'aider à la réussite de ces personnes.

Documento de referencia

Los mundos cambiantes del trabajo y del aprendizaje

El mundo del trabajo se vuelve cada vez más complejo y diferenciado, aún si está más integrado e interrelacionado. Las diferentes oportunidades que surgen son contrabalanceadas por los desafíos de adaptación a cambios frecuentes, dirigidos desde el exterior y a menudo dramáticos. Las tecnologías de trabajo, su ambiente, los métodos de aprendizaje como el trabajo en sí mismo se encuentran en un estado de flujo casi permanente. Estos cambios influyen en todos los aspectos de la formación. El mundo de la transferencia del conocimiento y competencias profesionales lucha por mantenerse. La dimensión y la rapidez de cambio representan una carga especialmente onerosa para los países en vías de desarrollo y en transición, donde los recursos son limitados y los mecanismos para regir los cambios generados por el mercado son débiles.

Los aspectos positivos y negativos del mundo cambiante del trabajo son encapsulados en dos fenómenos esenciales: el sector informal y la globalización. El sector informal es un término común, no obstante impreciso, que refiere a actividades económicas, generalmente modestas en su dimensión y a menudo basadas en las tecnologías tradicionales, que funcionan en gran parte fuera de todo control formal. El sector informal se compone de micro-empresas con empleados, empresas familiares, producción doméstica y de trabajadores independientes. El sector informal es ubicuo, diverso, altamente disperso y difícil de alcanzar.

La unión de menos voces pero más fuertes

El crecimiento de la capacidad de pequeñas empresas y sus empleados para participar en soluciones colectivas y en el diálogo político es un componente muy importante del desarrollo de las empresas. Las empresas, sean formales o informales, pueden organizar servicios de negocios, la protección social, la salud y la seguridad de ocupación. Las asociaciones de empresas pueden ayudar a garantizar que muchas voces contribuyan a las consultas en el diálogo político y grupos de presión a niveles locales y nacionales.

Job quality and small enterprise development. ILO, 1999
Calidad del empleo y desarrollo de la empresa pequeña. OIT, 1999

El sector informal, a menudo llamado «economía popular», es esencialmente una amplia respuesta positiva a la penuria de oportunidades para el sustento. Es un fenómeno creciente y global, aunque en la práctica general es fuertemente localizado. Las crecientes

vinculaciones entre los sectores formales e informales son un aspecto de la globalización que favorece el desarrollo tanto del sector formal como informal. Las oportunidades del crecimiento económico para empresas, ambos en términos de calidad del trabajo y número de empleos, muchas veces se encuentran en el punto donde el sector formal e informal se intersecan.

El mundo del trabajo cada vez más global, interrelacionado e informal presenta desafíos que desalientan la adquisición de competencias y conocimientos profesionales. El propósito de Vincular el Mundo del Trabajo con la Formación Profesional y el Saber es para comprender claramente la realidad actual en los ámbitos de trabajo, aprendizaje y transferencia de conocimientos profesionales de países en vías de desarrollo y en transición, así como para identificar aquellos enfoques y prácticas que apoyan, del mejor modo posible, la formación equitativa y localmente sostenible para la supervivencia y el crecimiento económico.

¿Qué es una buena formación?

- Una buena formación «reconoce un amplio ambiente económico»;
- ofrece formación en «nuevas áreas de crecimiento económico, dirigidas por la demanda» y es cautelosa de la «formación en sectores ocupados»;
- asegura que la «oferta de competencias profesionales correspondan a las necesidades de las comunidades»;
- anima a las mujeres y las jóvenes adolescentes a entrenarse en «sectores nuevos y crecientes que hasta ahora no dependen del género»;
- mantiene los programas «simples y homogéneos»;
- «explora el saber tradicional» mientras que es «cautelosa de las barreras tradicionales»;
- «reconoce que un acercamiento «business-like» es más realista y ofrece un mayor potencial para el éxito a largo plazo».

Adolescent Girls' Livelihoods: Essential questions, essential tools»(Sustento de las jóvenes adolescentes: interrogantes esenciales, instrumentos esenciales)Population Council / International Council for Research on Women, 2000

Globalización:

¿Un contexto facilitador?

La globalización se refiere a la creciente interdependencia de economías nacionales y locales, como a la reducción de la autonomía local acarreada

por una actividad al interior de un marco global. La globalización afecta cada país y cada actividad aunque el grado de influencia varía considerablemente. A pesar de su creciente ubicuidad, la globalización sigue siendo con razón un concepto polémico. La globalización ha demostrado ser beneficiosa y al mismo tiempo destructiva. Los beneficios de la globalización no son distribuidos con equidad. La idea de «ganadores y perdedores», como aspecto inevitable de la globalización, ya no es ni aceptable ni creíble. Aunque exista un gran abismo entre la teoría y la práctica para la reducción de la pobreza está emergiendo como aspecto imprescindible una globalización viable. La reducción eficaz de la pobreza exige conocimientos profesionales y oportunidades y un acceso suficiente a los recursos para beneficiarse de ambos.

Múltiples conocimientos profesionales como defensa contra la pobreza

Said Ahmed Eli es un Somalí de 34 años quien vive en Hargeisa, la capital de Somaliland (el antiguo Somalia del Noroeste). En los últimos 15 años, Said ha vivido y trabajado en muchos lugares en la mayoría de los casos obligado a huir de los cambios de dirección de la guerra. Said puede hacerlo porque él está dispuesto a trabajar y a aprender y porque tiene un sentido empresarial independiente. En 1986 participó en un programa de formación de zapateros, financiado por donantes. Luego de esta formación se inició como zapatero independiente, trabajando como miembro junior de una cooperativa de zapateros. En 1988, después del comienzo de la guerra, huyó a Mogadishu. Allí se unió a su profesor anterior como empleado y perfeccionó sus conocimientos profesionales «on-the-job» (en el trabajo). Cuando la guerra llegó a Mogadishu en 1991, regresó a Hargeisa para reestablecerse como zapatero independiente. Cuando la guerra civil estalló en Hargeisa en 1994, huyó a Etiopía por un tiempo donde se desenvolvió de nuevo como independiente. En 1996, Said volvió a Hargeisa y se incorporó a la cooperativa obrera del Centro de Formación para Minusválidos del Somaliland donde hace ambas cosas: zapatos y entrena a otros. Said ha sido aprendiz, empleado, miembro cooperativo, independiente y capacitador. Las defensas de Said contra la pobreza lo constituye una base sólida de capital humano y social, las diferentes aptitudes para asegurar su sustento, la capacidad de vencer la adversidad y la buena voluntad para ayudar a otros.

Aunque los argumentos a favor de la reducción de la pobreza son claros e indiscutibles, se deben formular las siguientes preguntas: ¿Es esto un objetivo realista y alcanzable? ¿Es posible impartir las competencias profesionales necesarias para dirigir y vencer la pobreza en la dimensión requerida? Y si es así, ¿cómo? ¿Cuáles son las prácticas y los enfoques que ofrecen perspectivas realistas para superar la pobreza dentro del contexto de la globalización? ¿Existe el riesgo de

que la innovación local y las prácticas tradicionales se pierdan en la confusión de la globalización?

Tradiciones locales, soluciones locales

‘Mi Mamá dice que si soy aprendiz de ese chofer, después de cierto tiempo conseguiré mi propia licencia y entonces obtendré mi propio camión para conducir. Y si ahorro mi sueldo y mi dinero para gastos menudos, podré comprar mi propio camión y entonces, seré un gran hombre como cualquier abogado o doctor. A mí me gusta eso, después de que hayamos pagado el dinero al chofer de «Progres» más una cabra, una botella de ginebra Gordon y un vestido, llegaré a ser su aprendiz.’

Ken Saro-Wiwa, SOZABOY

Un objetivo de la Conferencia en Interlaken es comprender mejor los vínculos entre el trabajo, el conocimiento y la formación profesional con vista a identificar sistemas localmente sostenibles para el alivio de la pobreza dentro del contexto de la globalización.

Adquisición de conocimientos y competencias profesionales

Las prácticas para adquirir conocimientos y competencias profesionales, así como, las oportunidades para ganar el sustento son generalmente de carácter propiamente local. Aquellos que tienen éxito y prosperan son quienes son capaces de detectar y responder a las oportunidades de empleos y de empresas que cambian rápidamente, mientras que al mismo tiempo evitan o se recuperan de choques o de recesiones. Relativamente pocos empleados del sector informal disponen de todos los conocimientos profesionales necesarios para prosperar en este exigente mundo del trabajo. La mayoría de ellos apenas sobrevive, que es en sí mismo un rendimiento poco desdeñable para aquellas personas con conocimientos y recursos limitados operando en mercados demasiado llenos y estancados. La necesidad de competencias y conocimientos profesionales son solamente una parte del complejo ambiente de trabajo en el que deben funcionar.

Aunque la «educación» y la «formación» son interrelacionados en la amplia esfera del «aprendizaje», la «educación» y la «formación», estos elementos juegan papeles absolutamente diferentes en la transferencia de conocimiento y competencias profesionales necesarios para la supervivencia y el crecimiento económico. Bien que ambos apoyan el empoderamiento socio-económico, la diferencia fundamental entre ellos es que la contribución de la educación al saber es general mientras que la de la formación es específica y aplicable de inmediato.

La educación es el aporte fundamental sobre el cual se construye el capital humano. Una educación básica de calidad multiplica los efectos de todos los esfuerzos emprendidos para desarrollar el capital humano y engendrar beneficios sustentables y sinergias a niveles cívicos, sociales, económicos y de salud. Este es el razonamiento que se esconde detrás de los numerosos llamados de la Educación Para Todos. Sin embargo, para muchos, la educación formal sigue siendo un sueño inalcanzable. Modos innovadores – informales y no formales – deben ser encontrados para alcanzar y para servir a aquellos que no pueden aprovechar los sistemas de educación formal, debido a las desventajas sociales o económicas.

Trayendo la escuela a los niños

El Programa de Educación para Niños Desposeídos de Bangladesh (Bangladesh's Underprivileged Children's Education Program – UCEP), una organización no gubernamental bien establecida, ofrece educación primaria para niños de la calle en las regiones más pobres o urbanas de las ciudades principales de Bangladesh. UCEP es sumamente innovadora. Quizás la innovación más importante sea la aplicación pragmática del principio: Si los niños no pueden ir a la escuela, es entonces la escuela que debe ir a los niños. Prácticamente, todos los estudiantes en las escuelas de UCEP están forzados a trabajar dadas las circunstancias socio-económicas. Generalmente, se desempeñan en trabajos manuales mal pagados que ofrecen pocas oportunidades para escapar de la pobreza. Esto, junto al hecho de que sus hogares se encuentran en los barrios bajos con escasos servicios y que las restricciones adicionales impuestas por la pobreza, la juventud y el género, les impide que atiendan a escuelas normales. La respuesta de UCEP a este problema insuperable ha sido trabajar con comunidades locales para establecer escuelas en barrios pobres, estructurar y programar la enseñanza escolar para adaptarla a la realidad cotidiana de los estudiantes. Las escuelas de UCEP son reconocidas por el gobierno. Un alto porcentaje de los alumnos de UCEP termina la educación primaria según los estándares del gobierno. Muchos continúan su educación y formación superior. El acercamiento innovador de UCEP a la educación primaria ha ayudado a muchos millares a escapar de una pobreza calamitosa.

La educación permite la difusión sistemática a gran escala de productos estandarizados, y es temprano en la vida que la educación funciona justo en un momento donde la mayor parte de las opciones no son practicables, tal como, la formación en el lugar de trabajo, o indeseables como el trabajo infantil.

La educación y la formación juegan papeles diferentes pero complementarios. Por lo tanto, la aceptación cada vez mayor del argumento que se necesitan mejoras en la educación para sostener mejoras en las competencias profesionales debe ser alcanzada, si se

quiere alcanzar un poco más que progresos marginales en la productividad y el bienestar.

Con algunas excepciones, la formación necesita ser especializada y específica al contexto. Especializada en el sentido que intenta impartir el conjunto exacto de competencias profesionales necesarias para una pequeña variedad de tareas. La aplicación de tales competencias es más eficaz cuando la transición entre la formación y el trabajo es corta y cuando hay una buena concordancia entre la formación de competencias y el trabajo subsiguiente. Una buena formación responde a las aspiraciones y a las ideas de aquellos que buscan formarse como a las oportunidades disponibles en los mercados locales. En contraste marcado a la educación, los altos niveles de especialización y de especificidad de la formación significan que la impartición masiva de programas estandarizados de formación es raramente viable.

Conocimiento y competencias profesionales para empleo y empresa

La comunicación, el trabajo en equipo y las redes de competencias de trabajo representan un bien económico en cada situación de trabajo. Saber escribir, leer y calcular es necesario en casi todas las situaciones de trabajo y aprendizaje. Más allá de estas aptitudes básicas, otras competencias son necesarias para tener éxito como empleado o empresario, las cuales varían considerablemente según la naturaleza y la dimensión del trabajo. Las competencias técnicas y artesanales y los niveles de habilidad necesarios para competir en mercados locales están relacionados directamente con el sector o negocio implicado. Con un cierto riesgo ante la generalización, se puede decir que los empresarios a todos los niveles necesitan una gama de competencias profesionales más amplias que los empleados que trabajan en empresas similares. La vida de un empresario es exigente. Estas exigencias varían con el tamaño de la empresa. Los micro-empresarios y las personas que trabajan por cuenta propia necesitan competencias empresariales así como competencias técnicas y artesanales que sus productos o servicios requieren. En la mayoría de los casos también necesitan la capacidad de transferir sus competencias. El tipo y equilibrio de competencias necesarias cambian en función del grado de desarrollo de la empresa. Las competencias gerenciales de todo tipo (marketing, producción, finanzas, personal) son un requisito para el crecimiento de la empresa. La jerarquía de las competencias favorables a la supervivencia y al crecimiento económico conforman una pirámide cuya base es muy amplia. El 'bulto' de todos los trabajos y de los nuevos trabajos se concentra en la base donde es necesario un conjunto de conocimientos empresariales y artesanales para sobrevivir o crecer.

Mientras que las contribuciones respectivas de la educación y la formación para la supervivencia y el crecimiento económico permanecen sumamente di-

ferenciadas, es menor en el caso de los papeles y las responsabilidades de los sistemas de educación y formación. Estos cambios, relativamente recientes, son conducidos por muchas fuerzas para integrar una mejor comprensión de la complementariedad de la educación y de la formación, las presiones para explorar el potencial de una mayor implicación del sector privado y del compromiso de grupos de interés son confrontadas a necesidades crecientes en medio del recorte de recursos.

La situación casi universal de la creciente necesidad y de recursos en disminución sirve para subrayar tres aspectos: determinación de costos, colocación de precios, aumento de ingresos y el «cost-sharing» (compartir los costes). Cuando el «cost-sharing» debe ser aplicado equitativamente y sostenido en gran escala, los costos reales de la formación deben ser conocidos y transparentes. Cuando los sistemas de «cost-sharing» están bien diseñados rinden muchos beneficios. Quizás el más importante entre éstos es que el consumidor final palpa su poder y aumenta su capacidad de escogencia lo que proporciona informaciones importantes sobre los mercados de formación local. Actualmente, pocas instituciones de formación están organizadas para comunicar y responder a la diversa clientela que constituyen los mercados de formación local.

Las dificultades de compartir los costes

Los mecanismos de «cost-sharing» son restringidos por tres tipos de limitaciones:

- Complejidad: Todos los sistemas «cost-sharing» inclusive esos basados en los principios de «user-pay» (el usuario paga) y «levy-grant» (subvención concedida por los impuestos), son exigentes en términos administrativos;
- Alcance (Outreach): Pocos esquemas de «cost-sharing» alcanzan y sirven el sector informal; los esquemas de recaudación presentan problemas particulares debido a la renuencia de los que pagan la recaudación de subvencionar la re-distribución al sector informal (que contribuye raramente);y
- Equidad: Virtualmente todos los sistemas de «cost-sharing» no son equitativos al punto que niegan los recursos al más necesitado (p.e. esquemas de recaudación) o agregan una carga desproporcionada sobre los que tienen menor capacidad de pagar (p.e. esquemas «user-pay»).

Todos estos factores estimulan un espectro creciente de experimentos para profesionalizar los programas de estudios de primaria y secundaria con la «reorientación del trabajo por cuenta propia o independiente» y el «desarrollo de empresas» en el marco de escuelas e instituciones de formación, sin olvidar una mayor participación de las personas interesadas y del sector privado en todos los niveles. La evidencia que emerge de estos experimentos tiene una fuerte influencia sobre las políticas educación y de formación.

De la introspección a la acción

Queda un enorme vacío entre la práctica y la teoría para superar la pobreza. Los secretos del crecimiento económico universal y equitativo siguen siendo evasivos. El afán de enfoques sostenibles al conocimiento y la adquisición de competencias profesionales deben concretizarse con los conceptos para responder a la demanda, la especialización y las interdependencias que son, entre otras, las características básicas de la globalización. El poder y el alcance de la globalización desgastan la credibilidad de las antiguas reglas del juego, sin ofrecer claras instrucciones para reemplazar aquellas que han sido degradados o eliminadas. El mundo del trabajo está cambiando a todos los niveles y en todas las regiones, mucho más rápido que los sistemas de conocimiento y formación hayan podido responder. El sentimiento de urgencia no está combinado a un grado satisfactorio de claridad sobre la respuesta a dar. Quedan por formular las preguntas fundamentales: ¿Qué se debe hacer? ¿Qué se podrá hacer? ¿De dónde deben venir los recursos?

Naturalmente, nuevos enfoques y mecanismos serán necesarios en la medida que las instituciones existentes sean rehabilitadas y reformadas. En la mayoría de los casos, estos cambios requerirán decisiones políticas a nivel nacional acompañadas por una legislación facilitadora y marcos reguladores que desciendan al nivel local. La Conferencia de Interlaken tratará una serie de asuntos claves que necesitan clarificación antes de que las políticas puedan ser reformuladas y las reformas puestas en práctica. Los objetivos principales son comprender las complejidades enfrentadas por aquellos que intentan integrarse y dominar el mundo del trabajo y formular las respuestas que puedan ayudarles a tener éxito.

Opening Remarks

By Walter Fust, Director General, Swiss Agency for Development and Co-operation

«Ladies and gentlemen, dear friends

It is a great honour and pleasure for me today to open the international conference «Linking Work, Skills and Knowledge: Learning for Survival and Growth». This event may truly be called an international conference. The majority of you, the participants, is from abroad, coming from more than 50 countries in Asia, Africa, Latin America, Eastern and Western Europe and North America. Many of you travelled extensively to reach Interlaken in the Swiss mountains, and I would like to thank you for this effort.

Key Challenge Unemployment

The International Labour Organisation (ILO) estimates that, out of a labour force of three billion people, 25 – 30 per cent are underemployed and about 150 million workers are fully jobless. I am well aware that many of you live in countries where you face an open or hidden unemployment even higher than these percentages. What perspectives can you offer in such a grim situation to all the youth entering the labour market? The unemployment and underemployment of almost one billion people is the greatest single challenge on our way of halving absolute poverty until the year 2015 – an objective of consensus among nations, an objective to which all of us are committed.

The exclusion of a large part of society from the formal labour markets underlines the vital importance of the informal sector and the small enterprises for survival and growth. We firmly believe that the informal sector and the small enterprises will continue to be the backbone of the «people's economy» in the foreseeable future in many countries. This reality has important implications for vocational education and training.

On the other hand, the on-going process of globalisation is creating winners and losers, is deeply transforming the world of work in the international sector of the economy. What are the effects of globalisation for the informal economy and the small enterprises? What are the requirements for them to seize new opportunities? What skills are needed to survive in a decent manner in the economy and the society of the future? How do these change processes affect education?

Conference Objectives

In order to get valid answers to such pertinent questions, the Swiss Development Co-operation convened this Conference in close collaboration with the Working Group for International co-operation on Skills Development. On this occasion, I would like to thank the Working Group as well as our friends from ILO for the excellent co-operation we enjoyed in the preparatory process of this event. Bilateral and multilateral agencies are members of the Working Group. SDC is very much committed to this Working Group offering a forum to exchange experience and views on international co-operation in skills development. This conference, however, has the invaluable advantage of a strong participation from developing and transition countries allowing a direct exchange with partners – an added value which I appreciate very much.

It is beyond the scope and reach of this conference to develop blueprints on how to meet the global challenge of unemployment. Our purposes are more modest but also more concrete. We would like to stimulate learning and to contribute to a decent livelihood of poor people, and to improvements for individuals struggling in small enterprises. We hope to offer opportunities to

- seek common ground for clarifying skills and knowledge needs and demand in the world of work of the informal sector and in small enterprises;
- identify good practices and weaknesses in skills development, in response to the needs and demands of the informal sector and small enterprises;
- to enhance a need based reorientation of international co-operation in the fields of vocational education and training;
- strengthen dialogue, co-operation and networking in skills development among professionally committed people in developing, transition and developed countries.

To achieve these goals, we need you, the participants. You are the experts, working in governments, at universities, the private sector, in non-governmental organisations, in bilateral or multilateral agencies. Many of you have shared your invaluable experience by writing informative and challenging papers and will contribute during the plenary and working group sessions. We are here to listen to your experience, to get a down to earth picture of the needs in developing and transition countries on how to link work, skills and knowledge in our fast changing world.

On the Way to an «Interlaken Declaration»

Today, on the first day of the conference, we try to achieve an overview of the influence of globalisation and to get differing perspectives from different continents. Tomorrow, the second day, we split up in five working groups, in order to deepen insights on different key issues while also dealing with crucial transversal issues like poverty, youth, gender as well as delivery aspects. On the third day, we hope to arrive at an «Interlaken Declaration» focusing on the most important issues and insights. We know this is an ambitious programme but we are convinced you will achieve it.

The idea behind an «Interlaken Declaration» is to identify the needs and demands in skills development of the informal sector and the small enterprises in today's fast changing world of work and to propose key policy conclusions for the stakeholders involved. The contents of the «Interlaken Declaration» will not be a pre-cooked meal but a result of the conference deliberations. The final text will be adopted by the conference participants on the third day of the conference. Negotiating and adopting the Interlaken Declaration does not involve and oblige the institutions represented by the participants but is made in your personal capacity. The process will show us

where we have got converging opinions and where sensitive and conflicting issues appear.

The «Interlaken Declaration» will not remain a pure paper exercise but we expect it to become a powerful instrument for the future dialogue. Among others, a follow up to the «Interlaken Declaration» will take place at several levels on several occasions as are:

The Working Group for International Co-operation for Skills Development will use the Interlaken Declaration as a key input for their meeting on 13/14 September 2001 in Interlaken.

An effort will be made by SDC/ILO to use the Interlaken Declaration as an input for the World Employment Forum of the ILO in November 2001.

An effort will be made by SDC/ILO to integrate the concerns expressed in the Interlaken Declaration into the ILO Conference 2002;

Within the framework of SDC's strategy 2010, we shall assess our policies in the fields of work, skills and knowledge and our ongoing operational activities in bilateral and multilateral cooperation in the light of the «Interlaken Declaration» findings.

Let us start now. I hope Switzerland and Interlaken will become a good experience for you. Thank you.

Effects of Globalization on the World of Work

In the Informal Sector and Small Enterprises in Developing and Transition Countries

By Lucita S. LAZO *

Introduction

Globalization may be defined in several ways, and from different perspectives. One can talk about globalization as the widening and deepening of international flows of trade, finance and information in a single, integrated global market. An alternative would be to describe it as the increasing connectedness between the world's people (including the international spread of cultures ... as well as diseases and crime) as natural and artificial barriers break down.

Or, one can refer to it as the transformation (shrinking) of the world into a global village, as borders disappear, distances shrink, and time shortens.

Globalization is not new but its character has changed. There are new markets: globally linked financial markets working around the clock with new instruments, global consumer markets with global brands, e-commerce. There are new actors: multinational corporations, the World Trade Organization, proliferation of international civil society organizations (CSOs) or NGOs, regional blocs, policy coordination groups. There are new rules: multilateral agreements in trade, conventions on human rights, on global environment. And, there are new tools of communication: e.g. cellular phones, telefaxes, e-mail, the Internet (Monsod: 2000).

Globalization is a process and an outcome. It is a continuing and evolving phenomenon and therefore the effects of globalization cannot be treated as a single undifferentiated process over time. It must take into account the changes in the pattern of international integration and their dissimilar effects in the various countries.

Three broad phases can be identified in the globalization process since 1980: 1) the phase of trade and investment based integration which was followed by 2) the phase of financial integration, and most recently 3) the current phase of crisis and adjustment (Ghosh: 1999, p.5).

It is an entirely new world out there. In the world of work, there is a shift in the demand for skills and job

offerings as a result of new business practices, new organizational structure, the application of new technologies, and the design, production, and delivery of new products and services. Work is being redefined – from permanent to flexible employment, from stationary to distance work, etc. Globalization has added yet another kind of divide – the digital type – between and within countries. (Suzuki: 2001).

The Asian financial crisis dramatized the impact of globalization and opened our eyes to the true nature of a free market economy. It highlighted the footlooseness of capital that can move freely from one country to another with a cyber-click. Hence, investors losing confidence and perceiving increasing political and/ or economic risks can trigger capital flight in a country. Where there are perceptions that slowdowns in economic growth based on export declines could mean declining profit margins or economic losses, the owners of capital could quickly make decisions to perceived profit potential.

«Control over the flows of capital have been lifted, particularly after the Bretton Woods system of fixed exchange rates broke down in 1971, with developed countries leading the way, and developing countries following, encouraged in no small degree by the Bretton Woods institutions and the OECD. The same trend is observable with regard to foreign exchange flows» (Monsod: 2000).

The Effects of Globalization on Informal Employment

According to some studies, many individuals suffering economic hardship because of a financial or economic crisis or a recession, resort to the informal sector or underground economy. Schneider (2000) quoted Spiro (1993) who emphasized that «once this habit is developed, it is unlikely that it will be abandoned merely because economic growth resumes.» They may not even return to the formal sector.

In his study, Schneider also showed that the informal economy has expanded in many countries with the following regional average size estimates:

Countries	Average Size of the Informal Economy, 1989-93 (in percent GDP)
<u>Developing countries</u>	
Africa	43.9
Central & South America	38.9
Asia	35.0
<u>Transition countries</u>	
Former Soviet Union	25.7
Eastern Europe	20.7

Source: Schneider own calculations using values from various sources, March 2000.

He pointed out that the driving force for the shadow/informal economy activities is the direct tax burden (including social security payments), followed by the intensity of regulation and complexity of the tax system.

Many studies have indicated that globalization may have slightly closed the gap on inter-country inequalities but increased the income inequality within nations (Stewart: 2000). It has privileged powerful economic organizations, like transnational corporations but not women working in their homes. People who lose jobs in formal employment as a result or aftermath of financial crises, crowd into informal employment. As a result, earnings and wages are likely to fall — and ultimately, the safety net will break. Earnings will be so low that they do not allow people to survive not matter how long the hours they work, or how many members of the family try to earn something. (Elson: n.d.).

The impact of globalization is a continuing story and this could be analysed at different levels namely, macro, meso, and micro levels. This could help in identifying the gaps in the responses to adjust to the challenges of globalization.

«The macro level looks at the economy in terms of total marketed output (domestic private sector and

public sector production plus imports) and total expenditure (consumption plus private investment plus government expenditure plus exports). These aggregates are understood as a coherent result of the activities of millions of individuals (micro level) integrated by the institutions at the meso level.

The private sector institutions operating at the meso level, the institutions of the market mechanism and the firm, are understood as the outcome of voluntary contracts by individuals who wish to create institutions to economize on the costs of conducting transactions. What is economically rational at the individual level also appears to be economically rational at the level of the society as a whole.»

According to this view, the household and the family belong to the micro level. Meso institutions embody social norms and networks which themselves shape the behaviour of individuals and the ideas about what is appropriate to want and to do. Without such social norms market economies could not function, because voluntary contracts between individuals are always incomplete. This is because life is radically uncertain, and try as we might to cover all contingencies, the unexpected is always liable to crop up. The outcome will then depend on the degree to which people feel bound to act in certain ways even though there is not a clause in the contract to cover it, on what labour market analysts call «custom and practice,» on share general understandings, and mutual trust (Elson: n.d.).

The impact of globalization has differed across regions because of differences in economic situation and structure among them. The chart below illustrates that the impacts of globalization can be felt at various levels of the economy and corresponding responses and appropriate interventions can be made at every level. What it suggests is that actions and measures must be taken by the various actors and stakeholders who may be affected by globalization, for good or for bad.

Level Institutions involved	Globalization	Impact	Responses
MACRO National government	Liberalization of trade regime (GATT agreements) Free financial flows	Challenge to current policies and national development plans strategies Cuts in national budgets increased incidences of poverty and vulnerability in the population Need to formulate economic and social policies to neutralize negative effects	Policy on capital flows Policy on social protection and safety nets especially of disadvantages and vulnerable groups Rescue packages Assistance to individuals and households Review of GATT commitments and slowing down implementation
MESO Firms Organizations (chambers of commerce, trade unions, community) Networks	Stiff competition High input prices Scarce raw materials	Closure or downsizing Mergers in the financial sector Reduction in social services (i.e. health and education)	Reorganization and corporate re-engineering Policy advocacy
MICRO Households and family Individuals (male/ female)	Loss of jobs Decline of markets Lower piece rates and wages Rise in cost of living Lack of public services: schools, clinics, medicine	Shift from wage work to informal employment, either subcontracting or self employment Increased vulnerability Need for safety nets Income erosion	Grassroots organizing Shift from private to public schools

Source: Lazo, 2000.

In truth, we do not know the precise impact of globalization until they unfold before us. Some of the effects may not be immediate and obvious; they may occur later and we will only know then. There are those who theorize that the effect of globalization could have a lagged effect. However, we do have some hypothesis as to the outcomes that may ensue

due to globalization. This is graphically illustrated in the following framework that HOMENET, with the assistance from WIEGO (Women in Informal Employment: Globalizing and Organizing) has drawn up in preparation for country studies on the impact of globalization.

Economic Impact of Globalization on the Informal Sector

Effects	Informal Sector Workers	Informal Sector Producers
Employment effects	Layoff (invisible) resulting in: unemployment, shifts to self-employment, casual work or irregular forms of employment, migration (urban, rural, overseas) Teleworking	Loss of livelihood – Shifts to sub-contract work – Shifts between sectors (e.g. to agriculture) – Intensification of work migration (urban, rural, overseas)
Production effects		Scarcity of raw materials Drop in market demand Loss of marketing outlets due to competition + crowding Drop in volume production
Income effects	Drop in real wages	Rise in cost of living Rise in input prices Rise in output prices
Public spending effects	Lack of public services – Rise in cost of public services	Lack of public services – Rise in cost of public services

Source: HOMENET: 200, additions by Lazo 2001.

Social and Welfare Impacts

Health

Decline in health services
Decline in reproductive/ contraceptive services
Rise in health care costs
Rise in costs of contraception
Rise in malnutrition
Rise in incidence of certain diseases (e.g. HIV/ AIDS)

Education

Decline in education services
Decline in school enrolment
Rise in school dropout rates
Rise in absenteeism

Social

Rise in drug or alcohol addiction
Rise in violence in the workplace
Rise in child labour
Rise in prostitution

Psychological

Rise in stress
Rise in mental health problems, notably depression
Rise in suicide rate

Security

Rise in criminality
Rise in civil unrest
Rise in human rights violations

Demographic

Rise in fertility
Increased migration from rural to urban, from developing to developed countries

To date, globalization has led to a mixed bag of impacts: some good, some bad. The losses of globalization outweigh the gains as has been clearly exemplified by the Asian crisis and the situation in a large number of countries. The risks generated by an insecure international financial market are downloaded to the world's informal sector which operates a safety net of last resort (Elson: 2000).

In her study, Frances Stewart (2000) pointed out the following: In Africa, there is evidence of improved rural-urban terms of trade, but very little diversification into labour-intensive industrial products. Although the share of the small-scale sector in employment is expanded, there is no evidence of a rising share of output. Income distribution within both urban and rural sectors probably worsened but this was offset in some cases by the improved agriculture industry terms of trade. A falling share of direct taxes, a fall in the ratio of government expenditure to GNP, and a fall in the share of health and education in government expenditure in the majority of countries implied a worsening in secondary distribution. The introduction of user charges further hurt some of the poor in absolute terms, though the distributional incidence may have been progressive.

«The ratio of total government expenditure to GNP declined in about two-thirds of the African countries implying severe cuts in total government expenditure per head over the 1980s. The worst cuts were in Tanzania (50 percent), Zambia (60 percent), Sierra Leone and Zaire (around 70 percent) among adjusting countries, and Liberia (50 percent) among non-adjusting ones. The average budget going to education fell from 15.4 to 12.8 percent while that designated to health fell only slightly from 5.5 percent to

5.3 percent. Use of health services was adversely affected by the combined effect of reduced resources (including drugs), reduced incomes, and rising charges.

«The declining proportion of GNP going to the social sectors is likely to have cut the secondary incomes of lower-income groups more than of upper-income groups. The introduction of user charges and the reduction of food subsidies may have improved the distribution of secondary benefits, but clearly worsened the absolute position of the poor» (Stewart: 2000).

In Latin America, a deterioration in income distribution was most marked and extensive over the liberalization period. Public expenditure has decreased in areas such as education, although not in health, where expenditure slightly increased. The earliest liberalisers of Latin America (1970s) – Chile, Argentina, and Uruguay – suffered greater inequality in income distribution. This situation is repeated in countries that liberalized later, in the 1980s, after the debt crisis hit Latin America (Mexico and the Dominican Republic). Further evidence of rising inequality in the wake of liberalization is provided by Colombia and Ecuador which liberalized in the 1990s.

In Asia, the negative social impact has not been uniform across social groups, according to an ILO Governing Body Symposium held March 1999. Among the victims of the crisis, vulnerable groups such as women, children and migrant workers have suffered most. Quantitative assessments of the impact of the crisis on women's labour force participation rates, unemployment and incomes, indicate a clear worsening in some countries and more mixed results in others.

There are evidences that globalization has led to some painful effects in Southeast Asian countries such as loss of jobs, loss of markets, falling piece rates, and falling margins and increased hours of work. In Thailand, for example, «the women subcontracted workers in the garments sector face irregular orders and job insecurity. They also assert that their wages have remained the same over the past five years with a tendency toward further declining wages due to the economic crisis. At the same time, consumer prices of necessary household items such as food, soap, shampoo, and the like have been on the rise,» (Boonmathya, et al., 1999).

In the Republic of Korea and the Philippines, women are worse off than men. In the Republic of Korea, women's unemployment at 5.8 percent is lower than men's at 8.5 percent (Chang, P., 1998). However, women's labour force participation rate (LFPR) has dropped by 4.4 percent, while the rate for men has remained virtually constant. Among regular workers, women's unemployment has risen to 15 percent, compared to 12 percent for men (Illo, J.).

In Thailand and Indonesia, the gender-differentiated impact of the crisis, in purely quantitative terms of employment and income, is more ambiguous. In Thailand, women's employment dropped by 3.8 percent compared with men's which dropped by 2.5 percent (Charoenloet, V. and Karnjanauksorn, T., 1998). However, women's incomes are reckoned to have dropped by less than did men's, possibly implying that firms were replacing men with lower-waged women, as in the Philippines.

In Indonesia, the women's unemployment rate appears to have increased by less than 14 percent than men's which rose by 27 percent. However, in both urban and rural areas, women's incomes fell further than men's with 6 percent and 4 percent differentials respectively. In Indonesia, women seem to have become more economically active but for less pay as a result of the crisis, over-stretching their limited resources and time (Oey-Gardiner, M., 1998).

While this quantifiable impact of the crisis on women's employment and income is significant, the less quantifiable impact on women in the informal sector, and on women's budgets as providers of the family's basic needs, may well be greater. While both employment and wages in the informal sector have probably been hit harder but cannot be assessed. More casual evidence suggest that as the market demand fell and competition increased for remaining work, prices fall too, along with wages, piece-rates, and incomes. A majority of women in developing countries of the region, including agricultural labourers, traditional artisans, weavers, vendors, home workers, or other informal sector workers in urban areas, are likely to have been particularly hard hit by the Asian financial crisis» (ILO-ROAP: 1999, pp. 5-6).

Since the Asian financial crisis erupted in July 1997, major efforts were undertaken to monitor and track the impact of the crisis. Among these are the Asia Foundation-sponsored studies in the Philippines and Thailand as well as an earlier study by the Asian Development Bank. The ESCAP has likewise sponsored similar studies looking into the impact of globalization in the Asia-Pacific region. Studies in Thailand, Indonesia, and the Philippines are currently underway to further explore the impact of globalization.

An ILO study on «Globalization, Gender, and Employment in the Informal Economy,» reported that the effect of the crisis on the jobs of the workers in the informal sector of the Philippines has been quite substantial. On the whole, 13.6 percent of the total respondents (14 respondents out of 100) lost their jobs as a result of the crisis. «Loss of job» means either termination of employment on the part of paid employees or inability to get job contracts on the part of the homeowners. It also means closure of the business enterprise – either temporary or permanent– on the part of small household operators, namely, the

self-employed or own account workers, and the employers.

For some, the effect has been quite sudden and devastating. The experience was economically pressing, since it means loss of income or profit to the individual and the family. It is especially straining to those who have not yet been able to recover and find employment until the time of interview. Women are more affected by the crisis, judging by the proportion of those who lost their work.

The proportion of women respondents who lost their jobs following the crisis is slightly higher (14.5 percent) than that of the men (12.7 percent). The hardest hit are the self-employed or own-account workers (25 percent), the employers (18.2 percent), and the home workers (16.9 percent). Women are again the hardest hit by the crisis in the following job categories: self-employed or own account workers... home workers and paid employees. Men, on the other hand, are the hardest hit only in the employers category compared with women (Dejillas, 2000, p. 40).

Women find themselves burdened with subcontracted, home, and nurturing activities. The economic difficulties brought about by intensifying competition (in both labour and product markets) have reduced their earning power. She finds herself burdened with the responsibility of cutting down expenses, incurring debts, and undertaking secondary paid work activities to increase her sources of income. This is aggravated by the current recession and weather disturbances, both of which have thrown off males from their jobs and decreased their income. Deterioration of physical and social infrastructure has further compounded their problems since constant flooding and problems with peace and order intertwine with economic hardship. The result is an increase in the financial, physical, and psychological burden of the subcontracted women workers (Lim, Ofreño, and Gula, 1999).

The data and information on the impact of globalization remains incomplete. There is need to know more about how individuals and households are reacting, coping and surviving the era of globalization. What opportunities have appeared to the poor and vulnerable groups? Have they taken advantage of it? How? Has globalization led to equitable household division of work?

As the process of globalization unfolds further, there will be need to consistently monitor its impacts. Accordingly, responses can be drawn up as and when necessary. Or better still, proactive measures can be made to stave off expected adverse effects.

Managing Globalization

Social investigations of the post-crisis situation of home-workers were conducted in the Philippines and Indonesia under the sponsorship of Asia Foundation. Adjustment mechanisms to the crisis were noted among the Filipino garments subcontracted workers as follows:

1. Finding secondary sources of income to compensate for declining income from subcontracted work. Most wanted to set up their own business but had problems finding capital. Loan sources are varied but home-workers had to turn to money lenders.
2. Reduction of expenses on food, clothing, and shoes but not on education. Utilities could not be cut because they were essential. Little cutback on cigarettes and alcohol.
3. Some said there was an increase in productive and reproductive work.
4. Subcontracted work supplemented earnings of the household and increased women's self-confidence and self-respect.
5. Husbands now helped more often in the housework because of their wives' subcontracted work.

Similarly in Thailand, «many women subcontracted workers in the garments industry reduced their personal and household expenses by cutting their costs on health care and food. Many women mentioned that during the crisis, they did not want to see a doctor so as to save money for household expenses. Widely practiced has been a combination of the use of economically price traditional herbal medicine (based upon the recommendations of people within their safety net) and the purchase of medicine directly from a drugstore (Boonmathya, et al.: 1999).

Concluding Remarks

Globalization is not a policy for us to judge right or wrong. It is a reality we must face whether we like it or not. It will present opportunities as it will give pains to some of us some of the time. Expectedly, there will be gainers and there will be losers. We will need to watch for ourselves in order to prepare for it or find remedies to such pains.

Workers in the informal economy are at great risk of being further marginalized if steps are not taken to manage globalization. This can be effectively done at the national level but assistance can be had at the regional level. Collective watching and gathering of information will be necessary to trace the direction that globalization will take in the coming years. We still have the option of «reshaping» globalization so that

it will be less painful and bring more opportunities to better our lives. Among some of the practical steps we can take include:

At the Macro Level

- Review and reform of macroeconomic policies
- Policies providing social security and safety nets
- Support services and programs for the vulnerable and the disadvantaged – (this may mean intensifying and/ or scaling up relevant programs such as micro credit, marketing assistance, etc.)

At the Meso Level

Home workers' organizations and networks could pursue the advocacy for policy reforms. It could:

- Collect information on the directions and impact of globalization and disseminate these to associations of workers in the informal economy
- Donor could assist the creation of networks, centre of information exchange and «think tanks» to generate the necessary intelligence to cope with globalization
- Explore political and economic issues for advocacy. Call for reasonable import controls and not to lower tariff beyond what is necessary to honour international obligations
- Demand government support in terms of loans, technical and marketing assistance and provision of safety nets.

At the Micro Level

- Workers in the informal economy must get organized in the way that home workers have organized to some extent. There is a need to strengthen groupings and associations of workers in the informal economy. They could serve as representatives in social dialogues with policy makers and implementers.
- Build the capacity of workers in the informal economy to voice out and represent their issues and concerns at public policy for a and link with appropriate agencies of government.

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Informal Economy: Safety Valve or Growth Opportunity?

By Tara Vishwanath, Vice President South Asia of World Bank, Washington DC, USA.⁴

Introduction

While growth is considered to be key to improving human development and reducing poverty, experience has shown that conditions conducive to high growth may not always translate to commiserate increases in incomes and employment of the poor. Thus recent debates in the development literature have centred around unbundling the factors that are necessary to ensure that the poor can participate in – and benefit from – the growth process. Research has pointed to the important role of technical progress, human capital, inequality, knowledge, and more recently the role of institutions, political factors and culture as systematic variables that influence how growth potential translates into increases in income and quality of life of the poor.

This paper fits into the overall theme of exploring factors that constrain the productive opportunities of the poor, in the narrower domain of the informal sector. In developing countries, central to the link between growth opportunities and poverty reduction is the role of the informal sector – its characteristics, and the impediments it poses in the creation of opportunity. This is because evidence shows that a very large share of total economic activity, as well as employment, in developing countries occur *outside* the part of the market regulated (by and large) by government rules and regulations. Moreover, an overwhelming proportion of the poor are found to be concentrated in this unregulated, informal part of the economy. That being the case, identifying the factors which limit the productive opportunities of the poor would require exploring the constraints which impede the growth opportunities in the informal sector.

In general, the literature has tended to view the informal sector in developing countries mainly as a fall-back option for livelihood for those who cannot participate in the formal sector – in effect a «safety valve» for the economy. While such a view has some basis, having it dominate the understanding of the informal sector has led to public intervention being focused primarily on providing safety nets and targeted anti-poverty programs that address the vulnerability of the participants of the sector. Although social pro-

tection objectives are important by themselves and have positive implications for growth as well, there is a need to extend the scope of public policy to a broader range of initiatives that facilitate translating the considerable enterprise, skill, and innovation existing in the informal sector into higher productivity and incomes. Given the size and importance of the informal sector, productivity and income growth here would also have substantial impact on the overall growth of the economy.

Achieving such a scope, the paper will argue, will require policy design to explicitly incorporate the informal sector into its domain. This does not happen in many developing countries at present; public policy tend to focus exclusively on the formal sector, where all the potential for growth is perceived to be. Incorporating the informal sector would be particularly important in the context of plans to promote market opportunities through liberalization that are being undertaken in many developing countries, which can have far-reaching implications for the informal sector.

Section I of the paper will briefly review the definition and measurement issues regarding the informal sector. Some important findings on the informal sector in existing research is discussed in Section II, including to what extent is participation in the sector a «last resort», or a matter of choice. Section III discusses the constraints to growth of the sector, and the possible areas where public policy can have an impact; Section IV summarizes the main messages to suggest the way forward.

I. Measuring the Informal Sector in Developing Countries

It is common practice in development literature, for functional and analytical purposes, to model the labour market as segmented, between the formal sector and the informal sector. The latter, it is generally believed, makes up a very large share of total employment in most developing countries. However, even before the size and importance of the informal sector can be gauged, the literature has had to address the question of arriving at a reasonable definition of what constitutes the informal sector, vis-à-vis the formal sector.

⁴ This paper, co-authored with Ambar Narayan, Economist, World Bank, South Asia Region, is the basis for the keynote speech.

Defining the Informal Sector

Conceptually, *formal sector* is understood as that part of the economy which operates under some accepted rules and regulations imposed by the government. Firms in this sector are licensed with the government, and consequently expected to maintain records for all transactions, conform to tax and labour laws, including minimum wage laws, pension and health insurance benefits for employees, workplace standards of safety, comply with accounting standards and so on. Such firms also receive support from Government such as subsidized access to infrastructure, foreign exchange quotas, and right to import certain inputs – all of which facilitate their growth and productivity.

In contrast, *the informal sector* escapes most of the rules and regulations described above. Typically, firms in this sector are not registered with government agencies, do not adhere to norms of minimum wages, retirement schemes or unemployment insurance, get little government support and pay little or no taxes. The costs of setting up such firms are usually very low, there is little investment in capital equipment, and the businesses are predominantly small scale. Indeed most of the agricultural sector in developing countries can be counted as an informal sector, as agricultural taxation is quite hard to implement, minimum wage laws are hard to enforce, and a large part of the production occurs in small farms and farm-based industries.

Most importantly, the informal sector is highly heterogeneous, including production units of different features and in a wide range of economic activities, as well as people working or producing under many different types of employment relations and production arrangements. Because of the heterogeneity of the informal sector, and its multiple dimensions, conceptual and statistical definitions of this sector are hard to arrive at. A definition provided by the ILO, as adopted by the Fifteenth International Conference of Labour Statisticians (ICLS),⁵ conceives the informal sector as consisting of production units that «typically operate at a low level of organization, with little or no division between labour and capital... and on a small scale.... Labour relations – where they exist – are based mostly on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees.» Moreover, these units possess the characteristics of «household enterprises», where fixed and other assets do not belong to the unit but to the owner, units can neither engage in transactions or enter into contracts nor incur liabilities on their own behalf, and expenditure for production and capital goods are often indistinguishable from household purposes.

⁵ January 1993

Problems with Estimating the Size of the Informal Sector

In order to functionally apply the ILO definition to arrive at estimates of the informal sector, one would have to consider a combination of «proxies» for the wide range of factors mentioned in the definition. The use of such proxies are found, for example, in ILO informal sector surveys in Latin America (for 1990-1995), that define informal sector employment as consisting of all own-account workers (but excluding administrative workers, professionals and technicians), unpaid family workers, and employers and employees working in establishments with less than 5 or 10 workers. Similar combinations of proxy indicators (e.g. employment size of the enterprise, non-wage employment, with or without registration as an additional criterion) are used in household and establishment surveys to determine the magnitude of the informal sector, where the exact criteria may vary widely across regions and countries.

In spite of much recent progress made in the definition of informal sector units and workers, the lack of a precise definition and the subjectivity inherent in the measurement would mean that existing statistical data are highly imperfect. There is also a likely underestimation of the size of the informal sector, caused by the fact that labour force and informal sector surveys typically count one's primary occupation only, thus effectively excluding secondary activities which very often occur in the informal sector.⁶ The common practice of defining employment in informal sector based on the size and nature of the enterprise may not take into account the fact that whether employment is of the formal or informal type would depend not only the size and structure of an enterprise, but also on the contractual status of that worker. For example, a worker hired without an employment contract by an enterprise belonging in the formal sector should be considered employed by the informal sector. Defining «informality» has become all the more problematic in recent times, with the growing practice of outsourcing and subcontracting services and production. It can be argued that such strategic shifts in production towards ever smaller enterprises, family undertakings and homeworkers have contributed to an «informalization» of employment, in developed and developing countries alike.

Available Estimates

From the estimates that are available, it is quite evident that even with likely under-estimation of the importance of the informal sector in terms of em-

⁶ Domestic workers represent another problem, since they are neither own-account workers, nor regarded as workers with informal or formal employers; thus they would not be counted either as informal sector workers, or in surveys of formal establishments.

ployment and contribution to GDP, developing countries are characterized by informal sectors that are large on both these accounts. According to data collected by ILO, among the countries for which data are available, employment in the informal (or related) sectors accounts for more than 50 per cent of total employment in the urban sector. These include nine African countries (Cameroon, Côte d'Ivoire, Gambia, Ghana, Kenya, Madagascar, Mali, United Republic of Tanzania and Uganda), three Latin American countries (Bolivia, Colombia and Peru) and one Asian country (Pakistan). The highest shares among all countries (more than 70 per cent) were recorded in Gambia, Ghana, Mali and Uganda. Among the regions covered, countries in sub-Saharan Africa tend to have the highest share of informal sector employment to total urban employment, and the transition economies of Central and Eastern Europe and the former USSR have the lowest shares.⁷ Table 1 below lists these shares in Latin and Central American countries for which data were available.

Table 1: Urban Informal Sector Employment in Latin and Central American Countries (Latest Available Year in the 1990s)

Country	Year	Urban Informal Sector Employment as a % of Urban Employment		
		Male	Female	All Workers
Argentina	1995	..	..	45.7
Bolivia	1996	54.0	63.8	58.5
Brazil	1995	..	..	48.2
Chile	1997	31.9	27.4	30.3
Colombia	1996	53.5	53.4	53.4
Costa Rica	1995	..	..	39.6
Ecuador	1997	39.0	41.6	40.0
Honduras	1995	..	..	49.0
Jamaica	1996	26.2	20.6	23.5
México	1996	28.1	26.2	27.4
Panamá	1995	..	..	33.7
Paraguay	1996	47.0	46.0	46.4
Perú 1997	48.3		54.1	50.8
Uruguay	1997	32.8	26.8	30.1
Venezuela	1997	44.2	39.5	42.4

Source: Key Indicators of the Labour Market (KILM) – Database of the ILO (1999, Table 7)⁸

Time-series data that allow observing change over time, available for a select number of countries, show that in virtually all cases the share of informal sector employment to total employment in the corresponding branches of economic activity has gradually increased during the 1990s. In urban Latin America, informal sector employment grew by 3.9 per cent per annum in 1990s, while formal sector employment grew by only 2.1 per cent. In Africa, urban informal employment is estimated to absorb 61 per cent of the urban labour force. In Asia, before the 1997 financial

⁷ data in this paragraph are from Key Indicators of the Labor Market – an ILO database

⁸ URL of the database:

<http://www.ilo.org/public/english/employment/strat/kilm/index.htm>

crisis, the informal sector typically absorbed between an estimated 40 and 50 per cent of the urban labour force, ranging from less than 10 percent for the newly industrializing countries to an estimated 65 percent for a country like Bangladesh.

The increasing importance of the informal sector is also evident from figures on own-account and unpaid family workers, who are considered the major component of the rural and urban informal sector. In all regions of the world, the number of self-employed in non-agricultural activities increased between the 1980s and 1990s. In the 1990s, own-account and family workers represented nearly two-thirds of the total non-agricultural labour force in Africa, one-half in South Asia, one-third in the Middle East, and one-fourth in East Asia and Latin America.

A rough estimation of the size of the informal sector in developing countries can also be arrived at by looking at the share of the non-agricultural labour force engaged in «services». Table 2 below lists such shares for selected developed countries; the figures reveal large fractions of the population in developing countries to belong to the services sector, much the same as in developed countries like the US, UK and Canada, where close to 70 percent are in the tertiary or services sector. However, applying a single definition of «services» to both developed and developing countries can be misleading, since in the context of developing countries the services sector is predominantly the informal sector, which is not the case in developed countries. This distinction is important, for it implies that using employment in services as a proxy for employment in informal sector is justified in developing countries, but not in developed ones.

Table 2: Share of Non-Agricultural Labour Force in Services in Selected Countries

Country	Per Capita income (1994 PPP)	Non agricultural labour force in services (percent %)
Tanzania	620	69
Nigeria	1,190	88
India	1,280	61
Senegal	1,580	65
Honduras	1,940	67
Ghana	2,050	68
Philippines	2,740	72
Indonesia	3,600	69
Egypt, Arab Rep	3,720	63
Ecuador	4,190	72
Botswana	5,210	63
Brazil	5,400	70
Venezuela	7,770	69
Spain	13,740	63
UK	16,150	70
Canada	19,960	74
US	25,880	71

Source: Ray (1998); The World Bank (1996)

Attributing the share of the informal sector to the aggregate economic activity of a country is also a difficult exercise, both on account of problems in defining the informal sector and the difficulty in measuring the output of some of the informal enterprises and workers. However, from those estimates that do exist, the importance of the informal sector is evident. In the case of Pakistan for example (see Table 3), the non-agricultural informal economy accounts for between 42 and 47 percent of the GDP in various years, far outpacing the share of the formal non-agricultural sector in GDP. The informal sector has also grown faster than the formal sector during the 1990s, according to these estimates.

Table 3: Shares of Agriculture, Informal and Formal Economies in GDP, and Their Growth Rates: Pakistan

Years	Agri- culture	Informal Economy (Non-Agri- cultural)	Formal Economy (Non-Agri- cultural)	Total
Shares (%)				
1980-81	31	42	27	100
1989-90	26	45	29	100
1997-98	25	47	28	100
1998-99	26	46	28	100
Growth Rates (%)				
1980s	4.0	6.9	7.6	6.1
1990s	4.5	5.3	4.2	4.8

Source: *Social Development in Pakistan, Annual Review (2000)*; based on estimates reported in *National Income Accounts by Federal Bureau of Statistics, Pakistan*.

The aggregate level statistics described in this section so far not only underestimate the importance of informal sector in developing countries, but also mask the widely diverse nature of employment contracts and the features of a large section of the «informal» working population in developing countries, which are crucial for understanding its potential role in growth and development.

II. Brief Overview of Treatment of Informal Sector in the Development Literature

A feature of developing countries long recognized in the literature is that of labour market segmentation into formal and informal (traditionally rural and urban). The large size of the informal sector in developing countries is explained by the strong pace of rural-urban migration, resulting in the inability of the industrial or modern sector to keep pace with absorb-

ing the surplus labour migrating from the rural economy. Lewis (1954) formalized this idea in his paper titled «Economic Development with Unlimited Supply of Labour», modelling the phenomenon of surplus labour in agriculture that at little or no cost can be transferred to industry, which soaks up the surplus at the pace that capital accumulation will allow, thus making capital the engine for development. Variants of this work followed (cast as the migration literature), a notable contribution being that by Harris-Todaro (1970), which explicitly builds in an informal sector in the urban economy that absorbs migrants waiting for employment in the formal sector. A large body of theoretical and empirical work ensued, which justifies the existence of informal sector primarily as one which grows due to the phenomenon of rural-urban migration.

There also exists a vast literature on agriculture, which is traditionally treated as a large informal sector. The notion of wages and employment there is quite complex and often one sees the coexistence of different contracts – sharecropping, rent, and wage labour, explained by the patterns of land ownership, lack of access to credit and markets, lack of adequate enforcement, and the need for mechanisms to mitigate risk of production. The literature is replete with examples of how such informal institutions have emerged to substitute for the absence of formal rules and regulations and the absence of markets and institutions to provide support to the working population in agriculture who are both poor and face a high level of risk.

Although a rich literature exists within the context described above, the economics of the informal non-agricultural sector is understood little, in large part because of lack of appropriate data. Like in the agricultural sector, there is a need to develop in-depth understanding of the nature of constraints that operate in this sector, and how informal arrangements and networks have emerged as responses to these various constraints. Such an understanding will be vital for not only focusing public action towards addressing those constraints and increase the growth potential of the informal sector, but also for making sure that public policy meant to promote the growth of the formal sector are not detrimental to the informal sector. The latter is an important concern, given the dominant role played by the informal sector in employment in developing countries, and is expected to continue to play in the near future.

Deeper understanding of the role of communities and networks in overcoming constraints in the informal sector may also inform ways to use these networks in creating opportunities for credit and insurance, similar to what has been attempted through micro finance in rural areas, and beyond that to services that enhance productivity, like marketing and training. Not until very recently have we witnessed

limited attempts to improve the income generating opportunities for the informal working poor through the idea of community driven development. Such efforts can facilitate the growth of this sector by addressing the key obstacles that they face – ranging from lack of skills, to access to credit, markets and other infrastructure – and by linking them to formal institutions.

Typical Attributes of the Informal Worker

Participants in the informal sector in developing countries are more likely to be poor than those employed in the formal sector, with lower indicators of human development like literacy rates and lower levels of skills. In fact it can be seen that in almost all countries, the poor are overwhelmingly concentrated in the informal sector – rural or urban.

Estimates of the informal sector have also shown it to be relatively more important source of employment for women. In practically all Asian and African countries for which statistics by sex are available, the share of informal sector employment in total employment is greater for women than for men. Women's share of informal sector employment is estimated at typically 60 to 80 per cent, which is very likely to be an underestimate. Since women comprise most of unpaid family helpers and home-based workers, they are often excluded from enumeration, and productive but unpaid work is often confounded with household work. The recent shift towards subcontracting production and services to family enterprises and home-based labour has contributed to the further integration of women's home-based labour into the formal production system under informal, flexible employment arrangements. As in the formal sector, in contrast to their male counterparts, women workers tend to be concentrated in a narrower range of activities or occupations (common stereotyped activities are food processing, garment sewing, domestic services), in tasks that require less or no skills and pay less, and in the lower-end of the markets.

The informal sector (rural and urban) is also the predominant employer of child labour found in developing countries. While a sizable proportion of these children work on family farms, and a large number are agricultural wage labourers, the most hazardous and potentially harmful type of child labour are likely to be found in the urban informal sector. It is instructive to consider the case of South Asia, which is home to the largest number of working children in the world. Conservative estimates suggest that there are some 20-30 million children at work in the region's five large countries. Agriculture has the major share of child employment, absorbing two-thirds of working children in Pakistan and Bangladesh and three-fourths in India. Urban child workers are more likely to be engaged in hazardous work in the informal sec-

tors. In Bangladesh, nearly 70 percent of urban child workers work outside the family enterprise, including hazardous occupations in manufacturing or domestic service. Average hours of work are higher in urban areas, and often children are employed as forced labour in the brick-kiln industry or carpet manufacturing. In Pakistan 11 percent of children are employed in manufacturing, including hazardous industries such as carpet and brick making. In India, child labour is found to be growing rapidly in urban areas, from 5.5 percent of the total amount of child labour in 1961 to 10 percent in 1991, with potentially hazardous sectors like manufacturing, transport, storage and communications sectors being large employers of child labour.⁹

The informal sector also tend to be exposed to a high degree of risk, along with little or no availability of formal insurance mechanisms to its participants. Firstly, labour market shocks can have profound effects in the informal sector. When layoffs occur in the formal sector in urban areas, the poor, who are likely to be the ones with low skills tend to lose their jobs first, swelling the ranks of the urban poor in the informal sector. Shocks that affect the urban formal sector have spill over effects on the informal sector, an example of which was Indonesia during the East Asian crisis – laid off workers crowded the urban informal sectors reducing incomes. Contrary to what is often believed, the growth of the informal sector may not occur in a counter-cyclical manner, stabilizing the fluctuations experienced by the formal sector. Evidence from Pakistan has shown that growth of value-added in the informal economy is actually pro-cyclical with respect to the formal economy.¹⁰ While causality is difficult to establish, it can be said that stagnation in one sector seems to adversely affect the other sector in Pakistan, thus detracting from the idea that the informal economy serves as a cushion for stagnation in the formal sector.

Macroeconomic shocks arising from balance of payment, currency or financial crises, while affecting all sections of the population, have especially detrimental effects in the informal sector where workers have little or no recourse to formal mechanisms like unemployment insurance or benefits. By the very nature of informal enterprises, they are especially vulnerable to dynamic changes in the economy, like technological changes that result in redundancy of skills, or movements in terms of trade. A decline in demand for urban labour also affects rural households, many of which depend on the earnings of family members who work in urban areas.

Formal market-based instruments for risk management are often unavailable to those employed in the informal sector. Isolation of the informal economy

⁹ *The World Bank (Draft: 2001)*

¹⁰ *Social Development in Pakistan, Annual Review (2000)*

from formal market-based institutions imply that such institutions have very little information about the informal sector and almost no ability to monitor, which leads to significant adverse selection and moral hazard problems that contribute to market failures in insurance and credit.

Given the absence of formal safety net mechanisms, households which derive their livelihood from the informal sector must find ways to reduce vulnerability through informal channels which can be classified as either mechanisms of self-protection or group-based relationships between households. Self-protection refers to ex ante and ex post measures taken by individual households to mitigate and cope with risk. Evidence from rural households has shown that in the presence of inadequately insured risk, a risk-averse poor household would often adopt technologies that are less risky, even if it is at the cost of lower expected returns. There is evidence that in risk-prone areas of India, households may sacrifice as much as 25 percent of average income to reduce exposure to shocks.¹¹ The poor in rural areas are also found to enter into interlinked arrangements like share tenancy and tied labour that balance risk against average return. Besides being costly in terms of potential income for the household, such behaviour limits experimentation and stifles innovation. Do similar costly adjustments in behaviour to mitigate risk occur in the urban informal sector also, and if so, what are their consequences – these are questions that future research needs to address.

Empirical research also shows that poor households in developing countries, who are almost always employed in the informal sector, often engage in precautionary savings in anticipation of income shocks.¹² Since high-frequency consumption smoothing would necessitate liquidity, poor households may be driven to accumulate highly liquid assets at the cost of less liquid (and higher-yielding) productive investment for farm or other household enterprises. There is evidence that such choice of asset portfolio has costs in terms of loss of productivity and income.¹³ Self-protection can also take the form of ex post measures, when unanticipated downturns cause individual households to adopt various measures, like increasing their labour supply in times of a shock, and by diversifying labour supply across additional household members, like women or children. Evidence has shown that in response to income shocks, poor

¹¹ Morduch (1999)

¹² E.g. Deaton (1992), Paxson (1992)

¹³ Aggregate income uncertainty is shown to induce Indian farm households to hold less risky portfolios, sacrificing higher expected returns for lower risk and greater liquidity (Rosenzweig and Binswanger, 1993)

households often have to draw on the labour of their school-age children, interrupting their schooling.¹⁴

The poor employed in the informal sector also rely on personalized or group-based relationships, to mitigate risk ex ante as well as to cope with the consequences of shock ex post. Networks that have often been developed over years in effect allow households to tap into a store of community resources during times of crisis. Examples of such expedients are loans where the terms of repayment are conditioned on income realized, gift exchanges based on a tacit agreement to reciprocate, and borrowing or lending among members of a group in times of need, using the ability of members of the mutual support network to monitor each other's repayment.

However the protection offered by such informal arrangements are mostly inadequate. Studies in the rural sector have found that the poor have only limited insurance, even against idiosyncratic shocks, from informal networks.¹⁵ Insurance may also deteriorate with distance, since informal networks tend to become less effective as the social ties that bind them matter less over long distances. This is especially valid in the case of the urban informal sector, where one would find greater heterogeneity and mobility among workers, resulting in obvious difficulties in forming and sustaining networks. In addition, mutual insurance and kinship networks are also unlikely to provide adequate insurance in the case of community-level shocks, primarily because their risk-pools are not sufficiently diversified.

To summarize, the workforce in the informal sector is characterized by higher incidence of poverty, lower social indicators like literacy, and a high degree of participation (relative to the formal sector) of women. The informal sector is also the primary employer of children, with most of the children in hazardous occupations being employed in the urban sector, with a high attendant degree of risk and threat to their long-term development. Workers in the informal sector are also especially vulnerable to a variety of risk. With little or no recourse to formal institutions of credit and insurance, households in the informal sector rely almost entirely on individual and group-based risk mitigation and coping mechanisms. Not only do such mechanisms provide mostly inadequate protection against risks, they also inhibit their productive potential, with long-term consequences for poverty and growth.

¹⁴ See, for instance, Jacoby & Skoufias (1997) 12 See, for instance, Ravallion & Chaudhuri (1997), Morduch (1991), Rosenzweig (1988)

¹⁵ See, for instance, Ravallion & Chaudhuri (1997), Morduch (1991), Rosenzweig (1988)

Safety Valve or Self Selection?

The prevailing view of the informal sector tends to be limited to that of regarding it, especially in the case of the urban informal sector, as a «safety valve» of the economy, providing employment to those who are unable to find employment in the formal sector. Such employment is also believed to be of a temporary or transitory nature, providing subsistence earnings. This view necessarily assumes the existence of a «protected» formal sector which provides higher wages, but cannot employ all who want to work at the prevailing wage. Indeed such a view can be seen to apply, especially in the case of wage workers in the urban informal sectors. Such workers in general earn lower wages (with greater insecurity, as described above) than those in the formal sector, which naturally suggests that the informal sector is characterized by excess supply of labour and absorbs the «surplus» labour from the formal sector.

At the same time, justifying the existence of the informal sector purely in terms its role in absorbing those who are unable to find formal employment, ignores the growing evidence – anecdotal and empirical – that certain people may actually choose to work in the informal sector over employment in the formal sector. This can happen in developing countries due to various reasons.

Firstly, informal jobs can offer flexibility in participation, in terms of hours of work, which is often preferred by women who are traditionally also burdened with responsibilities within the household.

Secondly, informal sector may attract some entrepreneurs with the promise of higher returns because profitable opportunities may exist certain markets that are not adequately serviced by formal enterprises. A good example of this would be the proliferation of small repair services for all kinds of mechanical and electrical devices, from watches to cars, in most developing countries. Such enterprises mostly operate outside the purview of government regulations, and provide cheap services which large formal firms cannot – because of the individualized nature of the service required, as well as the limited scale of demand. Many such examples abound in agriculture, manufacturing and services alike, where small enterprises can tailor output to the specific needs of clients better than the large firms. Moreover, in certain markets, informal enterprises are attractive to entrepreneurs because of the ease of entry into this sector, which is not bound by regulations and where start up costs tend to be low.

The hypothesis that self-employment in the informal sector is often a matter of voluntary choice, rather than compulsion, finds support in recent empirical

work based on Peruvian Data (see Box 1).¹⁶ If this hypothesis were true, the proliferation of informal self-employment in the urban sector in development countries should not be looked upon merely as an economically inefficient employer of surplus labour from the formal sector. Rather it should be seen as a response to a demand for urban services and small-scale manufacturing which are not addressed by the formal sector. There is evidence that a very large proportion of self-employment in the developing world occur in the informal sector, thereby implying that the informal sector absorbs a major share of the entrepreneurial talent. The dynamism brought about by this entrepreneurial talent in turn enhances the capacity of this sector to provide competitive earnings, which in turn attracts more entrepreneurs, leading to the kind of rapid growth of the sector that is seen in many developing countries.

However this view of the growth of the informal sector being at least partly motivated by its ability to attract entrepreneurial talent because of high returns must also be reconciled with the fact that the earnings of a large proportion of wage workers in this sector are much lower than in the formal sector, and subject to higher degrees of risk. The study with Peruvian data (Box 1) mentioned earlier offers evidence of lower earnings in the wage informal sector co-existing with that of self-selection by entrepreneurs into the informal sector, underscoring the «dual» nature of participation in the informal sector.

Such evidence suggest that a complete picture of the informal sector has elements consistent with both the views described in this section. On one hand, demand-driven higher returns in the informal sector attract voluntary participation of some entrepreneurs, whose talents contribute to the growth and dynamism of the sector. On the other hand, because of the protected nature of the formal sector which provides higher wages but limits employment, a large pool of surplus workers are compelled to participate for meagre returns in the informal sector. For these workers, participation in the informal sector is not voluntary, and is more likely to be of the transitory nature that the «popular» view of the informal sector expects. The unregulated nature of the informal sector, where labour laws do not apply and legally enforceable contracts do not exist, and lack of access to credit and insurance contribute to the vulnerability of these subsistence workers.

Recognizing the full range of factors (as described above) that drive the informal sector is essential for devising the right policy mix for the sector. The vulnerability of informal sector workers would necessitate social protection style interventions that help them mitigate and cope with risk. At the same time, recognizing the growth potential and talent in the in-

¹⁶ Yamada (1996)

formal sector, it would be imperative to address the constraints to its growth. This would mean broadening the policy mix to facilitate improvement in the productive capacity of informal enterprises and workers – for example, through training, providing access and links to markets and credit institutions, and improving links with businesses in the formal sector.

*

III. The Role of Government

In the light of the issues reflected in the previous section, it will be imperative to conduct more research in substantiating how informal sector is modelled, understood and incorporated in the policy domain. Since the sector is large in many developing countries and a source of employment to millions, policy initiatives to address the bottlenecks in this sector and reduce the vulnerability of its participants will have enormous implications for poverty, vulnerability and growth for the economy as a whole. The poverty alleviation and social protection focus that exists currently needs to be broadened to lay greater emphasis on facilitating the informal sector to exploit growth opportunities, recognizing the potential role such a sector can play in engineering overall growth. The underpinning for such a policy mix will come from giving the informal sector appropriate focus in analysis and recasting its role in the economy.

The focus of most policies that are geared to improving productivity in developing countries seem to be targeted towards the formal sector, often ignoring particular constraints faced by the informal sector which demand policy intervention. These include lack of access to resources and markets, as well as to basic infrastructure. Further, informal enterprises are also often confronted by a hostile political, social and institutional environment which hamper their growth.

Critical Constraints to Growth of the Informal Sector

There is evidence to suggest that a large proportion of owners and operators of informal enterprises are, in the first place, poor and lacking in capital for start-up investment, schooling and training, although a considerable variation exists between enterprises, especially in the level of skill and ability of entrepreneurs. The deficiencies in physical and human capital endowments alike need not be binding constraints if there were easy opportunities for informal sector enterprises to access financial services like credit, education and technical knowledge, and training. There is

* Some parts of the discussion in this section draw substantially from Sethuraman (1997), World Bank (Draft: 2001), and World Bank (1998-99)

Box 1: Self-Employment in the Urban Informal Sector in Peru: A Case of Voluntary Choice ?

The question of whether self-employment in the Urban Informal Self-employed (UIS) sector in Peru is primarily a result of self-selection, rather than a compulsion resulting from limits to participation in the formal sector, is addressed in a paper by Yamada (1996).

A three-sector (namely agriculture, manufacturing and UIS) model of general equilibrium is constructed, taking into account the fact that the UIS sector does not comply with government regulations, i.e. pay taxes. The model formalizes the hypothesis of choosing to work in the UIS sector rather than in the wage sector on the basis of sizeable endowments of entrepreneurial ability, resulting in the null hypothesis that the self-employed should: (a) earn more in the UIS sector than in any other sector, (b) have more entrepreneurial ability than individuals in other sectors and get a return for that factor, and (c) the rest of the labour force that chooses the wage sector should be in the lower part of the entrepreneurial distribution. This null hypothesis is tested using Living Standards Measurement Survey (for Peru) data from 1985-86 and 1990, vis-à-vis three alternative hypotheses, one of which reflects the «popular» view that participation in UIS is justified by the presence of a protected wage sector with higher earnings (where the informal self-employed could be earning more, but cannot due to lack of access). The findings are consistent with the hypothesis of people with higher entrepreneurial ability choosing to work in the UIS sector over the other sectors.

The data also permits attention to be focused on informal wage earners, who are defined as those lacking social security and formal employment contracts. The results show that informal wage workers earn less than those in the formal wage sector and the UIS sector alike.

Taken as a whole, the story of the informal sector thus suggests a dual picture. On the one hand, those with higher entrepreneurial ability tend to choose informal self-employment and earn competitive incomes, while on the other hand informal wage workers made significantly less than those in other labour options, and probably would have taken any opportunity to move out of that sector. For this latter group, the traditional view that employment in the informal sector is a survival option for those unable to get employment in the formal sector would seem to apply.

Source: «Urban Informal Employment and Self-Employment in Developing Countries: Theory and Evidence» by Gustavo Yamada in Economic Development and Cultural Change (1996)

substantial evidence to suggest that access to these services are limited for the informal sector, especially as far as services from formal institutions are concerned. This is partly because attitudes and practices prevailing in formal institutions, combined with regulations that often exist in the public institutions, tend to be insensitive to the needs of the informal sector. Also, as discussed in Section II, an important factor that limits access of the informal sector, especially to

formal credit and insurance, is to do with the lack of information about the informal sector and the difficulty in monitoring.

Due to lack of access to credit from formal institutions, enterprises have to rely mostly on savings of the owner and informal credit mechanisms (as described in Section II). Financing from such sources are limited, often available at higher costs, and subject to imperfect market conditions (e.g. social and ethnic factors) which impose severe restrictions on the enterprises' ability to make capital investments and expand. In order to overcome credit constraints, many operators of small enterprises also choose to enter into interlinked sub-contracting relationships with those in more advantageous positions, like women working out of home contracting to sell their output at a pre-specified price to obtain credit for raw materials, or men leasing a pedi-cab or rickshaw from its owner in return for daily payment. Such arrangements can often be exploitative for the person who is credit-constrained and therefore contribute to their vulnerability. Moreover, limited opportunities for credit and insurance constrain an entrepreneur's ability to take risk, and may result in technologies with higher returns being sacrificed for ones with lower returns, but less risk, which in turn may inhibit the response to new economic opportunities that may arise in the market.¹⁷

Lack of access to training for informal sector participants has meant that skills development for this sector has not kept up with changing needs. A dearth of formal institutional training opportunities means that skills are acquired almost exclusively through on-the-job training or apprenticeship systems. Such traditional apprenticeship, geared as it often is to transmitting existing practice, may still be appropriate in many settings, but often falls short of supplying the broader skills and technical competencies that technological development and industrial change require. Institutional training on the other hand is aimed largely at the formal sector and not well tailored to the needs of informal sector employment and self-employment.

Inadequate access to financing and training tends to restrict mobility from low income and marginal activities to more productive activities, since that would almost always require investment and skills training. Informal mechanisms that have developed to fill the gap caused by lack of formal institutional services, can only serve as imperfect substitutes.

¹⁷ See Section II above for examples of evidence of such inefficient choice of technologies.

Providing Credit, Insurance and Saving Services

Addressing the credit constraint faced by the informal sector is thus imperative for raising productivity and realize the growth potential of the sector. Recent efforts, particularly in the rural informal sector, have focused on creating alternative credit sources and delivery mechanisms, like using informal and group-based mechanisms to circumvent the information problems that prevent credit access. Microcredit institutions like the Grameen Bank in Bangladesh are examples of financial institutions created to address the needs of the informal sector, which have been able to attain financial sustainability while doing away with collateral requirements. The success of the Unit Desa program of Bank Rakyat Indonesia (BRI-UD) provides an example of how public sector banks – through appropriate reforms in financial sector policies and regulations, adapting products to the needs of the poor, and creating innovative delivery mechanisms – can reach the poor in the informal sector. These successful programs, most of which are concentrated in rural areas, need to be expanded in outreach and replicated, particularly in the urban informal sector.

Providing access to credit should also be combined with access to other financial services, like saving facilities. Ability to save provides a crucial social protection mechanism of self-insurance against a variety of risks, and also the ability to productively re-invest enterprise profits. Poor households in the informal sector often do not avail of existing institutional saving facilities because of various reasons like lack of knowledge, the attitudes of such institutions towards them, and the fact that available financial services provided are not geared towards their needs. Evidence has shown that even very poor households may be eager to accumulate financial savings, and that liquidity, convenience and security appear to be more important than interest rates on deposits in motivating their decisions to save.¹⁸ In recent years different kinds of rural financial institutions promoting informal savings schemes have had much success with savings mobilization. Microfinance institutions like the Grameen Bank and BRAC require mandatory savings by client-members who want to gain access to loans, while other financial institutions have mobilized voluntary deposits separate from credit transactions.¹⁹

The recent efforts of Safe Save in Bangladesh ([Box 2](#)) is an example of a program successfully integrating credit and saving services for the urban poor. Similar efforts have been undertaken by Self-Employed

¹⁸ Morduch (1999). «Liquidity» here refers to flexibility in drawing on savings. ¹⁷ Examples of these are BRI-UD in Indonesia and Bank for Agriculture and Agricultural Cooperatives (BAAC) in Thailand

¹⁹ Examples of these are BRI-UD in Indonesia and Bank for Agriculture and Agricultural Cooperatives (BAAC) in Thailand

Women's Association (SEWA) in Ahmedabad and the Working Women's Forum (WWF) in Madras, which have created their own banks along the lines of co-operatives to cater to the credit and saving needs of poor urban women. A key element in all such efforts have been the ability to organize communities at the grassroots level as well as to decentralize key elements of decision-making to groups within communities – important for ownership and commitment.

Box 2: Safe Save in Bangladesh: Mobilizing Savings to Attain Financial Sustainability

Safe Save is a financial services provider which works in the poorer slums of Dhaka, the capital of Bangladesh. Starting in late 1996, by early 1999 it had a little less than 3,000 clients, with about around 50,000 US dollars of clients' savings and about 75,000 US dollars of loans outstanding. Despite its small size, it attracts attention because of its unique products. Its products are designed to enable very poor slum dwellers turn their capacity to save into usefully large lump sums conveniently and quickly, by offering its clients, in essence, a full individual banking service on their doorstep. There is no group formation. Bank workers, called Collectors, visit each client every day six days a week. On each visit clients may save, withdraw, or repay loans in any amount they choose, or take loans on their doorstep in amounts based on their proven capacity to save and repay. Given this flexibility, many clients transact very regularly, in volumes that exceed those of more conventional schemes for the poor. Using cost cutting devices – like recruiting Collectors from among the slum dwellers themselves, and full computerization – Safe Save already covers its operational costs from its loan interest income, and with growth, promises to become fully economically sustainable.

Source: Matin, Hulme and Rutherford, 1999

Providing access to insurance to mitigate risk is another crucial element of the range of financial services the poor in the informal need. A number of grassroot organizations have recently undertaken a variety of approaches to delivering insurance services at the community level, using local knowledge and facilitated by the existing trust between the institutions and their clients. In the case of the SEWA in India, for example, delivery of health, asset and life insurance is dependent on the organizing strength of cooperatives and long-term grassroot level involvement. Grameen Kalyan, an offshoot of the Grameen Bank, draws on a long history of peer-group strategies and self-help groups to provide health insurance through its Rural Health Program, in addition to life and disability insurance. While the insurance programs are still at a nascent stage and need further development as well as analysis, they suggest poten-

tially successful approaches that can possibly be replicated on a larger scale for maximum impact.²⁰

The role of public policy should be to promote an enabling environment for such efforts, while minimizing direct participation in their design and delivery, in order for them to retain their community-driven qualities. A critical role of the government would be to undertake reforms in the financial sector which would open up market opportunities to community-based and to create the right regulatory environment for these opportunities to be realized. Creating the right regulatory environment would involve setting regulations and standards which increase transparency, along with legal and institutional systems that are able to enforce the regulations, while eliminating regulations that inhibit or increase the costs of such programs. At the same time, public policy and regulations should also be adapted to enable sustainable efforts of formal institutions to bank with the poor – the experiences of public sector banks like BRI-UD and BAAC are especially relevant here.

While providing access to financial services like credit, insurance and saving facilities are crucial from the point of view of the social protection objectives of providing instruments to mitigate and cope with risk, equally important will be to tailor these to the objective of removing constraints to productive investment. From the point of view of financing needs of enterprises in the long run, it will be especially important for such programs to facilitate links between their informal sector clients and formal institutions. Such links can be promoted through various means – for example establishing links between institutions like Safe Save or the SEWA Bank and formal financial institutions, instilling confidence and knowledge in clients to deal with formal institutions in future, and enabling clients to build up credible credit histories which can reduce the information gap between them and formal institutions.

Removing Other Constraints to Growth

Critical elements for creating conditions for growth of the informal sector would also be to provide access to training in productive skills and marketing for informal sector workers. While traditional informal sector training markets, characterized by within-job apprenticeship, has served the sector well in many cases, the system is inadequate to cope with the increasing challenges emanating from technical change, need for skills enhancement and the widening of geographical markets. This calls for increased access to external (to the enterprise) training providers for informal sector workers and entrepreneurs; while private market initiatives have developed, these have

²⁰ For more details, see Lund and Srinivas (1999), World Bank (Draft: 2001)

proved to be inadequate so far, both in outreach and skills coverage. Training markets have failed to develop due to market imperfections on the side of both demand and supply. Willingness to pay for external training may be stunted for many reasons, including a lack of awareness of individual skill shortcomings and of information on economic opportunities for using newly acquired skills. The latter problem is exacerbated by the fact that since the incidence of training facilities is low, potential trainees have little scope to observe the benefits of training. Given the lack of demonstrated demand and the risks involved in pioneering new training forms to meet the requirements of the sector, there is little incentive for private suppliers to emerge, thus creating a low-level trap of meagre supply of training.

Government or donor-driven efforts to provide access to training for the informal sector, on the other hand, have been mostly limited and ad hoc in developing countries. These efforts have also tended to be supply-driven in nature, rather than answering to the real needs of the clients, and lacked systematic engagement. Some initiatives have however aimed at generating effective demand for these training courses and increased cost-sharing. But generally, because effective demand for these courses is weak, they remain very heavily subsidized. The case for subsidization of training schemes can be made on social grounds for courses that facilitate transfer of informal sector workers into self employment, since these are frequently targeted at disadvantaged and poverty groups. There is however less ground for subsidization of training provided to current workers or entrepreneurs. The sustainability of these efforts would require that training subsidies, where they are deemed necessary, are recognized as an interim tool, with increased cost-sharing gradually replacing the subsidy. But most schemes have been able to move only slowly in this direction, and the emergence of independent, self-sustained training markets for the informal sector remains a significant challenge for policy.

Programs to improve the technological capacity and know-how of the informal sector have also been limited in scale and scope. One successful example in this regard has been the case of Kumasi in Ghana, where the University of Science and Technology has been assisting specific manufacturing and repair activities in the informal sector to develop prototype products, improve product quality and so on.²¹

An innovative way for upgrading technology has been through sub-contracting arrangements of informal sector enterprises with formal sector firms. Such arrangements also create the possibility of creating complementarities between formal and informal sectors, transforming the competition for market

²¹ Sethuraman (1997)

share between the two sectors in some markets, which often works to the disadvantage of the informal sector.²² Sub-contracting can take a number of forms, from informal sector enterprises conducting parts of the production process of formal sector output to selling formal sector output through small traders and retailers. Sethuraman (1997) points out that economic growth opportunities that boost output of the formal sector can create new sub-contracting opportunities for informal manufacturing and construction enterprises. Similar opportunities can also be created by increase in demand for certain kinds of intensive-intensive products in the export market.²³ Such opportunities can be exploited by the informal sector provided they have ready access to resources, including raw materials, technology and credit. Moreover, the regulatory and policy environment in developing countries should aim to promote incentives for such complementary arrangements between the formal and informal sectors.

The Role of Informal Community-Based Organizations

In providing access to financial services as well as to training and marketing facilities, innovative approaches by community-based grassroots organizations have been successful in a number of instances in developing countries. Institutions like SEWA and WWF in India have organized women in the urban informal sector and strengthened their capacity to deal with various problems, like access to resources and markets, and regulations that affect their livelihood.²⁴ Grassroot organizations have been able, in a few instances, to organize informal sector workers into creating pressure on authorities to demand services and supportive regulations. In cities like Dar es Salaam and Manila, local authorities have responded to demands from such organizations in the allocation of land or space within the city. Changes in the legal environment have been brought about by efforts such as SEWA's in organizing women garbage pickers of Ahmedabad. There have also been some instances of locally organized groups within the informal sector successfully voicing demands for much-needed infrastructure development from the government.

Informal grassroots organizations have also played important roles in overcoming market imperfections. Other than organizations providing access to credit

²² In markets like food processing in India, the hitherto large share of the informal sector is being increasingly threatened by the formal sector (Sethuraman, 1997), which enjoys the considerable advantages offered by factors like ready access to markets and credit, better technology, conducive public policy and economies of scale.

²³ An example of this is the case of the garment industry in Bangladesh.

²⁴ See Lund and Srinivas (1999) for details.

and training as mentioned above, such efforts have also taken the form of collective action by informal producers to buy key raw materials directly from the source for price discounts, or to market their products directly, rather than go through intermediaries who skim away part of the profits.

Organized groups within the informal sector can serve as a valuable interface of the sector for the government to deal with on issues concerning the sector. At the same time, they can also serve as channels for delivering government programs for credit, inputs, training or services like health and education facilities, to the community. Government programs delivered through community organizations have well-documented advantages – better targeting, greater sense of ownership among the beneficiaries, and the feature of the costs of delivery being internalised by the beneficiaries. Such delivery mechanism can enable government programs (like training programs) to be more demand-driven, where beneficiaries share in the costs, thus making programs more sustainable.

In spite of some successes, such informal organizations have been limited in number and scope. Even where they do exist, the constraints they face – in various forms like lack of legal status, lack of local capacity, and the difficulty of staying organized in the face of frequent outside pressure – often minimize their impact. Government policy can play an important role in addressing these constraints, through measures like devising appropriate legal status for such organizations, building capacity and leadership within the communities, and modifying regulations (and creating oversight) to enable the particularly successful financial institutions to utilize opportunities in the financial market.

Opportunities Offered by Modern Information Technology²⁵

The recent spread and advancement of Information Technology (IT) have offered enormous potential for disseminating technical information, connecting producers to markets, and for training in skills. Modern communication technologies, like e-mail and access to the World Wide Web can enable distance learning and upgrading of skills for participants in the informal sector, by allowing workers and entrepreneurs to learn at their own pace outside an institutional setting. Distance education facilities have been developed in a number of developing countries, including China, Costa Rica, India, Iran, Pakistan and Tanzania. However, most of these efforts have focused on tertiary education, which is of limited relevance to most informal sector workers. In order to ensure that such initiatives also address the education

²⁵ All the examples in this subsection, as well as part of the discussion, are drawn from the World Bank (1998-99)

and training needs of the informal sector, some important challenges need to be addressed, including providing easy access to IT facilities to those in the informal sector, and designing training curriculum and content that are relevant to the needs of the sector. Some isolated examples of IT-based learning offer glimpses of its enormous potential – for example, women in a community group in South Africa can download information from adult education programs which they would otherwise not be able to afford; on-line advice about vegetable farming has allowed them to successfully diversify into vegetable farming.

Information Technology can also be potentially used to address the constraints the informal sector faces in access to credit and markets, by improving connectivity. In a small business loan program in Vietnam, e-mail keeps the lender (a relief agency) in touch with borrowers (women in a small community) and helps coordinate loan payments, encouraging the lender to extend more loans. Information and communication technologies can be powerful instruments in linking small entrepreneurs and producers in the informal sector with information about prices and market opportunities, about the successful replicable experiences of their peers, or about financial systems. Some examples of successful use of IT in providing information and improving connectivity can be found in Box 3. These technologies also open up new opportunities in outsourcing and sub-contracting parts of the production process in formal industries to small enterprises in the informal sector. Considerable potential in sub-contracting exists not only in areas like garment stitching where such practices are already common, but also in high-tech areas like software development and web-based services. Although such opportunities have been limited so far, with more widespread access to training, information and infrastructure, it may be possible for larger numbers of small entrepreneurs to gradually shift towards more of these high-return activities.

Realizing the considerable potential of IT in improving the links of formal sector to markets would above all require cheap and easily available access to IT facilities. Privatisation and deregulation of the market for IT providers would be necessary steps, which should be supported by investment in infrastructure, and developing the right incentives for private initiative. The spread of facilities must also be complemented by access to training for those in the informal sector – crucial for exploiting the opportunities provided by the technology. Community organization can play a crucial role in bringing IT facilities to the poor in the informal sector, and in providing training to potential users. Any public policy designed to help the informal sector would be incomplete without taking into account the rich possibilities offered by modern information technology.

Regulatory Reforms to Address the Constraints Faced by the Informal Sector

A vast majority of enterprises in the informal sector operate under conditions of non-compliance with one or more existing regulations, with significant negative impact on their growth and productivity. These can be regulations pertaining to land use (e.g., zoning regulations), land transactions, labour issues, establishment and operation of business, purchase of inputs, use of power, transport and marketing of outputs, and a host of others. According to one study in India the micro-enterprises even in small towns may be subjected to control by up to 35 different authorities from various parts of the government.²⁶

More often than not the regulations are not strictly enforced either because they are not clearly defined or due to weak institutional capacity, and are simply used as threats. Units which do not comply with regulations are often marked as illegal and hence disqualified from having access to certain resources or markets, particularly those are under state control. The net result is to create uncertainty and discourage business investment.

There are various reasons for non-compliance with regulations – many of the small units are mostly unaware of them, whereas some of those who are aware simply cannot afford to comply.²⁷ Compliance with regulations sometimes involves lump sum investments which, in the absence of access to credit, may not be possible. While certain regulations are essential in the larger interest of the society, including the workers themselves, attention needs to be focused on the numerous regulations that are unnecessary, badly conceived and implemented, or fail to reflect the current reality. Few countries have examined the cost and benefits of such regulations, firstly with regard to their detrimental effect on the informal sector, and secondly in terms of their effect of forcing enterprises to drop out of the formal into the informal sector.

The regulatory framework should be modified with the objective of reducing the burden of costly and unnecessary compliance on the informal sector enterprises on the one hand. On the other hand it will also be necessary to develop regulations – along with institutions to enforce them – which promote market competition, by reducing uncertainty and promoting transparency. Examples of these would include institutions that enable the enforcement of contracts, en-

²⁶ IAMR (1992)

²⁷ See Sethuraman (1997) and De Soto (1989). Also, studies have estimated that full compliance with all regulations could mean closure of business, even for some «modern» firms. For instance in Latin America the cost of remaining legal varied between 17 and 70 per cent of annual profits of the unit (Tokman, 1992). In Bujumbura (Burundi) it was estimated that the revenue of micro-enterprises would be reduced by 48 per cent if all regulations are strictly enforced (Rutake & Ranguza, 1993).

able assignment and enforcement of property rights, impose quality standards and promote oversight in financial markets.

Box 3: Linking Informal Producers to Markets Through Information Technology

There are a number of instances in the developing world where the use of information technology has enabled producers to access much-needed information on market tastes, conditions and prices, as well as market their products directly to potential consumers. Some of these examples are listed below, and they offer glimpses of the technology's potential in removing constraints arising out of isolation that face the informal sector.

- In Panama, with the help of a nongovernmental organization called Peoplink, women post pictures of their handicrafts on the World Wide Web, and thus gain access to a world market.
- In Banaskantha district of Gujarat, India, women artisan groups (supported by SEWA) market their handicraft-based products through a direct marketing outlet called Banascraft, which uses the Web for advertising and selling. Information technology also helps them to follow market trends and respond to needs of specific buying houses.
- In rural Costa Rica, small coffee growers use telecommunications to get marketing information from central cooperatives in the capital, which have computer links to information on national and international coffee prices.
- Virtual Souk, an Internet-based marketplace has been providing direct access to international markets for several hundred artisans from Middle East and North Africa, many of them women. Online sales soared tenfold between the first and last quarters of 1999. Participating artisans receive 65-80 percent of the proceeds, much larger than through traditional channels.
- Through an innovative scheme, Grameen Telecom (a subsidiary of Grameen Bank) leases cellular phones to selected bank members, mostly rural women, who use the phones to provide services. These phones have helped lower the cost of information, seen in lower prices for poultry feed, more stable diesel prices and more precise shipment dates resulting in less spoilage of perishable goods. Also, women providing the phone services have gained in confidence, status and income.

Sources: World Development Report 1998-99: Knowledge for Development; World Development Report 2000-01: Attacking Poverty.

A major challenge facing policy design with regard to regulatory reform would be to devise regulations which, while promoting transparency and reducing information problems, would not put the informal sector at a disadvantage. This would be especially true with regard to regulations that impose accounting standards to promote financial transparency, and quality standards, all of which may impose additional

costs of compliance on informal sector enterprises. While there is no easy answer to this dilemma, certain innovative measures that have attempted to target the information problems in specific markets, may provide indications of the kind of interventions that may be necessary.

The uncertainty that consumers face in determining quality, for example, can create inefficiencies which are highly detrimental to markets. While firms in formal and informal sector alike can face such problems, quality uncertainty can be especially harmful for the informal sector, since their products are often not associated with brand names which carry with them a perception of quality. Government action to reduce such uncertainty, for example by establishing and enforcing standards, can benefit producers and consumers alike. The actions of India's National Dairy Development Board to ensure the quality of milk, which ultimately doubled the incomes of a million milk producers in the informal sector, provides an example of innovative intervention, which worked not only by defining standards, but by providing the capacity to adhere to them, and to monitor (Box 4).²⁸ In some cases, such direct government intervention may not be necessary; instead market monitoring can be promoted by creating incentives for producers to share information with consumers and create reputation by developing brand names, supported by a legal framework which impose sanctions on fraudulent behaviour.

Another important element of regulatory reform would be to design regulations, where they do not exist, that protect labour rights like workplace standards, minimum wage laws and laws governing child labour, supported by institutional mechanisms for strict enforcement. In this context, there is a special need for developing and enforcing regulations which prevent participation of children in hazardous industries. An enabling environment for enforcing such legislation, as well as support for programs to reduce child labour, can be created by raising social awareness about the ills of child labour and the value of education for the child. While the ultimate goal should be total elimination of child labour, a more incremental short-run approach would first aim at protecting and rehabilitating children who are already working, keeping in mind that reducing poverty and vulnerability would be the long-run solution to the child labour problem. The situation in many developing countries would warrant such a gradual approach, making an initial mix of labour and schooling attractive to the household.²⁹ The gradual approach

²⁸ See Chapter 5, *The World Bank (1998-99) for a more detailed discussion of these issues and examples.*

²⁹ Ravallion and Wodon (2000) found that the enrollment subsidy provided by the Food for Education program in Bangladesh had large positive effects on enrollment but a much smaller (negative) effect on the incidence of child labor, suggesting that poor families often find

Box 4: Regulating Quality in India's Milk Market

In India in the 1950s, milk production could not keep pace with growing demand. Some milk vendors responded by watering down milk, taking advantage of the fact that consumers could not determine which milk was diluted before buying it. Since there were many vendors, and brand names were not clearly established, vendors who did not dilute their milk were at a competitive disadvantage and were squeezed out of the market. The result was an overall drop in milk quality, and drop in incomes of milk vendors as consumers were willing to pay less and less for low quality. The problem lay with the absence of institutions to verify quality, leading to a market failure of the type that Akerlof () had modelled in economic literature, where only poor quality product is supplied at low prices.

In the early 1970s, the National Dairy Development Board (NDDB) launched Operation Flood, a multifaceted program to improve the functioning of the milk market by providing quality standards. The board began by encouraging the creation of dairy cooperatives and helping them establish quality standards. A simple, hand-held device for testing butterfat content was distributed to each village cooperative that collected milk from the farmers, and to distributors and marketing agents. This strengthened the incentive for producing and marketing quality milk. The board also took steps to improve and standardize milk quality by providing technical assistance to cooperatives, such as improved feed and veterinary services, as well as subsidized construction of modern processing plants and the provision of refrigerated transport. Cooperatives were also encouraged to establish brand names. These measures improved the quality of milk and by 1979 had doubled the incomes of a million milk producers in the target areas.

The success of this form of intervention can be attributed to NDDB's help in making the quality of milk verifiable and in paying prices that reflected and rewarded quality. By defining standards, providing the means to meet and monitor them, and applying them honestly, the board rejuvenated the milk market, improving quality, boosting production and generating incomes. From 1970 to 1991, the number of milk producers participating in Operation Flood grew from 280,000 to 8 million.

Source: Chapter 5, World Development Report: Knowledge for Development. The World Bank (1998-99)

should (a) rather than prohibiting all forms of child labour, impose restrictions consistent with enforcement capacity; (b) encourage children compelled to work for economic reasons to combine work and school – through flexible schooling hours and informal, transitional education programs.

Informal grassroots organizations can be an important force in voicing collective interests, and lobbying for the right kind of regulatory action from the government. For example, collective action by micro-

combinations of child labor and schooling to be more attractive than a dichotomous choice between child labor or schooling.

producers operating on a sub-contracting basis (mainly home-based women workers) could play an important role not only in improving their bargaining strength with the contractors on issues of terms and conditions of work, but also in persuading the governments to adopt appropriate labour standards. Community organizations can also play a critical role in enforcement of legislation with respect to child labour, by helping to identify child labour, mobilize community support and awareness, and encourage stakeholders to take ownership of the programs.

IV. Conclusion: The Way Forward

The focus of this paper has been to look at the informal sector in the light of the dynamic growth opportunities it presents, going beyond the traditional view of this sector exclusively as a safety valve for the formal sector, providing livelihood opportunities to those who cannot be employed in the formal sector. Realizing the growth potential of the informal sector would require policy interventions not to be limited to social protection programs that aim to reduce vulnerability among the participants of the sector, but extend to initiatives that enable them to benefit from market opportunities. For this to happen, policy design must explicitly incorporate the informal sector in its domain, by understanding the potential impact of policy on the sector, as well as designing interventions which directly address the constraints to growth facing the sector. Some important areas of intervention would be in specific areas like access to training, financing and market opportunities, consistent with the overall objective of facilitating links with the formal market. The paper has examined some of these potential areas of public intervention with regard to the informal sector.

While focusing on the elements of effective public policy, an important issue to bear in mind regarding the informal sector, as briefly described in Section I, has to do with the difficulties in operationalising the definition of the informal sector, and therefore in estimating its size, earnings, output, and poverty status in the context of various developing economies. In the absence of proper estimates, identifying the priority areas of intervention, and monitoring the effects of policy initiatives in specific cases would remain a challenge. Developing better estimates, through detailed empirical studies in more countries, will therefore be imperative for designing better policy. That said, the existing estimates and measures, however imperfect, provide a fair indication to policymakers of the size and importance of this sector in most developing countries and have to form the basis for public policy at present.

Promoting growth of the informal sector can be consistent with the framework of privatisation and deregulation which most developing countries have been recently undergoing in recent times. This is especially true in the context of the regulatory constraints (described above) which have been found to negatively impact the informal sector, through regulations which are excessive, costly to comply with and create entry barriers by protecting the formal sector. Removing such distortionary regulations and encouraging market mechanisms to work through private initiative, will promote enterprise and growth in the informal sector also.

At the same time, in order to ensure that the benefits of greater market opportunities are realized by the informal sector, privatisation and liberalization must be complemented by suitable institutional and regulatory reforms. Reforms should aim to remove those regulations which distort market incentives and create entry barriers for the informal sector, while creating regulations and enforcement mechanisms to protect the rights and working conditions of workers, to ensure that participants in this sector benefit from increased access to markets. It will also be necessary to develop institutions which promote market competition. Examples of these are institutions that enable the enforcement of contracts, enable assignment and enforcement of property rights, impose quality standards and promote oversight in financial markets. Without going into the detailed role played by each, it can be said that such reforms would in general enhance competition by reducing uncertainty and information problems and thus the likelihood of market failure, and by encouraging competitive behaviour. In this context, how to devise regulations which, while promoting transparency and reducing information problems, would not be detrimental to the informal sector, remains a crucial outstanding question that policymakers and researchers need to address.

Extending market opportunities to the informal sector would also involve – as discussed in Section III – promoting institutions that provide access to credit, training and technical know-how to informal producers, facilitating complementarities between the formal and informal sector (e.g. through sub-contracting of parts of formal production processes to informal enterprises), and providing direct link to markets for the informal sector products. An important question that needs to be addressed has to do with problems in cost-recovery in case of programs like training schemes, specifically in cases where direct government, NGO or donor intervention is needed. Modern information technology can potentially play a substantial role in some of these initiatives, facilitating linkages of informal producers to markets and access to information. Realizing the considerable potential of IT would require providing the right incentives to

private enterprise, supported by infrastructure and access to relevant training.

The discussion in Section III, supported by examples of recent successes, suggests how the process of integrating the informal sector into formal markets can be facilitated by capacity-building at the grassroots level. Such community-based organizations can become the interface of the informal sector through collective action, that are able to lobby and bargain for their benefit with policymakers and the formal sector, and deliver services in cooperation with government programs. Grassroots institutions like these would be crucial to ensure that the informal sector is able to obtain a substantial share in the benefits from greater market opportunities. However, there are numerous legal and organizational constraints under which such institutions operate at present, and the challenge of policy design would be to remedy these problems, perhaps through regulatory reforms and efforts in building up local capacity and leadership.

It will be important to bear in mind that promoting policies that facilitate market-driven growth of the informal sector does not preclude the need for social protection and targeted poverty reduction measures which address the pervasive vulnerability of participants in this sector. Such programs will be especially important in the short-run, given that improvements in productivity and incomes in the informal sector will take time to have their positive impact, especially on the poorest and the most vulnerable. In addition, privatisation and liberalization undertaken in some countries can also have the effect of reducing formal employment in the public sector in the short-run, creating instant pressure on the informal sector; macroeconomic shocks like the East Asian crisis can have the similar effect of shrinking formal employment. Such phenomena add to the necessity of social protection programs for the informal sector.

Safety net programs, including those providing access to credit, saving and insurance services, public works and transfers targeted towards the vulnerable, all can have strong roles to play in enabling the poor to mitigate and cope with risk. As discussed before, access to financial services is also crucial for enhancing productive capacity of the informal sector. In general, provision of safety nets, by mitigating risk, would improve productive potential by reducing the need to adopt behavioural adjustments detrimental to investment and adoption of technologies. Synergies between social protection and targeted poverty reduction programs, and programs that extend market opportunities to the informal sector, can also be found in the role that grassroots organizations can play. Institutions that organize communities to bargain for their rights, access markets and training facilities can also use their local knowledge and community networks to provide credit and insurance services, as organizations like SEWA and the Grameen

Bank have done with some success. Forming partnerships between public programs and such community-based efforts would help ensure delivery of benefits and sustainability.

Finally, it is important to note (observed in a country like Thailand for example) that under conditions of rapid expansion of markets and growth, there can be a dynamic transformation of the informal sector in terms of its production capacity, technology and skills. The objective of public policy should be to facilitate this transformation process by enabling the sector to respond effectively to new opportunities arising out of development. Creating such conditions would involve devising an institutional and regulatory framework that addresses the various constraints that confront this sector. Such a transformation would facilitate the gradual integration of the informal sector with the mainstream, which would be the ultimate goal of development policy.

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Needs and Wants of the Informal Sector and of Small Firms in Terms of Vocational Skills and Knowledge as seen in a Developing Country in Africa

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I The Informal Economy Concept: An «Informal Sector»?

The ILO introduced the expression «informal sector» around 1970 to describe the activities of those members of the working population in greatest poverty, who were neither recognised and recorded nor protected by governmental authorities. Originally, the term was intended primarily to describe certain fairly specific activities seen in urban areas of developing countries but which did not conform to regulations.

In some cases these activities are confused with the concept «private sector», while in other cases «informal sector» indicates self-employed workers or Small and Medium-size Enterprises (SMEs), which are often family firms (of small size and with outdated technology), and also illegal workers.

For trade unions, this should be called the «informal economy» or simply «informal work», rather than the «informal sector», as «sector» suggests a degree of homogeneity that does not apply to these activities. The workers come from a number of sectors of the economy. Their main characteristic is that they are not covered by protection arrangements and receive no social protection under the labour laws. Also, the economic activity does not comply with the regulatory framework. Hence the need to agree on a clear conception of the «informal sector» and also of the «informal economy».

It thus seems important to us to consider how to formulate strategies to protect, organise, train and mobilise workers in the various fields of activity, while taking account of the specific factors that push people into this type of work and tend to keep them there, so that better provision can really be made to meeting the wants and needs of the informal economy.

II The Informal Economy: An Alternative Approach to Employment Creation, or Simply African Resourcefulness?

In a desperate search for quick solutions to stave off an imminent collapse of economic arrangements in the post-independence period, most of the States in Africa had to turn to the World Bank and the International Monetary Fund (IMF). They thus accepted the economic models offered to them by these international financial institutions.

The economic crisis and the Structural Adjustment Programmes reduced possibilities for full-time and permanent employment in the «structured» or formal sectors. Also, in many African families, incomes from wage-earning were no longer sufficient, and for a significant minority of the people it became essential, somehow or other, to find ways of adding to the family income. Consequently, the informal sector became the «employer of last resort». Its growth accelerated, to the point where it accounts for half a billion people – a quarter of the world's working population – and constitutes an essential feature of the economy and of society.

Along with the existence of the informal sector – conventionally associated with craft production and small-scale commercial activities – we have in recent years seen subcontracting and outsourcing result in an «informalisation» of the «formal» industrial sector, especially in Africa.

Thus the idea that creation of sufficient employment in the formal economy would result in a spontaneous disappearance of the informal sector has been abandoned. There is suddenly a turning point and, instead of being considered an undesirable phenomenon, the informal economy is being seen euphorically as a source of development. This is even the case for the World Bank, given the beneficial role played by the informal economy in combating poverty in Africa during the 1990s.

The contribution of the informal sector is greatest in Africa, where it accounts for between 19% and 51% of total production. Over 60% of the urban labour force is employed in these activities, and the sector generated over 90% of the growth in urban employment during the 1990s.

It is estimated that the number of people then employed in the informal economy was nearly 19 million, compared to only 2 million in the formal economy (1995 statistics from the United Nations' Co-ordinator for Africa and the Least Developed Countries. Most of the workers in the informal sector at that time were people who had lost their jobs or taken early retirement following measures imposed by the Structural Adjustment Programmes of the World Bank and IMF.

It is therefore clear that, for the moment, the informal sector has become one of the biggest influences on employment opportunities, both for newcomers to the African labour force and for «recycled» workers or those changing occupation.

It can easily be understood, therefore, that the informal economy is based on a social compromise: a tacit consensus involving tolerance of non-compliance with the law. Is this an alternative path to economic development that can be explained as a consequence of failing economic and financial policies?

Some Examples

Studies in Ghana, in 1998, showed that the informal sector had grown by an average of 5.6% per year, compared to less than 1% a year in the formal sector. The United Nations' Economic Commission for Africa (ECA) estimated the informal sector's contribution to Gross Domestic Product (GDP) in African countries as approximately 20%. Trading accounts for about 50% of production in that sector, manufacturing 32%, and transport and other services, etc. 18%.

It can also be seen that most of these workers are women, and are young, with ages varying from 16 to 40. Nevertheless, women's participation in the informal sector varies significantly from one African country to another. The proportion of women in the informal sector is 94.1% in the Congo, 83% in the Gambia and between 60% and 72% in Zambia and Kenya. In Egypt, over a third of economically active women are in the informal sector.

In west Africa, there is considerable participation of women in informal work in both rural and urban areas. They account for about 50% of employment in Sierra Leone, and over 66% in Burkina Faso and also Guinea Bissau.

In most cases, these women have a husband who works in a neighbouring country during the dry sea-

son; this means that they alone are supporting their families (source: L.Webster & P. Fidler, 1997).

In Africa, the informal sector has thus become the only solution for the most vulnerable and the poorest social groups, such as women, young people and children. As the first to be faced with unemployment, underemployment and poverty, millions of women depend on informal activities as the only means of survival.

It must be stressed, however, that in reality these informal jobs are of the lowest status, insecure, unprotected and not highly valued. Consequently, it is difficult for them to do much to reduce poverty and social exclusion. Those carrying out such activities are often below the poverty line.

To determine the needs and wants of the informal economy in Africa, we need to take stock of the situation.

A) Who Are the People Active in the Informal Economy?

The main people active in the informal economy can be identified by classification into a number of categories. In Burkina Faso for example (though the situation is similar in other African countries), one can find:

Self-employed workers (79.84%), i.e. those who work alone.

Employers (4.51%), i.e. those who initiate an activity and obtain assistance from another person (whether or not that person is paid), after beginning as a self-employed worker. An employer becomes head of a firm by drawing primarily on additional labour, generally from family members, which makes it difficult to decide the dividing line from a modern-economy enterprise.

Employed workers account for 5.74%.

Beginners (3.53%) are recipients of a form of training that attempts to compensate, to whatever small extent, for the inadequacy and irrelevance of the formal educational system.

Assistance in the home is provided by 4.73% of workers in the informal economy, leaving 1.65% unclassified.

B) Location of Informal Activities

These activities are located in various areas. Informal work is carried out on public highways, in kiosks, adjacent to residential areas and from vehicles, etc. It should be noted that, in all cases, the people involved pay the local authority taxes appropriate to the nature or size of their activity.

C) Training Level of the Workers Involved

It can be seen that the informal economy is not restricted to the illiterate; to an increasing extent, highly qualified workers can be found there. It is not uncommon to find people with certificates or degrees, qualified engineers and high-level civil servants who have been the subject of «delaying», and work as moped-taxi drivers in Benin, or high-school teachers having to sell door-to-door, offering services to well-off families in Mali or Senegal.

A survey carried out among a sample of 83 109 people in Burkina Faso in 1987 revealed that 66 606 (80.14%) were uneducated, 13 274 (15.97%) had received primary education, 3 126 (3.76%) had reached secondary education and 103 (0.13%) higher education. To take one example, in craft activities those without education are primarily women: 55.8% (with 44.2% being men). Those who had been trained on the job amounted to 90%, with only 10% (4.4% of the total workforce) having received technical or vocational training.

It is obvious that working in an informal activity requires prior training, which most of these people do not have.

III Needs and Wants

A personalised approach to investigating reasons for informal employment may show that self-employed workers, micro-entrepreneurs and employed workers do not necessarily have the same needs and wants. Some, for example, may choose an informal activity to avoid an overwhelming burden of regulations, bureaucratic slowness and excessive taxes and duties, whereas others opt for an informal activity because of their level of training, etc.

There remain aspects that are too poorly understood for us to know the real needs in some areas of this sector, notably the problems of finding a market, supply, finance, competition, technology transfer, etc.

Nevertheless, objective analysis of the situation makes it possible to see that – in spite of the obstacles in the informal economy, and in spite of the important role it plays in organising society, creating employment, supplying products appropriate for people's needs, and providing opportunities for the population – the informal sector faces problems that prevent it from playing a more ambitious role and attaining objectives that are much more decisive.

These days, everyone agrees that the informal economy remains in a precarious financial position, because of the lack of rigorous management and a well co-ordinated national policy, and hence of a system

providing support, back-up and flexible and appropriate finance.

There is, for example, the inappropriate nature of the conventional credit system (involving a personal contribution, an interest rate and guarantees); this is beyond the reach of start-up entrepreneurs in the informal sector. Legislation and governmental regulations, and the back-up and conventional advice provided by design departments and consultancies have prevented the necessary break with traditional practices and an adaptation of methods to the new reality of the urban economy. Consequently, despite the vitality of the informal sector, it is not yet a true seed-bed for the country's own dynamic private sector to develop. Account must be taken of the absence of arrangements to welcome, inform and guide informal-sector entrepreneurs. There is no, or only inadequate, provision of back-up to put together technical project dossiers, a lack of training appropriate for management, and a lack of follow-up and advice arrangements for would-be micro-entrepreneurs. Young people are not involved in the process of drawing up project dossiers, and there is a great discrepancy between the project dossiers drawn up and the facilities for financing them, etc.

In this sense of filling the vacuum, would-be informal-sector entrepreneurs need to be provided with technical and financial support, and with appropriate training. In the case of Small and Medium-size Enterprises (SMEs), personalised and progressive educational back-up is often essential, to turn a would-be into a real entrepreneur. Until now, this has not been sufficiently understood.

IV The Trade Union Response

Economic globalisation presents a considerable challenge to the trade union movement, in the sense that it encourages the emergence or strengthening of phenomena that imply increased exploitation of workers. The informal economy, working at home, and «free zones», for instance, are strongly growing areas of the economy where the trade union movement has little influence. This impotence is particularly detrimental for the millions of workers involved.

A realistic trade union definition of the informal economy is therefore needed, with a more pragmatic than theoretical basis.

In general, trade unions traditionally organise workers whose employment relationship is very clear; that is where the employer is known and easily identifiable for purposes of collective bargaining.

For a long time, in a number of countries (notably in Africa), legislation did not recognise people active in the informal economy as workers, because the status

of employee was closely linked to labour laws. It was believed that development of the informal sector was a temporary phenomenon that was likely gradually to disappear over time when the modern sector prospered and created more jobs. Unfortunately, we are seeing just the opposite happen.

With economic globalisation, however, we have seen a change in the labour market and in working relationships.

In 1987, for instance, ICFTU established a working party on the informal sector, in view of its size and the large number of people involved in it, and priorities were decided. ICFTU and the African Regional Organisation have financed programmes benefiting unprotected workers in the informal sector of a number of African countries (notably Benin, Ghana and Zambia).

ICFTU'S priorities for workers in the informal economy have related to:-

- Promoting and securing compliance with working standards in this sector, and unionisation of the workers;
- Promoting and extending social coverage, and labour law in the sector;
- Progressive abolition of child labour, beginning with the worst forms of such work;
- Establishing programmes of education and training, to improve workers' abilities and skills;
- Encouraging and creating arrangements within trade unions to ensure that the informal sector is integrated into their action plans.

In addition, ICFTU is encouraging the creation of and collaboration with co-operatives in order to gain entrance to the informal sector and organise the workers there. One example is the women's centre of

Burkina Faso's National Organisation of Free Trade Unions (ONSL). Burkina Faso's ONSL was one of the first organisations affiliated to ICFTU to benefit from international solidarity and co-operation in development.

The long experience of ICFTU and of its regional organisations and international trade secretariats should be shared and exploited to develop stronger and more effective strategies to help vulnerable workers overcome their problems. This requires not only an appropriate sharing of experiences and of best practice but also improved co-operation between trade unions, local authorities and local NGOs, in order to deal with the deterioration in conditions and in social protection.

In addition, the national trade union centres in Africa that are affiliated to ICFTU are carrying out public-awareness campaigns aimed at the workers, and have

organised them into federations or unions. They are also providing education for manual workers. They have drawn up a manifesto of claims for those workers, and are promoting it to the country's political bodies and governmental authorities.

The initiative on the ground is universal, flexible and educational, with high-quality back-up services extending to advice and training available to the workers through their union. Another aspect of the initiative is reassurance to these workers by offering them a forum for dialogue and apprenticeship, where they can construct their project at their own pace in an environment conducive to confidence.

The aim of this strategy is to welcome, inform, guide and advise workers in the informal sector. The welcome is a measure of the whole human dimension, allowing more complete knowledge of the would-be entrepreneur or the worker. The fact that this human dimension has often been absent from strategies partly explains why support arrangements have failed.

It would be tedious to list in such a short space of time all the actions and initiatives aimed at the informal sector, which trade union organisations in Africa have undertaken, or will undertake. Each of the examples would require a fuller development.

V Outlook

Activities to be undertaken to meet the requirements of workers in the informal sector

a) Education and Training Programmes

Training is an important aspect of practically any strategy that could be introduced to meet the difficult and complex challenge. Apart from vocational training and education to develop basic abilities, teaching fundamental trade union concepts, including practical applications of solidarity and co-operation, can help create the conditions needed to transform the situation on the ground. Attitudes of withdrawal or of wariness, which are often survival strategies for individuals, can be an obstacle to deploying the means necessary to escape from unacceptable forms of work or exploitation.

Vocational and technical training, literacy, ensuring awareness, and co-ordinating remain the key to successful action aimed at the informal economy.

These programmes involve drawing up very simple modules for training in management; they have been designed for all categories of workers, where necessary in the local language, and the content of each training module will depend on the workers' level.

a) *The aim of vocational training is to:*

- enhance workers' managing abilities, notably with regard to accounting, functional literacy, technical expertise, organising and decision-making.
- develop the abilities and skills of people from a variety of working groups in preparing, co-ordinating and monitoring production and support activities.
- provide back up for those considering establishing and structuring collaborative forms of development or trade unions covering workers operating in the same field.

b) *Promoting literacy, co-ordinating and raising awareness, so that the laws and regulations can be understood and communication between the workers and the authorities is facilitated. This should:*

- help workers gain improved control over the environment in which they are operating and understand the role they are playing in the economy;
- assist the workers in identifying priorities and needs, and in specifying their requirements;
- help the workers suggest solutions and persist with the activities they are undertaking;
- help the workers discuss the activities they are going to undertake and choose what support will be required by deciding on quantitative aspects including extent and frequency;
- help the workers identify with their trade, or with their social or occupational group, and encourage them to participate in trade union programmes;
- encourage the setting up of a mechanism and framework for consultation, and of organisations to represent the workers in dialogue with the public authorities, with a view to encouraging the creation of micro-firms in a single trade or various trades that are recognised by the State for the purposes of public procurement.

Account must also be taken of the activities of certain partner organisations and international institutions, such as the NGOs and the ILO respectively, in organising and training workers in Africa's informal sector. The example of the ILO-DANIDA project assisting the informal sector in Francophone west Africa made possible an initial study of trade unions and the informal sector in one country, followed by a programme of training and organising the workers in the informal sector into associations and unions. A health benefit society was also established.

b) Organisation

Trade union freedom constitutes a protection for the right of individuals carrying out certain work to organise themselves. In practice, this means all workers. Trade union freedom applies not only to employees,

but also to employers and self-employed workers. Whatever their occupational status (or lack of status), the right to organise exists and must be protected.

In spite of the numerous obstacles and problems, groups of workers have succeeded in establishing trade unions and other organisations for mutual support and solidarity. It would be very useful if we could compare and contrast the positive experiences produced up to now from strategies to organise workers in the informal economy.

c) Viable Economic Approaches

Not all production in the informal sector relies exclusively on unprotected labour. A large proportion of this economic activity involves work carried out by self-employed workers or small firms, meaning that these forms of production could become part of the conventional economy as a result of organising co-operatives or similar institutions. In addition, the co-operatives, as viable economic entities, could themselves become employers providing acceptable employment opportunities.

For many years, the trade union movement has participated in the efforts made in this area to establish various types of co-operative. Producer co-operatives and consumer co-operatives, as well as credit institutions, can be useful as part of more extensive strategies to convert unprotected work into acceptable working arrangements.

Various provisions are essential for this. They include:

- establishing an ILO convention in this field. This would constitute a considerable advance in relation to the central question of workers' rights, and should be promoted internationally by an enormous publicity campaign.
- involvement of employers. The part these can play in improving the situation of workers in the informal sector should not be under-estimated.
- the role of co-operatives. These should be part of the trade union strategy in the fight against unprotected work, and their involvement will, in particular, necessitate attempts to change the current approaches of the ILO, the World Bank and other international institutions. It will also require encouragement for development NGOs, women's organisations, co-operatives and other organisations to get involved.
- collection and dissemination of information on trends in the world of «informal» or unprotected work and the results of experiments carried out as part of efforts to produce the transition to formal employment. This should include organising and collective bargaining.

d) The Social Dimension

Employment is connected with a number of other formal arrangements in society, such as the social security system and, in the wider sense of the term, social protection. The risks run by workers exposed to the harsh realities of working life are increased by the lack of protection in the event of an accident at work, illness or retirement.

Part of the process of transition towards recognised economic activity can involve finding solutions that will ensure workers a minimum level of social protection and of services. The aim is to meet the workers' immediate needs and ultimately facilitate their inclusion in all the entitlements and forms of protection provided by the social security system and other existing arrangements. Such changes should be designed so that they will not threaten or undermine the existing protection arrangements for recognised employment.

This also involves the general question of tax revenues. It is difficult to envisage a solution while the situation is one where governments are unable to collect taxes because production is largely in the «black economy». Where such circumstances apply in some African countries, it is not surprising that soldiers themselves take on the job of collecting taxes from drivers and passers-by in the street.

The status and role of women also are connected with the problem of social protection. In many traditional societies, there is a certain amount of solidarity between villages, within extended families, but also within a village or community.

When such arrangements are destroyed by emigration of the population to urban areas, an ever-

increasing share of the responsibility for care and assistance falls on women, even when the safety net is insubstantial or non-existent.

VI Conclusion

It is absolutely essential to develop integrated strategies so as to avoid duplication or frittering away of the efforts to help workers in the informal sector. In particular, the arrangements should allow rational and intelligent use of the available financial resources.

The fundamental responsibility of governments in Africa is to protect their citizens' rights. In fact, the growth in «informal» economic activity has occurred in many countries without the least attempt to apply labour law. There needs to be an examination of governments' responsibilities in relation to the growth of the informal economy.

Employers have a direct responsibility for the increase in «informal» working especially when they evade their own obligations. Examples of this are changes in the way business is organised, notably involving subcontracting and outsourcing.

It would, naturally, be wrong to think that it is solely governments and employers that are responsible for the growth in «informal» or unprotected working. Africa has seen a succession of human and natural disasters, including genocide, wars, demographic explosion in some regions, and long droughts, not to mention the effects of HIV/Aids and other epidemics. The impact of these factors on the informal economy can easily be imagined, given that they are known to impede all development.

Besoins et demandes du secteur informel et des petites entreprises en matière de compétences professionnelles et de savoir: perspective dans un pays en développement en Afrique

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I La notion de l'économie informelle: «Secteur informel»?

L'expression de «secteur informel» a été introduit vers les années 70 par l'OIT afin de décrire les activités des plus démunis de la population active qui n'étaient ni reconnus et enregistrés, ni protégés par les autorités administratives et publiques. A l'origine, elle visait à décrire surtout certaines activités relativement spécifiques, observées dans les zones urbaines des pays en développement et qui n'observaient pas la réglementation.

On le confond, dans certains cas, avec la notion de «secteur privé» et, dans d'autres le «secteur informel» désigne les travailleurs(es) indépendants(es) ou les Petites et Moyennes Entreprises (PME) souvent familiales (faible taille, technologie arriérée) et aussi les clandestins.

Pour les syndicats, l'économie informelle ou encore le travail «informel» et non «secteur informel», car le terme «secteur» indique quelque chose d'homogène alors que le secteur informel ne l'est pas. Les travailleurs/ses viennent de plusieurs secteurs. Leur caractéristique principale est le manque de couverture et de protection sociale par une législation du travail et l'inobservation du cadre réglementaire de l'activité économique. D'où la nécessité de convenir d'une approche claire de la notion de «secteur informel» d'une part et de l'économie informelle d'autre part.

Il nous semble alors important que la réflexion porte sur comment formuler des stratégies pour protéger, organiser, former et mobiliser les travailleurs et travailleuses dans les différents domaines d'activités en tenant compte des facteurs spécifiques qui poussent et maintiennent les gens dans ce type de travail afin

de mieux répondre réellement aux demandes et aux besoins de l'économie Informelle

II L'économie informelle: une alternative pour la création d'emploi: ou «la débrouilliardise» en Afrique?

Dans la quête désespérée de solutions rapides pour enrayer un effondrement imminent des structures économiques de l'après indépendance, la plupart des États africains ont dû se tourner vers la Banque Mondiale et le Fonds Monétaire International (FMI). Ils ont ainsi accepté les modèles économiques qui leur ont été proposés par ces institutions financières internationales.

Ainsi, la crise économique et les Programmes d'Ajustement Structurel ont réduit les possibilités d'emploi à temps plein et permanent dans les secteurs structurés. Par ailleurs, dans bien des familles africaines, les revenus issus du travail salarié ne suffisent plus et pour une frange importante des populations, il est devenu indispensable de trouver coûte que coûte une contribution supplémentaire au revenu familial. Le secteur informel est dès lors «l'employeur du dernier recours». Il a connu un développement accéléré, au point d'occuper un demi-milliard de personnes, soit le quart de la population active mondiale et d'apporter une contribution essentielle à la vie économique et sociale.

Parallèlement à l'existence du secteur informel classiquement rattaché à l'artisanat et aux activités commerciales à très petites échelles, on assiste ces dernières années, sous l'effet de la sous-traitance à une informalisation du secteur industriel formel, particulièrement en Afrique.

Ainsi, l'idée selon laquelle, la création de suffisamment d'emplois dans l'économie formelle ferait spontanément disparaître le secteur informel a été abandonné. Soudain il y a eut un tournant, et au lieu d'être considéré comme un phénomène négatif,

l'économie informelle devint une euphorie porteuse de développement, même pour la Banque Mondiale quant au rôle favorable joué par l'économie informelle dans les années 1990 pour combattre la pauvreté en Afrique.

En Afrique, la contribution du secteur informel est la plus importante puisqu'il représente entre 19 à 51% de la production totale. Il emploie plus de 60% de la force de travail urbaine et a généré plus de 90% des d'emplois en zones urbaines dans les années 90.

Durant cette période, on estimait à près de 19 millions de personnes employées dans l'économie informelle comparée à la formelle, qui emploient seulement 2 millions de personnes (selon les statistiques de 1995 du coordinateur pour l'Afrique des pays les moins avancés de l'ONU). La majorité des travailleurs(es) dans le secteur informel durant cette période étaient principalement des travailleurs (es) qui avaient perdu leurs emplois ou prématurément à la retraite suite aux mesures imposées par les Programmes d'Ajustement Structurel (PAS) de la Banque Mondiale et du FMI.

Il est donc clair que pour le moment, le secteur informel est devenu une source de régulation pour les opportunités d'emplois tant pour les nouveaux chercheurs d'emploi que pour les travailleurs recyclés ou reconvertis en Afrique.

L'on comprend donc aisément que l'économie informelle repose alors sur un compromis social, un consensus muet autour de la tolérance du non-respect de la loi. S'agit-il d'un mode de développement économique alternatif qui explique la conséquence d'un échec des politiques économique et financière ?

A titre d'exemples:

Des études ont révélé qu'au Ghana en 1998, le secteur informel s'est accru en moyenne de 5,6% par an comparé à moins de 1% dans le secteur formel. La Commission Économique pour l'Afrique (CEA) de l'ONU, estime la contribution du secteur informel au Produit Intérieur Brut (PIB) dans les pays africains à environ 20%. Le commerce représente environ 50% de la production dans ce secteur, la manufacture 32%, les services et transport et autres 18%.

On constate également que la majorité de ces travailleurs sont des femmes et jeunes. L'âge varie entre 16 à 40 ans. Toutefois, d'un pays africain à l'autre, les taux d'activités féminines dans le secteur informel peuvent toutefois varier sensiblement. La proportion de femmes dans le secteur informel au Congo représente 94,1%, en Gambie 83%, en Zambie et au Kenya, il varie entre 60 à 72 %. Ainsi en Égypte plus d'un tiers des femmes économiquement actives travaillent dans le secteur informel.

En Afrique de l'ouest, les femmes sont très actives dans le travail informel en zones rurale et urbaine. Elles occupent environ 50% des emplois en Sierra Leone, plus de 66% au Burkina Faso ainsi qu'à en Guinée Bissau.

La plupart de ces femmes ont leur mari qui travaillent dans les pays voisins pendant la saison sèche, de ce fait, elles supportent toute seule leur famille (source: L.Webster, P. Fidler 1997).

Le secteur informel en Afrique devient ainsi la seule issue pour les couches les plus vulnérables et les plus pauvres comme les femmes, les jeunes et les enfants. Parce qu'il est en première ligne du chômage, du sous-emploi, à la pauvreté, de millions de femmes n'ont comme seul moyen de survie que de se trouver des activités informelles.

Mais, il faut le souligner en réalité, ces emplois informels créés sont surtout au bas de gamme, précaires non protégés et peu valorisés. Par conséquent, cela ne peut que contribuer difficilement à la réduction de la pauvreté et à l'exclusion sociale. Car, ceux qui les occupent se retrouvent souvent en dessous du seuil de pauvreté.

Pour cerner les besoins et les demandes de l'économie informelle en Afrique, il y a lieu de faire l'état des lieux.

A) Qui sont les acteurs et actrices de économie informelle ?

Les principaux acteurs/trices de l'économie informelle sont répartis(es) par catégorie. Au Burkina Faso par exemple, comme à l'image des autres pays africains on y trouve:

- Les Travailleurs Indépendants (79,84%) sont ceux qui exercent seul leur activité.
- Les Employeurs (4,51%) c'est-à-dire l'initiateur d'une activité qui se fait aider par une personne rémunérée ou non, après avoir débuté comme travailleur indépendant, il devient chef d'entreprise en exploitant en priorité la main d'œuvre supplémentaire généralement familiale d'où la difficulté d'établir une frontière avec celle de l'économie moderne.
- Les employés représentent 5,74%
- Les Apprentis (3,53%) représentent un moyen de formation qui tente de suppléer un tant soit peu à l'insuffisance et à la mauvaise orientation du système éducatif formel.
- Aides familiaux occupent 4,73% de la population informelle et 1,65% sans classification.

B) L'implantation des activités informelles

Ces activités sont localisées dans différentes zones. Le travail informel s'effectue sur les voies publiques, les kiosques, devant les zones d'habitations et le commerce ambulant etc. Il faut noter que dans tous les cas, les intéressés paient des taxes à la municipalité locale, selon la nature ou la taille de leur activité.

C) Les niveaux de formation des acteurs/trices

On constate que l'économie informelle n'est pas une chasse gardée aux seuls analphabètes, car de plus en plus on y trouve de la main d'œuvre hautement qualifiée.

Il n'est rare de voir des diplômés, licenciés, ou des techniciens supérieurs, des fonctionnaires « déflattés », de haut niveau faire le travail de chauffeur de taxi mobylette au Bénin, des professeurs qui sont obligés de faire le porte à porte pour proposer leur service aux familles aisées au Mali et au Sénégal.

Une étude réalisée au Burkina Faso en 1987 fait ressortir que sur un échantillon de 83 109 personnes, on dénombre 66 606 illettrés (80.14%), 13 274 (15.97%) du niveau primaire, 3.126 (3.76%) secondaire et 103 (0.13%) au supérieur. Dans le secteur de l'artisanat par exemple, les sans formation sont surtout les femmes soit 55.8% contre 44.2% pour les hommes. Ceux ayant reçu une formation sur le tas s'élèvent à 90% et 10% seulement ont acquis une formation technique ou professionnelle soit 4.4% de l'effectif total.

Il est évident, que l'exercice d'une activité informelle nécessite une formation préalable ce que la plupart des gens de ce domaine n'ont pas.

III Besoins et demandes

Une approche individualisée des déterminants de l'informel peut permettre de constater qu'un travailleur indépendant ou un micro-entrepreneur ou un employé n'exprime pas forcément le même besoin ni demande: par exemple, l'un choisirait l'informalité à cause du nombre démesuré de règlements, des lenteurs bureaucratiques, de l'excès de charges fiscales et l'autre la formation etc.

Des aspects restent toujours mal connus pour mieux connaître les besoins réels de ce secteur dans certains domaines, notamment, les problèmes de débouchés, d'approvisionnement, de financement, de concurrence, et de transfert de technologie etc.

Néanmoins une analyse objective de la situation permet de voir que malgré les entraves dans cette économie informelle, malgré, le rôle important

qu'elle joue dans la régulation sociale, la création d'emplois, l'offre de produits adaptés aux besoins et possibilités des populations, le secteur informel est en butte à des difficultés qui l'empêchent de jouer un rôle plus ambitieux et d'atteindre des objectifs beaucoup plus déterminants.

Tout le monde s'accorde de nos jours à dire que la santé financière de l'économie informelle reste précaire, faute d'une gestion rigoureuse, de politique nationale bien coordonnées d'où l'absence de système d'appui, d'accompagnement et de financement souple et adapté.

Par exemple, l'inadéquation du système de crédit classique (apport personnel, taux d'intérêt, garanties) au-delà de la portée des créateurs de l'informel; , les textes législatifs et réglementaires de l'administration, la stratégie d'accompagnement et de conseil classique des bureaux d'études et autres experts-consultants, n'ont pas pu opérer cette nécessaire rupture, en vue de prendre en compte la nouvelle réalité de l'économie urbaine, en réadaptant leurs méthodes. De ce fait, le secteur informel, malgré sa vitalité, n'est pas encore une véritable matrice d'un secteur privé national endogène et dynamique. Compte tenu de l'absence de structure d'accueil, d'information et d'orientation des créateurs de l'informel, de l'absence ou de l'insuffisance de structures d'appui pour le montage technique des dossiers de projet, de formation adaptée à la gestion, de structures de suivi et de conseil pour les promoteurs de micro-entreprises; de la non-implication des jeunes dans les procédures de montage de dossiers de projet; et du décalage important entre le montage des dossiers de projets et leur financement, etc.

C'est dans ce sens pour combler ce vide, il faut apporter aux créateurs de l'informel un appui technique, financier et en formation adaptée, et pour ce qui concerne, les Petites et Moyennes Entreprises (PME), souvent, un accompagnement pédagogique, personnalisé et progressif est indispensable pour faire de ce néo-entrepreneur un véritable entrepreneur. Ceci n'a pas été suffisamment compris jusqu'ici.

IV La réponse syndicale

La mondialisation économique pose un défi de taille au mouvement syndical, en ce sens qu'elle favorise l'émergence ou l'accentuation de phénomènes qui sont synonymes d'exploitation accrue des travailleurs et travailleuses. L'économie informelle, le travail à domicile ou les zones franches sont ainsi les secteurs en pleine expansion sur lesquels le mouvement syndical a peu de prise, une impuissance particulièrement dommageable pour ces millions de personnes

C'est pourquoi il faut donc une définition syndicale et opérationnelle de l'économie informelle, avec des bases plus pragmatiques que théoriques.

Généralement, les syndicats ont la tradition d'organiser les travailleurs qui ont une relation d'emploi très claire c'est-à-dire où l'employeur est connu et facilement identifié en vue de la négociation collective.

Ainsi pendant longtemps, dans plusieurs pays notamment en Afrique, la législation ne reconnaissait pas les acteurs/trices de l'économie informelle comme des travailleurs, car le statut d'employés était étroitement lié à la législation du travail. On croyait que l'évolution du secteur informel était un phénomène transitoire qui devrait graduellement disparaître avec le temps lorsque le secteur moderne prospérerait et créerait plus d'emplois. Malheureusement on assiste à un tournant contraire.

Mais avec la mondialisation de l'économie, on a assisté à un changement dans le marché du travail et les relations de travail.

C'est ainsi qu'en 1987, la CISL a créé un groupe de travail sur le secteur informel compte tenu de l'importance et du nombre de personnes qui s'y trouvent. Des priorités ont été définies. Dans plusieurs pays africains, la CISL et l'ORAF ont financé des programmes en faveur des travailleurs/ses non protégés de l'informel. au Bénin, au Ghana et en Zambie .

Les priorités de la CISL pour les travailleurs de l'économie informelle ont porté sur:

- La promotion et le respect des normes de travail dans ce secteur et la syndicalisation des travailleurs/ses;
- La promotion et l'extension de la couverture sociale et la législation du travail au secteur;
- L'abolition progressivement le travail des enfants, en commençant par les pires formes de travail des enfants;
- la mise en place de programmes d'éducation et de formation pour améliorer les capacités et les compétences des travailleurs
- L'encouragement et la création au sein de syndicats de structures pour intégrer le secteur informel dans le plan d'action des organisations syndicales,

Aussi, la CISL encourage la création et le travail avec les coopératives afin de pénétrer et organiser les travailleurs dans le secteur informel, c'est le cas du centre des femmes de l'ONSL du Burkina Faso.

L'Organisation Nationale des Syndicats Libres (ONSL) du Burkina Faso fut l'une des premières affiliées de la CISL à bénéficier de la solidarité et la coopération internationales au développement.

La longue expérience de la CISL, de ses organisations régionales et des Secrétariats professionnels internationaux devrait être partagée et mise à profit pour développer des stratégies plus fortes et plus efficaces afin d'aider les travailleurs vulnérables à surmonter leurs difficultés. Cela requiert non seulement un partage approprié des expériences et des meilleures pratiques, mais également une meilleure coopération entre syndicats, les autorités locales et les ONG locales afin de faire face à la détérioration des conditions et protections sociales.

De plus les centrales nationales africaines, affiliées à la CISL, mènent des campagnes de sensibilisation en faveur des travailleurs qu'ils ont organisés en fédérations ou syndicats et effectuent des formations dans le domaine de l'éducation ouvrière. Ils ont élaboré la plate-forme revendicative de ce corps professionnel qu'il défend auprès des autorités politiques et administratives du pays.

La démarche dans l'intervention sur le terrain est à la fois globale, souple et pédagogique, avec la qualité dans les prestations de services qui l'accompagne, et au-delà des conseils et de l'encadrement que leur procure leur syndicat.. La démarche consiste également à rassurer ces travailleurs en leur offrant un cadre de dialogue et d'apprentissage dans lequel ils peuvent construire leur projet à leur rythme dans un climat de confiance.

L'objectif de cette stratégie est d'accueillir, informer, orienter et conseiller les travailleurs du secteur informel. C'est à travers l'accueil qu'on mesure la présence de toute la dimension humaine. Elle permet de mieux connaître le promoteur ou le travailleur. Car l'absence de cette dimension humaine dans les stratégies explique en partie les échecs des structures d'appui.

Il serait fastidieux de vouloir en si peu de temps énumérer toutes les actions et initiatives menées par les organisations syndicales et celles à entreprendre en Afrique, en faveur du travail informel. Car chacun de ses exemples demande un développement.

V Perspectives

Actions à entreprendre par rapport aux demandes des travailleurs du secteur informel.

a) Programmes de formation et d'éducation

La formation représente un élément important de pratiquement toute stratégie susceptible d'être mise en œuvre pour relever ce défi, à la fois difficile et complexe. Outre la formation professionnelle et pour le développement des aptitudes de base, l'enseignement des concepts du syndicalisme, y compris en ce qui concerne la pratique de la solidarité et la coo-

paration, peuvent contribuer à créer les conditions nécessaires pour transformer la situation sur le terrain. Les attitudes de repli et de méfiance qui font souvent des stratégies de survie des individus, peuvent faire obstacle à la mise en œuvre des moyens nécessaires pour échapper aux formes de travail et d'exploitation inacceptable.

La formation professionnelle, technique, l'alphabétisation, la sensibilisation et l'animation restent les éléments clés pour le succès des actions en faveur de l'économie informelle.

Ces programmes consistent à élaborer des modules très simples de formation en gestion ont été conçus pour chaque catégorie de travailleurs et au besoin dans la langue local et le contenu de chaque formation dépendra du niveau de ceux ci.

a) La formation professionnelle a pour objectif de permettre:

- de renforcer les capacités des travailleurs en matière de gestion notamment en comptabilité, alphabétisation fonctionnelle, le savoir-faire technique, organisation et prise de décision;
- de développer les capacités et les compétences des représentants des différents corps en matière de préparation, de coordination et de suivi des opérations et activités d'appui menées;
- d'accompagner, pour ceux qui l'envisagent, la mise en place et la structuration de formes associatives de développement ou de syndicats couvrant les domaines des travailleurs/ses du même milieu l'évolution.

b) L'alphabétisation, l'animation et la sensibilisation pour faire comprendre les lois et les règlements et pour faciliter la communication entre eux et les autorités afin d'encourager les travailleurs/ses à mieux maîtriser l'univers dans lequel ils évoluent, le rôle qu'ils jouent, la place qu'ils occupent dans l'économie:

- aider les travailleurs/ses à identifier par priorité et à préciser leurs besoins leurs demandes;
- proposer des solutions, persister dans les activités entreprises;
- discuter des actions à entreprendre, sélectionner les appuis requis, en déterminant les dimensions spécifiques, la portée et la fréquence;
- aider les travailleurs à s'identifier à leur métier ou groupe social ou professionnel auquel, ils appartiennent, de même qu'à les inciter à participer aux programmes syndicaux;
- Favoriser la mise en place d'un mécanisme et cadre de concertation, à se doter d'organisations représentatives afin de dialoguer avec les pouvoirs publics, en vue de favoriser la création de micro-entreprises d'un même corps de métier ou de

corps de métiers différents reconnus dans le cadre des marchés publics de l'état.

Il faut prendre aussi en compte l'action de certains partenaires comme les ONG et les institutions internationales, tel le BIT dans l'organisation et la formation des travailleurs du secteur informel en Afrique. L'exemple du projet BIT/ DANIDA en faveur du secteur informel en Afrique de l'Ouest francophone a permis de faire une étude nationale sur les syndicats et le secteur informel dans un premier temps, puis de réaliser un programme de formation et d'organisation des travailleurs/ses du secteur informel en associations et syndicats et la mise en place d'une mutuelle de santé.

b) L'organisation

La liberté syndicale est une protection du droit d'organisation des individus qui effectuent un travail. D'une manière ou d'une autre, ce sont tous des travailleurs. La liberté syndicale est non seulement destinée aux employés, mais également aux employeurs et aux indépendants. Quel que soit le statut professionnel ou l'absence de celui-ci, le droit d'organisation existe et doit être protégée.

Malgré le nombre d'obstacles et de difficultés, des groupes de travailleurs ont réussi à fonder des syndicats, ainsi que d'autres organisations d'entraide et de solidarité. Il serait très utile de pouvoir comparer et confronter les résultats des expériences positives menées à ce jour dans le domaine des stratégies d'organisation des travailleurs de l'économie informelle.

c) Des mesures économiques viables

Toute l'activité économique du secteur «informel» ne repose pas uniquement sur le travail non protégé. Une grand part de cette activité correspond en effet à de l'emploi assumé par des travailleurs indépendants ou par de petites entreprises, ce qui signifie que la transformation de cette activité en activité de l'économie conventionnelle pourrait être facilitée par l'organisation de coopératives ou de structures similaires. En outre, les coopératives, en tant qu'entités économiques viables, peuvent elles-mêmes devenir des employeurs et offrir des perspectives d'emploi acceptables.

Dans ce domaine, pendant de nombreuses années, le mouvement syndical a participé aux efforts déployés pour la création de différents types de coopératives. Les coopératives de producteurs et de consommateurs, ainsi que les services de crédit peuvent être utiles dans le cadre de stratégies plus vastes visant à transformer le travail non protégé en travail décent.

Un certains nombres de dispositions sont indispensables comme:

- le développement d'une convention de l'OIT dans ce domaine représenterait une avancée considérable sur une question centrale pour les droits des travailleurs. Cela devrait faire l'objet d'une vaste campagne internationale.
- le rôle des employeurs dans le cadre des efforts à entreprendre en vue d'améliorer la situation des travailleurs «informels» ne devrait pas être sous-estimé.
- le rôle des coopératives devrait faire partie de la stratégie syndicale pour lutter contre le travail non protégé. Cela suppose notamment d'essayer d'induire un changement dans l'approche actuelle de l'OIT, la Banque mondiale et d'autres instances internationales. Cela suppose également d'encourager la participation des ONG de développement, des organisations de femmes, des coopératives et d'autres organisations.
- il conviendrait de collecter et de diffuser l'information sur les tendances dans le monde du travail «informel» ou non protégé et sur les résultats des expériences menées dans le cadre des efforts visant à réaliser la transition vers l'emploi formel, y compris par l'organisation et la négociation collective.

d) La dimension sociale

L'emploi présente nombre de liens avec d'autres structures formelles de la société telles que la sécurité sociale et, au sens large, la protection sociale. Le risque encouru par le travailleur exposé aux dures réalités du monde du travail est accru par le manque de protection en cas d'accident au travail, de maladie ou au moment de la retraite.

Une partie du processus de transition vers l'activité économique reconnue, peut consister à trouver des solutions visant à garantir au travailleur un niveau minimum de protection sociale et de services, afin de répondre à ses besoins immédiats et faciliter son intégration finale dans l'ensemble des droits et protections du système de sécurité sociale et autres protections sociales existantes. De telles mesures devraient être conçues de manière à ne pas remettre en question ou porter atteinte aux protections existantes dans l'emploi reconnu.

Cela pose également le problème des recettes fiscales en général. Il paraît difficile d'imaginer une solution lorsque la situation est telle que les gouvernements ne sont pas en mesure de collecter l'impôt

parce que l'économie fonctionne «au noir». Il n'est pas étonnant dans ces conditions que dans certains pays africains les militaires se chargent eux-mêmes de collecter l'impôt auprès des automobilistes et des passants dans la rue.

Le statut et le rôle des femmes sont également lié au problème de la protection sociale. Dans de nombreuses sociétés traditionnelles, un certain degré de solidarité est assuré entre villages au sein des familles étendues, mais également à l'intérieur du village ou de la communauté.

Lorsque ces structures sont détruites à mesure que la population émigre vers les zones urbaines, une part de responsabilité toujours plus grande des soins et de l'assistance aux personnes est dévolue aux femmes, même lorsque la base du soutien est étroite ou inexistante.

VI Conclusion

Il est plus que nécessaire de développer des stratégies intégrées pour éviter un double emploi ou une dispersion des efforts en voulant aider les acteurs du secteur informel et surtout permettre l'utilisation rationnelle et judicieuse des ressources financières disponibles.

Les gouvernements africains ont pour responsabilité fondamentale de protéger les droits de leurs citoyens. Or la croissance de l'activité économique informelle s'est manifestée dans de nombreux pays sans que rien, ne fût-ce qu'une simple tentative, n'ait été entrepris pour faire appliquer la législation du travail. Un examen de la responsabilité des gouvernements à l'égard de la croissance de l'économie informelle s'impose.

Les employeurs ont surtout une responsabilité directe dans l'accroissement du travail «informel» à partir du moment où ils se dérobent à leurs propres obligations. Cela se manifeste par des changements dans la forme de l'organisation commerciale, notamment par la sous-traitance et la délocalisation.

Naturellement, les gouvernements et les employeurs ne sont pas entièrement responsables de la croissance du travail informel ou non protégé. L'Afrique a été le théâtre d'une série de désastres humains et naturels, tels que les génocides, guerres, explosions démographiques dans certaines régions, longues sécheresses, sans parler des effets du VIH/SIDA et d'autres épidémies. Le rôle de ces facteurs sur l'économie informelle peut être facilement apprécié dans la mesure où l'on sait que ceux-ci représentent un frein à tout développement

Needs and Demand in the Informal Sector and Small Enterprises for Skills and Knowledge: A Transition Country Perspective

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Introduction

Swift and essential political and economic changes in the Central and Eastern Europe in the past ten years have greatly influenced the processes taking place at the labour market of these states. One of the main changes that should be mentioned here is a considerable decrease of the industrial enterprises number and producing capacity at the beginning of 1990s as well as number of small enterprises increase. After the collapse of the Soviet Union, which enabled them to regain their independence, the Baltic States had to meet the enormous task of transferring the highly centralised, state-owned agriculture, industries and services into privately owned and market oriented production. The processes occurring in the Baltic States at that time were typical of the entire economy of the transition period. The demands for the skills and knowledge of labour force at present largely differ from those that were claimed during the Soviet Union existence and from the socialist economy model. Surveying the changes that have taken place in the Transition Countries and their professional education systems gives possibility to forecast development perspectives and judge about directions of the development of human resources.

Some Aspects of Economic Changes in the Transition Countries in the Past Decade

In the political respect the final part of the last century was marked by two events that were crucial for the Central and Eastern Europe, that is, the collapse of the Soviet Union and the Berlin Wall fall. Both of these processes caused great changes in the economy of these regional states.

First of all this was accompanied by a considerable decrease of economic activity in these countries and swift fall of domestic gross product. The situation stabilized, and already in the mid 1990s most of Tran-

sition Countries began to display steady increase of GDP. In different countries sanitary processes in economy were realized with different speed. For example, in Czech Republic, Poland, Slovenia, Hungary the economy demonstrated positive changes already at the beginning of the 1990s, in the Baltic States – in the mid 1990s, and in Russia and in the Ukraine these trends were marked some years ago. (see table 1.)

Table 1: GDP of Transition Economies (percentage change over previous year)

Country	1992	1993	1994	1995	1996	1997	1998	1999*	2000**
Russia	-14.5	-8.7	-12.7	-4.1	-3.5	0.8	-4.6	3.2	4.0
Ukraine	-9.9	-14.2	-22.9	-12.2	-10.0	-3.2	-1.7	-0.4	1.0
Czech Republic	-3.3	-0.9	2.7	6.4	3.9	1.0	-2.3	-0.2	2.0
Slovakia	-6.5	-3.6	4.8	6.9	6.6	6.5	4.4	1.9	2.0
Poland	2.6	3.8	5.2	7.0	6.1	6.8	4.8	4.1	5.2
Romania	-8.8	1.5	4.0	7.2	3.9	-6.6	-5.4	-3.2	1.0
Bulgaria	-7.3	-1.5	1.8	2.8	-10.1	-6.9	3.5	2.4	3.5
Croatia	-11.7	-8.0	5.9	6.8	6.0	6.5	2.7	-0.3	2.0
Slovenia	-5.5	2.9	5.3	4.1	3.1	3.8	3.9	4.9	5.0
Estonia	-12.4	-8.5	-2.0	4.3	3.9	10.6	4.7	-1.1	4.8
Latvia	-33.8	-11.7	0.6	-0.8	3.3	8.6	3.6	0.1	3.7
Lithuania	-34.0	-30.4	-9.8	3.3	4.7	7.3	5.1	-4.8	3.8
Hungary	-3.0	-0.8	2.9	1.5	1.3	4.6	4.9	4.4	5.5

* estimate **forecast

Source: A Review of Economic Trends in Central and Eastern Europe; Budapest, Summer 2000

It should be noted that especially about the beginning of 1990s different sources show different GDP changes. For example, according to OECD data in 1992 GDP changes in Estonia made 14,2%, in Latvia- 34,9% and in Lithuania these changes made 21,3% (2.). Transition countries development at that time was influenced by various factors, among which, to my mind, the most important were the war in Yugoslavia and bank crises in Russia. The former affected more the southern part of Central Europe, the latter was mostly felt exactly in the Baltic States, as until 1998 export to Russia made comparatively large part in the total export of these countries. Exactly this crisis can account for the inner gross output fall in the Baltic States in 1999.

The next aspect characteristic of the Transition countries was a very high inflation at the beginning of economic changes process. For example, in Lithuania in 1992 it made 1163%, in Latvia – 959%, Estonia – 954%, gradually dropping to 30% value in 1995 and to 3-4% in 1999. Like the situation with GDP inflation reduction in UIS passed slower. In 1995 the inflation level in Russia was still 131%, in the Ukraine – 181,4%, and in Belarus – 709% (5.).

Both of these processes – GDP decrease and a very high inflation are those factors that caused increase in specific gravity of Transition Countries informal sector. The imperfection of legislation was also one of the factors that contributed to this process, which was more or less characteristic of all the Transition Countries at the beginning of the 1990s. The comparison of different countries determining the percentage of total employment outside formal sector shows direct relationship with the level of income. Low-income countries have 80% of total employment outside formal sector, middle-income countries – 40%, high-income countries - 15% employment outside formal sector (6.). This percentage correlation confirms the assumption that GDP reduction can cause increase of informal sector specific gravity.

With power resources prices growth, as well as the changes of conditions on the market in a number of cases big enterprises built in the Soviet times were not able to restructure themselves. It sometimes led to such enterprises closing or to their division into smaller ones. This process together with privatisation considerably favoured small enterprises number and specific gravity growth in economy. A so-called "small privatisation" of service enterprises in the Baltic countries had begun already in the end of the 1980s. The most intensive period of the privatisation process occurred from 1992-1996, when the major industries became privately owned (see Table 2). Privatisation policies and practises were different in each country and afterwards it seems obvious that from Baltic countries Estonia was more successful than Latvia and Lithuania, which partly explains some differences in these economies even today. Estonia was successful in using the experience and know-how of the German Treuhandanstalt privatisation agency, which was responsible for privatisation in the former German Democratic Republic (GDR). During the first years of privatisation in Lithuania and Latvia, companies were partly privatised by voucher system, as was done for example in the Czech Republic. Many companies were sold to investors who had no interest in taking part in the production development or were lacking money for major investments. Several companies were restructured before being privatised and as a result profitable parts of the companies could end up in the ownership of the former business elite for a very low price (3.).

Table 2: Property types specific gravity in industrial products production in Latvia. (percentage from the whole volume)

	State property	Self government property	Private property	Mixed property
1993	65.0	3.6	17.8	13.6
1994	49.2	4.0	26.9	19.9
1995	41.9	1.8	31.2	22.1
1996	32.4	4.3	42.4	20.9
1997	28.8	3.8	49.0	18.8
1998	25.0	3.5	50.8	20.7
1999	18.5	3.9	54.1	23.5

Source: Economic Development of Latvia; Report; Ministry of Economy Republic of Latvia; Riga; December 2000

As it is seen from Table 2 private property has also become the determining form of property in industry since 1998. In other branches private property overbalance is much greater (in public catering – 95%, in retail – 98%), and it is here that the greatest part of enterprises ranks among small enterprises (4.).

Another factor that favoured the informal sector growth, especially in the countryside, was the significant change of the GDP structure per sectors, which was characteristic of the biggest part of the transition countries. Some examples about Latvia are given in Table 3.

Table 3: Latvia: Structure of GDP by Sectors

	1991	1995	1999
Agriculture, hunting, forestry and fishing	23.1	10.9	4.5
Manufacturing, mining and quarrying	35.9	22.6	15.4
Electricity, gas and water supply	2.3	5.5	4.5
Construction	5.8	5.1	7.1
Services	32.9	55.9	68.5

Source: Economic Development of Latvia; Report; Ministry of Economy Republic of Latvia; Riga; December 2000

Economic Development of Latvia; Report; Ministry of Economy Republic of Latvia; Riga; June 1997

Informal sector specific gravity as well as small enterprises formation and demands for skills and knowledge of labour force were also influenced by the export and import structure in the states of the Central Europe decreasing considerably exchange of goods with UIS and increasing the exchange of goods with ES. For five years from 1995 up to 1999 specific gravity of export in Latvia, Lithuania and Estonia has grown by 23,1%, 21,7%, 22,1%, respectively, export to Russia being decreased by 19,4%, 16,0%, 22,8%, respectively. This fact also determined the structure of export causing the appropriate changes in manufacturing and on the labour market.

Changes on the Labour Market in the Transition Countries

Substantial transition of the basic economic structures of the Central and East Europe countries provoked serious structural changes on the labour markets. Employment in industry has declined in all Central European Countries since 1989, reflecting the high over-employment prevailing under the previous system. Over the 1990-97 period, employment in industry dropped by 6 million persons or almost one third in the CECs. Bulgaria, Lithuania and Romania were hardest hit by employment cuts in industry, by 35 to almost 50%. In 1997 the proportion of industry in total employment was still close to 40% in the Czech Republic, Slovakia and Slovenia (8.).

Hundreds of new professions, which did not exist 10 years ago, have emerged during the 1990s. Whereas manufacturing industries and primary production accounted for the bulk of economic activity during the Soviet period, the service sector – and especially the emerging private service sector – is increasingly replacing older industries. In 1997 the service sector already accounted for 55%, 58% and 65% of the total production value in Lithuania, Latvia and Estonia respectively, which comes to e.g. Nordic shares like 63% in Finland and 68% in Denmark (3.) Contrary to trends in Western Europe, many of the new jobs in the service sector are jobs for less qualified labour. The speed of labour turnover is relatively high and job-recruiting services are nowadays a flourishing business. Formal competence, based on exams, is nowadays given higher priority in recruitment criterion at the cost of other personal qualifications, as compared to the beginning of 1990s. This indicates a qualitative improvement in labour demand. A qualitative division between different sectional needs has also taken place, where the more demanding sectors, like high tech industries or sophisticated services like banking or consulting, have affected the choices of young people starting new studies.

A considerable share of the employed work force is still consolidated in primary production; in agriculture and forestry. Many rural residents subsist by working in the tourist sector or forestry during the summer, receiving unemployment benefits in winter and feeding their families by working on their small farms. A considerable share of the rural population is retired and lives mainly on pensions supplemented by occasional work.

Starting from a level of less than 10% of total employment in almost all transition countries (with the exception of Hungary and Poland) in 1990, the private sectors share reached almost 70% in Poland, Latvia and Lithuania in 1998, slightly over 60% in the Czech Republic and Slovakia, and more than 50% in Bulgaria, Romania and Slovenia. In all countries, ex-

cept the Czech Republic, agriculture accounts for the highest share of private employment (8.).

Unemployment has nonetheless been logical outcome of the transition process in nearly all post-communist countries. In Russia its raise was from 0,1% up to 11,7%, Czech Republic – from 4,1% up to 9,4%, Romania from 3,1% up to 11,5% (1.). In Estonia one male out of four and one female out of three on the labour market have been hit by the unemployment due to collapse massive Soviet-style industrial enterprises, which have been rationalised due to deterioration or privatisation, or which have been closed (3.). Many of those who worked in the large factories during the Soviet era do not have the competitive qualifications or linguistic capability required for the new demanding jobs and are nowadays working in other sectors of the economy or in low-wage positions. A major part of the new jobs are created in new and small-scale enterprises. Slow process of enterprise formation plus the fact that many new jobs are getting qualitatively more demanding will probably, at least in the near future, result in unemployment levels remaining fairly high. Furthermore, many companies as well as certain parts of the public sector will eventually have to re-educate their newly recruited labour.

Especially acute problem is the unemployment of young people. In all Central and Eastern European Countries the unemployment rate among people younger than 25 is higher than the total one. The average value for the region exceeds 25%. In Bulgaria the rate is close to 40%, indicating a quite critical situation of young people on the Bulgarian labour market. The rates are also relatively high in Slovakia and Poland, exceeding 20%. Comparable to these are also the rates in Latvia and Lithuania. The lowest values of about 10% can be found in the Czech Republic, Hungary and Estonia. (8.)

The long-term unemployment and the regionality are the next two problems that can be found also in many transition countries. In most countries labour markets dynamics tend to be weak and show relatively small outflows from unemployment to jobs, as compared to inflows into unemployment. In Latvia in 1999 the highest unemployment rate still persisted in the Latgale region. By the end of the year the unemployment level had reached 27,7% in the Rezekne district, and ranged from 20,1% to 22,9% in the Balvi, Daugavpils, Kraslava and Preiļi districts. The national average was 8,8%, the lowest unemployment level of 4,8% being in Riga, with 6,1% in the Saldus district, and 6,2% in the Ogre district. The problem of long-term unemployment remains acute. In comparison with 1998, the number of the long-term unemployed registered the Employment State Service of Latvia increased by 4,8% and reached 31,1% by the end of 1999. The highest rate of the long-term unemployed to the total number unemployed at the end of 1999

still remained in Latgale: 56,9% in the Preili district, 54,5% in the Rezekne district, 55,6% in the Balvi district (10.). The structure of long-term unemployment tends to be biased towards workers with slow skills and education (2.).

In 1999 living conditions survey was conducted in Latvia. It showed different reasons of unemployment. In the majority of cases this is due to staff and employee reductions, a reason indicated by 30% of unemployed jobseekers (the mentioned risk factor is especially high in the age group of 50 years and more – 47%), closure of the enterprise in 16% cases, termination of the working agreement term – in 10% cases. Slightly over half of the employed feel uncertainty regarding possible loss of the present job. 19% feel endangered because of possible reductions of the staff and working places, 15% - because of going out of the business, but 22% because of some other endangered occupational reasons (7.).

Demands for Skills and Knowledge in the Transition Economies

Swift changes in the economy of the Transition Countries and on the labour market revealed rather clearly a number of shortcomings in the previous policy of the inhabitants' education and in their training for labour market. The research of schoolchildren's knowledge and their ability to apply it was conducted in different countries in the mid 1990s and it marked one of the most essential aspects of this problem, that is capability of schoolchildren to make decisions and to act in non-standard situations that occur in any transition process. After investigating and comparing the students' knowledge in science and mathematics results are divided into three categories:

- a) awareness of factual information in science and mathematics;
- b) application of that information to known problems;
- c) application of that information to new and unanticipated circumstances.

Acquisition of science and mathematics information tends to be more highly emphasized in the former Soviet Union, Hungary and Slovenia than in other countries; and therefore performance on the awareness of factual information tends to be higher. In the application of factual information to unforeseen circumstances, however, Russian studies demonstrate that the performance of students in former Soviet Union drops below Britain, France, Canada and Israel. Performance in general in the former Soviet Union is well above the mean, but the difference in performance between a), b) and c) within the former Soviet

Union is the critical element. Performance tends to decline the more students are asked to apply their knowledge to unforeseen circumstances; whereas among students in Canada, Israel and France, it is just the opposite: students perform least well on memorization and best on the application to unforeseen circumstances (9.). In the above mentioned research 6-7 years ago 13-years-olds participated. Now they try to get on the labour market in so rapidly changing situation and meet a lot of problems and unforeseen circumstances. Especially these situations and fast changes concern small enterprises, who have to be able to reorganize in good time, because only this gives them a chance to stand in competition.

In determining the skills and knowledge necessary for successful development world economy globalisation should be taken into consideration, as well as swift and assured entry of new technologies into business and everyday life. The European Council at Lisbon in March 2000 defined five new basic skills to be provided through lifelong learning– IT skills, foreign languages, technological culture, entrepreneurship and social skills (18.).

These skills together with the above mentioned ability to act in situations demanding independent decisions making are the most significant small enterprises' guaranteed existence and development. Moreover everyday life demands incessant replenishment of already existing skills and knowledge in accordance with the changes of the situation. Such constant changes make each of us not only learn a specific fact, but also acquire habit to study. The term "lifelong learning", which has already become common in our everyday life, refers in full measure both to informal sector and to small enterprises.

The industry restructuring along with the specific gravity growth of small enterprises revealed a far bigger necessity of training thoroughly prepared labour. Unlike big enterprises where most of labour force is occupied with some definite narrow specific problem, the labour force of small enterprises needs knowledge, which could allow them to fulfil a more diverse and broad range of works. The already mentioned labour working in agriculture, because of competition increase on the agricultural products market are forced to look for extra income sources and to undertake business in the local tourism and due to this are running into the necessity of extra skills and knowledge, connected with the start of the hospitable business. These comprise skills in marketing, finances planning and quite practical ones in cooking dishes and organizing excursions and walks. Most often this activity is carried out parallel to the main manufacturing and therefore there exists possibility of its including into the informal sector.

Thus as basic general skills necessary in the conditions of transition economy it is expedient to mention such:

- skills and ability to apply the acquired knowledge in new conditions and changing surroundings,
- ability to find and get independently knowledge required by the concrete situation,
- ability to make independent decisions and forecast the results of the economic activity.

Providing for these general skills acquisition is more linked with introducing philosophy of education into the educational systems of Transition Countries, which is a long and gradual process and mainly concerns educating educational lists. It should be taken into consideration that in most of Transition Countries teacher's work is relatively low-paid, which in a number of cases largely hampers the introduction of the new thinking into the system of education.

To enable the realization of the above-said into the specific surroundings, it is necessary to have rather practical knowledge, some pieces of which were mentioned before.

1. Science and technology development as well as globalisation process determine necessity of computer literacy. In the past 10 years information technologies have come to the Central and Eastern Europe rather quickly. Number of Internet connections on the 10000 inhabitants for example in Estonia is higher than in most part of West European countries. However, here it is necessary to mention that in the regions where purchasing power lags behind that of the middle-level countries, the application of IT technologies is rather limited, and therefore possibilities of acquiring necessary IT skills and knowledge are also limited.
2. In the conditions of swift economic, technological and political restructures the role of foreign languages increased. The knowledge of foreign languages not only gives access to a wider information volume, which can be useful for economic activity of individuals and small enterprises. This enables to make contact necessary for the activities, which have become most actual and significant especially in the past decade when the political situation has changed in the Central and Eastern Europe.
3. Under the transformation of socialist economy into market economy the importance of skills of business management has considerably increased and together with this the importance of the adjacent branches of economy, such as economics, marketing, and accountancy. It is in formation of an enterprise and in the restructuring process these abilities and skills are given priority. In the last decade the demand for this kind of knowledge has

grown, which testifies to the considerable growth of training places in these spheres in the higher educational establishments. It should be noted that students themselves pay most of training places for these specialities.

4. In the past 10 years the technology of manufacturing processes has improved greatly, the reason of which is the availability of technologies and sometimes also investments from other countries. As a result, a far higher-level practical preparedness of labour force is necessary, which would enable to use these technologies. Only working with such technologies it is possible to defy competition for both big and small enterprises. From the point of view of technology a wider use of methods gives more opportunities in the more qualitative and economically profitable manufacturing of goods and rendering services. This principle is very important in all the spheres and professions in which economical activity is fulfilled. New technologies came into building industry, services sector, agriculture, and everywhere their application demands from labour excellent knowledge of technology and high skills in practical work.
5. Working in the small enterprises raises the importance of teamwork skills and of such contact system creation, which would contribute to achieving the goal of the enterprise. The skills of such team creation, as well as of its activity organizing and managing are also reckoned among very significant ones for the existence and development of small enterprises.

The real knowledge level of inhabitants doesn't always give possibility to acquire skills and knowledge necessary for labour market, small enterprises and informal sector. The critical picture was revealed by the general census of the population taking place in Latvia in 2000. 4,5 thousand inhabitants of those older than 15 years can neither read nor write and the other 10,6 thousand don't have any formal education. 7,7% of Latvia inhabitants older than 15 years, have education lower than basic, that is they practically don't have possibility to acquire profession. It is important to note, that the highest specific gravity of such people live namely on those territories, where there is the highest level of unemployment and the lowest standard of living. For example, in Rezeknes region there are more than 17%.

Educational System Possibilities and Activity Necessary for Skills and Knowledge Availability Ensuring

All over Europe, vocational and technical education is passing through a remarkable process of change, due not only to the economic crisis in all parts of Europe, to which in Central and Eastern Europe must be added the instalment of new political and economic regime, but also due to the rapid technological change in the development societies that engenders a need for radical restructuring of qualifications (12.). The economic conditions in the Transition Countries didn't give possibility in good time to reorganize the professional education in accordance with the changeable labour market demands. The re-organization of the professional education usually is connected with enormous financial investments necessary for the practical education providing. The inhabitants quickly notice the professional education lagging behind the changes taking place on labour market.

Data about the number of students in and graduates from general and professional secondary education institutions in Latvia show that the latter group of schools has become less popular. In 1993 - the year when overall educational activity in Latvia was at its nadir - 64,5% of students at this level were enrolled in general secondary schools, while 35,5% were in specialized or technical schools. The proportions in the 1998, by contrast, were 73,2% and 26,8% (13.).

The professional training problems in Russia are similar. Many specializations are no longer economically functional. On the other hand, there is great demand to acquire skills necessary in commerce, for example, foreign language word processing, advertising, or budgeting. Because technikums and VET schools have not closed down the inviable specializations or reprogrammed available facilities and teaching staff, there are no available resources to meet the new demands. Thus the institutions have a twofold problem: an inflexible teaching and learning process and a large number of inviable specializations inherited from the past. The result is an inability to meet the widespread demand for new skills (9.).

In accordance with the changes in the economy the Slovenian VET system has been reorganized. Here in terms of the existing economic structure the labour force is more or less adequately educated, but seen in the context of urgent technological modernisation, the qualification structure of the labour force, particularly of those aged over 40, is a huge problem (14.). Following the demands of the democratic society, a market economy and in compliance with the labour

market development in Romania is created a model of a more flexible vocational education and training according to the general reform process of the Romanian education. There are 20 occupational families comprised in the reform programme (16.). The similar restructuring process takes place in all the VET systems of the transition countries. And here there are 2 main blocks of problems:

- The professional education contents creation according to the economy development and labour market demands - This contents realization in a rather short period of time and of high quality

Unlike the countries, where economy and industry lately hasn't had such radical changes, in the Transition Countries parallel to the youth's education, re-qualification of occupied larger part of labour force should be kept in mind. Encountering the questions of this type in practice, it seems that rather good results could be obtained due to the form of education used by School of Business Administration Turiba, when parallel to the full time education and teaching about 100 short-term programmes-courses are presented both for at the present moment working labour and for the unemployed in cooperation with the State employment service. Such availability gives opportunity to keep an eye on the labour market demand, and on the use of the higher educational establishment academic personnel for a short period of time to include (changes in the labour market demand) into the programmes offered in the process of full-time education.

In Latvia VET system contains basic vocational education programmes intended for the instruction of simple vocations, vocational programmes and secondary vocational programmes. The post-secondary vocational education programmes, which were not regarded to as a part of higher education before September 1, 1999, are now being re-structured into "college programmes". The next stage is the higher professional education of the 2nd level, which lasts for 4 years after the secondary education acquisition. Teachers working in vocational education and training institutions are traditionally specialists with the appropriate special secondary or higher education in the field concerned. Most of them do not have a specific diploma qualifying them for teaching as such. Furthermore, many teachers are unfamiliar with contemporary technology and teaching methods, in which theoretical, lecture-based courses are giving way to more practical interactive work. As a result, they need additional training in order to update their skills (15.).

These problems refer especially to the small enterprises and informal sector in the all Transition Countries. The big enterprises themselves especially if they have investments from countries abroad, educate their workers in accordance with their own de-

mands; small enterprises usually do not have enough resources to meet this target.

General Conclusion

The rapid economic and political changes in the transitional countries for the last 10 years caused well-grounded changes on the labour markets of these countries and in the claims laid to the working people. The large industrial enterprises of the Soviet time in most cases turned out to be not competitive in the terms of free market. Together with the rapid prices growth for the energy resources this caused the significant domestic gross product decrease and unemployment level increase in the beginning of the 90-ies. At different pace the economic situation in the Transition Countries stabilized and the rate of inflation decreased. At this time together with the privatisation process the number of small enterprises as well as a total volume of the informal sector significantly increased.

Along with the change of industry structure and the globalisation process realization, modern technologies development, import and export structure change in the Transition Countries necessity has appeared in a radical labour force re-qualification. As in the Soviet times professional education was oriented more to the possibility qualitative specific activity training, and less for the creative activity and independent decisions making in non-standard situations, small enterprises need to acquire completely new skills. In contrast to the big enterprises, namely, small enterprises and informal sector labour force are expected to acquire the ability independently to analyse non-standard situations and to make optimal decisions on them, to adjust to changes in the national economy structure and in the inhabitants demand for the specific goods and conditions and to use the new technology in their work. Globalisation process and political situation changes have significantly increased the foreign languages importance.

The lack of resources in the education system, as well as a comparatively slow change of the available programs and educational system labour doesn't always give the possibility to the education system to ensure the necessary skills and knowledge acquisition on the comparatively high level. Necessity of already existing labour re-educating parallel to the new labour's education complicated the situation. For a more successful realization of these tasks in the education system for the last 10 years ground restructures have taken place, which allows forecasting in generally successful labour market restructuring process in the Transition Countries.

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Part 3

Working Groups, Issue Papers, Key Inputs, Group Reports

Context and Regulatory Framework for Skills Development

By Madhu Singh, UNESCO, Coordinator Working Group 1

Although the informal sector is a positive response to the dearth of employment and it also makes a decisive contribution to skills development, it is given little prominence in different global strategies and national policies. The tendency has been to promote a state sponsored vocational education and training for the formal sector and a project approach for the informal sector. This segmented approach caters mainly to modern firms. If skills and knowledge development for the informal sector has to be effective and sustainable, every measure needs to be embedded within comprehensive global and national development policies and systems. The challenge is one of creating an enabling environment at the macro level (economic, socio-political, infrastructure and fiscal policies, institutional and legal/regulatory frameworks, stakeholder system, labour codes, intersectoral and systems thinking). It is about aligning the goals of institutions, government ministries, and private sector, NGOs, local organisations, communities and individuals in society.

Issues Related to Context, Poverty, Youth and Gender (Session 1)

1. The dichotomization debate once restricted to the formal and informal sector of the labour market is now being reproduced within the informal sector itself – an important affect of structural adjustment and the liberalisation policies. Interventions are differentiated according to the more poverty-oriented programmes and those that are more oriented to small enterprise development. The question is how can a balanced policy package be promoted so that national provisions take into account the range of activities within the informal sector?
2. Although complying with certain legalisation and regulation requirements may not be affordable for many IS micro-entrepreneurs and workers, a progressive legalisation may be a necessary requirement for their integration in society. However, we need to ask what regulatory frameworks should be put in place so that there are clear benefits for en-

terprises and workers? And what regulatory frameworks make most sense, especially in a situation where an effective and durable social, cultural and informal regulatory mechanism is built into the working life and skills development of the people in the informal sector?

3. The informal sector is expanding not only in the domestic economy but also becoming integrated into the global economy. There is a new demand for skills and knowledge as a result of rapid diffusion of new technologies and the growing role of commerce and services. The challenge is to identify markets that are suitable for the micro-enterprises and to ensure relevant skill acquisition mechanisms so that workers are capable of quickly responding to new technologies, markets and products. What policy measures in skills and knowledge development coupled with subcontracting arrangements need to be taken to improve access to the world market, without sacrificing local autonomy and decent work?
4. The majority of the world's poor are working in the informal sector. Although there is a growing understanding that poverty cannot be reduced without raising the educational levels and skills of the poor, most poverty-oriented programmes continue to emphasise the basic needs and welfare side rather than the skills and knowledge or the productive development aspects. As survival activities make up almost 80 per cent of the informal sector, we need to ask how can the education and training policies with regard to specific target groups in poverty areas be effectively integrated into social policies as well as economic and employment policies?
5. Hundred and thousands of young people enter the labour market each year with little hope of finding formal employment. Education leads nowhere. Instead, graduates are unemployed and underemployed and have no marketable skills. Most drop-outs join the informal sector. Public policies should therefore be directed not only towards preparing school leavers, but also towards out-of-school youth, as well as upgrading skills of those already in the informal sector. However, policy decisions on training out of school youth need to be backed by an information system, which is currently lacking. How can an institutional framework be created for information on the supply and demand of

labour, the quality of training and education programmes and opportunities for work in the informal sector?

6. Women need to be singled out as a special target group because of their importance in the world of work, in economic development and their essential function as role models for future generations. The challenge is for policies to ensure that the rights to literacy and adult basic education – an essential prerequisite of retraining – are universally accessible to all-including women. How can skills and knowledge development for women be coupled with a set of activities ranging from influencing macro-economic conditions, making market women-friendly, enhancing formal entitlements, and certification of skills?
7. Micro-enterprises are crucial in employment creation, but the type of jobs they create is often of poor quality (low productivity, work is an aspect of poverty rather than a means out of it). Job quality means first raising productivity and employment generating potential of micro- and small enterprises, and thus making them capable of offering better working conditions and protection to the workers. The challenge for training policies and institutional development is how to design training so that it can contribute to raising productivity in micro-enterprises?

Institutional Sustainability and Delivery Aspects (Session 2)

1. It is widely acknowledged that there is no point in transmitting technical knowledge and skills if the institutional support system does not provide sufficient incentives for its use. We need therefore to ask what institutional support system needs to be put in place to ensure multiple participation of parties that influence decisions on access to capital markets, technology transfer, availability of raw materials and economic opportunities for small businesses?
2. Much of the problem of formal institutions' relevance for the informal sector is the lack of intermediary institutional processes of skills and technology transfer. But even where such intermediary agencies exist, most of their activities are frag-

mented and not institutionally nor financially sustainable over a long term. This raises the question of how can linkages between formal institutions and the informal sector be improved for effective resource mobilisation and for influencing policy decisions?

3. Equally important is the issue of the development of institutions and organisations such as self-help groups, trade associations and credit societies that will continue to provide owners and workers with opportunities for skills training. International experience shows that association-organised further training is crucial for development of trades and for promoting the interaction between owners of enterprise and therefore such aspects of self-organisation should be acknowledged as important for human capital development in the informal sector.
4. There are many institutional development initiatives focusing on the linkages between education and work, but these approaches have yet to come to terms with demand, access, quality, linkages, effectiveness and specialisation. In most cases changes will require policy decisions at the national level, accompanied by enabling legislation and regulatory frameworks down to the local level.
5. One of the challenges of skills and knowledge development for the informal sector will be to differentiate the modalities of delivering training in order to address the diverse needs of the heterogeneous (contract worker, home worker), informal sector worker with different backgrounds (illiterate women, educated youth, poor adults and ethnic minorities).
6. Taking the above aspects into account the second workshop session will basically seek answers to three questions:
 - a) What institutional profile of single institutions and what kind of institutional mix is needed for effective delivery of training?
 - b) How should this delivery be effectively organised? and
 - c) To what extent should the delivery of training be regulated?

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Skills Development: Some Policy Issues in the Informal Sector

By Enrique Pieck^{*30}

I. Introduction

In this paper I will present some particular concerns related with skills development in the informal sector, these entail several challenges when thinking about technical training policies in this sector. Secondly, drawing on lessons from several experiences some guidelines will be presented that attempt to provide input for policies in this area.

The considerations that will be formulated in this paper rely on two basic interrelated premises:

- i) the potential the informal sector of the economy has for economic and productive incorporation; that is to say, the need to acknowledge that even if employment is at stake in most countries, the informal sector –potential and real economic activities carried out in the rural and marginal urban areas– constitutes an actual realm for productive incorporation.
- ii) the need to acknowledge the specificity of work in the informal sectors. That is to say, in underprivileged sectors, concepts such as work and employability have connotations of their own. While the formal labour market formulates specific demands to the educational system, in the informal sector (among those living below the poverty line) work – and the needs it sets forth – is narrowly linked to the daily vicissitudes of the individuals. Seen in this light, occupational training is more closely aligned with productive activities – their survival strategies – or with those which are doable and result from the nature of the context, than to the need to train in order to satisfy the demand of a formal market or respond to the exigencies of technological development as dictated by modernity. In a context marked by globalisation and technological development, work takes preeminence over employment; in underprivileged sectors, it implies the need to master life skills which take into account the diversity of work spaces as they occur in everyday living.

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This being the case, a skills development strategy in the informal sector must offer programmes which, by harnessing the individuals' daily work activities and linking them to strategic economic activities, may help upgrade the modest economic insertions emblematic of these sectors, and articulate them with various support mechanisms.

II. Skills Development in the Informal Sector: Basic Concerns

1. The Need for Work Competencies Among the Economically Disadvantaged Sectors.

People from social and economically disadvantaged areas are basically concerned with having work competencies. This statement is supported by the educational scenario in most developing countries. I will rely on some statistics that provide some idea of where to look at and what to offer:

- Literacy rates in many countries (12% to 60%) (UNDP, 1999; Brunner, 2000)
- The educational lag is 200 million people in Latin America
- With seven years of schooling only access to the first and second level (Infante, 2000)
- Full basic education does not guarantee having basic skills (Infante, 2000)
- Hand labour over 25 years only has 5 years of schooling (Brunner, 2000)
- In Chile more than half of the population does not understand what they read (OECD)
- 10 years of schooling is the minimum for education to have a significant impact on social welfare (Eclac, 2000b).
- However, having seven years of schooling is quite an achievement in the region (Gallart, 2000).

These figures lead us to ask what then is education good for. They certainly place important challenges in terms of basic competencies provision for those inside and outside the formal education system. In addition: i) if only few people have access to secondary education, due to the severe drop when moving from one level to the other (UNDP, 1999; Gallart, 2000); ii) if 80% of youth come from families whose parents have

less than 10 years of schooling (Eclac, 2000b), and then only 20% of youth whose parents did not complete basic education can complete secondary education (Eclac, 2000b); iii) if among youth, twice the poor than those who are not poor don't have more than six years of schooling. (Gallart, 2000). Then, there is an important problem referred to the challenges people from economically and disadvantaged areas are facing for their productive incorporation.

This situation lead us to think about the current limitations within the formal work market, and to question the extent the formal education system prepares people for their incorporation within the world of work, the relevance of the competencies that are being fostered, and the specific relevance of the competencies people belonging to this educational lag already have.

In this context skills development programmes have very clear cut demands. People are basically concerned with having work skills and competencies in order to be able to incorporate themselves in productive activities. The problem is they also face serious deficits in terms of basic competencies.

2. Technical Training in the Informal Sector: A No Man's Land.

Who is providing the technical competencies to all those already out of the formal education system, and with significant educational deficits? To what extent education and training and vocational education (TVE) are providing the competencies needed? Work-oriented –TVE in economically disadvantaged areas has been said– is a no man's land (Bennell, 1999; Pieck, 1998; Weinberg, 1994). This situation, is the result of two specific absences: as regards adult education institutions, the employment issue – not having been granted a high priority status – has been all but excluded from their curricula; in the case of professional training institutes, their study programmes have been targeted mainly at the formal labour market – rather than at marginalised groups.

Short specific technical training courses seem to be the answer to youth that have been forced to abandon school at an early age. Typically those who enrol in these courses end up in first entry level jobs within the formal work market, undergo marginal work trajectories, or set up self employment activities. Many end up in the informal sector lacking basic educational and work competencies and facing the disadvantages of being young in a rather competitive work market. Youth, particularly those from economically disadvantaged areas, are the most vulnerable groups nowadays (Jacinto & Gallart, 1996).

As far as skills development in the rural and marginal urban areas, most programmes have not moved be-

yond the mere provision of training courses –have not inserted their activities within a developmental strategy.

3. Women: The Strong Need for Quality and Relevant Training Programmes.

Women, particularly those of the lower income sectors, represent a very special group on the skills development agenda; hence, the importance of highlighting their unresolved issues. Women account for a large percentage of the population who, owing to the subordinated social and productive role developing countries' society has imposed on them, have found their social, economic and productive participation greatly curtailed.

In a large number of countries, the strength and potential women represent in terms of developing economic and productive activities, as well as their actual social and educational influence on the family unit, are often overlooked. In this respect, the impact training programmes may have on women's social and economic performance, could prove a determining factor. Examples abound of the enormous possibilities nestled in this sector of the population in connection with the – viable – scaling up of a number of productive activities that characterise the daily routine of marginal sector women. Likewise, there are remarkable experiences of the effect small economic endeavours have on women's sense of empowerment, the desire to make their voices heard, and to occupy their rightful place in society (REPEM, 1995).

In many countries, it is not uncommon to find that the only technical training opportunities opened to this sector of the population are limited to non – formal non – vocational education (Jayaweera, 1979). These programmes are basically low quality courses that focus primarily on domestic work, and do not teach productive skills or prepare women for accessing the various labour markets. Occupational training programmes for underprivileged women fail to improve their work status; they bring about small – if any – changes manifested through the undertaking of modest economic initiatives intended to somehow alleviate their condition (Stromquist, 1988; Pieck, 1996).

III. Policy Issues

1. Two Scenarios, thus Two Responses from TVE

Today's concern with skills development programmes appears to unfold between two scenarios: the process of globalisation and technological development on one side, and the backdrop of poverty and

social inequality characteristic of developing countries on the other side. Both have important socio-economic implications which will determine new challenges for training programmes. From the perspectives of these two scenarios, skills development oriented programmes in underprivileged sectors should focus on:

- becoming adapted to the various contexts found in marginal areas and responding to their needs; that is, elaborating a relevant and high – quality educational supply;
- facilitating access to the new skills and technological literacy with a view to promoting employability among the low income sectors, and avoiding the emergence of further social exclusion processes.

2. Moving Beyond Assistance

Technical training activities divorced from the notions of human advancement and quality of life enhancement, becomes an assistance-oriented educational supply, or one designed as a social contention strategy. Conversely, a formation scheme closely associated with basic education and properly focused, becomes an important component of employability.

To reiterate, training by itself does nothing to generate employment, for it requires additional support and institutional articulations so the odds of improving the productive insertion of the low income population are improved. It also needs to focus on the strengthening of economic activities that originate from the informal sector, from the traditional activities of the population, and from the very nature of the rural environment.

3. The Integral Dimension of an Economic Activity

A training strategy must be based on an integral view of the population's economic and productive activities. Meeting a project's immediate demands (e. g. loans, specific courses), will hardly accomplish anything in the absence of a diagnosis that can provide an integral solution to the problems affecting the various projects of a specific population. In this regard, addressing these projects from the dimensions of organisation, production, commercialisation, technical processes, accounting systems, division of labour, etc., regardless of the size of the particular undertaking, takes on paramount importance. In some cases support may come in the form of technical assistance to small operators, in others, it may translate into accounting services for projects under consolidation.

As a result, technical training is transformed into a training – consultancy effort which approaches potential projects from an integral perspective. That is to say, it offers not just an immediate response to a project's technical or economic need – to a «felt» need – which does not guarantee that the support lent or the funds provided will be efficiently used, but rather, it becomes a response based on an integral analysis and diagnosis of the economic and productive activity, and results in an improvement plan designed to contribute solutions capable of propelling any business pursuit in the direction of an economic development project. The integral perspective evinces the insufficiency of technical training initiatives, specific courses, and funding efforts, taken as isolated components.

This basic premise – the integral view of projects – has been conspicuously absent from the development of technical training programmes targeted at deprived sectors. This has resulted in a supply that elicits no interest beyond the boundaries of the course itself and, on occasions, bears little relevance to the promoted courses.

4. Institutional Links

If the previous thesis is accepted as valid, one is also bound to acknowledge that skills development programmes must be supported by interinstitutionality. Interinstitutional co – ordination is the factor that guarantees that the various programmes will have a positive impact on the development of economic activities, and will improve the target populations' living conditions. It is through co – ordination initiatives with finance, commercialisation and organisational institutions that the knowledge acquired via training will lead to productive insertion and the creation and development of small business endeavours.

Interinstitutional co – ordination, is the power behind the manifold possibilities of technical training and the mechanism that allows to supplement it with activities in the areas of health, housing, basic education, certification, etc. Aware that resources are scarce and that training programmes in the informal sector have a limited scope, the participation of ministries of education and labour, women organisations, youth, peasant and labour union groups, entrepreneurs, lending and marketing agencies should be actively sought so as to develop co – ordinated strategies and derive new learning from the different experiences. This kind of interinstitutional co – operation becomes particularly important when it involves various targets populations, such as: hospitals, jails, rehabilitation centres, etc.

5. Improving the Quality of Non-Formal Education: No Need to Start Anew.

In a large number of developing countries occupational training initiatives for the underprivileged are limited to non formal (non vocational) education, a marginal modality of instruction which can not be regarded as genuine occupational training. Its programmes involve courses of a domestic nature (cooking, manual arts, beauty-related) or trades (carpentry, blacksmithing), and are imparted to low income groups usually in rural areas. While these programmes do contribute with a grain of salt to palliate the harsh economic conditions that prevail in these communities, they lack the elements that could turn them into authentic mechanisms for productive insertion and enhanced quality of living.

An interesting feature of these programmes is their location at the fringes of two educational domains: adult education and occupational training. They lie on the borderline that separates that which constitutes occupational training from that which does not, a fact that may lend the efforts needed to go from one side to the other. Their advantage is that they will not have to start from square one.

These programmes already have some of the physical infrastructure, teaching staff, accumulated pedagogical experience and the broad support of the population. In fact, they represent one of the most popular and widely disseminated programmes among the young and adult population of deprived areas. Consequently, they can be valid alternatives which could somehow reach out to those living in that «no man's land» represented by today's occupational training in the poorer regions.

Raising the quality of these programmes entails an interinstitutional effort that involves the revision of learning programmes, curricular models, teacher training initiatives, and an improved infrastructure. This would facilitate improving the profile of graduate students and generating articulations that ensure continuous technical training and developing productive activities backed by financial, business, organisational and marketing assistance.

As a rule, these programmes go no farther than imparting the courses. Because they lack the strategies and support that could give rise to organisational and productive experiences, they are unable to harness and put to use the knowledge and ability acquired by their participants. Interinstitutional collaboration could facilitate a redefinition of the potential these programmes have, specially in terms of the social, economic and political projection of underprivileged women. Moreover, these programmes through their relationship with the various institution – health, initial and basic education, nutrition, etc. –, rather than serving a merely social and political function, would

take on a real significance as a legitimate, relevant and useful educational supply for rural and marginal – urban women (Pieck, 1996; Jayaweera, 1979; and Stromquist, 1988).

6. Diversity and Quality in Training Provision

A key assumption any social or economic programme must make is that poverty is heterogeneous and that, consequently, the actions implemented among the vulnerable groups – youths, peasants, women – must be specified, differentiated and prioritised, which implies adopting a strategy based on territoriality where differences can be identified even within these smaller groups. The needs and expectations of women between the ages of 15 and 19 will be different than those in the 20 to 24 age group. Additionally, these differences will be magnified when the gender, locality (urban, rural), ethnic origin and level of schooling variables are factored in, with clear repercussions on possible programme orientation and objectives.

Therefore, if the learning experience is really about empowering the individual, then defining the different profiles of the target population becomes a crucial step. An homogeneous supply runs the risk of being irrelevant to the needs of many, which is why planning the curricular and pedagogical model and the programmes' objectives and guidelines, is a must. For the sake of diversity, skills development programmes must offer a range of options that takes into account the different expectations of the population. These options must be customised for:

- youths who have dropped out from secondary school and wish to have a trade;
- unemployed individuals from both sexes, who have had work experience and wish to further their education or opt for self – employment;
- unemployed adults willing to upgrade their educational level ;
- women heads of households who require training and support to embrace an economic activity;
- people seeking certification in order to access the formal labour market; low income youths in need of quick training for rapid insertion in productive activities; individuals looking into secondary education options linked to working opportunities; etc.

There are many different situations which become even more numerous when one considers the various possible contexts. It is therefore increasingly important to have a wide range of options available in the different spaces; that programmes have built – in links to higher education alternatives; that the profile of graduating students is upgraded and conferred on

the basis of integrality; and, that the low income population has access to multiple points of entry to and exit from the different technical training systems.

This requires a fairer distribution and articulation of the various training opportunities, as a strategy for eradicating social exclusion and thus breaking the cycle that foreordains that those with the most will have access to the best. Such a strategy may help policies to be more equally balanced and properly assess the different expectations and contextual features of such a diverse population. Along these lines, training programmes have a twofold mission:

- helping people upgrade from the shanty to the computer;
- contributing to the survival of the population.

In other words, the idea is, on the one hand, not to exclude the poor from accessing the new competencies, to offer those who are willing the opportunity to become inserted in the formal labour market, or, alternatively, to move on to higher levels of education. On the other hand, the idea is to provide elements that will allow the low income population to address their productive insertion needs based on an educational supply sensitive to local needs, and consistent with the work characteristics of these groups.

The importance of focalisation as a key feature of training programmes, follows from these twin functions. A strategy inspired in providing «work-oriented» programmes, entails planning the occupational outcome of the low income population by channelling a high quality educational supply towards the development of local economies and the fight against poverty; this, in turn, requires that these programmes facilitate a continuous flow into higher levels of either technical training or formal education. In this respect, the proposed strategies emphasise the need for teacher training initiatives, investments in suitable infrastructure, and the concretion of agreements with the business sector, as mechanisms to secure access to cutting edge technology and to flexible curricular structures designed by the communities themselves.

In a context of globalisation and technological progress, the new labour scenarios demand that training programmes in the informal sector build strong ties to the various educational spaces in their various modalities and at their different levels. Some reflections on a diversified supply intended to strengthen the education – work link of the different educational strategies are given below:

- Develop different modalities of work – education in the different educational spaces, through the association of occupational training with basic education, secondary education, literacy learning, productive programmes and reflection components.

- Promote the advancement of technicians at the secondary level, while orienting secondary education towards occupational training. Additionally, the importance of furthering the basic technical knowledge imparted at the secondary level in the different technical specialities of technological institutions, must be stressed.
- Strengthen the links between the various teaching institutions of the educational system so as to facilitate accreditation and move toward higher forms of certification within the formal tertiary education system.
- Galvanise participation by other actors (universities, labour unions) in matters pertaining to occupational training and reinforce their links to technical training institutions. At the university level this could be accomplished through the social services departments, or the labour unions themselves, which are naturally linked to the labour world and to the specific educational needs generated in these spaces.
- Integrate the formal education, vocational training and higher education systems, through general education laws.
- Promote bilateral agreements among institutions (for example, between the Ministry of Education and Vocational Training Institutes) so that non-vocational graduates may further their secondary and tertiary level technical studies.
- Articulate basic education and technical training through courses imparted at work centres, that encompass both dimensions. In turn, associate both aspects with the promotion of productive activities.
- Promote alternating school-community programmes where basic education is combined with occupational training for adults in the areas of their preference.
- Make adult education and work programmes part of local development projects, in particular municipal projects that allow diagnosing needs.

IV. A Final Consideration

Taking the above issues into account, there are some considerations in terms of institutional changes needed in order to improve the effectiveness of skills development programmes:

- a) There is a need for national and local 'Training Councils'. These could be integrated by institutions both related to different social and economic sectors, and to the areas of financing, training, consultanship, etc. The basic function of this council would be to: i) advise and co-ordinate

activities oriented towards providing vocational and training activities; ii) establishing links between government, NGOs, the private sector, local organisations, etc., iii) contribute to design methodologies and strategies for approaching the diverse training needs among the informal sectors. The Council would have an important function in terms of regulating the delivery of training.

- b) Government Ministries (Agriculture, Tourism, Economic Development, Micro-enterprises) taking part in local and national councils have an important function in detecting training needs that come from groups of people they work with. This interinstitutional work can facilitate the proper assessment of training needs in the informal sector so that the delivery can be more effectively organised
- c) Training institutions should have an organised interinstitutional strategy. Links should be developed with financial institutions, consultancy institutions and the private sector.

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Comentarios para el documento: Skills Development: Some Policy Issues in the Informal Sector

By Norma Añaños, CAPLAB / COSUDE

- I. Disponer de estrategias específicas de capacitación laboral para el sector informal es importante, constituye un reto a priorizar, teniendo en cuenta los grandes contingentes de población pobre, asentadas mayoritariamente en áreas urbano marginales y rurales que subsisten con muy bajos ingresos, generalmente con escasos grados de escolaridad o analfabetos.

La capacitación laboral constituye, para esa población un medio que puede permitir su inserción laboral, mejorando su situación socio económica y especialmente su autoestima.

- II. El Modelo CAPLAB, una alternativa en actual experimentación.

En el Perú, a través del Programa de Capacitación Laboral, CAPLAB, que desarrolla COSUDE, se está experimentando un modelo de capacitación laboral dirigido a la población desfavorecida, principalmente urbano marginal, con prioridad para jóvenes y mujeres, que permite su inserción en el mercado laboral o la mejora de sus situación aún en el mercado informal.

El objetivo de CAPLAB es mejorar la empleabilidad: empleo dependiente y autoempleo, a través de la capacitación articulada al mercado.

A cuatro años de aplicación del modelo CAPLAB, los resultados cualitativos y cuantitativos logrados evidencian su validez en relación a la necesidad de inserción laboral de grupos desfavorecidos.

Las condiciones que hacen posible la inserción laboral o mejora de ingresos:

1. La capacitación articulada al mercado aplica estrategias como:
 - El diseño de perfiles, programas curriculares, materiales de aprendizaje en consulta con las empresas.
 - La creación de instancias permanentes de vinculación entre el Centro de Formación con las empresas y el entorno productivo.

- La aplicación de metodologías de capacitación basadas en el enfoque por competencia, cursos modulares posibles de certificación progresiva.
 - La elaboración de estudios de mercado para la determinación de las necesidades de capacitación.
 - El apoyo a la ejecución de proyectos productivos como parte de los procesos de capacitación.
 - La atención a grupos organizados de oferta laboral.
2. La capacitación de los docentes que permita que la mediación del aprendizaje sea una actividad integral y sistémica: que involucre el desarrollo personal y social y técnicos productivo para cuyo fin los docentes se incorporan en cursos de capacitación que abarcan los aspectos pedagógicos, técnicos y de gestión.

Considerando la necesidad de promover que los docentes conozcan las actividades productivas de su entorno, se prevén pasantías de los docentes en las empresas así como cursos y talleres en los aspectos pedagógicos, técnicos, productivos y de gestión que implican la actualización docente.

CAPLAB ha conformado con los docentes capacitados en el modelo, conjuntos de equipos de recursos humanos que se constituyen en masa crítica capaz de promover efecto multiplicador, a través de una estrategia denominada de «padrinos» y «ahijados».

Los procesos de capacitación se dan con variedad de metodologías en atención a la diversidad de necesidades y contextos socio culturales diversos. Uno de los elementos claves es incrementar la autoestima de los profesores(as); en relación al sentir, el aprecio y respeto a sus capacidades y participación moviliza a los y las docentes hacia metas superiores.

3. El Sistema de Información Laboral y Colocación

A través del modelo CAPLAB se generan mecanismos de intermediación e información laboral que permite a los y las egresados(as), disponer de: bolsas de trabajo, información laboral, asesoría para la búsqueda de empleo, seguimiento en los primeros dos años de inserción en la actividad laboral, entre otros.

Estos procesos, al institucionalizarse están posibilitando que el sector público disponga de una Red de Centros de Información Laboral y Colocación, cada vez de mayor dimensión y en proceso de legitimación de servicio público, generado desde el Estado.

¿En qué medida se logran las competencias esperadas?

La población con mayor tiempo y mejor calidad de escolaridad logra habilidades laborales más exitosamente y más aún, quienes durante la educación secundaria reciben orientación laboral, logran consolidar su capacitación laboral.

Sin embargo el porcentaje mayor de estudiantes, posee pocos grados de educación básica y proviene de segmentos de población excluidos; para ellos logran habilidades, es una tarea muy compleja por su carencia de prerrequisitos.

A este punto conviene señalar que las habilidades mediadoras de los docentes, conjuntamente con el equipamiento apropiado, materiales adaptados a las necesidades de los participantes, son entre otros recursos que deben facilitarse apropiadamente.

También es importante considerar las altas tasas de deserción de estos segmentos de población; CAPLAB prevé cursos de capacitación modulares de corta duración con valor de empleabilidad que satisfacen las demandas de pronta inserción y logro de ingresos. Las tasas de deserción bajaron

significativamente bajo esta modalidad; en promedio el 57% de egresados logra empleo y un 15% forma su propio negocio.

Compatibilizar las competencias para el empleo dependiente con las requeridas para el autoempleo.

La población desfavorecida requiere como prioridad tener trabajo e ingresos, su capacitación debe conectarse con el mercado formal, y también para formar su propio negocio; concretarlo en un currículo requiere de estrategias diversas, más tiempo en la formación, pasantías en empresas o en instituciones de carácter social del entorno, además de un equipo multidisciplinario de docentes y especialistas en información e intermediación laboral.

El tema de acceso al crédito, es una cuestión no resuelta fácilmente especialmente para los jóvenes

Mujeres

CAPLAB tiene como una de sus líneas transversales, la equidad de géneros; sin incorporación busca igualdad de oportunidades, acceso a carreras no tradicionales, promoción de iguales salarios por igual trabajo. Progresivamente, van lográndose cambios. Aunque hay porcentajes mayores de mujeres en áreas como confecciones e industrias de alimentos, se desarrollan procesos productivos, trascendiendo lo doméstico; además son áreas, en mi país, generadoras de más empleo y autoempleo.

Desarrollar un programa de aprendizaje específico para personas con desventajas socio cultural.

Conviene experimentar enfoques y metodologías alternativas que permitan una intervención educativa que movilicen procesos cognoscitivos que están en la base del aprendizaje de las habilidades requeridas para la inserción laboral de manera integral.

En este ámbito se hace muy poco, los docentes de formación profesional técnica, por lo general tienen formación pedagógica y no están preparados para activar, tomar conciencia y corregir funciones cognitivas deficientes, así como no están especialmente preparados para fortalecer la motivación intrínseca, la autopercepción, el pensamiento lógico y otros que son necesarios para potenciar la integralidad de los procesos que conforman el desarrollo humano.

III. Temas políticos

Además de los dos escenarios mencionados en el documento, conviene tomar en cuenta dos temas políticos que CAPLAB considera:

- El contexto socioeconómico y político del país y las prioridades asignadas en términos de políticas y de aplicación de presupuestos, que expresan condiciones marco alentadoras de la capacitación laboral especialmente para el sector informal.
- La legitimación e institucionalización de políticas públicas que generen la participación de empresarios y de gremios, el establecimiento de disposiciones tributarias promotoras, el acceso al crédito a los jóvenes y mujeres y otros como la certificación progresiva, el reconocimiento del autoaprendizaje, etc.

View of Institutional Frameworks, Modalities and Delivery Mechanisms for Informal Sector

By Eugene Ryazanov, Kyrgyzstan

The Brief Description of Features of the Country

A discussant presents a position in this material based on his experience received in a project in one of the countries of former Soviet Union, namely in Kyrgyzstan, Central Asia.

The population of Kyrgyzstan has faced with a problem of perception and understanding of the market relations. Kyrgyzstan, though concerns to the developing countries, nevertheless has some differences from other developing countries in spheres of economy, educational level of the population and education system. The country is at a transitive stage of economy – from former Soviet economy to market economy, that was reflected not only in occurrence of private business, but also on occurrence of the new relations between people, enterprises and state structures. The majority of the people had no elementary concept about the market and market relations. They needed some years for comprehension of interaction between the participants of the market. In general, the transitive period has large changes not only in economy and society but also in people's consciousness. A part of the population especially in senior age has appeared not ready to perception of such changes.

The bankruptcy of the enterprises of a planned economy has resulted in unemployment and grow poor population of the country. Destruction of economic relations between former Soviet republics and losses of the selling markets bankrupt majority of the large enterprises both in city, and in a countryside (collective farms – kolchoz). There was significant unemployment. First of all women and young specialists, not having experience became unemployed. The absence of job – a source of income – has resulted to grow poor population and stagnation of economy. Approximately 65 % of the population is poor now. Among them about 9 % of the people with higher education, others with secondary.

Many specialists were not demanded at the labour market and were compelled to engage in something different. Some have tried to engage in own business (family, small) without knowledge of bases of market economy, absence of money and other resources.

The absence of skills of business management and sufficient working capital has resulted many small enterprises in bankruptcy especially at crisis in the autumn of 1998.

High level of population's education can be used for development of the country. Formal education system of Kyrgyzstan is still Soviet and represents average 11-year's secondary education, 2-year's professional education for preparation of technicians and qualified workers and 5-year's higher education for preparation of the engineers, teachers and etc. All schools belong the Ministry of secondary and vocational education, all universities belong the Ministry of higher education.

The country is characterized by a high level of education. Literacy of the adult population is around men 99 % and around women 95 %. Total amount of pupils were 1,1 million and 186 thousand students of universities and vocational schools in 2000. The population of the country in 4,82 million people. Therefore, about 27 % of the population are the pupils and students. The share of the boys and girls among them is approximately equal. 12 % of the country's population have higher education and 75 % secondary and vocational education.

The formal training does not guarantee a job by speciality. Now universities, vocational schools prepare plenty specialists of the of prestigious specialities of the market economy. Thus the demand for these specialists at the labour market does not taken into account at all. Thus, the higher education of the most prestigious universities does not guarantee receiving a job by speciality. Many specialists demanded by society (in particular meteorologists) owing to reference of this department to state structure and low payment, prepare in insufficient amount or their preparation is stopped at all.

The system of state informal training in Kyrgyzstan is absent. Informal narrowly profiled training both for the workers and engineers, doctors and teachers existed in former Soviet Union. The worker, engineers, doctors visited successful enterprises for learning new technology, working experience and getting practical training at the enterprise. Such training was about 3 months. Teacher had an opportunity to increase their qualification in the all-Union organisation «Znanie», which conducted different courses with duration up to 6 months. This training was outside of

working hours. All training were paid by the enterprise directing the employee.

Successful enterprises have refused to conduct a training for other enterprises with transition to the market economy. Organisation «Znanie» also has stopped own activities during reorganization as a result of lack of state subsidies for training of the people and desire of the enterprises to reduce personnel costs. In one word, all system of informal training was destroyed. To this day, in the country there are no state organizations offering informal training for various categories of the population, including poor, women and youth.

Absence of coordination of donor organizations' activities essentially reduces efficiency of their efforts. International development organizations have begun to work in Kyrgyzstan in middle 90 years. Many from them have begun to offer training for various categories of the population, which, at the end, is aimed to increase their income or to create a small business. Projects offer free short-term (2-5 days) training on certain subject.

Other donors have concentrated their efforts on creation of financial and consulting institutes for the population. But the absence of coordination in their activities and own purposes makes efforts inefficient.

For change the situation should be a state coordination body, at which all donors would discuss together further plans.

Institutional Framework for the Informal Sector

Informal sector needs practical training at the workplace. Features of informal sector: manufacture of the goods in small size enterprises, use of simple traditional technologies and, accordingly, the labour which does not require high qualification, and also diversification of production formulate specific needs in training. As a rule, these needs are connected to daily business work or to tell correctly with its difficulties. Thus, businessmen frequently can not correctly formulate the needs. The majority of them requires practical training at the workplace with concrete actions and they simply do not accept long-term training.

Precise definition of training's goal. Informal training for the existing enterprises will differ basically from training of unemployed people or getting additional income by poor part of the population. It is necessary also to consider other alternatives for beneficiaries.

People have to have an access to other necessary resources in addition to training. The people need not only knowledge but also other resources involved in

business. Knowledge of a presence of such resources is not enough – there should be an access to them and opportunity of their reception. Training itself does not bring change in business or does not help to organize it. Should exist the conditions for their change and desire of the owner to do.

Creative interventions, instead achievement of the organization's purposes. Institutes offering training, financial resources and the consulting services should have precise understanding about the beneficiaries and impact of the interventions. They should coordinate the sizes of their interventions according to market needs instead of organizational purposes. Besides it is important to take into account conditions of an environment of the beneficiaries, their opportunities and development prospects as them and society as a whole. Interventions do not have to destroy exist market relations in this environment and to bring a harm to the participants.

Council coordinate activities of institutes. Coordination of efforts of various institutes is carried out by Council including the representatives of these institutes, state bodies, NGO and private sector. Council has to be elective and be selected for the certain period of time. Activities of institutes should be directed for improvement of an economic situation and life of target groups.

Modalities and Delivery Mechanism for the Informal Sector

The graduates of high school receive working qualification. At the moment the schoolboys in high school receive one of working speciality in the majority of schools. Is it even possible to get in specialized schools the qualification of nurse.

The donor agencies in system of professional training work with the various ministries. There are some projects on reconstruction of vocational education in Kyrgyzstan. ABD has a project on change of legal base, methodology and contents of training, teachers' training. GTZ and Helvetas have concentrated their efforts on farmer professional training. All projects work in close cooperation with the Ministry of vocational training. In the project Helvetas there is a Council consisting of representatives of the Ministry, vocational school, project and local administration for elaborating the strategy of development.

Donor agencies and the state institutes have informal vocational training for various layers of the population, taking into account their needs. Donor organizations conduct an informal training for adult and vulnerable population. In particular GTZ and DANIDA are doing short-term professional training for the adult co-oper-

ating with the Ministry of work and social protection. This training is directed on elimination of lack of skill (increase of competitiveness of the unemployed people, which for employment has not enough professional skills); labour adaptation; labour rehabilitation.

Rural Advisory Development Services does various training for rural people in agriculture. It is a state institute and closely cooperates with the Ministry of agriculture.

Legal Assistance to Rural Citizens Project offers to village lawyers a short-term training for improvement their professional skills.

One Helvetas project provides a training and subsequent consulting support for tourist service providers closely working with State committee of tourism.

Some donor agencies offer training for development of existing business and creation new. Some projects offer training for the unemployed on creation of the business and income increase.

One local organization (created by USAID) conducts training for bookkeepers for transition to the international accounting standards. Their training paid and the charges pay the enterprises.

All donor and state projects offer either free-of-charge training or participants share the costs. The results of vocational training depend on that how a program takes into account features of beneficiaries for which it is designed, adaptation degree to concrete market situation, form of training instead costs of training.

Private business conducts a training for some categories of the people. Some companies (private business) conduct a training of people to perform certain work

and increase an quality of products. Thus these enterprises do not only training but also partially finance the trained people for organization or improvement their business. People usually sale their products to those enterprises.

Case Study

The large foreign company engaged in gold exploitation feels necessity of working clothes for the employees. The company locates in region with high level of unemployment among the local population. The company has made the announcement in the local newspaper and in streets about job for the people with sewing equipment. Plenty of the people has responded to the announcement and they have got later a special short-term training on to make working clothes.

The level of performance of the first order was a selection criteria. Selected people were generated into groups, which during certain time had technical expert support. Group invested part of earned money to new sewing machines and equipment.

The people which were not including in the first group by results of examination were generated in other group doing simple task sewing of bed-clothes, working gauntlet and other things.

Thus, the local population not having of appropriate skills for the given work at the beginning was prepared also their work is used by company. Subsequently, these groups had some orders from other enterprises.

Notes from Working Group 1: Context and Regulatory Framework

By Sunita Kapila, Kenya

Opening Statement

In addition to an introduction to the topic by Madhu Singh, the group's work was guided by presentors and discussants from Latin America, South Asia and the transition countries. In her opening statement Dr. Singh said the group should attempt to arrive at a holistic and long-term vision of skills development in the formal and informal sectors and a regulatory framework that could support this. She outlined the regulatory framework as encompassing appropriate policies as well as incentives etc which would encourage their implementation. She also urged the group to take into consideration in their discussions the effects of globalization and the information revolution and their implications for skills enhancement and new market opportunities.

Key Presentation

The key presentation of the day was made by Enrique Pieck from Mexico on Skills Development for the Informal Sector. Dr. Pieck underlined the «education divide». He quoted an OECD study which suggests that in Chile, half of the literate population does not understand what it reads. He observed that poverty affects access, tendency and absorption of what is taught. Even after 7 to 10 years of schooling youth are not equipped with skills that can assist them in obtaining a livelihood or moving into the formal sector employment. Dr. Pieck pointed out that the main challenge was to find ways to compensate for the deficits in the teaching of the basic, core competencies. This would be done by raising the quality of what was taught and by delivering training for marketable skills through non-formal education. He concluded by suggesting that while globalization was increasing competitiveness, there was increasing polarization and social inequality.

Discussion

The discussion that followed this presentation underscored the need to create a longterm vision beyond short term assistance in response to immediate demands. It also pointed to the heterogeneity of the informal sector (IS) and the fact that while often its

products are absorbed by the formal sector, its contractual conditions are entirely informal. The predominance of rural communities in the IS was noted. There were positive experiences from the Philippines on training as a component of the socio-economic programs. Dr. Vishwanath suggested that sometimes such training could continue to keep its recipients below the poverty line and not give them the growth momentum necessary for the exploitation of new market opportunity. Margareta Nikolova, a government official from Macedonia said that in transition countries, there was an increasing incidence of long-term unemployment which could stretch over 8 years or more.

Harun Baiya from Kenya noted that global markets needed new skills and credentials that traditional apprenticeship systems do not allow. Also, current training systems cannot predict and respond in an efficient manner to the market opportunities that are opening up. Credentials need to be devised in keeping with these global opportunities rather than just the immediate contexts.

Policy Issues which Were Pointed Out Were:

- Basic competencies need to consider market contexts.
- The arena of skills development needs to be recognized as a public good and be duly supported.
- National governments have to take major responsibility for the poor and provide an over-arching framework with both public and private elements in it.
- Existing training institutions need to be democratized to cater for the poor.

The second presentation was by Norma Castila from Peru. Her outline of a Swiss supported training project in Peru emphasized the following points:

- the Ministries of Education and Labor work in this project jointly and link training to improving SME productivity.
- Training is linked to the market and the role of intermediaries is acknowledged.
- Training is delivered in a modular format through the training centres and the trained are assisted in getting jobs.

The third presentation by Maksim Konini from Albania pointed out the very rapid change in CIS coun-

tries. He said that what needs to happen in Albania is in fact a complete restructuring of the labour market which presently has an unemployment rate of 18%. Youth are excluded from access to new know-how and women form a large part of the unemployed. A Centre for Women aims at the social and vocational promotion of women.

Policy Implications Pointed Out in the Discussion Were:

- Both government and labour organizations should agree on how to recognise skill competencies
- Participatory analysis should map out labour market needs
- Basic competencies should include technical skills and knowledge
- Government and community resources should partner in meeting the education and skills demands of the IS

This presentation was followed by remarks from the discussant Eng. Eugene Ryazanov of Kyrgyzstan. Mr. Ryazanov elaborated again on the newness of the concept of a «market» in the transition countries. The collapse of the soviet system had led to the bankruptcy of many enterprises and large unemployment. Although there is a high level of literacy and education, specializations of the former era are no longer needed. Previously training was mostly provided by enterprises – the vacuum left by their collapse has not been filled. Donors are attempting to develop some structures but there is need for much more.

The South Asian presentations were by Prof. Venni Krishna from India and by Poorna Adhikary from Nepal.

Dr. Krishna's paper recognized «upper» and «lower» parts in the Indian informal economy. The upper is linked to global opportunities and new technologies; the lower continues in its traditional systems of training and production. Dr. Krishna recognized the institutional imperative for scaling up good practice in the IS to be the development of intermediary organizations which can successfully link up with formal mechanisms for research on market opportunity and deliver requisite information to the IS. The intermediaries can also help point to the skill demands over medium and long term and link them to market niches.

This speaker also urged there be collateral entry into formal, non-formal and technical education institutions to encourage vertical mobility of those trained.

Policy and Regulatory Issues Emerging from the Discussion:

- The public sector has the key facilitative and regulatory role. It needs to address the issues of the relevance and the quality of skill development services delivered through private players.
- Government needs to recognize that few private players will assist the poor. The Government and intermediary organizations can.
- Government has a role as a buyer of IS products.
- Resources for participatory curriculum development should be set aside.

Dr. Poorna Adhikary as the discussant commented on the kind of orientation that is required for the poorest of the poor. It needs to be development focused and address cross-sectoral concerns. Communities are not sectoral and therefore an integrated response to their concerns is necessary. He said that there are four key steps to relevant support to the poor: conscientization, social mobilisation, skills development and provision of savings and credit facilities.

The meeting ended with a small group of four attempting to pull together the working group's observations and recommendations. These are listed below:

1. Globalization offers new market opportunities but the informal sector is often ill-equipped to respond. There is need for a concerted effort to develop basic and new competencies to engage in this global market
2. The policy approach needs to be long-term strategies which are implemented in a democratic and decentralized manner.
3. A key component of this integrated approach is to view both formal and informal sector as national labor pools. Therefore the policy and regulatory bodies need to develop/revise labor assessment tools within this approach and then link this collective resource to market opportunities.
4. Underline public sector role in delivering education as a public good in a way that is relevant to the poor. It needs to ensure that education is delivered in a manner that is of quality and relevance to the informal sector. It should no longer be just a supply driven phenomenon; instead it should be oriented to market opportunity.
5. The heterogeneity of the informal sector needs to be recognized. The «upper end» is linked to global opportunity and often benefits from both private and public delivery of support to the IS.
6. There is an onus on the public sector and regulatory bodies to also ensure that the «lower end» of

the IS – which has low literacy and limited or no access to relevant profit-generating technical skills – gets education and skills that enhance productivity.

7. There is a glaring gap in the institutional framework that governs skills' delivery at the intermediate or meso level. There is need to develop intermediary institutions which articulate the needs of the IS especially «the poorest in it» and

act as catalysts for innovation, R & D and marketing facilitation for the IS.

8. The gap between education that is geared to individual excellence and therefore filters out the majority and is elitist, and skills development, which is seen as the world of work and therefore the responsibility often of private providers and community initiatives. The continuation of this divide perpetuates unacceptable inequities in access to quality education and skills training.

Linking (Post)Basic Education and Training: A Way to Fulfil the Needs of Youth and Adults for Generic and Vocational Skills?

By Michel Carton, Graduate Institute of Development Studies, Geneva University, Switzerland

The Conference addresses the linkages between the world of work, skills and knowledge. Working Group No 2 will address more specifically the nature, the reality, the challenges and the limits of linking (post) basic education and training, for youth and adults skills development.

The question is no new as it refers to the debate, which can already be traced in Plato (IVth century B.C.), concerning the autonomy of education vs. the world of work as well as the degree of overlapping between education and training. As far as the first issue is concerned, it refers to the distinction between teaching (and learning) about work and for work. In other words, the question is to know whether education is more concerned by «person rights» than by «property rights». As far as the degree of overlapping between education and training is concerned, it can be analysed in the same terms: when a German apprentice learns German language in the day he spends in a training centre, supposedly this is training. When his «realschule» colleague takes the same course it must be education. Where is the difference? Paradoxically, a German apprentice following a course in a training centre might learn/be educated more about work than a student taught/trained by a teacher working in a school, the management of which is in fact very close to the hierarchical and competitive organisation of an enterprise.

These questions may sound quite academic. They cross every discussion in a Ministry of Education as well as in a small NGO working in the «informal sector», since the early 60's. They have also given the opportunity to thousands of international «experts» to propose solutions that were going to definitely tackle poverty, unemployment, youth marginalisation, gender unbalance in education and development ...

In 1968, P. Coombs wrote in *The World Educational Crisis*: «Educational systems are falling far short of turning out the right combinations of manpower needed for optimum development» (p.74). «A particularly troublesome sector is TVT at the

particularly troublesome sector is TVT at the secondary or post-secondary sector. For a variety of reasons these kinds of formal training have been conspicuously unsuccessful and unsuitable in industrialised countries. Yet, they are nonetheless exported and imported at great expense into less developed countries, side by side with shorter and more flexible non formal training schemes, delivered by a different breed of advisers» (p.76). «Not all efforts at technical training are by any means unproductive and uneconomic. On the contrary, one finds many authentic «success stories». But they are usually cases where a strong effort was made to adapt training forms to a local need» (p.77).

«The poorer countries now face a priority task of non formal education which years ago confronted today's industrialised countries. It is to bring to the vast numbers of farmers, workers, small entrepreneurs who have never seen the inside of a formal class room – and perhaps never will – a spate of useful skills and knowledge which they can promptly apply to their own and nation's development» (p.142). «Industrialised and developing countries need to bring about a more effective relationship between formal and non formal education, to break down the walls between them and to achieve a more efficient division of labour between the two» (p.144). Is the situation different more than 30 years afterwards?

In 1973, the same author proposed in *New Paths to Learning for Rural and Youth* a list of the minimum essential learning needs of the neglected groups of that time (young children, out-of-schoolers, girls):

- Positive attitudes towards co-operation with and help to one's family and fellow men
- Functional literacy and numeracy
- A scientific outlook and an elementary understanding of the processes of nature
- Functional knowledge and skills for raising a family and operating a household
- Functional knowledge and skills for earning a living

- Functional knowledge and skills for civic participation

The basic needs approach proposed by ILO in 1976, of which education was a component, reflects the same perspective. In 1990 the World Conference on Education for All agreed on a Framework for Action to Meet Basic Learning Needs. But in this document, only a few pages long, the word Skill appears only five times. Ten years later, the World Education Forum adopted in Dakar a Framework for Action – Education for All: Meeting our Collective Commitments. This document, of the same length than the Jomtien one, contains four times the word Skill. How to assess this situation which may sound as a slow but sure decline of the interest of the educationists for the world of work, marking a great difference with the 60's? One might hypothesise that the increasing influence of the economic situation on every society via the globalisation process has geared to a counter reaction of the world of education to reassess its autonomy and «protect» its values against the marketisation of everything, including education.

At the same time, the world of training, as a bridge between education and the economy, had to realistically acknowledge the rapid evolution the world is undergoing since more than a decade. In 1999, the Second International Congress on Technical and Vocational Education organised by UNESCO and devoted to Lifelong Learning and Training, Bridge to the Future (sub-title: Work, Education and the Future), adopted the following Recommendation: there is a «new expanded vision for TVE T which stresses the need for incorporating a new relationship between the various sectors of education and training, an holistic approach to the preparation for life and the world of work and increasingly seamless pathways in life long learning» (Rec. 7).

In 2000, Report V for the 88th session of the International Labour Conference defined HRD and training as «activities of education, initial training, continuous training and life-long learning that develop and maintain individual's employability and productivity over a lifetime». One of the conclusions of the General Discussion held on the basis of this Report reads as follows: «It is the task of basic education to ensure to each individual the full development of the human personality and citizenship; and to lay the foundation for employability. Initial training develops further his or her employability by providing general core work skills, and the underpinning knowledge, and industry-based and professional competencies which are portable and facilitate the transition into the world of work» (Conc. 5).

There are obviously some differences between these two visions of the linkages between education and training: the first one reflects mostly the position of the TVE(T) sections of most Education Ministries, as

the second one is largely influenced by formal employment (trade unions and employers) and Labour Ministries representatives. The debate is consequently going to be particularly difficult when dealing with out/de-schooled and/or un(formally) employed people, as they are not represented as stakeholders in the traditional formal organisations managing a tripartite system, and as their needs and demands are often considered as anti-development/globalisation. An evolution seems nevertheless on its way as the tragic reality of unemployed and angry large segments of some «developing countries» population can no longer be ignored.

Finally, it is worth noting the quasi absence of the World Bank in this debate. The strong views expressed in the 1991 Sector policy on VTET have nearly frozen the reflection on that issue until the end of the last decade. (It seems still being the case today, as the WBI Course on Strategic Choices for Educational Reform held in March 2001 does not refer anywhere in its site presentation to the world of training) Interestingly, nevertheless, some work is being done since three years on Adult Outreach Education. For example, the concept of basic learning skills has been used in Bangladesh in 1999: are we far from the 1973 Coombs categories, which were also relating to the poor and excluded population?

The difference lies may be in the fact that we were at that time still positively working for development and that 30 years later we (only) dream of a world free of poverty! The fact that some WB staff is today reflecting about an integrated conception of post-basic education and training gives an interesting signal, as it refers to the planning (can we still use this term?) imperatives stemming from the financial and structural consequences of the generalisation of UPE in most countries of the world. Secondary (general and technical) education is out of reach for many countries and it is now clear that some diversified and flexible means are the only way to provide relevant education and training.

For example, the type of revisiting by the WB of the adult education/literacy world is quite interesting. On one hand, it could be considered as a mere appropriation of the 60/70's functional approach (including the P. Freire's one). But the world was not as globalised 30 years ago as today, when the concerns about the growing social and economic risks stemming from an unregulated globalisation process emphasises the necessity to consider the integration of billion of people in this process as the price to pay to keep it going. This is reflected in the 1999 WB World Development Report which underline the key role of Information Skills for the «development» of the poor.

Some neo-liberal economists have now to acknowledge the fact that investing in education – even of the poor – is not anti-growth. According to J.

Bhagwati (1988), «More is known now to wean us away from the fear that such educational and health expenditures are necessarily at the expense of growth. What is equally pleasurable is the fact that many of these arguments apply with yet greater force when the expenditures are addressed to the poorer segments of the population. The case for undertaking more such expenditures, with focus on the poor, consistent with being engrossed in the growth strategy, is therefore now seen to be stronger than ever before. I think we have learnt that, within reasonable margins, we may then be able to eat our cake and have it too. Social expenditures could improve the welfare of the poor directly and also indirectly through growth, which in turn would impact on poverty. But beyond these margins, the trade-off remains an issue».

This new perspective allows us to revisit the 40 years old reflection about the linkages between (post)basic education and training for skills development. From the 60's to the early 90's, social development was considered first as a sub-product of economic growth illustrating the trickle down effect, and step by step considered next as a useless public investment. The rising criticism against the predominant reductionist economic theories and the development of a new economic sociology (Grannoveter) are today emphasising the way the social phenomena are interacting with the structure and the functioning of the economic system. In that sense, poverty cannot be analysed and dealt with as a second rate and independent phenomenon as far as its relations with the dominant rational economic model creating wealth are concerned.

That is why dealing with skills development and training of/for/by the poor cannot be disconnected of what is being proposed for the moving/enterprising/growing part of a society. It can also no longer be a field of intervention, where some supposed needs are fulfilled either through Business Development Services considering that every poor is a potential entrepreneur or through some assistencial/humanitarian state or NGO type of intervention. In the same way, answering the skills needs of the economically growing sectors of a society through public and private TVET cannot be conceptualised in a closed world. Because of the rapidly growing and changing complexity of societies the social and economic dimensions of which are more and more related, skills development, and basic education have to be intrinsically linked in order not only to secure some training achievements but above all some transformations in the life of the concerned people.

An «integrated diversity» is consequently required to reach such an objective, which would mean, for example:

- Questioning the divide between formal and non formal education, as the former needs some de-

formalisation and the second some part of systemic structuration.

- Questioning the pedagogical, structural, financial and political divide between production-based and non production-based TVT to avoid useless and costly discussions, which do not look at youth and adults' HRD as a global multifaceted process.
- Questioning the strong impetus favouring a decreasing state investment in training and skills development, including for the disadvantaged segments of the population.

The following issues can then be raised in the light of the above mentioned considerations, i.e. by assuming that linking (post)basic education and training is a more effective way to contribute to individual as well as to socio-economic development than by disconnecting them:

- How to minimally secure the socio-economic inclusion of youth in unpredictable socio-economic change processes, where thinking in terms of progressive transition and life project has nearly any meaning for this youth?
- In other words, how to secure that the above mentioned linkages contribute to avoid exclusion of a majority of youth, to whom basic non-formal education is usually proposed as an assistencial/charitable product?
- How by the contrary, to stimulate the will of learning as a means to exist as individual as well as members of some social networks? How to develop a renewed socio-constructivist approach of literacy?
- How to stimulate an integrated diversity in the provision of individual and socio-economic skills geared at facilitating the survival of the majority of the so called informal sector who will remain in the household or craft economy?
- How to facilitate the policy dialogue at the macro level to minimally secure that this integrated diversity is also considered as a social, political and economical priority by the public (Ministries of Education, Labour and Finance, National Qualification Authorities) and private actors (producers, social organisations ...)?

All these questions are raised since many years in so many documents from both the academic as well as aid and co-operation circles, that one wonders why it is still necessary to put them! That is, may be, because the mere reality at the field level is always one step ahead from the analysis and recommendations put forward by so many observers. At the same time, hundreds of projects, programmes, experiences, networks, organisations, and structures – public and private – are trying to find some solutions:

- International co-operation and development agencies develop sector policies for education (and training) which include some specific components supposedly dealing with the issues the target groups we are interested in bring at the forefront: the 1997 meeting of the WG for International Co-operation in Skills Development (<http://www.vetnet.ch/wg>) has demonstrated the difficulties to apply the sector policy in such situations which are by nature inter-sectoral and request a large degree of flexibility.
 - NGOs and CBOs implement at the grass root level some programmes and projects which can be successful in their social and educational dimensions but often don't provide to the target groups the technical and managerial skills adapted to their situation. The Lebanon case study illustrates the way an NGO is trying to combine human development (including value education) with income generation for youth that have difficulties to build a life project in the disarticulated society they are living in.
 - SMEs professional organisations under development are using ad hoc combinations of basic education and training to secure a better performance of their members and apprentices but also to ground their social existence and recognition through a good training framework. This way of doing can force, as shown in the Mali case study, the government to validate the quality of the proposed programmes and to discuss their integration in the national qualification system.
 - Consortia of government agencies, NGOs, firms, foundations set up ad hoc organisations calling upon the skills of professionals coming from these different backgrounds as well as from some universities running action and participatory research. This approach is mostly used in Latin America.
 - The Business Development Services approach proposed since a few years by the Committee of Donor Agencies for Small Enterprises Development includes the training of entrepreneurs as one of the services the market can provide: it would be interesting to check the type of skills proposed, the ways the later articulate basic education with technical training and whether entrepreneurs are also considered as trainers to be trained Different programmes are using this perspective in South East Asia.
 - South Africa is a very interesting case about which one can wonder whether it is a unique situation and/or a living «good practice». The setting up after 1994, of a National Qualification Authority which aims at including all kinds of education and training in a single recognition and validation framework represents an attempt that many other African countries are closely following, as illustrated by the Botswana case study.
 - On the education side, Departments of Education launch different experiments aiming at defining a new balance between the traditional structures and contents of general and technical education, calling upon the polysemic concept of generic skills/competencies which would cover at the same time human, social and economic basic knowledge needs in the framework of life long learning. This approach relates to the considerations made at the beginning of this paper about the dialectic relations between the worlds of education and training. The Hong Kong case study illustrates this perspective in a highly developed country.
 - Finally, we should not forget the situation in the rural areas of southern countries, where so many attempts have been made over the last decades aiming at better relating formal and informal education and training with the specific needs of youth and adults. The Madagascar case study illustrates the today's efforts to tackle the poverty situation of the rural world in the context of globalisation.
- Are all these attempts aiming at academising TVT, the same way some attempts were made 20 years ago to vocationalise Education, as C. de Moura Castro formulates it today?

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Training the Poor when there are not enough Jobs

By Claudio de Moura Castro, Brazil

Economies that are growing and creating jobs tend to be relatively happy with their training systems. However, when the economy slows down and less jobs are being created, training systems are heavily criticized, even though nobody has a clear idea on how to fix them or what to replace them with.

In fact, this is a serious predicament of training systems. Amongst respected researchers, there is ample consensus that training does not create jobs. Therefore, if in a given environment, jobs are not being created, there are perplexing issues concerning what to do with existing training systems and what to offer to those who are not getting jobs immediately. In particular, there is a gap between the moment youth leave school – around 14 to 16 years of age – and the age in which they typically start working in regular jobs – after 18.

The best general advice one can give about training is the harsh rule: «no demand, no training». However, does it mean that we should close down training programs and ignore the potential candidates for training? Even more difficult is to decide what to do with the poor who need jobs and cannot find them.

This essay discusses such problems and tries to present some suggestions. There are promising paths and some that, at least, have not been proven wrong. However, it stands to reason that there are no easy solutions for this problem. This is perhaps the most vexing problem in training policies.

Education with a Bit of Training or Training with a Bit of Education

Before we move to the core topic of this paper – how to train the poor under conditions of economic stagnation – it is worth reviewing some fundamental ideas about training, education and its overlaps. This is because, the fuzzy border between the two relate to the essence of our main topic. Therefore, this section is a digression from our main theme, but a useful digression.

Industrialized countries have traditionally provided the models for secondary education. To present matter in the simplest possible way, either we add vocational content to academic training or we add aca-

ademic content to job preparation. The first alternative is exemplified by the French system of technical and vocational schools where vocational content is added to secondary schools. The alternative of enriching on-the-job learning is the essence of the German Dual system, based on alternating between work and school.

Of course, there are many other intermediate and more mixed formulae. Yet, few countries are happy with the way they mix academics, technical and vocational contents. In fact, there are many changes taking place, beginning with the most educationally advanced countries. Another interesting finding is that there are few convergences in the adopted solutions. Countries are moving each in their own directions.

The idea of adding practical skills to regular schooling is an old one and is found in almost every country in the world. But the problems resulting from this combination are equally old and universal. How late or how early should trades be offered? If too early, the accusation of premature specialization may apply. If too late, those interested in the trades taught will have already left school, whereas those still enrolled hope to achieve higher status occupations. In the case of secondary technical education that offers good quality education, the overwhelming proportion of its students aspire to university education, devaluing the technical trades taught.

The expansion of secondary education exacerbated the already persistent ambiguities in preparing youth to become skilled workers. The occupational profiles of the graduates prepared by industrial vocational education were never very clear. As industrial training moved higher in the secondary cycle, the focus of such education became even less clear: Should they produce skilled workers? Technicians? Supervisors? *Ambiguities in focus have ended up producing graduates who are neither competent skilled workers, technicians, mid-level supervisors or competitive in the entry tests for higher education.* If nothing else, there is no time to do properly all those tracks in the same program.

As vocational/technical education and training gradually shifted up into the upper secondary cycle, the practical track has become less «vocational» and more «technical.» In essence, this has meant less shop training and more academic curriculum, with some of the academics related to technical subjects. Practical training has tended to shift to more «theoretical» preparation in the context of technical education and, within occupational training, from more specific

towards much broader definitions of occupations. One liability of this tendency is that graduates are definitely unable to be employed as highly skilled labour.

There is no reason to reject this model. But unfortunately, most technical schools provide low quality preparation in academic subjects (even lower quality than most academic/general secondary schools). In addition, being more «theoretical» implies that it may become an inadequate preparation for the market and, often, merely rote learning technical disciplines. Instead of using machines, students read handouts about them and memorize their parts and functions. This has less to do with pedagogical theories or something inherent in technical careers than with the fact that these are poor schools, staffed by unprepared teachers who are, most of the time, school teachers who received second rate training in schools which are themselves removed from the realities of the labour market.

The changing role of secondary schools, from relatively elite to relatively mass education is prompting reformers to rethink its structure and the kind of teaching and learning that takes place there. Both university-preparatory secondary school and secondary technical education, whether their students ultimately enter university or not, are recognized as of too low quality to prepare students for a 21st century economy and society.

To sum up a complex and controversial subject, even under conditions of relatively prosperous economic systems, the formulae to deal with training and education of the poor remain elusive.

Wrong Education and Wrong Training

If we prepare people for an occupation and the jobs are not there, what is to be done? Offering training only leads to waste and frustration. What is the point of spending significant amounts of money to prepare people for jobs that do not exist? It is wasteful and frustrates those who build up expectation and end up just as unemployed – or underemployed as before.

In support of this scepticism, we do know with sufficient confidence that training does not create jobs. Politicians often ignore this and mandate training to those who are unemployed. Substantial resources are utilized and, predictably, nothing happens. This is essentially what happened in Europe and the United States after the oil crisis of the seventies, when endless programs costing a fortune were undertaken.

When we look at the reality of poorer countries, it seems clear that good training is too expensive as a gimmick to remove youth from the streets during the

training process and achieve nothing else. It is better think of something else.

Keeping youth in school for longer time can be a better answer. Education is less perishable than training. Training that is not put to good use right away risks being abandoned and the skills completely wasted. By contrast, education being far more «generic», it is expected to have a longer shelf life.

Yet, in developing countries education remains extraordinarily removed from the real world and from practical applications. We are not referring here to the fact that the schools do not teach the skills that can be immediately applied in real factories and offices but to the fact that whatever skills are taught, they cannot be translated into useable skills in the world of work.

The False Dichotomy between Practice and Theory

The key to clear thinking about the interplay between academic and vocational contents starts by *not mixing up the necessary interplay of theory and practice with the possible, useful but not necessary interplay between theory and job-oriented subjects.* When academic subjects are not linked to vocational preparation, it is imperative that they be as applied to the real world and to practical activities as it is often done in the academic *cum* vocational solutions. In sound academic schools, there ought to be practical applications, explorations of the real world, experimentation and student research. The laboratories and workshops are meant to educate the mind via experiments and construction of real objects and processes – by contrast to shops meant to teach a trade. This is what prepares the students for whatever they are going to do later on. After the academic education, if they want to move immediately to the labour market, in some occupations, students might benefit from taking technical or vocational courses that delve into the specifics of the occupation chosen. In some cases, this might be a short preparation (e.g. hairdressing). In others, it might take much longer, as is the case with electronics. When these courses come after a sound academic education, they can be much shorter and specifically tuned to labour market needs.

Some of the solutions mentioned ahead – which postulate the separation of job training from academic schooling – have met strong objections from some areas. However, the previous paragraph tries to demonstrate that this criticism is not justified. Granted, preparing for jobs is not an add-on activity that can be reshuffled around freely. Also granted, the integration of vocational content to the academic curricula allows the creation of bridges between academically oriented subjects and job-oriented subjects, which

enrich both sides. But that is not to say that this is the only solution to mix theory with practice or that it is a solution that is able to overcome some of the objections mentioned before. But of course, any of these solutions require better teachers, a chronic shortcoming of Latin American education.

Summing up the last two paragraphs, a good education blends theory and practice. Practice gives meaning and concreteness to theory and allows a deeper understanding of concepts. Theory lifts occupational training out of manual and repetitive routines, giving it a broader meaning and the potential to transfer learning from one situation to another. Schools can be organized in such a way that occupational training is the concrete counterpart to the conceptual development offered by academic subjects. But they can also bring practical content to academic programs without an occupational orientation. In fact, this is what high quality schools have done for a long time.

There is a false dichotomy between practice and theory. An academic course can be practical without being a preparation for an occupation. This connection between concepts and practical application is the starting point for the useful ideas described as contextual or situated learning. There is no need to train for a given occupation to make education concrete.

But it is interesting to notice that, at the limit, the poor refuse to stay in conventional academic schools even when offered cash prizes. The school is just too meaningless, boring and frustrating to them. What is taught, in the minds of the students, does not link with anything that is practical or usable in daily life or at work.

On the other hand, good training is very similar to good education because it presents theory meshed with the practical skills that the programs try to impart. This turns out to be an excellent strategy to teach the poor who are not used to pure abstraction. The difference is that good training has been using contextual learning for a very long time, long before the term came into existence. For instance, the well-known «methodical series» of the Brazilian SENAI have been in use since the early forties and remain, even by today standards, a most apt example of contextual learning.

In both cases, we can overcome the egregious difficulty of transferring theory to practice, so common in academic schools. Hence, from a pedagogical point of view, training with solid components of education or education that incorporates practical elements (not necessarily job oriented), are both good solutions.

However, unless there are jobs, long training programs are too expensive to be offered to large numbers on the grounds that it is also good education – the poor are many in poor countries. Notice that to

bring meaningful results in its education content, this training has to be long. There is no such a thing as short-term education. Training for existing jobs can be short, because in many cases, the skills are relatively simple. But short training programs cannot bring much in terms of educational content.

Promising Solutions

Realistically, what can relatively poor countries offer to their poorer youth when the job market is tight? Repeating what was said before, this remains the toughest of the questions facing those who deal with education and training policies.

Surely, it would be folly to imagine that this paper is going to bring solutions to this problem. However, there are some paths that are more promising than others. What is presented below is an overview of alternatives that are worth considering.

Some programs contain mechanism to target to the poor a few existing jobs. Others focus on the idea that education is less perishable than job-specific training, therefore, more suited to those who have no jobs when they graduate from the program. Still another category prepares for self-employment.

Squeeze the Job Market and Target the Poor: The «Joven» Projects

Starting with Chile and followed by Argentina and other countries, the IDB funded a number of programs in which training was outsourced to any operator who could offer a decent training project and a firm promise of a job or an internship to graduates. Of course, since the internships were subsidized by the IDB loan, under condition of economic difficulties, it was much easier to find an internship than a job. But the internship had to last at least as long as the training program.

Evaluations showed that thousands of small (sometimes improvised) training firms roamed the country in search of firms that would take interns. And this effort paid because they found many opportunities. Three outcomes make this model a promising alternative:

- (a) The programs were targeted to the poor, who have usually greater difficulties in finding jobs and suffer a more dramatic life situation when they do not. Hence, even if they were stealing jobs from other groups, from an equity point of view, this was a good deal.
- (b) The internship is at least as useful as the training per se, as job preparation

- (c) Compared to control groups, after six months of graduation, the employment levels of the trained youth was substantially higher.

Teaching Basic Skills Woven into Practical Instruction

Basic skills are more lasting than job-specific skills. As mentioned, they can use the conceptualised environment or real job training to be introduced. Particularly in the United States there are many successful examples of integration of job skills with basic skills. Large corporations and the armed forces have been quite creative in this area.

Typically, painters are taught the mathematics of calculating how many cans of paint they will need to paint a room. Carpenters are taught how to read blueprints or to prepare written reports. Plumbers can be taught accounting or costs. Repairmen can be taught how to read instruction or service manuals.

In developing countries, the examples are harder to come by. However, some large Brazilian civil construction firms have merged basic skill in their attempts to train their workers. But while the construction firms have been the most creative in this area, the cyclical nature of the contracts militates against private investment in the training of workers who have very high job mobility.

Of course, the major limitation of this approach is that a job has to be there, even if it is not very stable or very well paying. However, the idea of adding basic skills to programs training to simple jobs remains a good alternative.

Academic Schools Offering «Practical» Education

To our understanding this is the least explored and one of the most promising paths. School is inexpensive, compared to serious training. Schools are everywhere. School attendance is growing, both in terms of the cohort taken and the length of stay.

Why do schools have been so boring and removed from the everyday life of students? Why cannot contextual learning be seriously taken, at least by the schools that serve the poor? Why can't the curricula of such schools be shorter, simpler and more focused on those academic skills that can be translated into practical skills? Notice that we are not at all proposing that the school teaches «practical» skills or occupations. This is a far cry from teaching students how to grow cabbage in the school backyard because this is useful knowledge for the poor. As previously emphasized, we are stressing the practical side of the same academic skills (E.G. learning to use mathematics to

deal with everyday problems, rather than mathematics cast in purely abstract terms).

Unfortunately, there is little of that in developing countries. It is easier to find good attempts in this direction in the United States (E.G. CORD curricula, Tech Prep or School to Work programs) and also in German schools (Realschulen).

The author is presently designing such a project in conjunction with the Uruguayan UTU, with the support of an IDB loan. The project draws from two sources: the Methodical Series of SENAI (Brazil) and the Aula Galileu (originated from Spain and adapted to junior high schools in Uruguay).

Aula Galileu is an integrated laboratory that puts students through a series of stations, each of them dealing with one family of skills: wood, metal, electricity, electronics, computers, pneumatic, hydraulics etc. The purpose is not to learn trades but prepare small practical projects in each of these stations (or in more than one combined). The projects are meant to be an opportunity to link the hands-on activities with academic content, such as building a continuity testing apparatus and having students write instruction manuals, both in Spanish and English. At present, the Aula Galileu has been part of a junior high school program that remains heavily academic in the other courses taken by students. The program as a whole is too difficult and frustrating to a significant part of the cohort that has dropped out or never enrolled in this level of education.

The Methodical Series of SENAI is a heavyweight program, lasting hundreds of hours and strictly geared to job preparation. However, it takes the idea of project-centred training to the ultimate extreme. The entire set of basic skills, including reading, math, technology, drafting and scientific contents are built into the projects. There are no stand-alone «academic» courses in these subjects.

The new UTU project blends the two approaches. It is not job-oriented – like the Galileu. And all the «academic» subjects – like in SENAI – are meshed with the projects. Low-achievement students and dropouts, too young to find a job but uninterested in regular schools, are the target population for this course. They will follow the series of practical projects, each of them, offering lots of hands-on activities but subtly bringing in the basic skills.

Training for Self-Employment

Much has been written about the potential of training programs to prepare youth for self-employment. This is not the place to review such experiments and their results. However, this is worth mentioning, as a serious alternative to train poor youth.

Swisscontact and Dual Apprenticeship in Mali and Burkina Faso

By Gérard Barthélemy, France

Swisscontact (SC), a Swiss NGO specialized in professional training, has been involved in the promotion of a model of dual apprenticeship for trades in the crafts industry in Mali for close to ten years, and more recently, in Burkina Faso. These actions have been strongly integrated into social and professional structuring related to the long-term interventions of the International Labor Office (ILO) in the informal sector in this region.

The theoretical content that is complementary to the practical training of the workshops has been progressively enriched. This theoretical training now includes literacy and general culture deemed essential for successful social integration. This new theoretical content has been added in response to the serious deficit of formal education in these countries. This is particularly true of primary education that suffers from low enrollment ratios, high drop out rates, and low quality of learning.

The experience of SC relative to the enrichment of the traditional system of dual apprenticeship is based on the will and the need to make up for the deficiencies of the formal education system. This experience has been largely positive. The purpose of this paper is to present some ideas and observations relative to a recent assessment mission in the field.

Literacy

Literacy poses questions as to who must benefit from literacy programs and why. The two questions are related given that theoretical training provided one day a week outside of the workshop setting cannot be effective if the apprentice does not possess minimal literacy and numeracy skills.

Having said this, not all professions require the same levels of theoretical knowledge. It is first and foremost «modern» professions, and not carpenters or jewelers, for example, that require minimal literacy skills. In the first case, the minimal levels of theoretical knowledge required are such that SC has abandoned any idea of making up for years of schooling on its own. Rather, Swisscontact has decided to select only those candidates that have already acquired a level equivalent to that of the end of primary, and preferably, to that of lower secondary. This strategy leads to three conclusions:

1. These literacy programs are delivered to apprentices from the least technical professions; that is, those that are the most closely related to the informal sector.
2. As the levels of literacy required are not as high as those of more technical professions, SC is able to take on these programs as a complement to other vocational training.
3. It is worth identifying the rationales behind the selection of a number of professions among the least «modern» for this type of enriched dual apprenticeship.

Preliminary analysis would suggest that the selection of these trades be based on a desire to cover the range of professions within the peri-urban sector. However, the more a «social» rationale is put forward, the less valid is the technical argument justifying the need for literacy. The most striking example is that of motorcycle repair in Burkina Faso – a profession that is often exercised «under a tree» and with very limited equipment. This brings us back to our first question relative to the objective of literacy training and the exact nature of the demand of craftsmen and apprentices with regard to this complementary training.

Technical Rationales

The argument that is most commonly advanced by craftsmen for literacy training is the professional need to master technical (French) vocabulary required for their profession. However, even trades such as that of carpenter or motorbike repair, the number of technical words of French origin is limited to 50-100. These terms may simply be memorized and do not necessarily require the learning of the French language. Even among more traditional trades such as jewelry in Bamako where recourse to technical terms in French are even more limited, craftsmen have also requested literacy in French. While the professional argument for literacy is not necessarily convincing, the need for numeracy is clear.

These preliminary observations are important in order to understand the exact nature of the demand for training in literacy. If literacy is not clearly required a technical necessity for certain trades, then it is important to determine what is the source of motivation for young adolescents to continue training after a long and tiring day at the workshop. It is all the more necessary to pose this question given the unsatisfactory

results of these literacy efforts at present . It may be argued that the two year training program is already too short for proper acquisition of literacy skills and that it would be necessary to begin with a year of pre-literacy training for those apprentices with the lowest levels.

Despite these difficulties, the program contributes to the growing motivation of apprentices and craftsmen, even if French is never used in the workshop. It appears then that it is access to the French language and its related symbolic capital, which is being sought, rather than literacy per se. By allowing disadvantaged youth to recover part of the prestige associated with the schooling that they were denied, these literacy programs become an important component of their life projects.

General Training

It not surprising then that this combination of self-fulfillment/motivation is also to be found in the analysis of the five content areas of general training: that is, participation in associations, professional risks, health, environment and management. Apart from «professional risks» and «health», which may appear immediately relevant and beneficial to young adolescents, the other content areas are less directly relevant and may only be used in the future when the apprentice becomes a craftsman in ten or so years. Again, the rationale here is not the immediate relevance and utility of the learning content, but rather, an awareness of the life and career perspective for the apprentice resulting from an exploitation of this knowledge in the future.

If Swisscontact has been able to identify such objectives in practice, it is largely because its action has been based on a vision of apprenticeships as processes of disinhibition of apprentices through experimentation. Indeed, the young adolescent who is worried about his future as an adult and as a technician, can gain confidence in his practical ability to deal with his future through the process of apprenticeship. This know-how that is gained through the reproduction of skills and knowledge is the guarantee of his future capacity to manage his autonomy.

The Status of Swisscontact

Swisscontact's ability to identify and understand the dynamic of apprenticeship is a result of a systematic approach defined in partnership with the craftsmen themselves. It is precisely through the demand articulated by craftsmen, both as entrepreneurs in charge

of apprentices and as former apprentices themselves, that the training program was designed building upon existing training committees related to their professional organizations.

The SC action has had two results. On one hand, concomitantly to the training of apprentices, the action allowed for the craftsmen to organize and structure their activities through professional organizations. These associations consequently had a clear objective to support the master craftsmen in their traditional training role. On the other hand, the usefulness of this collective action was justified by the recognized right to expression, judgement and initiative on the part of craftsmen who felt they were being listened to. The role of the stranger, expert and technician were not to orient or to make decisions, but rather, to serve as a partner to assist in the application of decisions once made.

Master craftsmen continued this process of self-valorisation by tacking onto their apprentices images of the future that were those which they idealized for themselves. This partly explains the over-ambitious programs of general culture defined by the master craftsmen themselves and that proved difficult to manage in practice. These programs are inspired by the traditional perspective of the father wishing a future for his child that is largely defined by what he feels he did not have (very few masters craftsmen are involved in the type of management that they recommend for their apprentices).

Although this discourse may appear to be utopian, it is based on an observed bottom-up movement toward greater professional structuring and organization of these informal sector activities. It is very different from past obsessions of national and international agencies to «formalize the informal» at all costs.

Conclusion

The success of this regional transplant is largely due to the concept and practice of the dual training model within traditional apprenticeships. It is important to recall that the dual model is neither a hybrid form nor a fusion of two systems, but rather the recognition of the radical difference between two phenomena – theoretical knowledge and manual know-how – that allows for their combination in action. Each of the two components contributes its specificity without replacing, overriding or denying the other. The failure, at least in Africa, of conventional vocational education in view of the training of technicians for workshops, illustrates very clearly the cost of favoring mental comprehension at the expense of manual know-how.

Réflexions sur une expérience d'apprentissage dual au Mali et au Burkina Faso menée par Swisscontact

Par Gérard Barthélemy, France

Depuis près de dix ans Swisscontact, ONG suisse spécialisée dans la formation professionnelle intervient au Mali et de façon plus récente au Burkina Faso dans la diffusion d'un apprentissage de type dual en milieu artisanal pour une dizaine de professions. Cette action se trouve fortement intégrée dans une dynamique de structuration socio-professionnelle qui a fait suite, tout en leur permettant d'aboutir, aux longues interventions du BIT concernant le secteur informel dans cette région de l'Afrique.

Peu à peu, le contenu de la formation théorique, complément de la formation pratique dans l'atelier de l'artisan, s'est enrichi. Aujourd'hui il inclut l'alphabétisation et les quelques notions importantes de culture générale considérées comme nécessaires à une bonne insertion dans la société. Ces nouvelles disciplines se sont imposées en raison du grave déficit que connaît dans ces pays l'éducation formelle, notamment primaire, et qui se manifeste par la non scolarisation, par l'abandon en cours d'études et par le niveau rudimentaire de l'enseignement.

L'expérience de SC concernant l'enrichissement du système d'apprentissage dual classique s'appuie sur la volonté et la nécessité de rattraper les carences du système d'éducation. Elle a obtenu des résultats notablement positifs. Les quelques aperçus ci après tentent de faire la synthèse des réflexions et observations intervenues au cours d'une mission récente d'étude sur le terrain.

L'alphabétisation

L'alphabétisation pose un double problème : qui alphabétiser et pourquoi alphabétiser ? Les deux sont liés dans la mesure où il apparaît comme évident que la formation théorique, fournie une journée par semaine en dehors de l'atelier, ne peut être donnée et surtout reçue que si elle s'appuie, chez l'apprenti, sur un niveau minimum de calcul, de lecture et d'écriture.

Or toutes les professions n'exigent pas le même niveau de connaissances théoriques. Ce sont surtout les métiers « modernes » comme électricien-auto, électro-nicien, frigoriste (Bamako), qui requièrent de façon indispensable ce bagage préalable. En revanche, il n'en va pas de même pour d'autres métiers comme

menuisier ou bijoutier qui sont inclus dans la liste des formations dispensées.

Pour les premières, le niveau minimum requis est tel que Swisscontact a renoncé, à juste titre, à vouloir remplacer à elle seule plusieurs années de scolarité. L'ONG a donc préféré sélectionner les seuls candidats ayant déjà atteint le niveau de fin du primaire et si possible se situant en cours d'études secondaires. Cette stratégie nous conduit à trois conclusions :

Première conclusion

Cette alphabétisation ne concerne que les apprentis des professions les moins techniques, c'est à dire celles qui sont, par nature, les plus mitoyennes avec le secteur informel.

Seconde conclusion

Le niveau de l'alphabétisation est moins ambitieux que dans le cas des professions plus techniques et l'ONG peut donc s'en charger, à titre accessoire.

Troisième conclusion

Ce faisant, on est en droit de se demander quel est le véritable but du choix de certaines professions parmi les moins « modernes » pour ce type d'apprentissage dual enrichi.

A première vue il s'agit de la volonté de couvrir l'éventail des principaux métiers du secteur péri-urbain. Cependant, plus on insiste sur le but « social » de l'opération, moins fort est l'argument technique comme raison du recours à l'alphabétisation : le cas le plus remarquable étant celui des réparateurs de vélo-moteurs au Burkina Faso qui font partie d'une profession s'exerçant le plus souvent « sous les arbres » et avec un équipement très pauvre.

Cela nous oblige à revenir à notre première question concernant le but de l'alphabétisation et la nature exacte de la demande émanant des patrons et des apprentis eux-mêmes et qui, pourtant, ont demandé à bénéficier de cette formation complémentaire.

La justification apparente par la technique

L'argument le plus souvent évoqué par les artisans eux-mêmes est celui de la nécessité professionnelle de pouvoir dominer le vocabulaire technique correspondant au métier, ce lexique de base étant en français. Il faut donc une alphabétisation en français.

Or, si l'on y regarde de plus près même dans une profession comme celle de menuisier ou de réparateur de vélomoteur le nombre de mots techniques d'origine étrangère est limité (50 à 100). Ceux-ci pourraient normalement être mémorisés, tels quels, sans avoir recours obligatoirement au contexte de l'ensemble de la langue. Dans le cas des bijoutiers de Bamako, métier traditionnel s'il en fût, ce bagage moderne est encore plus réduit et pourtant ils ont insisté pour bénéficier de cette alphabétisation en français.

En ce qui concerne le calcul les choses sont évidemment plus claires et chacun admet que c'est un outil de travail indispensable à partir d'un certain niveau de professionnalisme.

Ces quelques remarques étaient nécessaires pour mieux cibler la véritable demande. En fait, pour les professions moyennement modernes, il faut relativiser la fausse évidence de la nécessité technique. Dès lors, d'où provient la motivation et l'énergie de ces jeunes adolescents astreints à suivre un enseignement lourd après une journée fatigante à l'atelier et après de longs déplacements. On peut d'autant plus se poser la question que les résultats de ces efforts ne sont pas pour le moment totalement satisfaisants en raison surtout de la faible formation pédagogique de la plupart des enseignants appartenant à l'éducation nationale et qui, de ce fait participent ou sont touchés par les innombrables grèves qui affectent en permanence ce secteur. La durée normale de deux années prévue pour l'alphabétisation est déjà trop courte pour parvenir à dominer l'expression écrite et la lecture. Dans la pratique il a fallu la faire précéder par une année indispensable de pré-alphabétisation pour les plus bas niveaux.

Malgré ces difficultés, le programme contribue à accroître la forte motivation des apprentis et des patrons, même si ceux-ci à l'atelier n'utilisent jamais le français dans leurs rapports avec leurs apprentis.

En fait tout cela devient cohérent si on admet que c'est l'accès au français (le contenu) plus que l'alphabétisation (le contenant) qui est recherché et cela surtout pour des motivations symboliques. Ce programme permet en fait à cette catégorie de jeunes, parmi les plus défavorisés, de retrouver en partie le prestige de la formation scolaire qui leur a été refusée.

Cette démarche et ces acquis s'intègrent donc comme de puissants adjuvants au projet de vie valorisant qui se dessine derrière le choix d'un apprentissage enrichi où la compréhension vient compléter la répétition et l'imitation.

La formation générale

Nul ne s'étonnera si on retrouve ce même genre de combinaison d'épanouissement-motivation dans l'analyse des cinq contenus de la formation générale : vie associative, risques professionnels, santé, environnement et gestion. Pourtant, mis à part « risques professionnels » et « santé » qui peuvent s'avérer immédiatement utilisables par un jeune adolescent, les autres matières ne le concernent guère dans le présent. Ce bagage pourra lui servir plus tard, quand il accédera, dans dix ans environ, à la condition d'artisan. Là encore, la justification n'est donc pas à rechercher dans l'utilité immédiate d'un contenu mais beaucoup plus dans sa mise en perspective par rapport à un déroulement de vie dont l'apprenti apprend, peu à peu, qu'il peut devenir l'acteur grâce aux connaissances dont il disposera le moment venu.

En fait, si Swisscontact est parvenu dans la pratique à cerner de tels objectifs c'est parce que son action a respecté la démarche même de l'apprentissage qui est avant tout de chercher à désinhiber par le recours à l'expérimentation du réel. Le jeune adolescent anxieux vis à vis de son futur en tant qu'adulte et en tant que technicien, peut grâce à l'apprentissage se démontrer à lui-même sa capacité pratique de l'affronter. Ce savoir faire acquis en reproduisant des gestes et des connaissances constitue la garantie de sa capacité à gérer plus tard son autonomie.

Le statut de SC

Pour avoir aussi bien cerné la dynamique propre à l'apprentissage il a fallu que SC se mette en situation d'apprenti en élaborant et en respectant une méthode systématique d'approche, de concertation et de partenariat avec les artisans eux-mêmes. Ce sont ces derniers en effet en tant que patrons responsables d'apprentis mais surtout en tant qu'anciens apprentis eux-mêmes qui ont, en fait, peu à peu à travers l'expression libre de leurs besoins de leur façon de voir et de ressentir, orienté le programme à travers les comités de formation de leurs associations professionnelles.

Ce faisant l'action de Swisscontact a atteint deux résultats simultanément. Tout en formant les apprentis elle a fourni au milieu des artisans en place, une véritable raison de s'organiser et de se structurer en associations professionnelles. Celles-ci avaient désormais

un but précis, qui était d'aider le patron, face au groupe, dans la réussite de l'exercice de sa fonction traditionnelle de formateur et d'initiateur. D'autre part l'utilité de l'action collective se justifiait par le droit reconnu à la parole, au jugement et à l'initiative des artisans qui se savaient écoutés. L'étranger, l'expert, le technicien n'étaient pas là pour orienter, pour décider mais pour entendre, servir d'interlocuteur et, une fois la décision prise, aider à mettre en application.

Les patrons artisans ont poursuivi cette démarche d'autovalorisation en fixant sur l'avenir de leurs apprentis une image qui n'était autre que celle qu'ils idéalisait pour eux-mêmes. Ceci explique en partie le côté trop ambitieux des programmes de culture générale qui ont été déterminés par les patrons mais qui dans la pratique et notamment en matière de gestion sont trop ambitieux. Ils répondent en fait à la démarche traditionnelle du père souhaitant un avenir pour son enfant en fonction de ce qu'il estime lui avoir manqué à lui-même (peu de patrons pratiquent la gestion qu'ils préconisent pour leurs apprentis).

Le discours peut paraître utopique et pourtant il s'appuie sur la réalité bien concrète d'un mouvement fort de structuration professionnelle nouveau. Celui-

ci jusque là, avait surtout coûté argent et efforts aux organismes nationaux et internationaux handicapés par leur obsession à vouloir à toute force formaliser l'informel.

Conclusion

Il est significatif de noter que si une greffe de ce genre a pu finalement prendre dans la réalité africaine c'est à partir de l'introduction du concept et de la pratique de la dualité au sein de l'apprentissage traditionnel. Rappelons que la dualité en elle-même n'est ni métissage ni fusion mais reconnaissance de la différence radicale entre deux phénomènes : (le savoir théorique et le savoir faire manuel) pour aboutir à leur combinaison dans l'action. Chacun des deux éléments apporte ainsi sa spécificité sans chercher à remplacer, à dépasser ou à nier l'autre. L'échec, tout au moins en Afrique, de l'enseignement professionnel dans son rôle de formation de techniciens utilisables à l'atelier avait prouvé ce qu'il en coûte de négliger le rôle de la main dans le façonnage pour ne privilégier que ce qui relève de la seule compréhension mentale.

Will the Lebanese Adaptability be able to go through the Globalization?

By Mayla Bakhache, Mouvement Social Libanais, Beyrouth, Lebanon

1. General Context

a) Is Lebanon Experiencing the Last Days of Social Protection in a Market Economy?

A trade centre offering financial and tourist services, was the dominant vision of Lebanon since the Independence in 1943. This was based on the assumption that some specific features of the country would allow it to become the service centre of the Middle East. The open economy and limited government intervention system, close to 'laissez-faire', continued during the civil war (1975–1990).

However this market economy, which took off half a century ago (long-time before the present globalisation trend), was also combined with some social acquisitions of the Welfare State. During the civil war, the government subsidised goods for public consumption such as fuel, sugar, and flour. 80% of Ministry of Health' budget was spent for the private hospital expenditure. The government also bought, and continues to buy, the whole tobacco and sugar beet crops.

In 2001, within a dramatic regional conjuncture and a domestic political deadlock, the Lebanese economy falls into a very dangerous situation:

- a) a huge debt (25,6 billion US dollars corresponding to 153% of the GDP),
- b) an annual growth rate estimated at 1.5%³¹,
- c) a weak domestic purchasing power and, iv) a very high interest rate. The debt service is absorbing more than 65% of the national budget, and more than 30% of the Lebanese population is under the poverty line. Unfortunately, there is no real political willingness to launch any emergency plan for tackling the situation

A recent study³² has shown that despite this financial and political crisis, the social bill (education and health) absorbs 20% of the GDP. The government pays globally the third of this bill as it covers 50% of the educational expenditures covering 1/3 of enrolled students. The health bill is 10-11% of the GDP (one of the highest in the world).

³¹ IMF provisional report, July 2001.

³² Ministry of Finance

The social bill is squeezed from above and below. On the one hand, in relation to the debt service, the international donors press the Lebanese government to restructure its budget, and launch the privatisation of the public services. On the other hand, in relation with the domestic social and political crisis, decision-makers do not dare to cut the social bill.

b) Formal / Informal Economy: An Interrelated System

The Lebanese economy, which is based on the service sector (banking, insurance, tourism, and enterprises' services), is dominated by the very small size enterprises (less than four workforce), reflecting the individualism of the Lebanese people.

According to the Ministry of Industry³³, 73,7% of firms have 1 to 4 workers, 21,5% 5 to 9 workers and 2,8% 10 to 19 workers. Only 1% of them has over 250 workers. 83,4% are individual companies, 1,9% limited partnership, 1,3% limited by shares, and 1,3 limited liability companies. 95,2% of industrial enterprises are working on a very small scale with a narrow financial basis. Except for the banking sector, the economic fabric is very segmented.

63,4% of the male workers are engaged in goods/ services production; 26,5% are handicraft or skilled workers in construction enterprises, 10% are drivers (cars or different machines), 8,9% are sellers or skilled technicians in services, and 5,6% work in agriculture. 16,7% of the labor force are university graduates, while 7,2% are illiterates with a peak in agriculture (29%) and amongst the unskilled workers (23%)³⁴.

According to ONE³⁵ only 13% of the companies have a legal status. Hence the informal and semi-formal sectors are dominant on the labor market, as 28% of the labor force is concentrated within them. (The ONE study was nevertheless unable to cover in detail the informal and the semi-formal sector³⁶). In 1995, 10% of the companies disappeared (more than 2000); at the same time, 431 new companies were registered. Many of the closed companies have made redeployment in the informal sector.

³³ A report on Industry in Lebanon, 1998-1999, Ministry of Industry.

³⁴ In «Conditions de vie des ménages», Etude de l'Administration Centrale de la Statistique, 1997

³⁵ Office National de l'Emploi, National Employment Bureau.

³⁶ The agriculture companies, the non-Social Security registered firms, the liberal business, the micro enterprises, and the informal sector.

Another feature of the Lebanese enterprise is the migration of experienced technicians from middle size firms to launch their own small business. It is possible to set-up a business with an average investment of 2355 US\$³⁷. As a result the large majority of the owners of these businesses are unskilled in management (in the manager category 4% are illiterates, and 8% almost illiterates³⁸). They are also reluctant to invest in new technologies.

The informal and the micro-enterprise sectors are directly linked to the formal sector. Their common features are: a very low level of capital investments, familial dimension of the labor force, no clear obligation to legal registration, and a short activity duration which allows the owners to make new redeployment. The size is the main difference between the formal and non-formal sectors.

Finally, Lebanon is facing some social and economical challenges that will follow its close integration into the global market through the signing and implementation of agreements with the World Trade Organization and the Euro-Mediterranean Partnership. Even though the Lebanese society is largely open to the world, the consequences of such an integration on the competitiveness and survival of the Lebanese firms as well as the pressure to quickly upgrade workers skills will increase the need to secure protection for the more vulnerable groups.

2 Institutional Context

a) Educational Dead-Lock and Inadequate Training

Education

The main actors agree on the absence of linkage between the academic and technical educational system and the world of work. For example, the dentist ratio is 1/1200 inhabitants (1/6000 in the United States); for 17000 hospital beds, there are 3500 head nurses, 5000 technical nurses, and 10000 doctors.

The Lebanese academic system looks like the political and economical one. It is dominated by the private sector, which attracts more than half of the student's population. On the one hand, private education provides high level academic knowledge that many students aim for. On the other hand, the public sector equips its students with irrelevant education. (The failure rate in school is 20% in the private sector and 68% in the public)³⁹. According to Adnan al Amin⁴⁰,

³⁷ *Idem* 3.

³⁸ In «Conditions de vie des ménages», Administration Centrale de la Statistique, 1997.

³⁹ In 'A profile of sustainable Human Development in Lebanon' 1997.

⁴⁰ «Education and development in Lebanon» Adnan al Amin, UNDP conference, 11-13 January 2000.

there is a relative decrease in educational outcome, with a discrepancy between the public and the private sectors, in addition to the existence of some good quality «zones» in the private sector.

In 1992, a study carried out by the LCPS⁴¹ has pointed out that the high qualification image of the Lebanese population has undergone a severe deterioration because of the civil war. This image was mainly propagated by a small urban elite who had been able to reach a high level of education in Lebanon or outside.

Even the quantitative results are not at the required level: the illiteracy rate is 13,6% (for people older than 10 years), and the dropout rate is 12,7% for 11-14 years old, and 36% for 15-19 years old. Although there is no meaningful difference between girls and boys in school enrollment, the difference becomes important in the world of work where women contribute only to 16,2%, and men to 83,8% to the labor force.⁴²

The originally added value of a bilingual system seems today weaker than before, as the educational system reform of 1997 has recommended a third language in the complementary cycle in addition to a technological introduction.

Hindered by 17 years of civil war, Lebanon was not able to follow the development of the «education-training-work» issue in the world, and to maintain its cultural comparative advantage in the area, which led to impose Beirut as an important intellectual center in the Middle East.

Training

Technical and vocational schools do not react properly to the market needs. The Ministry of VET has made a census on the needs by sectors and skill levels. The short training cycle (Accelerated Vocational Training), concerning complementary graduates has the largest demand (46% of the needed jobs) mainly in industry, construction, services and tourism. Nowadays, the CAP (Professional Aptitude Certificate) is delivered only to 1% of the VET enrollment, and 5% of the FPT and BP⁴³. (The total participation in VET enrollment is 87320 students.)

The VET enrollment rate is the lowest in the Middle East 11%⁴⁴ while it goes up to 60% in Egypt. The enrollment is a victim of some social and cultural stereotypes. For instance even though computer and secretarial jobs are saturated, young people continue to apply, as there is a large need for skilled technicians (who earn four times the salary of an administrator).

⁴¹ «A study of the needs and opportunities for skills warless in Lebanon», Lebanese Center for Policy Study, 1993.

⁴² *Idem* 9

⁴³ In «Panorama de l'Enseignement Technique et Professionnel au Liban» METP, 1997.

⁴⁴ *Idem* 9

Agro-business represents 1/3 of the enterprises that employ more than 25 workers. An ESCWA study⁴⁵ on this sector indicates that ~ 30% of university graduates work as skilled technicians because of the lack of adequate competencies. If there are some technicians in the maintenance services, the availability of the technicians in quality control services is very limited. According to managers, this is their most serious problem.

Finally the absence of consultative authorities and statistics on market needs and level of needed skills explain the absence of a national orientation plan, which would link offers and demands. The Ministry of TVE, founded in 1993, emphasizes the need for a plan of action to adapt training to market needs, a modernization of programs, an improvement of teacher's skills and the rehabilitation of infrastructures⁴⁶.

Managing the increasing trade integration of Lebanon would require macroeconomic stability and an enhanced education system in order to increase the labor market responsiveness to new opportunities⁴⁷.

3 But How Do the Lebanese Population Cope with the System?

Survival mechanism

History has taught the Lebanese people to survive despite misery and invasions. Originating from mountainous territory often occupied and with multi-confessional characteristics, they have developed a know-how of adaptability, flexibility and mobility. In order to survive, they were forced to connect with different entities (religious communities) with openness, but in a highly compartmentalised society. They were also forced to emigrate, hence, creating a link between the local community and international society and maintaining input in the local economy by transferring money and skills to their communities.

Were not the Lebanese pioneers in globalisation? They have developed multi linguistic abilities and skills flexibility that allowed them to change activities as a reflect of their needs as well as in response to conjectural reality.

Despite this survival mechanism, the Lebanese that remained in Lebanon did not become adventurers: they began by contracting some kind of a social insurance policy where the contract is not a regular but a semi-formal one. Hence, the Lebanese people have learnt how to identify and access several 'safety nets'

⁴⁵ *Economical and Social Council for West Asia, «A study on production and quality technology in agro-industry», 1999 (arabic)*

⁴⁶ *Idem 13*

⁴⁷ *Managing global integration in Lebanon. Mona Haddad, UNDP conference, 11-13 January 2000.*

in the public sector, within religious communities and the expanded family:

The first 'safety net' is the public sector. Lebanese people would try to be engaged in the armed forces (4% of the labour force), or to be employed in the public sector. (The government is the main employer). Even if it is a low salary, people would at least get a life-long one with social security and advantages. 10% of the national budget covers 45000 retired people, 67% of them from the army.

The second 'safety net' is the confessional community. Lebanese people look after alliances within their different communities. With a public utility status, the communities are free of taxes. They are the owners of most of the NGOs supported by the Ministry of Social Affairs. They have job quotas in the public sector. These comparative advantages attract the Lebanese population and reinforce, de facto, the confessional clientelism.

The third 'safety net' is the extended family, with its accessible inter-familial financial credits, and easy employment obtained mainly through familial relations and relationships with the above 'safety nets'.

In the opinion of some economists, ~ 40% of the Lebanese are the beneficiaries of this unproductive system as, at the same time, less than half of the population has a social protection.

Once this net-based social protection is secured, the Lebanese people are able to look after a productive job. With a flexible know-how, they are involved in different sectors of activity. In the construction sector, many workers carry out different activities regardless of their background training. In the small capital enterprises, where the workers become skilled, the later try to set up their own business, in order to make out their skills and relationships for their own profit.

The average working life of an employee in the communication sector (media, computer science) is four years and 11% of the work force change their original sector of activity. Mobility leads also to multiple jobs in a low-income context and it also leads to low productivity. In that climate, it is difficult to develop professionalism, preventing the development of specific and communicable skills.

Services and goods are incapable to compete internationally because of the low production scale, the unskilled labour force and the limited financial activities (except for some sectors). The ratio of manufacture exports to total exports was around 70% for Lebanon in 1997, lower than nearly 80% for Asian countries⁴⁸.

Forerunner of globalisation by their social skills –how to cope with Welfare State and/or sub-entities within

⁴⁸ *Idem*

a free market-, can the Lebanese population survive with their predominantly social capital? A large emigration demonstrates that is not enough. Survival skills and knowledge are no more sustainable in the present system. In this globalised world, survival models need flexibility and *productivity*.

4 The Experience of the «Mouvement Social» with Youth in Difficulty

According to the official statistics⁴⁹, 36% of the 15–19 years old and 6,5% of the 11–14 years old youth are dropouts.

Challenged by this youth as deprived from their educational rights and by the absence of a genuine national policy, the Mouvement Social has decided to work with the *Youth In Difficulty (YID)*, during their critical adolescent period. The Mouvement Social offers them some new opportunities to learn skills, knowledge and attitudes which would enable them to integrate society.

The project deals with boys and girls in rural, suburban and prison environments. To help YID to get out of exclusion and join the Program, the Mouvement Social has adopted an action plan with a two training dimensions: vocational and social.

Regarding YID low level of education, the Program gives them access to Accelerated Vocational Training. A social and economical diagnosis adapts the sessions to the educational level of every group (20 people) and to the local market needs. Based on the ever changing market needs and YID levels, regular revisions of the programs and of the training of trainers are carried out, hence making the training program systematic and formal. The programs are in accordance with the ONE training standards and monitored by a vocational training consultant.

Accelerated vocational training is a mixture of theoretical courses and practical training that takes place in workshops or micro-businesses. Despite the fact that the training outcome is not worthy in the eyes of the micro-business owners, practical training has some positive impact: the micro-business owners provide employment to trained YID. It is not by chance that 65% of the YID find a job at the end of their training in the same branch.

The social and human training helps the YID to develop citizen's skills and self-adaptation to a changing environment. Its main components are the empowerment of personality by learning assertiveness, active listening, conflict resolution.

⁴⁹ «Conditions de vie des ménages», in *Etude de l'Administration Centrale de la Statistique*, 1997.

It also reinforces YID's knowledge about society: how to write a CV, labour laws, legal firm registration, social and political general knowledge. Human training teaches the YID health prevention and environment protection. In addition, they learn how to behave in small community (the vocational training group) and to accept the existing differences within a multi-community society. They also learn new technologies and foreign languages. The Mouvement Social is currently preparing a «human training manual» as a guidance tool for the social workers.

Finally, the Mouvement Social runs some *Pre-Vocational Clubs (PVC)* for the 11–14 years old dropouts, which allow them to pursue their basic education and to benefit of some vocational guidance.

5 YID: Emigration and Foreign Competition

Faced with a high unemployment rate (20%)⁵⁰ and a strong emigration trend (54% of youth –15 to 30 years old– would like to emigrate)⁵¹, the YID Program is experiencing a critical challenge. The Mouvement Social has just carried out a short study on 250 public school students immediately after their irreversible school failure: 50% would like to access vocational training and 30% would like to go back to school. They are hesitating between two tracks: one from the past (the school) and one for the future (vocational training).

At the same time the majority of Lebanese people perceives foreign labour as one of the main explanation of the present economic crisis. The lack of data (from 0,3 to 1 million Syrian workers) combined with the hegemony of Syria over Lebanon lead to some collective phantasm and fear. YID does not have a positive attitude towards the economic activities carried out by foreign workers (for instance, Syrian workers are dominating the construction sector). Hence YID does not attempt to learn and compete with them.

Does youth prefer to escape reality rather than to face it?

Will the challenges be too great or the environment changes too fast?

⁵⁰ ESCWA

⁵¹ UNICEF

6 Conclusion

Lebanon needs a national policy in order to harmonise the world of work, training and education in order to facilitate the integration of the country in the globalisation process. It is today possible to bring together different civil actors in order to provide better information on the informal and semi-formal market's problems and difficulties. This could be achieved through an informal sector observatory.

It is also the right time to have a better understanding of youth fears and expectations. Universities should launch an anthropological and social study of youth skills vis-à-vis the market, the education system and the vocational training. This would partly enable Lebanese people to capitalise on their traditional flexibility and to develop their productive capacities, which are vital for their survival in a global world.

Formal and Non-formal Delivery of Training for Rural Producers in Madagascar

By Delphin Randriamiharisoa, FORMFED Ministry of Finance, Madagascar

The purpose of this paper is to present several aspects of linkages between (post) basic education and rural development in Madagascar, and to discuss the questions that this raises in relation both to practical needs and strategic interests of rural producers, as well as to public policy development objectives for this sector.

1. The Context of Education and Training for Rural Development

The new economic policy of Madagascar for the coming years is based on the poverty reduction strategy outlined in a recent report⁵². The main objective of this policy is to significantly reduce the high incidence of poverty⁵³ in the country (average rate of 71% and 78% for the rural population).

Poverty is clearly reflected in levels of educational attainment. Low-income levels are compounded by low levels of educational attainment. Close to 50% of the population is illiterate⁵⁴, 61% of which reside in rural areas. Although progress has been made since 1997, the national net primary enrolment ratio is 70,1%. Out-of-school children (those that have either never enrolled or who have dropped out) are largely from the poorest families, particularly in rural areas. 18% of pupils drop out of school before having completed the basic cycle of study and consequently do not acquire minimal levels of knowledge and skills⁵⁵. It is important to note in this respect that one of the causes of school drop out reported by rural communities is the lack of concrete interest in schooling for their children⁵⁶.

Three strategic axes have been identified in order to achieve the objective of poverty reduction:

⁵² Poverty Reduction Strategy Document, intermediate version, November 2000.

⁵³ The international poverty line is set at one USD per day.

⁵⁴ Figures for 1999.

⁵⁵ Poverty Reduction Strategy document, p. 9.

⁵⁶ National Institute of Statistics, *Un aperçu des campagnes malgaches en 1998 et 1999-2000*, p. 14 : Other factors of non take-up of schooling are related to patterns of school drop out, early age of enrolment, and demand for child work.

Improving economic performances in order to benefit the poor:

This involves consolidating the positive trend of economic growth observed in preceding years (+3.7% in 1997, +3.9% in 1998, +4.7% in 1999) in order to increase GDP by 6.3% in 2003. Two types of strategies have been envisaged; (1) the continuation of privatisation programs and efforts to stabilize public budget deficits and inflation, and, (2) a series of actions designed to «multiply opportunities for the poor» (improved access to basic social services and economic infrastructure, increased productivity of the agricultural sector, promotion of micro credits and micro enterprises, development of labour-intensive activities).

Developing essential basic services (education, health, and water supply) and enlarging safety nets for the poorest segments of society.

Strategies envisaged aim to significantly reduce disparities between the rich and poor in terms of access to essential public services and of quality of life.

Establishing institutional frameworks that are favourable to economic growth and to poverty reduction and which reinforce capacities to improve governance and relationships between administrators and administered. Strategies envisaged include the establishment of six autonomous provinces, as well as the continuation of institutional support and reinforcement of the State's capacity for fiscal control and public sector reform.

The rural development policy required for the achievement of the objective of poverty reduction is largely based on the intensification of efforts for the structuring of farmers into professional organizations and the development of income generating activities. The promotion of rural organizations and of professional farming organizations, information and training for farmers is among the ten priority action themes identified for rural development.

Within this context, the needs of rural producers in the area of knowledge and skills development may be grouped into three categories:

- The need to increase levels of general education (based on the observation that farmer productivity is positively correlated to levels of basic education).
- The need to improve technical capacities required for the transformation of survival-based activities into professions.

- The need to improve the management capacity of professional farming organizations (based on the observation that the integration of individual producers into professional organizations is essential for the defence of their interests with regard to the State and to other economic agents).

The question is to determine the extent to which existing supply of education and training for rural development may respond to these needs.

2. The Supply of Education and Training for Rural Development⁵⁷

There are currently some seventy institutions of education and training for rural development in Madagascar.

The fifteen (mainly public) training institutions include:

- Three public institutions of higher learning that train engineers in the areas of agricultural sciences, hydraulics etc...
- Three technical institutes⁵⁸ training experts in agriculture and husbandry.
- Ten centres which train technicians in the areas of husbandry and agriculture, water and forestry, hydraulics⁵⁹. Half of these centres are public.⁶⁰

These institutions offer long certified training courses of study and entrance is generally selective. All the institutions are located in the larger cities and require tuition fees.⁶¹ One of the most significant accomplishments of this type of training over the past few years has been the increased move away from a civil servant profile of graduates. The content of training programs is increasingly oriented toward the training and the «production» of entrepreneurs capable of creating production units, as well as of rural facilitators, rather than the preparation of careers within public administration.

There are some sixty non-formal training centres which, for the most part, are managed outside of the public sector. Indeed, some 90% of these training centres are religious. Training delivered in these cen-

⁵⁷ The term «education and training for rural development» is voluntarily used instead of the term «agricultural teaching and training» as is habitually used in this sector.

⁵⁸ One public and two private institutes. The public institute is an agricultural high school: «Lycée agricole».

⁵⁹ The level required for entrance to these centres is that of grade 10 and the course of study is 2-3 years long.

⁶⁰ These include schools of applied sciences and of agricultural techniques (EASTA).

⁶¹ Tuition for a three-week training module at the Bevalala Professional Training Center, for example, was 38,000 Fmg (approximately 28 FF) in 1996.

tres is generally in the form of one or more short (3-15 day) sessions in such areas as technical aspects of production, management, organization of farmers and producers, family education and so forth. Less than 10% of these institutions deliver diplomas or training certificates. Furthermore, tuition, when it does exist, is in the form of participation in training costs and may include symbolic payment and contribution in kind.⁶²

This brief description indicates that this relatively dense network of institutions of education and training for rural development is theoretically in a position to respond to the training needs of rural producers. However, these formal and non-formal institutions are still hampered by a number of weaknesses related to their configuration and modes of operation. Moreover, the network of institutions maintains, if not reproduces, processes of exclusion from general knowledge and professional skills, of a significant proportion of adults and rural youth. This exclusion may be observed on two levels:

- (1) The fact that conditions for enrolment are designed for literate individuals de facto excludes youth who have never been enrolled in school or who have dropped out at an early age.⁶³
- (2) The training programs offered, particularly in the non-formal training sector, reinforce stereotypes and gender inequalities. While technical training necessary for a diversification of economic activities is reserved for young boys, training for young girls is oriented toward reproductive tasks within the household (cooking, sewing and dressmaking, and other domestic tasks...). This gender inequality in the training available reduces the opportunities available for the creation of income generating activities and excludes young girls from a number of development actions.

Furthermore, with several notable exceptions, centres of education and training for rural development have experienced constraints and problems related to the technical management of their training activities. Indeed, studies conducted in 1995⁶⁴ revealed that:

- Although trainers at rural centres are generally competent on a technical level, they lack motivation and proper training in teaching methods. These weaknesses have a negative impact on the acquisition of real competencies and knowledge on the part of students.

⁶² At the Professional Training Center of Ilaka (CPPF), this may include 1,500 Fmg (approximately 1.5 FF), 10 kapoaka of rice (unit of measure equivalent to 286 g.), and 2 kapoaka of beans a week.

⁶³ All the more so given the quasi complete absence of post literacy structures that would allow for the maintenance of minimal literacy skills acquired.

⁶⁴ The results of this diagnostic conducted by Sopié Villard are still largely valid today

- The fact that training programs are not very well integrated in their immediate environment of production explains the relative fragility of the training centres⁶⁵. The activities of a number of training centres are currently suspended for lack of local trainers.
- The future of graduates is rarely ensured and no follow-up mechanisms exist. In a number of cases, the lack of follow-up may be explained by the fact that training is conceived of as a charitable activity and not as a means of creating/improving productive activities.

Finally, the network of training centres is very closed onto itself, and little or no collaboration exists between trainers in the same region. Moreover, there is no attempt to ensure complementarity between training centres at different levels, such as between higher learning and non-formal training centres.

In other words, the diversity of training centres implies that education and training for development evolves in different directions, and that the cumulative effort of these centres cannot guarantee an adequate response to the knowledge and skills development needs of rural producers.

3. Presentation of a Positive Experience

The base-line assessment of education and training for rural development has identified one interesting experience relative to «adapted rural (primary) schools» in the central Isonara region.

The adapted rural schools are a network of religious primary schools managed by the Catholic Church in the region. The goal of this network is to ensure that the school becomes an instrument of survival and of poverty reduction, as well as a means of resolving problems that rural communities are confronted with. Adapted rural schools have three specific characteristics that distinguish them from classical primary schools:

1. A school calendar that is articulated around local culture, as well as around the rainy season.
2. A methodological/teaching approach that integrates local social and cultural experiences.
3. A program of study that incorporates economic activities.

The school calendar has been modified to integrate the rhythm of farming activities and the rainy season, both of which are major determinants of access to

schooling⁶⁶. Indeed, the school vacation period (December-February) corresponds to the season of heavy rains and to that of main farming activities.

Comparison of school calendars of classical primary schools and adapted rural schools

	Classical primary schools	Adapted rural schools	
		Grades 1-3	Grades 4-5
First period	Mid Sep – Mid Dec (3 mths)	Mid Aug – End Nov (3.5 mths)	Begin Aug – End Nov (4 mths)
Vacation	Mid Dec – Begin Jan	Begin Dec – End Feb	Begin Dec – End Jan
Second period	Begin Jan – End Mar (3 mths)	Begin Mar – End Jul (5 mths)	Begin Feb – End May (4 mths)
Vacation	Begin Apr – Mid Apr		
Third period	Mid Apr – Beg/Mid Jun (2 mths)		
End of primary school examinations	June		June

While the curricula is built around conventional objectives relative to the acquisition of basic literacy and numeracy, it is in the contextualization of this content which is innovative on two levels:

- (1) All examples and exercises refer to the immediate experience and environment of the pupils. Problems of measurement and arithmetic, for example, are inspired from rice farming (surface areas farmed, quantities produced, comparative productivity...) when this is the dominant economic activity in the region. Likewise, learning about illnesses in biology classes is followed by visits to village health centres and community pharmacies.
- (2) Extracurricular activities such as the fabrication of compost, the farming of small plots, and work in community pharmacies, for example, are organized as a means of initial application of the knowledge acquired in class. These activities are defined in partnership with parents.

These innovations within rural schools have had a positive impact at several levels:

- Increase in enrolment ratios.
- Significant decrease in absenteeism both among pupils and teachers⁶⁷.
- Increased sense of ownership of the schooling process by parents who ensure financing (con-

⁶⁵ Weak utilization of local competencies and structures.

⁶⁶ Absenteeism from school is largely explained by the difficulties of physical access during the rainy season.

⁶⁷ Teachers are «obliged» to undertake farming activities in order to supplement their meagre salaries.

struction and payment of salaries) and planning of extracurricular activities.

- Increased levels of educational attainment among pupils with increasing proportions completing the primary cycle.
- Lifting of certain taboos⁶⁸.
- Enhanced ownership and implementation of new production techniques within the community.

Since their creation in 1983, the network of integrated rural schools has grown in number from six to close to sixty. Moreover, a number of pilot junior high schools have also been established upon the same principles in order to provide lower secondary education to pupils that have graduated from rural primary schools.

Despite the immense success of this network of schools in the region, any discussion of extension or duplication of this model requires caution. Indeed, the network raises four sets of questions that must be properly addressed:

(1) Feasibility:

The contextualization of the curriculum of the rural schools has only been possible because the initiators had a very sound knowledge of the region and of local social and cultural systems. Is such knowledge always available?

(2) Technical viability:

The success of the network of adapted rural schools is largely due to the levels of competence and motivation of the teachers involved. Indeed, the role of adult educators within development action came to be combined with traditional teaching tasks. It is possible that this additional function will include more specific skills and competencies relative to changes in the way in which rural producers are organized. Fully aware of this, the initiators of the network of adapted rural schools have raised the requirements for the recruitment of teachers from the traditional grade 9 (Brevet) level to that of the Baccaureate. Can such teacher profiles always be found?

Moreover, in-service and further training of teachers both in pedagogical and technical matters is regularly provided during the vacation period. Who is best placed to identify and validate the training needs of these teachers? Who will provide the training and through what channels? Who will guarantee the quality of this training and how? These questions are increasingly relevant for those responsible for the coordination and supervision of the network of schools. These questions must all be raised in relation to the profiles of existing formal and nonformal training centres in the area of education and training for rural development.

(3) Financial viability:

The network of rural schools has developed along three lines:

- greater coverage in response to increasing demand for such schools from different regions,
- an increasing number of functional classes within given schools, and
- diversification of extracurricular economically productive activities with increasing involvement of parents. This development, coupled with the need to maintain in-service training of teachers, requires levels of financing that parents cannot cover. The question then arises of how to maintain acceptable levels of financing for the network of schools. Is the government willing to contribute and if so, under what conditions?

The network of rural schools has benefited from a certain degree of training of its teachers through other existing structures in the region, as well as through an internationally supported development project. The development project, in particular, has assisted the network in the identification of training needs, the training of teachers and post training follow up. The extremely high unit cost of this training,⁶⁹ however, poses the question of financial viability.

(4) Partnerships:

Is it possible to guarantee that other development actors are available and are willing to collaborate in the establishment of linkages between education/training and economic activities? What type of partnership is required and how is it possible to ensure them.

⁶⁸ For example the taboo preventing children from planting trees while their parents are alive.

⁶⁹ Between FF 237 and 375 for each day of training (excluding costs of international technical assistance). This contrasts sharply with the minimum monthly wage of FF 180 as defined by the State.

Co-operation (or lack thereof) in Southern Africa

By Marianne Nganunu, Department of TVET, Ministry of Education, Botswana, Southern Africa

Introduction

The countries in Southern Africa, each of them, have been working closer with Europe, mainly the UK and Germany, than with each other; the North-South co-operation being stronger than the South-South co-operation. This has been a concern to me and in an effort to correct this situation, my Department in Botswana organised a workshop in December 2000 with support of UNESCO to bring the countries together to talk about how we can start co-operation and networking. We hope that the Botswana workshop will be a turning point in this respect. During the workshop we identified seven areas of potential co-operation, some of which are referred to below.

Access to Education and Training

In Southern Africa many people, if not most people, are poor, lack good education, and are unemployed. Although Botswana is a well off state in African terms, GDP per capita US\$ 3300, we have poverty in Botswana. It is estimated that 47% of the population lives below the poverty line (1993/94).

Against this scenario access to education and training becomes a major issue. In no country in Africa do all children go to school. Botswana might be the only country that has open access to ten years of basic education, meaning that every child is entitled to a place in school for ten years. It does not mean that every child goes to school. Restricting factor could be distance to the school, disability, etc. While varying percentages of students are able to proceed to secondary schools and universities, access to technical and vocational education and training is highly under-developed and under-resourced. Where funds were available, these have in the first place been used to increase access to general education.

However, without technical skills countries' economies cannot develop. While most countries realise this, finding the funds to support costly technical education is not easy. A place for a student in a technical college costs three times as much as a place in a secondary school. In Botswana only 12% of all school leavers find a technical or vocational training place.

We are building more colleges in the hope to increase this figure to 20%, and intend to go beyond 20% through distance learning and e-learning packages.

An issue constantly under discussion is who is entitled to training, and how many should we train? Some people think that you should only train enough people to service the formal sector and the recognised informal sector. If you train more people than there are jobs, you raise people's expectations and invite possible unrest. In Malawi about 200 000 young people enter the labour market every year and this number is expected to double by 2003. At the same time only 30 000 to 35 000 new jobs are created in the formal sector annually⁷⁰. In Tanzania more than 500 000 young people are entering the job market each year while the number of jobs created in the modern wage-sector may perhaps be less than 30 000 per annum⁷¹. How are all those other young people expected to survive in this world?

My viewpoint is that in this day and age where we are trying to promote lifelong learning, this also means learning for all. Therefore you need to provide education and vocational skills to all people to give them the tools to try to do something for themselves, even if this is a small informal sector activity. In my country I would like to see a situation where all persons, young and old, are able to access courses at my technical colleges, even if some of those courses are as short as one or two week.

Quality of Programmes

The quality of the courses we offer are now becoming increasingly important. The quality of curricula and examinations in Southern Africa vary greatly between countries and institutions. For along time, we have only measured our quality standards with ourselves, limiting ourselves to statements like «the students this year performed better than those last year».

The developments taking place world-wide as a result of the technology revolution and globalisation are affecting the countries in Southern Africa as much as they are affecting the developed nations. Our goods and services are now competing on the same world market as everyone else's. Therefore, our graduates

⁷⁰ Kafere G (Malawi), 2000, *Learning for Life Work and the Future – The TVET System*, UNESCO report.

⁷¹ Ndunguru B (Tanzania), 2000, *Integrated Training for Entrepreneurship Promotion (INTEP) Reaching the Target Groups in the Informal Sector*, UNESCO Report.

from the education and training system must be able to deliver to world standard. Our education and training systems can no longer apply local standards but must be delivered to world standards. To make this happen will not be easy. Most likely substantial financial input will be needed to establish the necessary quality assurance systems.

This is one area in which the countries in my sub-region have agreed to work together, sharing experiences and resources. Thus, our joint project includes:

- To survey quality assurance frameworks for TVET in Member States, to scope international trends in quality assurance, and to assess and to recommend «best practice» criteria and mechanisms so as to establish a framework for systems and structures for Member States to adopt/adapt.
- To provide recommendations with regard to quality assurance regulations for TVET, and means of assessing and verifying providers/assessors/moderators.
- To assess the feasibility of regional compliance with regard to a quality assurance scheme.
- To develop criteria, descriptors and benchmarks for quality assurance for TVET, and means of accreditation.
- To develop recommendations with regard to mechanisms and processes of implementation, and resultant implications in terms of staffing, human and physical requirements, as well as the financial considerations for Member States.

In my country we decided to establish a partnership with an external organisation of repute (Scottish Qualifications Authority) to assist us in developing Quality Assurance procedures and regulations and to train our staff to implement these. We are now ready to share this experience with other countries in the sub-region.

Mobility in the Sub-Region

Another result of the economic changes world-wide, is the need for mobility of both learners and workers. This is now urgently required in Southern Africa and is the subject for another sub-regional project that we have planned.

The lifelong learner must be able to move in and out of the education and training system at various stages of their lives, obtain and accumulate unit credits towards awards, move between institutions, be accredited for skill obtained in the workplace, move horizontally and vertically in an education and training climbing frame, without finding themselves in a cul-de-sac. The new dispensation requires that this

opportunity should exist for everyone. The question is how we create the opportunity for mobility?

Many of the countries in the sub-region have started activities to establish National Vocational Qualifications Frameworks in order to bring all vocational qualifications under one umbrella (Malawi, Botswana, Namibia..). This will provide mobility within the training sector, but not across the education and training sectors.

The trend, world-wide, is to bring education and training together under one single umbrella, by establishing an all-embracing National Qualifications Framework that covers all forms of education and training from the lowest to the highest level. The responsibility for this could be given to a specifically established independent Qualifications Authority or to a Ministry with responsibility for both Education and Training. Our nearest example is South Africa, where a South African Qualifications Authority was established by an Act in 1995 with the responsibility to establish and implement a South African Qualifications Framework.⁷²

We believe this is the right way forward and several other national initiatives are also in the making. As we develop our education and training system for lifelong learning, we will find that the distinction between education and training will become increasingly blurred. The changes in the world of work has shifted education for employment in favour of generic skills rather than job specific skills, while general education will increasingly prepare for survival and self-realisation in a highly technological world of work⁷³. For the lifelong learner, it is not important if the learning situation is classified as education or training. What matters is the mobility between the two.

In our sub-regional meeting, the idea of establishing a Regional Qualifications Framework was given a very high priority. It is expected that such framework would help to improve the standard and uniformity of the qualifications in the region, but also facilitate the mobility of students and workers, thus promoting both lifelong learning and employability. The purpose of the sub-regional project is to establish a Regional Qualifications Framework by:

1. To survey SADC member States in respect of reviewing existing qualifications in region, establishing equivalencies of all TVET qualifications of SADC Member States through comparative analysis, identifying best practice with regard to TVET Qualification Frameworks and CATS, reviewing in-

⁷² *Inter-ministerial Working Group on Education and Training, 1996, Proceedings of the Conference on the National Qualifications Framework, Johannesburg*

⁷³ *13th Conference of Commonwealth Education Ministers, Gaborone, Botswana*

ternational trends in this domain, and establishing regional standards

2. To identify and recommend mechanisms and structures for managing the implementation of National Qualifications Frameworks, as well as a Regional Qualifications Framework. This is to be inclusive of the accreditation process and of the validation of standards of teaching, assessment and grading, and the review process.
3. To compile a register of accredited training institutions and awarding bodies, and the programs and awards such institutions and organisations offer.
4. To support Member States with regard to implementation processes through lobbying for the establishment of regional standards within an accepted regional framework and lobbying for the establishment of a Regional Authorising Board or some other accrediting structure.

The Role of Key-Skills

I do believe that if the right TVET programmes are offered, TVET has the potential contribute towards the implementation of national policies with regard to employment promotion, poverty eradication, private sector promotion, increased productivity, added value and enhanced competition in both local and global markets.⁷⁴ The problem is that many of the present training programmes in Africa have outlived their usefulness. An example is the apprenticeship programme in Botswana, model on the German one, but which has failed to adjust to the local needs and which has failed to adjust to new developments.

My Department then decided to take up the matter with the industry and commerce in Botswana. In a workshop in 1992, the private employers said that government and the schools should focus on «essential employability skills», meaning that skills such as communications skills, numeracy, problem solving skills, etc., are more important as a starting point for employment than some vocational skills obtained in trade schools⁷⁵. The Revised National Policy on Education, which was based on comprehensive consultation, confirmed these views in 1994.

At the same time we had the ever-increasing number of young school leavers not knowing what to do with themselves, not finding jobs and not finding further training opportunities. Starting self-employment when you are 15 and untrained is not easy!

⁷⁴ Ndunguru B (Tanzania), 2000, *New Vocational Education and Training System – the CBMT Concept, in Report on Workshop on Learning for Life Work and the Future*, UNESCO, Bonn, 2001

⁷⁵ Soderstrom U, 1992, *What employers want, in Vocational Education and Training, workshop report, Gaborone*

This interaction has led to the development of a college-based Technical Education Programme, fully modularised and outcomes-based, designed for school leaver, in which the private sector and industry are major partners. Thus, Programme Advisory Committees, Quality Assurance and Examination Boards, are all chaired by employers⁷⁶ and all students are expected to experience a period of work-attachment.

Among the national needs to be addressed through the new Botswana Technical Education Programme (BTEP) are: the need for school leavers to access further education and training, the need to train for a diversifying economy, the need for educated and multi-skilled human resource, the need for qualifications that meet international standards and for a program that enhances life long learning. The aims of the programme are to produce graduates that are trainable, employable or able to create their own self-employment activities, and with the ability to face new challenges in the world of work.

A student coming out of the Foundation or Certificate Programme will have the type of skills industry expects from a new employee. Apart from a fairly broad grounding in the vocational area, the young employee will be able to communicate, have basic numeracy skills, be able to use a computer, good interpersonal skills and as well as some basic business skills. This is so because we have in our new program as compulsory modules five transferable key skills: Communication Skills, Numeracy Skills, Entrepreneurship Skills, Personal and Interpersonal Skills, and ICT Skills, while Problem Solving Skills are incorporated in an independent project. Students are required to do these key skills at every level and they occupy about 1/3 of the programme time. If the employer is happy with an employee, the employee can be sent back for further training at a higher level with more specialisation within the vocational field.

Cost of Training and E-Learning

Without lifelong access to education and training people will experience hardship, both in terms of finding their niche or opportunity in the

business or employment market and also to remain in there. It will increasingly become the responsibility of the learners to find their way to lifelong learning opportunities. However, it is the responsibility of the providers to make sure that those opportunities are made available.

The first restriction will be the limited number of institutional training places. The second restriction will be

⁷⁶ Nganunu & Kewagamang (eds.), 2001, *Study on Technical and Vocational Education and Training in Sub-Saharan Africa*, Gaborone

the cost. It will therefore be necessary to find new and more innovative ways of delivering education and training. The most obvious measure is to use our institutions more efficiently. Institutions must be open and used throughout the day, evening, weekend and vacation time. Secondly, it will be necessary to determine what needs to be learnt in a classroom or workshop and what could be learned by distance education. The provision of modular education and training provides new opportunities in this regard. Students could cover a number of modules by themselves using libraries, learning resource centres, company training centres and would only need to fill an institutional training place for a smaller number of modules.

A further and most exciting development is the use of information and communication technology (ICT) in education and training. The distance education of the future can be delivered through interactive electronic means, using multimedia and videoconferencing as well as CD-ROMs, through Internet and Intranet direct access or download. Course development for ICT delivery could be a costly exercise, but would be cheaper than face-to-face delivery if the student population was large enough. One of the first such initiatives will be implemented at a new technical teacher training college designed with electronically linked remote learning centres in four locations across the country.

Learning in the Knowledge Workplace: Large Firms versus Small Enterprises

By Kai-Ming Cheng, Professor of Education, Hong Kong University & Hayley Kan⁷⁷, Hong Kong Institute of Education

Introduction

Organisation and workplace expectations in a knowledge economy are quite different from those in an industrial economy. This paper is based on some preliminary study of the workplace in both large multinational firms and small and medium enterprises (SME) in Hong Kong. Derived from such a study are some initial observations about human resources requirements in a knowledge economy and their implications for learning.

The Context

In most countries, there is an increasingly expanding service sector of the economy. Indeed, the service has become the major sector of economic output in many countries. Accordingly, increasingly large number of people are working in the service sector. Hong Kong has the world's largest service sector, 85% by economic output and 80% by workforce.

- The expansion of the service sector is very much due to the growth in the volume of customised services, where clients are provided with tailor-made total solutions. The general processes are:
- The concentration on core functions and core activities.
- The out-sourcing of non-core services.
- Hence the growth of out-sourced services.
- Such services, however, are tailor-made and customised.

Such demand for customised services are catered for by either large firms (such as investment banking, couriers, data centre..) or SMEs (such as security, cleaning, catering, ...).

Large Firms

A preliminary study of several major large firms in Hong Kong revealed that:

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- (a) Most of them, in one way or another, are moving away from departmental structure (which is based on internal division of labour) towards project-team⁷⁸ structure (which is client-oriented projects).
- (b) Such project-teams are ad hoc in nature and members move from team to team.
- (c) Each member of the organisation usually belongs to more than one project-team at any one time.
- (d) The working mode within a project-team is teamwork with maximum participation of its members towards solutions.
- (e) The organisations are usually flat in structure, with project leaders but no further layers within the project-teams, and almost no intermediate boss above the project leaders.
- (f) The centre of gravity of knowledge in such organisations is very low. Expertise concentrates at the front-line project-teams.
- (g) Specialisation is on-demand and tentative dependent on the project needs. Permanent personal specialisation is blurred.

The demand on the human resources is therefore very different from that in the industrial factories. Employers concur on the need for the abilities for:

- Effective communication
- Working with people
- Just-in-time learning of specific skills
- Carrying things through
- Question the given
- Thinking innovatively
-

Such large firms are mostly multinationals. Their employees are usually the selected elite.

SMEs

Hong Kong has about 300,000 SMEs, representing 98% of the total number of companies, and providing job opportunities for about 60% of the working population. They are manufacturing enterprises with fewer than 100 employees, and non-manufacturing enterprises with fewer than 50 employees.

⁷⁸ Which are alternatively called task-forces, project-groups, production-groups, client-teams, account-groups and so forth

The majority of SMEs operate in the import-export trades, followed by wholesale and retail trades, restaurants and hotels.

A considerable number of SMEs are suppliers or service providers linked to multinationals or local big corporations. The trend has become more apparent as big businesses practices outsourcing to streamline operations and increase cost efficiency.

A preliminary study of the SMEs in Hong Kong yields the following findings:

- (a) There are considerable disparities in the sizes and diversity in the modes of operation among the SMEs.
- (b) The new generation of SME operators, with access to global and the latest business information, are able to react quickly to changes and to adjust business strategies to cope with challenges of globalization.
- (c) SMEs employers do not place too much emphasis on employers' academic qualifications and management expertise.
- (d) The typical style of management is generally informal and flexible. As there are less number of layers of management, the structure is less hierarchical, which is conducive to fast decision making and adaptive strategic planning.
- (e) With the expansion of tertiary education, the SMEs have in recent years been able to attract more university graduates.
- (f) Most employees are expected to perform a range of roles and to be multi-tasking.

The SME employers' concerns concur on the imbalance between the expectations of the world of work and the capabilities of the workforce. Their criticisms of the workforce include:

Mentality and Attitude

- Lack of commitment to work
- Impatience with career progression and desire for quick success
- Superficial and narrow in general outlook, lacking global awareness

- Overconfident and over-demanding while not ready to contribute

Work-related Skills

- Lack of preparation and knowledge about the actual workplace
- Lack of general knowledge and common sense
- Substandard communication skills
- Poor interpersonal skills

Implications for Education and Training

- There is need for the emphasis of generic capacity in anticipation of a varying working life. There is a clear over-specialisation in the education system.
- There is a need for core competence, which is often diluted because of the diffusion into disciplined subjects.
- There should be a reduction of pure impartment of knowledge and skills that could easily be acquired on-the-job, just-in-time.
- There is a need for encouragement of group-work and production or construction of solutions in school learning.
- Learning outside classrooms and beyond campuses is essential and should be increased.
- Values education, tacit knowledge, social competence, character education, and so forth should become a major component of the education system.
- Pre-employment training e.g. summer jobs should be widely encouraged to give students early opportunities of work experience.
- Employers should review their human resources development strategies to ensure that young recruits will receive sufficient support and guidance, which are often determinants of good staff motivation apart from material rewards.

Vocational Training Programmes and Disadvantaged Youth in Latin America: How to provide Generic and Vocational Skills?

By Claudia Jacinto, Sociologue, IIEP-UNESCO Buenos-Aires and Labour Studies Centre of Argentina, Argentina⁷⁹

1. Where Are We? Programmes, Partnerships, Approaches⁸⁰

After the «lost» decade of the '80, the nineties have been years of structural adjustment and opening in economies in Latin America. Though it led to certain fiscal equilibrium, the impact of the adjustment was observed in the increasing levels of unemployment and underemployment. As youth, especially the disadvantaged one, was one of the most affected groups by this situation, many social programmes have been focused on them. Most of these interventions were oriented to give vocational training targeted to the poorly educated youth who normally don't have access to conventional training provision.

These programmes were funded and provided by a range of agencies. A large series of programmes were developed by Labour Ministries, most of them funded by the IDB and some of them by the World Bank. They provided short-term training combined with internships in the formal sector. This type of programmes reached a considerable number of youth with a scheme of organisation as follows: the courses were assigned to a large number of institutions through a process of public bidding, structured by the state. The providers were responsible for designing the courses and finding placements for their trainees.

Other types of programmes, related to social ministries or international funding agencies, have been developed and implemented by NGOs, foundations, churches, national training agencies, local governments, etc. These programmes were more oriented to the informal sector and self-employment. Some of them often included other more integral components than training, such as personal and labour orientation, citizenship education, links with formal education, etc.

⁷⁹ Sociologue, Argentine, researcher of the IIEP-UNESCO, and of the Labour Studies Centre of Argentina. She's in charge in Latin America of the IIEP's research project *Alternative education strategies for disadvantaged groups*.

⁸⁰ This subject is based on: Jacinto, C. (coord.), (2001): «Nuevas alianzas y estrategias en la formación de jóvenes desfavorecidos de América Latina», Paris, UNESCO/IIEP.

One of the most evident consequences of this process has been the diversification of the range of training providers in the region. More than that, the process shows a lot of examples of public-private partnerships in action (NGOs-national training institutions; local government-NGOs-enterprises; national training programs-trade unions-private training institutions-etc.) and, in a lower degree, intersectoral approaches co-ordinating the efforts and actions of training services with health, social, or educational services.

Comparing the different approaches, it has been possible to highlight good practices and weaknesses of each type.

On the one hand, the training programmes designed by the labour ministries have been good examples of short, not expensive training combined with placement and they have had high levels of post training employment. They promote the creation of new training providers and more market-oriented training. However even if they are more flexible than the traditional training institutions, these providers are weak and poorly sustainable. The courses are addressed to traditional areas and their quality is not emphasised. They used improvised materials in courses which are offered everywhere in the world.

On the other hand, programmes related to NGOs, churches, and foundations generally have more integral approaches of training combining the teaching of technical skills with social skills, (even in a large sense, for instance including competencies for the citizenship) and job-seeking or labour orientation. This considers both educational needs of the poor youth with the demands of an unstable labour market. But they are less worried about the outcomes in placing the trainees after the courses and they are not adequately focused in real niches in the informal sector. They also often neglect the difficulties of young people to cope with self-employment due to their lack of experience and age.

Between these two models, it is possible to detect some emerging partnerships and approaches which mix the goods of both models. They are generally geared by NGOs (not little, weak organisations but professionalised ones) or private organisations or churches, sometimes funded by the national or local state, which achieve strong partnerships in the local

level. They combine resources and services, and promote the links with the mainstream education and training (focusing on lifelong education) and with real niches of work. This experience shows interesting linkages between public resources, employers and target groups.

However, a number of important issues remain problematic. It has been pointed out that the quality of the training is doubtful in many cases; there is little investment in curriculum development or in training trainers⁸¹. In general, the interventions remain uncoordinated, they show evidence of the lack of a strong local and national network towards the disadvantaged youth in and between different educational, labour, social, and health sectors.

One main concern refers to the weak linkages that these approaches reveal between education and training.

2. Strategies for Generic (Basic) and Vocational Skills

In the context of globalisation and the dearth of employment opportunities, the growing linkages between the formal and the informal sectors present new challenges for the world of education and training, as they must evolve in a more complementary way. It is now recognised that skills development and basic education have to be intrinsically linked in order not only to secure some training achievements, but above all, some transformations in the life of the concerned people⁸².

What does it mean for the interventions focused on disadvantaged youth? Recent changes in the organisation of work and the revolution in communication technology have profoundly affected the demands of competencies in the job market. Nowadays technical skills alone are not enough and for almost any job it is also necessary to master generic basic skills such as oral and written expression, simple mathematics for problem-solving, logical thought, intra and interpersonal skills, and the ability to learn on one's own.

But disadvantaged youth who begin vocational training programmes without having finished their secondary education, are often lacking in basic «transferable» skills which can apply to a variety of situations, not only because they dropped out at a certain

⁸¹ Many reports point out such conclusions, see CINTERFOR, 1998, «*Juventud, educación y empleo*», Montevideo; Working group for international co-operation in skills development, 2000, «*Poverty, growth and skills development: a focus on Latin America*», Washington.

⁸² Carton, M., 2001, «*Linking (post)basic education and training: a way to fulfil the needs of youth and adults for generic and vocational skills?*», Geneva University, Switzerland

level, but also because the schools they attended were not good enough.

In order to achieve the socio-economic inclusion of disadvantaged youth the interventions must give them the opportunity to develop a solid base of human and social capital, multiple livelihood skills, and the capacity to overcome adversity. That's why it has been said that the development of basic skills should be one of the main objectives of every training course⁸³.

Faced with this situation, some non formal vocational training courses for young people have begun to include these basic skills as part of their curricula. Once the basic skills required in the workplace have been identified, educational strategies are designed and developed for teaching them. Generally speaking, such experiences are innovative and have not been introduced on a large scale⁸⁴.

The link between basic and vocational skills can be discussed from two angles. On the one hand, they both represent the minimum prerequisites for «trainability», if vocational training is expected to provide more than just the ability to perform manual operations and empirical knowledge with low transferability. This basic minimum is lacking if the young person is unable to describe some aspects of daily life in an ordered and meaningful way, either orally or in writing, or if he or she has difficulty in applying simple techniques to resolve problems arising outside the school environment. On the other hand, the question arose as to which of the basic skills needed not only to perform a specific job but also more generally in the workplace should be taught by vocational training programmes. For example, training for self-employment in the service sector needs to place a strong emphasis on the development of basic communication, management, and workload organisation skills. Would vocational training programmes undertake all this diversity?

What is defined as «basic skills»? While some experiments put more emphasis on developing a basic level of skills *needed for any job*, adopting a somewhat wider remedial approach to what was not learned during formal education, others were more oriented towards providing training in specific generic and technical skills *needed for given occupation, or family of occupations*.

These two approaches are also reflected in the teaching strategies. For example, an experience based on the wider perspective included a class in the development of basic linguistic and mathematical prob-

⁸³ de Moura Castro, C., 1999, «*Proyecto Joven: new solutions and some surprises*», Washington: BID, Sustainable Development Department, Best Practices Series.

⁸⁴ the IIEP seminar held in Montevideo, on 25 and 26 September 2000, these issues were discussed and four innovative training experiments carried out in Argentina, Chile and Uruguay were analysed.

lem-solving skills linked to specific technical training. Good training materials have been prepared to develop this approach. Conversely, a course designed around specific work skills adopted a programme in which students worked part-time, while attending part-time classes as well. The course also included a daily workshop where the students discussed work situations and the skills involved. The approach emphasised that the three components, – the theoretical class-work, the real life job situations, and the workshop –, led to the acquisition of basic and technical skills related to the given occupation.

These experiments only show some ways to structure the curricula including basic and technical skills in a vocational course addressed to disadvantaged youth. But there are a lot of questions remaining about the designing and implementation of courses where basic skills are included. One, is to determine which

teacher's training strategies are appropriate in order to develop a teacher profile conducive to student learning. Another question, is to evaluate the results of the experiments that mesh basic and vocational skills and to determine which the best practices and training materials are. All this according to different training situations and with groups of students from different social and educational backgrounds.

The lessons learnt from these experiments would also be useful to reinforce the links between education and training, in another sense. There are lessons to apply to the formal education system, not only because they demonstrate innovative strategies that can be used to consolidate basic skills in the context of specific practical training, but because they also pave the way towards curricular integration, moving away from the usual fragmentation of post basic education.

Notes from Working Group 2: Linking (post) Basic Education and Training: A Way to fulfil the Needs of Youth and Adults for Generic and Vocational Skills?

By Ahlin Byll-Cataria, SDC Berne/Switzerland

Most of the countries concerned are countries where there is no growth and where there is no job creation. They are characterised by the importance of their informal sector, the number of out-of-school or school leavers, and the situation of poverty.

The question is:

«How Do We Train the Poor When There Are Not Enough Jobs?»

Here are some ideas based on different practices from which lessons have been learnt:

- Training for self-employment
- Fine tune the supply and the demand
- Target the field existing job to the poor, to the youth
- Add basic skills to training
- Make academic education more practical

What are the main conclusions that the group drew from the case studies in relation to these ideas?

I. The Diversity of the Different Contexts and of Concepts Understanding

- The needs in Hong Kong are not the same as in Botswana
- The definition of basic skills and vocational skills is not necessarily the same everywhere.
- The curricula
- The strategies

II. General Considerations Agreed On

- Take into account social and academic dimensions of apprenticeship in some African countries
- Need to adjust training to the evolution of the markets
- Need for flexibility
- Restructuring curricula, training of trainers, etc...

- Need for social competencies, not only for technical qualifications. The implication is the reinforcement of individual capacities such as communication skills, conflict resolutions, etc...
- Need to adjust the school agenda to the cycle of rural activities.
- Need to introduce practical and productive activities in the school programme.

III. Some Teaching Strategies

- Development of basic linguistic and mathematical problem-solving skills linked to specific technical training.
- Prepare good training material to develop this approach.
- Build a school that is based on projects

IV. Topics of Discussion

1. The case study concerning Hong Kong illustrates the present challenges of some countries and the future ones of others.

Some Characteristics of the Situation in Hong Kong:

The expectations of large firms and of SMEs (characterised by new task forces, new work organisation, etc...) requires implications for:

Individuals:

- Readiness to change tasks and work
- Readiness to teamwork, to temporary unemployment

Learning:

- Learning anywhere, anytime
- Lifelong learning

Situation of learning vs. education

- Core competencies vs. over specialisation
- Learning by doing vs. pure knowledge delivery

2. There is a general tension between what the school teaches as basic and what really happens on the work place. A tension between the need for flexibility and adaptability to the market and the need for workers to adjust to a very high personal, social and professional instability.

There is a «in between» growing and in relation to:

- the skills and the broader education
- education and training
- theory and practice
- disciplinary and interdisciplinary
- core business and non core business

How Do We Get There?

How Do Institutions Deal to Get to This «In Between» ?

For countries such as Botswana, the main response is to *create a training system that facilitates Lifelong learning, that does not only trains for formal jobs, but also for social demand. Lifelong learning is learning for all.*

That requires

- A sound academic education
- Standards and equivalence
- Quality assurance systems
- Mobility within the training system (horizontal and vertical), in and out the school

Botswana developed therefore *National Vocational Qualification Framework*, for Lifelong Learning purposes, because the *focus is no longer on the job, but on the individual. The strategy is then to create training opportunities and make sure that they are standardised in order to facilitate mobility.*

In South Africa a *National Qualification Framework* has been developed, in order to formalize all learning and to accredit the skills. A concept called *Learnership* has been introduced, providing internship for theory and practice.

The idea is that the whole system must change, in order to facilitate mobility.

Unfortunately Many Problems Persist:

- The structures of the government did not change; e.g. there is no coordination between the departments of education and labour;
- Apartheid damages are still very strong;
- NGF has generated hundred of structures;
- There is a lack of training;
- Economy does not create jobs;
- State's resources are restricted in some areas;
- A lot of opposition from educationists re more training;
- In 7 years, 3 major reviews in education;
- Fat bureaucracy of NQF
- Very serious problems with higher education, etc...

One of the conclusions of the group discussion is that the perception of basic skills and vocational skills varies according to the different contexts in countries such as Argentina, Botswana, Hong Kong, South Africa, Lebanon, Madagascar, etc...

We therefore need to have more information about the social groups concerned, the expectations of the employment market, of the enterprises and of the individuals, the contents of the training programs required, the teaching strategies and the institutional strategies .

But Our Biggest Challenge for the Future Remains:

- «How are we to allow our younger generation to have a sustainable working life»?
- By squeezing the market to see what can come out of it?
- By adding basic skills to training?
- By making academic education more practical? This would require a transformation of school which must be a preparation for life.

Costs and Financing

By Matthias Jaeger, KODIS, Coordinator Working Group 3

Introduction

Skills acquisition in and for small enterprises and the «people's economy» caters to a rather vulnerable target group. Such skills acquisition mechanisms can hardly be expected to be fully self-financing; they require co-financing and public funds. Scarce public funds have to be invested in the most cost effective and efficient way. Thus, awareness of costs, cost effectiveness and effective financing mechanisms are crucial issues in skills development.

Basic and general education can be delivered on a large scale through standardised approaches, whereas occupational skills development (OSD) is always more specific, and usually highly local in nature. In addition, OSD, in particular in technical occupations, requires substantial investments in equipment, supplies and teaching and learning material. As a consequence, OSD has the tendency to be considerably more expensive than basic and general education, and cost effectiveness becomes a major issue. The cost effectiveness of OSD is closely linked to delivery mechanisms.

Whereas financing of basic and general education is not universally, but widely accepted to be a public task, financing of OSD is more complex, and has to be considered within the triad trainee – employer – the general public. OSD ought to be financed or co-financed based on considerations who in any given situation benefits most of OSD.

Both delivery and financing mechanisms of OSD are multi-faceted, and there is no one-best model – neither for training delivery nor for financing. Different countries have introduced different mechanisms, and even within one and the same country, different sub-sectors of the economy may apply different delivery and financing sub-systems, and different types of courses might be financed or co-financed according to different principles.

Whereas financing mechanisms of OSD are comparatively well documented in the literature, there is little research available on costs and cost effectiveness of OSD.

Costs and Cost Effectiveness

Costs and cost effectiveness of OSD vary widely according to delivery mechanisms, to the type of training, and to the qualification level aimed at.

Institution-Based Training

Institution-based long-term occupational skills training is possibly the most expensive training delivery mechanism. Such training is not financeable for any country as a universal system. Still, any country might decide to maintain and finance such training delivery mechanisms in strategically important occupational areas, and for strategically important qualification levels.

Modularised Competency-Based Short Courses

The costs for the introduction and establishment of a fully modularised and competency-based training system might be substantial. After the introductory period the costs for both the participants and the enterprises are reduced through shorter duration of training, and through the possibility to buy and attend training when and if required.

Cooperative Training Approaches

Cooperative training forms combine workplace-based skills acquisition in the world of work with centre-based classes and/or specific courses. Cost calculations for such skills development mechanisms have to differentiate between the costs for centre-based training and for workplace-based skills acquisition. Cooperative training forms are surely most cost effective, in particular for the general public, in that the workplace-based components normally are financed by the employers and/or the trainees themselves. Subsidies only might be required for theory classes and for institution-based courses. In comparison with either fulltime institution-based training, or even with modularised courses, theory classes and courses in cooperative training forms are generally rather short, and their costs can be compared to the costs of general education. The critical issue for the introduction of cooperative training forms is the readiness of employers and enterprises to participate in such skills development mechanisms. Employers are only ready

to cooperate if they see an immediate return on their investment or another economic advantage. Moreover, cooperative training forms require complex institutional and steering arrangements.

Calculation Model

As Governments have to decide on the allocation of scarce public funds, as both employers and trainees are called to contribute in one way or another to training, as OSD caters to a comparatively vulnerable target population, awareness on costs of OSD and its calculation is of increasing importance.

Unfortunately there is no simple model for the calculation of training costs, as costs depend both on the perspective and on the delivery mechanisms. Training costs can be considered from a general public perspective, from a training provider's perspective, from an employer's perspective, or from a trainee's perspective.

The Training Provider's Perspective

From a training provider's perspective costs are theoretically comparatively easy to calculate. They comprise broadly of:

- Salaries for instructing staff
- Supplies, teaching and learning material
- Administrative and overhead costs
- Capital costs for facilities and equipment

In practice not even such a calculation is always easy. Salaries are frequently paid by Governments directly in the case of public training providers, and they do not appear in the accounts of individual training centres. Similarly, investments are made by the Government (or by donor agencies), and they are not capitalised. Many public training centres do not have a cost accounting system, and they are not allowed to retain or to reinvest profits.

The Employer's Perspective

In the case of cooperative training forms the situation becomes even more complex. Apart from the training centre's perspective, an employer perspective has to be taken into account. Employers differentiate between gross and net costs for training. Gross costs comprise of:

- Salaries for supervisory staff
- Salaries for trainees
- Supplies and material

- Administrative costs
- Capital costs
- External costs like course fees and membership fees

Training costs are calculated as net costs on the basis of gross costs minus the value of productive work done by the trainees, and minus the savings as compared to alternative recruitment mechanisms.

The Public Perspective

Under a public perspective subsidies to OSD are compared to the costs of general education and to the costs of alternative interventions like unemployment programmes, or unemployment benefits. Moreover, the absence of appropriate skills development mechanisms might lead to a politically not desirable increasing pressure on general education.

A Consolidated Perspective

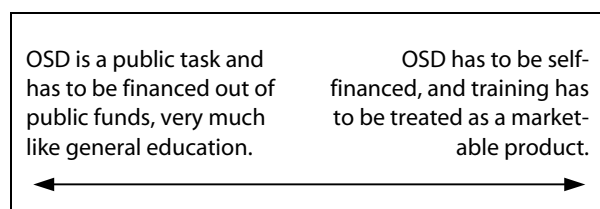
Overall cost considerations can only be done through the combination of the different perspectives, e.g. with the help of an accounting model as depicted hereafter. Additional actors (e.g. associations) have to be included depending on the requirements of the respective situation.

Receive	Give
Training Providers	
<ul style="list-style-type: none"> - Subsidies - Course fees from employers - Course fees from participants 	<ul style="list-style-type: none"> - Salaries - Teaching and learning material - Investment (facilities and equipment)
Employers	
<ul style="list-style-type: none"> - Productive work of the trainees - Skilled workers 	<ul style="list-style-type: none"> - (Reduced) salary - Training (skills)
Trainees	
<ul style="list-style-type: none"> - Productive work - Contribution to course fees 	<ul style="list-style-type: none"> - Salaries - Teaching and learning material - Administrative costs - Investment (facilities and equipment)

This model indicates that each actor makes his own calculation, and it leads to the conclusion that OSD systems only work if the individual account of each actor is balanced. If individual accounts are out of balance, either training does not take place, or co-financing from external sources is required.

Financing

Considerations on financing OSD have to be based on the question of its benefits. Thus, financing principles can be described on the continuum between the following two extreme positions:



OSD normally benefits the individual trainees through the increased post-training value of their skills. Simultaneously, OSD also benefits the employer, in that increased productivity has an impact on his or her profit. But OSD is also in the public interest, be it on economic, social or political considerations. Moreover, without co-financing VET and OSD, Governments might have to invest more in general education. Thus, it can neither be disputed that OSD comprises elements of a public task, nor that certain types of training can be treated as a marketable product unilaterally financed by either employers or trainees themselves. But on the other hand, OSD is neither exclusively a public task, nor can the market satisfy all the needs. Thus, as mentioned before, co-financing mechanisms have always to be considered within the triangular relationship trainee – employer – general public. Financing OSD urges for complex joint financing mechanisms, preferably in combination with cost effective delivery mechanisms.

In practice different mechanisms have been introduced for cost-sharing and co-financing OSD:

- Cooperative training and apprenticeship schemes
- Employer training incentives through systems like:
 - Training costs reimbursement schemes
 - Income tax rebate schemes
 - Payroll-levy exemption schemes
 - Matching grants systems

Public financing or co-financing is also be done under different mechanisms and systems:

- Input-oriented or direct financing of training providers
- Output-oriented financing systems based e.g. on the number of students successfully completing their course, the number of graduates finding employment, the total number of students at any given time, etc.
- Market-oriented financing through voucher systems
- Individual sponsoring through fellowship or scholarship systems

Leading Questions

The workshop will address such issues and look at good practices and bottlenecks.

Cost and Cost Calculation

The above paper introduced an approach to cost calculation of OSD under different perspectives and presented a consolidated model.

- How can costs be calculated?
- Do costs necessarily have to be calculated from different perspectives, or is there a consolidated model for cost calculation?

Cost Effectiveness

Compared to basic and general education OSD will always be more expensive. Which delivery mechanisms, which organisational set-up, and which sort of distribution of labour between the different actors are most cost effective...

- ... for the general public?
- ... for individual trainees?
- ... for enterprises and employers?
- ... for training providers?

Market Approach vs. Public Funding of OSD

In particular in SME promotion programmes training is considered to become a marketable product, and training delivery should become self-financing like other business development services.

- Which type of training, at which qualification level for which target group can realistically be expected to become self-financing under market conditions?

- If training is expected to become a marketable product, which sort of training will be offered, and what will be left out because it is not financable under market conditions and without permanent subsidies?

Training provision itself can be delegated to private providers or to enterprises, it is not primarily a public task. But as the market will not be in a position to satisfy all the needs, OSD, or at least certain elements thereof, requires public financing or co-financing. Public financing can be done under economic, under political, under social, or under equity considerations.

- Which sort of OSD requires public co-financing to which extent and under which consideration?

Financing Mechanisms

Under different considerations different countries have established different financing and co-financing mechanisms, e.g.:

- Input financing or direct financing of training — providers
- Output financing e.g. through voucher systems
- Levy-grant systems
- Skills development funds

Which financing mechanism works best for which sort of OSD? What are the potentials and limitations of different financing mechanisms for OSD, particularly in the perspective of poverty alleviation and equity ?

Case Study on Costs and Financing of SKILL, a Mobile Training Program in Nepal

By Bansi Rana Magar, Project Manager, Nepal

Background

The issue of costs and financing of skills development in the informal sector and in small enterprises is crucial. Costs are only justifiable when investments give reasonable returns. From a financial point of view, it is very important to calculate risks and returns on investment. In skills development, even in the informal sector, employment and income are the only reference points for the calculation of returns on investment. Statements on the return of investment are more important than figures on costs and turnover of projects. Training should be demand driven and acquired skills should be easily marketable. Demand should come from the market rather than from the participants' vested interest.

Compared to other educational areas, costs will be higher in the skills development. Skills development requires substantial resources, and thus calculations on returns on investment might be less favourable in the short-run. Therefore, cost are be justifiable only if trainees get employment. However, the key question is, whether the product (skills labour) is marketable or not, and whether the inputs reach the intended target group.

Rationale of the SKILL Program

Stagnant economies, high rates of unemployment and underemployment, and the inability to provide for the basic needs of large numbers of grossly deprived citizens have raised serious questions about past development policies. Informal sector workers have usually not been able to acquire skills in formal training institutions. But what kind of training should be given, how should it be provided, and who should finance it? The issues are complex and the answers elusive. The informal sector comprises a heterogeneous range of economic activities with equally varied training needs. Furthermore, resources are limited, while access to training is limited.⁸⁵

⁸⁵ *Training for Work in the Informal Sector*, ILO, Geneva

The estimates of the national requirements of semi-skilled and skilled labour are 85'000 to 90'000 persons per annum during the Ninth Plan period and 95'000 to 110'000 persons per annum during the Tenth plan (2002-2007) period. In addition to the new entrants to the labour market there is the vast stock of the existing force-force, which has a relatively low level of skills, and accordingly whose productivity is quite low. To improve the living conditions of an average Nepali, the skill level of the Nepalese force-force needs to be significantly upgraded. This implies the need for a vast number of vocational training opportunities⁸⁶.

It may also appear paradoxical that less developed countries with large populations have labour shortage, but population and the labour force can be meaningfully separated. Most developing countries face acute labour shortages in semi-skilled and skilled categories. We also know that root cause of poverty is unemployment. Hence unemployment can be addressed through quality skill training programme. However, we cannot reduce unemployment at the zero-level means there is trade-off between inflation and unemployment in the economy. This may vary from one country to another due to respective government fiscal and monetary policies.

From an economic perspective it will be important to carry out marginal analysis before making judgments on reasonable returns on investment in skills training. In the short-run factor of production cannot be altered whereas in the long-run all factors can be varied. When $MR > MC$, the firm will expand the output because each additional unit produced will add more to the total revenue than it will to total costs. Consequently either profit will be increased or loss decreased. Similarly, when $MR < MC$, the firm will reduce output because the decrease in the total revenue will be less than the decrease in total costs. Consequently the profit will be decreased or the loss increased. When the firm reaches an output level at which $MR = MC$, profit will be at a maximum. Any increase or decrease in output will cause profit to decrease.

Based on these above-mentioned economic principle it will be important to consider marginal efficiency of our products/graduates. In our context, marginal efficiency could be achieved through increased labour productivity.

⁸⁶ *New ERA 2000 «The employment and labor-force projection 1996-2016», volume III, part III, Kathmandu*

It goes without question that there is a considerable need for vocational training and skills development in Nepal. To some extent, vocational training will be in a position to contribute to employment which will create a financial solvency of the trainees in the long run. Employment will create a multiplier effect in the economy. Hence, our main aim should be to create employment opportunities after the participants have been well equipped with necessary and appropriate skills.

Emerging Issues

- At which level costs and financing of skills development should be considered? Should we rather build on low costs with high returns, or on reasonable and measurable returns in terms of income or intangible assets?
- Which are the total costs or investment to produce mid-level technicians? Will mid-level technicians be able to market their skill or not? If yes, will they market their skills at an income level which justifies the high production costs? If training is provided on loan basis, then what is payback period?
- Calculation of Net Present Value (NPV) applying appropriate discounting rate. If NPV is positive then project should undertake if not then vice-versa. This could be applied especially in the promotion of the small enterprises based on their vocational skills.
- Will small enterprises require initial investments, i.e. should loan be provided or not? If yes, then should be provided with or without interest? Will it be appropriate to generate Revolving Fund to promote the entrepreneurs?

The Practice of the SKILL Program

SKILL imparts skill and knowledge in various fields in rural and small town areas of Nepal. This is being done in the form of practical training that will last from one week to three months. SKILL training courses are short-term, conducted at the local community level and can be described as «training for generating low level self-employment, skilled and semi-skilled manpower. Electrical, plumbing, repair and maintenance work of micro-hydro peltric sets, leather work, sheet metal work, sewing machine and bicycle repair, hair cutting, and advanced tailoring are among the vocational training courses conducted by SKILL in different geographical areas chosen always in accordance with local needs and demand.

In most cases SKILL conducts training activities jointly with social organizations at the community level. This sort of partnership has been built into the program since its inception. Over time, SKILL has also been able to extend its partnership to different local partners on a cost-sharing basis. SKILL runs four categories of training courses, i.e. subsidized, partially subsidized, cost recovery and profit making courses. The latter component has already been emphasized for a couple of years, and it will be further strengthened in the future program. This is in view to sustain the SKILL program in the long run. However, a balance has to be obtained between aiming for cost recovery and reaching out to the poor and under-privileged.

Our average training cost per participant is Rs. 251, whereas the income per participants after graduation is Rs. 200/-day. It means that there is 80% return on investment (ROI). Our recent studies show that 90% of the trained manpower is being employed, whereas 10% are unable to continue due to various reasons. Therefore, this program is also justifiable based on financial indicators.

SKILL aims to uplift the conditions of the deprived groups of people in rural and urban areas of Nepal through conducting vocational training in their localities. The approach of mobile training is set with a focus on training need and the request of local communities. The partnership approach is a an essential element of SKILL training.

Steps of SKILL Training-Cum-Extension Approaches:

- Initial approach to SKILL by local partners
- SKILL staff visit the site and conduct feasibility studies on the anticipated courses
- Training courses are conducted
- Follow-up which includes training evaluation in the field and «SKILL Patra» to help products/graduates
- Upgrading courses

Apart from regular training packages, a business session (Training duration 2 days: basic tips on how to set up a enterprise on their own initiative) is also built in which aim the participant to begin their own enterprises. This comprises the simple cost calculation on their investment. During the session participant are made aware of the skill labour market.

Cost Calculation Scheme

1. Direct cost:

- Trainers remuneration
 - Tools depreciation
 - Consumable materials
 - Non-consumable materials
 - Stationary + handouts
 - Transportation
 - Communication
 - Excursion
 - Photograph
 - Accommodation of trainers (LP)
 - Training hall (LP)
 - Furniture on rent / Dep.
 - Public relation
- Total direct cost

2. Indirect cost:

- Overhead 30%

3. Total Indirect cost

Net Direct & Indirect costs per participant

Conclusion:

In the context of community development (software), without skill transfer to the beneficiaries, develop-

ment seems to be next to impossible. Anyhow, skills transfer is not a goal in itself. As long as trained manpower do not apply their skills in gainful activities, training will remain a zero-sum game.

Restrictive labour practices, weak management, inadequate supervision, poor communication between trainees and trainers and inferior capital equipment all contribute to labour productivity being lower than it otherwise could be. This results in costs being higher than they otherwise could be, and, in the highly competitive international market, this in turn results in inferior services.

Vocational training should be focused to the deprived and marginalized community members and school dropout youth. These people can be benefited more from these sorts of skills. As we are aware, there is a need of skilled labour in the nation and international market (overseas employment) as well. Once trainees are able to sell their skills, there will be a multiplier effect in the economy.

In short, if the skill training is planned well in line with the market demands and linked with small enterprise development or self-employment schemes, the returns are much higher than the initial investments.

Forms of Financing Professional Training in Ecuador

By Gary Flor García, Manager Executory Unit, Joint Professional Training Project in Ecuador

A) Antecedents

Vocational training was institutionalized in Ecuador in the 1960s with the creation of the Ecuadorian Professional Training Service, «SECAP», a body designed under a International Labor Organization – ILO– scheme. Like other institutions for vocational training in Latin America, SECAP was established under a tripartite arrangement with representatives from the public sector, from the labor force and from enterprises sectors forming the top level.

Over time, a series of private academies or training institutions, and also training units in public agencies were created. Private training providers are for-profit organizations, and the training units in public agencies aim at meeting specific needs so as to comply with the goals of the organization itself. Subsequently, technical and financial cooperation from development agencies aimed at optimizing the use of external and internal resources and at addressing a specific target population.

In the last few years, external contributions have been restricted to technical assistance in the form of experts or advisors, fellowships for national staff and joint financing for managing and operating expenses of education and training processes. Today, we see no transfers or donations for machinery and equipment or for infrastructure works.

Systematizing vocational training services in the country means to harmonize curriculum plans and programs, to achieve participation from employers, workers and the community in the teaching-learning process, and above all to optimize the use of resources and technology.

At present the SECAP is under a modernization process. This process is supported by the Inter-American Development Bank (IDB). IDB provides funds to contract the National Industrial Training Service (SENATI) from Peru. At the same time a new law for the creation of a National Professional Education and Training System is under discussion by workers, employers and government authorities. This system will have, among others, the following functions: To generate the sector policies, regulate the system operation, promote training quality development and arrange and manage the system technical and financial resources.

B) Financing Professional Training Services

SECAP is the official vocational training institution in Ecuador. It was created in 1966, and originally the law stipulated the following sources of income:

- 1) Revenues from selling staff training services to firms.
- 2) Allocation that the Government may enter in its operating budget.
- 3) Voluntary contributions from estates, legacies or donations of any nature whatsoever.

The same law exempted imports of machinery, equipment, spare parts, materials, and services provided from general, special, additional or municipal taxes as may be currently in force or subsequently created.

In October 1978 this law was reformed with substantial changes in its financing. The obligation of Government and private sector companies to contribute to financing workers' vocational training was introduced, and the following funding mechanisms were introduced:

- a) 0.5% payroll tax on wages and salaries in public, mixed economy and private firms engaged in commercial, industrial and service activities. The payroll tax is collected with no charges by the Ecuadorian Institute of Social Security.
- b) Allocations entered in the Government general budget for the Institution operating expenses, which shall at least be equal to the annual private sector contribution in the immediately preceding year.
- c) The 0.68805 aliquot for the unified income tax on hydrocarbon exploitation. This income source was repealed in 1982.
- d) Revenues from selling staff training services to firms
- e) Resources from internal or external loans directly granted to the Institution or to the Government of Ecuador and directed to vocational training.
- f) Voluntary contributions such as estates, legacies or donations of any nature whatsoever.
- g) Income from property or real estate of its ownership.

The description of financing sources ends here. In many cases they have not entirely come into force. That's why the SECAP has looked for funding alternatives linked to the teaching-learning process. Examples of alternative funding sources:

- 1) Production and selling of goods and services being by-products of apprenticeship training mainly in the industrial sector. Such products are offered and sold in annual fairs for footwear, clothing, metal products, wood furniture and handicrafts, among others.
- 2) Other alternatives for generating income is through producing spare parts and selling maintenance services e.g. in vehicle and machine maintenance.
- 3) In 1997 training providers were allowed to collect fees from trainees, which broke the principle of free training. This measure allows to settle expenses incurred by the Institution and also reduces the trainee desertion rate.

Every service offer and finished product selling is duly regulated and rely on the corresponding guidelines to avoid further problems with Government Control Bodies.

New projects and programs have been introduced. Most of them are supported by private development agencies, which act as implementing of coordinating units in developing and implementing new types of vocational training. Such programs are either financed with foreign assistance or from domestic sources.

C) The Swiss Technical Cooperation Case

In Ecuador, the Swiss Foundation for Technical Development –SWISSCONTACT– under a mandate of the Swiss Agency for Development and Cooperation –COSUDE– in an alliance with the Ministry of Labor and Human Resources and the Chamber of Industrials of Pichincha, supports the implementation of dual vocational training projects demanded by business unions.

Dual training is a strategy for human resources development which is developed under a shared responsibility scheme between enterprises and professional training centers. On-the-job training is arranged in the enterprises, and academic, technological and general education is provided at the training center.

This dual training approach is mainly oriented towards traditional vocational training. That's why we are currently talking about a new «joint training» concept, which includes basic apprenticeship training, specialized training for operators, in-house staff

development in management, business administration, technical assistance and technical information supply. It is therefore a much more comprehensive concept.

The primary requirements for implementing such a new project are the following:

- Active participation from all involved parties, particularly enterprises and vocational training centers.
- Training activities must be the result of harmonization rather than imposition.
- Obligations and responsibilities must be shared by mutual agreements.
- It is necessary to prepare a specific project defining technical, economic and administrative issues.

The project is currently implemented through a project implementation unit supporting 23 business unions in eight cities in the country in footwear, graphic arts, wood, metal mechanics, hotel management, textile manufacturing, civil construction, and training managers of handicraft shops and small- and mid-size enterprise sectors.

The project implementation unit promotes the development of strategic alliances between business unions and training centers for creating vocational training schools or programs to meet concrete requirements from the business sector. «If there is no demand there is no training» is a basic principle of such joint programs.

Business unions and training centers establish two committees for the operation of «schools» or programs, i.e. a managing committee and a technical-academic committee. The managing committee sets general policies and strategies, it approves operating plans and annual reports, whereas the academic committee is responsible for defining curriculum guides, regulating and supervising training plans both in the enterprises and in the centers. It is also in charge of general and financial administration.

The business unions are responsible for promoting training activities, and searching participation of a majority of its affiliated firms. Enterprises contribute with registration and monthly tuition fees for workers under training, materials for on-the-job training. They also provide a job to trainees and provide coaches to guide the learning process.

Professional training centers in turn contribute out of their own sources operational costs, and they provide instructors and teaching and learning material required for training. School heads or program coordinators are typically officers from training entities or people hired by unions.

Trainees sign a fellowship contract with the enterprise and with the school, clearly stating both parties' rights and duties.

The Swiss support is provided through joint financing in the following areas:

- Developing new training proposals
- Updating teaching and learning material
- Developing and reproducing manuals
- Defining training plans in enterprises
- Developing and implementing new courses
- Developing promotional instruments
- Training of instructors and trainers
- Motivating entrepreneurs
- Extending service coverage
- Incorporating environment and gender themes
- Training of training managers and coordinators
- Training of committee members.

D) Concluding Remarks:

- Vocational training is critical area for development In Latin American countries. At present it is unfortunately quite disregarded in policy formulation.
- Vocational training will only be effective if a country has a certain economic stability. Otherwise, we will be training people for unemployment.
- A successful vocational training is based on a good basic education, which also includes the development of principles and values.
- Vocational training creates no jobs. Self-employment creates jobs.
- Employers must pay for vocational training besides taking possession of the results.
- Vocational training produces externalities and not necessarily direct economic benefits for enterprises.
- The Government should also pay for professional training (directed to less advantaged sectors), even though it does not necessarily mean public management of resources.

Formas de Financiamiento de la Formación Profesional en El Ecuador

Por Gary Flor García, Gerente Unidad Ejecutora, Proyecto Formación Profesional Compartida En Ecuador

A) Antecedentes

La Formación Profesional en el Ecuador surge en la década de los años sesenta, con la creación del Servicio Ecuatoriano de Formación Profesional «SECAP»; organismo concebido bajo los esquemas de la Organización Internacional del Trabajo -OIT-, es decir, al igual que los demás Institutos de Formación Profesional de América Latina, en donde existe el tripartismo (sectores público, laboral y empresarial), en su cúpula directriz.

Con el transcurrir del tiempo se crean una serie de academias u organizaciones de carácter privado, así como unidades de capacitación en las dependencias públicas para la capacitación de sus propios servidores; los primeros con fines de lucro y, los segundos para satisfacer necesidades específicas para el cumplimiento de sus objetivos. Posteriormente, surge la cooperación técnica y financiera proveniente de gobiernos y organizaciones de países más desarrollados y con ello provino la creación de fundaciones y organizaciones no gubernamentales, para optimizar el uso de los recursos externos e internos y atender de manera directa a la población objetivo.

En los últimos años, la contribución externa se ha restringido al componente de asistencia técnica reflejada en expertos o asesores, becas para el personal nacional y cofinanciamiento de gastos de administración y operación de los procesos formativos y de capacitación; en la actualidad se observa que ya no hay transferencia o donaciones en máquinas y equipos, o para obras de infraestructura.

Bajo este panorama cabe expresar que amerita sistematizar en el País los servicios de formación profesional para homogeneizar planes y programas curriculares, lograr la participación de los empresarios, los trabajadores y la comunidad en el proceso de enseñanza-aprendizaje y, sobre todo para optimizar el uso de los recursos y tecnología que se hallan dispersos.

En la actualidad el SECAP se encuentra en un proceso de modernización, para lo cual el Ministerio de Trabajo y Recursos Humanos, solicitó apoyo al Banco Interamericano de Desarrollo -BID-, quien proveyó los fondos para contratar al Servicio Nacional de Adiestramiento en Trabajo Industrial -SENATI- del Perú. De otro lado, también está en discusión entre trabajadores, empresarios y autoridades gubernamentales la

expedición de una Ley de creación del Sistema Nacional de Capacitación y Formación Profesional, que entre otras tendrá las siguientes funciones: generar las políticas del sector, regular el funcionamiento del sistema, impulsar el desarrollo de la calidad de la formación, y gestionar y administrar los recursos técnicos y financieros del sistema.

B) Financiamiento de los servicios de formación profesional

En primer lugar se exponen aspectos sobre el régimen patrimonial y financiero de la Institución oficial de la formación profesional en el Ecuador que es el SECAP, organismo creado en 1966, cuya Ley Constitutiva expresa que dispondrá de las siguientes rentas:

1. Los fondos que ingresen por el cobro de servicios que preste, a petición de una empresa para el adiestramiento especial de su personal.
2. La asignación que el Estado haga constar en el presupuesto de operación.
3. Las contribuciones voluntarias, herencias, legados o donaciones de cualquier naturaleza.

De otra parte, en la misma Ley se hace constar que las importaciones de máquinas, equipos, repuestos y materiales, y más actividades que realice, estarán exentos de pago de impuestos generales, especiales, adicionales o municipales que se estén vigentes o que se crearen con posterioridad.

En octubre del año 1978, se reforma la Ley Constitutiva de esta Institución, observándose que en lo que se refiere a su financiamiento, hay cambios sustanciales pues se establece la obligación del Estado y del sector privado del país, el contribuir a financiar las actividades de capacitación profesional de los trabajadores, que para su funcionamiento contará con las siguientes rentas:

1. La contribución del 0.5% sobre el valor de los roles de pago por los sueldos y salarios en las empresas públicas, de economía mixta y privadas, que realicen actividades industriales, comerciales y de servicios, que será recaudada en forma gratuita por el Instituto Ecuatoriano de Seguridad Social.
2. Las asignaciones constantes en el presupuesto general del Estado, para los gastos operativos de la Institución, que serán por lo menos equivalentes a

la contribución anual del sector privado en el año inmediato anterior.

3. La alícuota del 0.68805, por concepto del impuesto unificado a la renta sobre la explotación de hidrocarburos. Esta fuente de ingreso fue derogada en el año 1982.
4. Los fondos que ingresen por el cobro de servicios prestados a las empresas para el adiestramiento de su personal.
5. Los recursos provenientes de empréstitos internos o externos concedidos a la Institución directamente, o al Gobierno del Ecuador y que se destinen a capacitación profesional.
6. Las contribuciones voluntarias como herencias, legados o donaciones de cualquier naturaleza.
7. Las rentas provenientes de los bienes muebles o inmuebles de su propiedad.

Hasta aquí la descripción de las fuentes de financiamiento que en muchos de los casos no han entrado en vigencia total; por lo que el SECAP ha buscado alternativas, todas ellas enmarcadas en el proceso de enseñanza-aprendizaje; entre estas se señalan:

1. La producción y venta de bienes y servicios, que en definitiva son los productos derivados de la fase complementaria de la formación de los participantes en los cursos del sector industrial básicamente, ofertados al público a través de ferias anuales en los sectores de calzado, prendas de vestir, muebles metálicos y de madera y, artesanías, entre otros.
2. Otra alternativa de generación de ingresos es mediante la prestación de servicios con la elaboración de partes y piezas y, la reparación de vehículos y máquinas.
3. A partir del año 1997, se aplica un cobro a los participantes por derecho de inscripción con lo cual se rompe la gratuidad de los servicios, con esta medida se logra solventar en buena parte las erogaciones efectuadas por la Institución y sobre todo disminuir los índices de deserción de los alumnos.

Toda la oferta de servicios y venta de productos terminados están debidamente reglamentados y cuentan con los respectivos instructivos a fin de evitar problemas posteriores con los Organismos de Control Gubernamental.

Ahora, desde el enfoque de la gestión que realizan las entidades privadas, es necesario precisar que la mayoría de éstas son fundaciones de desarrollo social, las mismas que evidentemente en su mayoría actúan como ejecutoras y/o coordinadoras en el desarrollo de los eventos de formación profesional con recursos provenientes del exterior o con financiamiento interno.

C) El caso de la cooperación técnica suiza

En el Ecuador, la Fundación Suiza de Cooperación para el Desarrollo Técnico -SWISSCONTACT-, bajo mandato de la Agencia Suiza para el Desarrollo y la Cooperación -COSUDE-, en alianza con el Ministerio de Trabajo y Recursos Humanos y la Cámara de Industriales de Pichincha, apoya la implementación de proyectos de formación profesional dual, en función de demandas específicas de los gremios empresariales.

La formación dual es una estrategia de formación profesional de recursos humanos que se desarrolla bajo un esquema de responsabilidades compartidas entre las empresas y los centros de formación profesional. En la empresa se desarrolla la formación práctica y en el centro de formación se imparte la formación académica, tecnológica y humanística.

Pero esta formación dual, concebida en términos tradicionales, estaba dirigida únicamente a actividades de formación profesional, razón por la cual, en la actualidad estamos hablando de un nuevo concepto, la «formación compartida», que engloba tanto a la formación básica de aprendices, como a la formación especializada de operarios, a la capacitación del personal en servicio en todos los niveles de gestión empresarial, a la asistencia técnica en las empresas y a la provisión de información técnica, es decir, es un concepto mucho más amplio.

Los requisitos fundamentales para la implementación de un proyecto de esta naturaleza son los siguientes:

- La participación activa de todos los involucrados, especialmente empresas y centros de formación profesional.
- Las actividades formativas deben ser producto de la concertación, es decir, sin imposiciones.
- Las obligaciones y responsabilidades deben compartirse por mutua decisión.
- Es necesario elaborar un proyecto específico, definiendo aspectos técnicos, económicos y administrativos.

En la actualidad el proyecto se implementa a través de una Unidad Ejecutora que apoya a 23 gremios de empresarios, en 8 ciudades del país, en los sectores de calzado, artes gráficas, madera, metalmecánica, hotelería, confecciones textiles, construcción civil y formación de gerentes de talleres artesanales y de pequeñas y medianas empresas.

La Unidad Ejecutora motiva la estructuración de alianzas estratégicas entre gremios empresariales y centros formativos, para la creación de Escuelas o Programas de Formación Profesional, que atienden requerimientos concretos del sector empresarial, en

la medida en que si no hay demanda no hay formación, es decir, la oferta debe estar en línea con la demanda, con lo que el mercado solicita.

Para la operación de las Escuelas o Programas, los gremios empresariales y centros de formación estructuran dos Comités, uno Directivo y otro Técnico-Académico, el primero fija las políticas y estrategias generales, aprueba los planes operativos e informes anuales; en tanto que el segundo se encarga de la definición de los planes curriculares, norma y vigila el cumplimiento de los planes formativos en la empresa y en el centro, así como el área administrativa y financiera.

El gremio empresarial se encarga de la promoción de las actividades formativas procurando la participación de la mayoría de sus empresas afiliadas. En tanto que las empresas beneficiarias aportan con los costos de matrícula y pensión mensual de los trabajadores en formación, materiales para la ejecución de los trabajos prácticos, facilitan un puesto de trabajo a los aprendices, y proveen de monitores para guiar el aprendizaje.

Por su parte, los centros de formación profesional aportan con los costos de operación, instructores y medios didácticos para la formación. Normalmente los Jefes de Escuelas o Coordinadores de los Programas son funcionarios de las entidades de formación, caso contrario, son personas contratadas por los gremios.

Los aprendices firman un contrato de beca con la empresa y la escuela, en donde se especifican claramente los derechos y obligaciones de las partes.

La intervención de la cooperación suiza se da a través del cofinanciamiento en los siguientes campos:

- Elaboración de nuevas propuestas formativas
- Actualización de medios didácticos
- Diseño y reproducción de manuales
- Definición de planes de formación en las empresas
- Diseño e implementación de nuevos cursos

- Diseño y elaboración de medios promocionales
- Formación y capacitación de instructores
- Formación y capacitación de monitores
- Motivación a empresarios
- Ampliación de cobertura de servicios
- Incorporación de temas de medio ambiente y género
- Capacitación a Jefes y Coordinadores
- Capacitación a miembros de los Comités

D) Algunos comentarios:

- La formación profesional es un área crítica para el desarrollo, lamentablemente no muy tomada en cuenta en la definición de políticas en nuestros países de América Latina.
- La formación profesional será efectiva solamente si un país tiene estabilidad económica, por que de lo contrario estaremos formando personas para el desempleo.
- Una formación profesional exitosa se fundamenta en una buena educación básica, que incluya el desarrollo de principios y valores.
- La formación profesional no crea empleos, el autoempleo genera trabajo.
- Los empresarios deben pagar por la formación profesional, además de apropiarse de los resultados.
- La formación profesional produce externalidades y no necesariamente beneficios económicos directos a las empresas.
- El gobierno también debe pagar por la formación profesional (dirigida a sectores menos favorecidos), aunque no significa necesariamente un manejo público de los recursos.

Overview on Experiences and Options in Financing Skills Development

By David Atchoarena, UNESCO/IIEP

1. Introduction

The financing issue features two key questions :

- a) Who pays for skills development?
- b) What mechanisms can be put in place to finance skills development? What works best, in particular as regards spending public money?

The discussion on funding skill development and financing principles is not a new debate. A large body of literature is dedicated to both the rationale of funding and on specific financing mechanisms. However, there are three new issues influencing the debate:

- a) The economic context has changed, and the globalisation has an impact even on the informal sector.
- b) Government budgets are limited, and the availability of public funds for skills development is rather on the decrease.
- c) Experience with different funding mechanisms has been accumulated worldwide.

Skills development has an important role to play to cope with the emerging economic challenges:

- The globalisation affects all countries. It changes the labour market and the related skills requirements deeply.
- The importance of knowledge as a key contributing factor to economic growth is increasingly being recognised.

A common policy response to globalisation emphasises increasingly the importance of skills development. The fast-growing industries are knowledge-based. Economic returns tend to be increasingly attributed to intangible factors, including skills. Financing of skills development is crucial to expand access and participation to skills development on a lifelong basis.

New financing arrangements for skills development are also important because governments are not able, or not prepared, to provide all the additional resources required to expand and improve the national skills base. This urges for more resources in addition to public funds, and for a more effective utilisation of the resources.

2. Who Should Pay for Skills Development?

According to the economic rationale, those who benefit from training should pay for it. In many countries, pre-employment, initial, and institution-based training is still considered to be a government responsibility, while financing of continuing training and education is left to the social partners.

In reality policies are trapped in a situation where extra resources are needed but public expenditure is restricted. Governments are unwilling (OECD countries) or unable (developing countries) to provide the required resources for skills development. Moreover, in the post-Dakar framework government resources for education are directed on priority basis to basic education in many developing countries.

Funding for education and training are frequently based on tripartite mechanisms, which include government, individuals and employers. In countries where decentralisation processes are progressing, local governments are increasingly providing resources for training and skills development. Little data is available on the sharing pattern in individual countries, even as regards initial training.

In the above context it has become obvious that governments still have a responsibility to promote and co-finance skills development. Frequently this includes creating incentives for employers and for individuals to invest more in skills development. The current trend emphasises the role of employers and individuals in contributing to the costs of skills development. The concept of funding partnerships illustrates this approach.

It is important to stress the fact that this trend towards increasing employers' contribution is not purely a financial issue. The aim is not only to mobilise additional resources, but also to increase the overall involvement of employers in steering and delivery mechanisms for training. Such an increased involvement is expected to improve the quality of training delivery and to align training supply with the requirements of employment. Hence, financing of skills development is very much linked to the issues of responsiveness to market needs, to adaptation and relevance of training.

3. Financing Mechanisms

Funding mechanisms aim both at improving the efficiency of public spending and at mobilising additional resources.

3.1 Payroll Taxes and Training Funds

Advantages

- Training funds are a powerful tool to expand training provision.
- Training funds can contribute to stimulate employers' investment in training and skills development.
- Training funds contribute to the establishment of a market for training. This is because funds can also be allocated to private providers, which leads to a competition between public and private providers.

Issues

- The fund management, including the accumulation of surpluses, and the diversion of funds sometimes causes problems.
- Without the support from the business community, or against its resistance, training cannot be operated. This was demonstrated by Australia.
- In several Latin American countries, but also in Madagascar, there is a resistance from formal sector employers to support skills development in informal sector, i.e. to cross-subsidise skills development in the informal sector. Mali seems to experience a different situation.
- There is a question mark behind the sustainability of training funds in low-income countries, e.g. in countries like Mali.

3.2 New Forms of Management of Public Resources

Traditionally government financed training providers and training delivery directly. In order to improve the effectiveness of public spending, new forms of management are being developed:

- Public training providers are given increased autonomy. They are allowed to raise fees from participants, and manage their own resources.
- Increasing attention is paid to financing outputs instead of inputs. South Africa is currently formulating a reform of its technical education financing system along these lines.
- In various countries attempts have been made to introduce demand-based funding through voucher systems.

4. Concluding Remark on Pending Issues

Despite various good practices and accumulated experience in different countries, some issues remain unresolved:

- How training and skills development for disadvantaged groups shall be financed, if public resources are scarce, employers resist cross-subsidies, and individuals have limited resources to finance training fees at full cost?
- To which extent experience with funding principles and financing mechanisms can be applied to the informal sector?
- To which extent training funds can become sustainable in low-income countries?

Notes from Working Group 3: Costs and Financing of VET and Skills Development

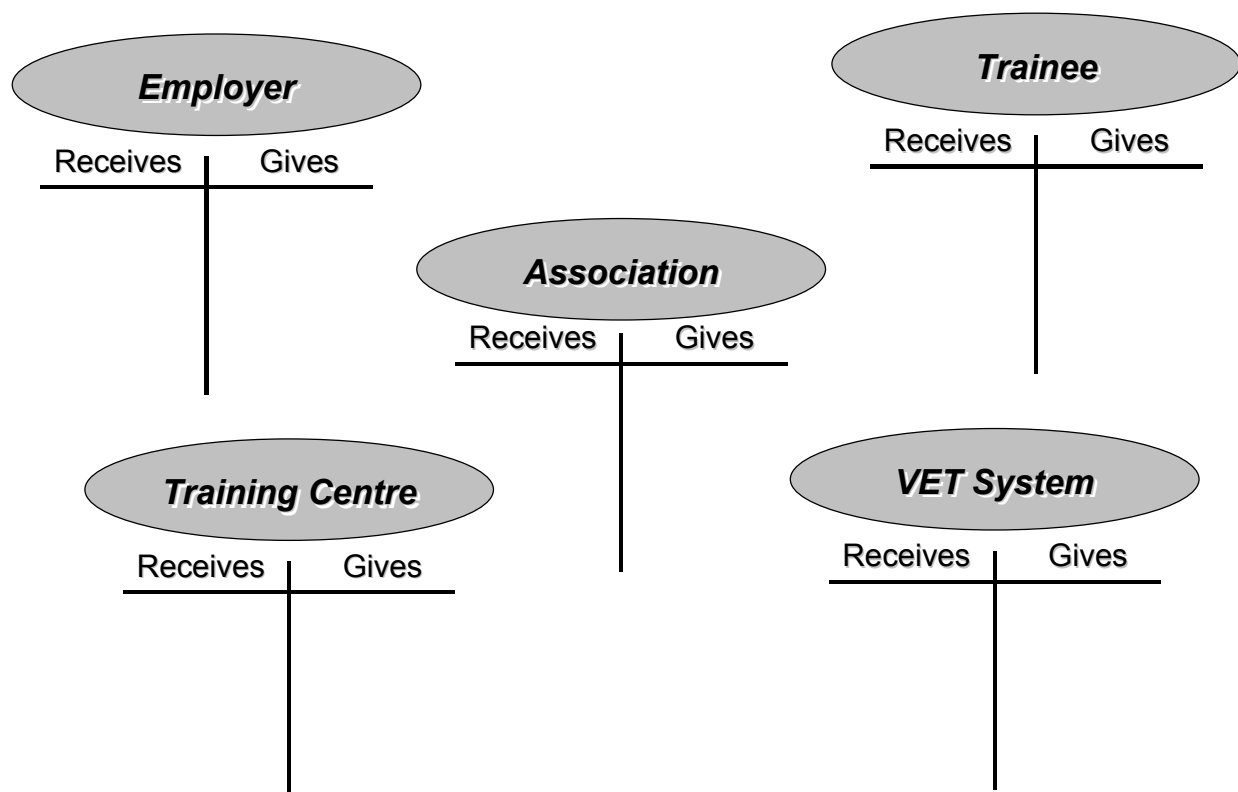
By Matthias Jäger, KODIS Consult, Switzerland

1. Introduction

The leading questions for the working group 3 on costs and financing are outlined in the respective issue paper. Whereas financing mechanisms are rather well documented in the literature, the cost side of VET and skills development is less explored. Financing mechanisms of VET and skills development frequently build on co-financing mechanisms, which again are linked to delivery mechanisms. Thus, costs

are considered under different perspectives: What might be cost effective training delivery from a Government or public perspective, might look different from an employer or trainee perspective (and other way round). A consolidated perspective of costs and cost effectiveness has to take the individual perspectives of the individual actors (and contributors to co-financing mechanisms) into account. Thus, a consolidated perspective considers individual accounts of the different actors. As a matter of principle it can be stated, that co-financing mechanisms and training delivery only work when the accounts of individual actors are balanced:

Consolidated co-financing perspective



2. Workshop Procedures

The workshops built on the presentation and discussion of three case studies, covering a wide array of approaches:

- Case study 1 introduced the model of a mobile training delivery approach in Nepal, explicitly catering to the needs of less favoured target groups, and cooperating with local communities.
- Case study 2 highlighted an approach in Ecuador, where cooperative training delivery is combined with the reform process of a big national system based on a payroll levy system.
- Case study 3 presented the first experiences with a newly established skills development fund in Mali.

A discussant reacted to the three case studies and made a summary of the emerging questions.

3. Emerging Questions

The individual case studies are available in separate documents. The discussion of the case studies lead to the following statements and key questions:

Case Study 1:

Mobile Training Programme in Nepal

- The SKILL programme is strictly target group oriented.
- Employment and income generation through self-employment is the key success indicator for the programme. The employment ratio of former trainees is said to be as high as 90%.
- The programme is implemented in cooperation with local communities and community-based organisations.
- Though training delivery is co-financed through contributions from local communities (most of them in kind) and through collecting nominal fees from participants, it is still highly subsidised by the donor agency.
- The question, whether such approaches always will require heavy subsidies, and whether they can be implemented at all without a long-term donor support, was discussed, but did not find a conclusive answer.
- Potential additional sources for co-financing were discussed:
 - Cost recovery mechanisms after completion of the training and upon employment.

- Contributions from organisations and non-formal sector associations.
- As such approaches can hardly be financed and administered through the central Government, increased community financing would urge for policy reforms, decentralisation, and increased allocation of funds to the local community.

Case Study 2:

Cooperative Delivery Mechanism and Co-financing in Ecuador

- Funds are available at national level through a 0.5% payroll levy.
- The national delivery system is in a crisis, and has initiated reform processes. Thus, the system is open to introduce new cooperative delivery and co-financing mechanisms.
- As the payroll levy is the major source of funds, formal sector companies and big enterprises contribute a major share. It is a political question, to which extent such funds can be re-directed to finance also training in the informal sector.
- In the cooperative delivery model enterprises pay training fees for their apprentices and workers participating in training. It is an open question to which extent they are ready to pay such fees on the long run, as they already pay a payroll tax and might develop the feeling of having to pay double.
- Organisations and associations play a crucial role in the implementation of cooperative training, both as regards delivery and steering. Similar approaches in the informal sector would also urge for informal sector associations to play a similar role. The question, to which extent the involvement of informal sector associations is possible, was discussed without a firm conclusion.
- At operational level, cooperative training models are a jigsaw of comparatively small sub-systems, i.e. at present in Ecuador some 25 individual sub-projects. The question on how such an approach can be scaled up was discussed.

Case Study 3:

Skills Development Fund in Mali

- The newly established skills development fund in Mali is quite innovative in nature, as it serves both the formal and the informal sector, and as it supports training delivery both in enterprises and in training centres.
- Though the fund was established under a World Bank project, it is expected to be fed through con-

tributions from enterprises. At present, these contributions are still far from being sufficient.

- Associations are key players in steering and administering cooperative training also in the informal and micro-enterprises sectors.
- Enterprises are expected to contribute about 25% to the costs of training. Thus far, this has proven difficult.
- The cooperative training delivery model in the informal sector requires both organisations and training providers. At present, training providers are only available in urban centres, whereas catering to the needs of the rural population would urge for decentralisation of training delivery.

4. Summary

The two key questions in financing VET and skills development are:

- Who is to pay for skills development?
- Which financing mechanisms can be put in place, and what works best?

4.1 Who Is to Pay for Skills Development?

Tripartite arrangements

In principle, skills development urges for tripartite financing mechanisms, under which employers, individual trainees and the general public make their respective contribution. Governments should not be released from their obligation to contribute to co-financing VET and skills development, whereas the ratio of cost sharing might vary between different countries, but even between individual sub-sectors, or for different types of training within one and the same country.

Availability of funds at community level

Public funds not necessarily have to be available and administered at the level of central Governments. Anyhow, the present stage of decentralisation limits the desirable availability of public funds at the local and community level in many countries.

Donor contributions

Donor contributions, in particular to operation costs, should be planned with a clear vision of how and when to phase out. Anyhow, in particular the case study on the SKILL programme in Nepal left the question unanswered, whether certain programmes can only be implemented with a long-term donor support.

4.2 Financing Mechanisms

Skills development funds

- Skills development funds, fed among others through employer contributions, are considered to be «good practice» for financing VET and skills development.
- Skills development funds should be established as independent institutions.
- Skills development and training funds are mostly fed by formal sector enterprises, the question of cross-subsidy to informal sector training has to be solved politically.

Organisations/associations

Organisations of the world of work play a crucial role in VET and skills development. They are indispensable in order to retain the ownership on skills development programmes with the employers. The importance of organisations and associations is not limited to the formal sector, as the case study on Mali indicated.

Zurich, September 27, 2001

What Skills Are Needed to Ensure Survival and Growth of Enterprises?

By Josiane Capt, InFocus Programme on Knowledge, Skills and Employability, International Labour Office

An important reason for the interest in the informal economy is its employment creation potential. However an important concern about informal employment is its shortcomings in terms of job quality.

The informal economy is extremely heterogeneous both in terms of economic activities and employment relations. The bulk of informal employment comprises survival strategy jobs and atypical employment with low levels of skills and productivity, poor working conditions and irregular, insecure incomes. It also comprises self-employed and own-account workers in micro and small enterprises who face so many constraints that they cannot develop their potential for growth and are unable to improve their incomes or create quality jobs. On the other hand, for those who are in a position to identify and quickly respond and adapt to new market opportunities, the informal economy offers a fertile ground for the expression of their creativity and entrepreneurial spirit. And indeed there are micro and small entrepreneurs in the more modern and dynamic sectors of the informal economy – even information and communication technology –, capable of growth, higher incomes and job creation.

Almost everywhere, not only in developing countries, but also in transition and developed countries, there is a tendency to the informalization of the economy. The informal sector has been able to absorb large numbers of unemployed and underemployed persons and it has been a primary generator of jobs in many parts of the world. As such it has often contributed to a minimum of social cohesion when social safety nets have been either inexistent or not functioning properly.

One aspect of the informalization is the increasing predominance of women in the informal economies of many Asian, African and Latin American countries. Women tend to concentrate in a narrower range of activities, compared to men, and in the least productive sectors of the informal economy: the low skills and low income sectors. In some countries displaced workers and migrants compose the bulk of informal labour. In others, particularly those with a high population growth, we find a large proportion of youth in informal employment.

In view of the increasing informalization and the lack of quality of many informal jobs, skills development policies and programmes should promote employability and address decent work deficits in the informal economy on the grounds of both equity and efficiency. Skills development geared to promoting decent work is a crucial component of any employment creation strategy and it should be an instrument of poverty reduction.

Before focussing on the skills themselves let us take a look at the wider picture. The Conclusions on Human Resource Development adopted by the International Labour Conference in June 2000, provide a useful guidance in a specific paragraph on the informal sector:

«Training can be one of the instruments that, together with other measures, address the challenge of the informal sector.

The role of training is not to prepare people for the informal sector and keep them in the informal sector; or to expand the informal sector; but rather it should go in conjunction with other instruments, such as fiscal policies, provision of credit, and extension of social protection and labour laws, to improve the performance of enterprises and the employability of workers in order to transform what are often marginal, survival activities into decent work fully integrated into mainstream economic life ...»

Such guidance clearly indicates that the employability of workers and the performance of enterprises are equally important goals for training. Actually, in the informal economy the distinction between entrepreneurs and workers is not always so clear-cut because enterprises themselves are often economic units that are not well defined. Furthermore, informal enterprises may be owned and operated not only by individuals but also by households, self-help groups, etc. The division between household and business, both in terms of time allocation and financial flows is often blurred – especially in the case of women micro-entrepreneurs and home workers. In any case, what is important to emphasise is that the performance of enterprises depends on the skills of all their workers not only the owners/managers. Therefore skills development policies and programmes should focus on informal workers, not only on informal enterprises.

The focus of Working Group 4 will be on What skills are needed to ensure survival and growth of enterprises? Two series of cross-cutting issues will be examined, namely:

- a) Poverty, gender and youth; and
- b) Institutional implications, including delivery mechanisms.

Skills levels vary a lot among informal labour, both across countries and within countries. This can be traced to the heterogeneity of the informal economy. Also, various kinds of skills need to be taken into account:

1. For the Ultimate Target Group (Informal Entrepreneurs and Workers):

- a) Basic skills: numeracy, literacy, social and communication skills, problem solving, learning and training to promote social inclusion, including understanding of social rights, «citizenship skills», self-organisation, bargaining, etc. In some advanced societies these basic skills tend to become more complex to include digital literacy or foreign languages.
- b) Occupational skills: initial training (generic technological knowledge and pre-vocational skills); transferable, core skills, that allow adaptation in changing economic and social environments; skills upgrading; and specialised occupational skills.
- c) Basic entrepreneurial skills: how to become self-employed; how to start and manage a micro-enterprise (management of time, finance and material and human resources, preparation of business plan, negotiation skills, marketing, simple accounting techniques, etc.).

2. At the Institutional Level, Capacity Building Is of Utmost Importance to Understand the Needs and Culture of Informal Workers. Depending on the Type of Intermediary Target Group and the Type of Programme, Capacity Building in Training Methodologies, Training Delivery, System Approach, Policy Making, etc., May Be Needed.

If we focus on skills for the ultimate target group we notice that the above skills have been given various levels of emphasis, depending on the countries, institutions, programmes, and perhaps also donor orientation, given that formal and non-formal training geared to disadvantaged groups has often been left to external donors funding. There is no simple answer to the question of the skills needed by informal workers. Firstly because of the heterogeneity of the sec-

tors of activities in which they find themselves and second because of their wide range of occupational and skills levels. The first aspect to recognise is that they need adaptability, which is true for workers of the formal economy but is even more so the case for informal workers, considering the precariousness of the economic units and employment relations in the informal economy. They need to be able to identify opportunities and act upon them using the skills they already have or learn new skills. This ability is often restricted because their skills base is too narrow – this is often the case for women and the youth – whereas the need for diversification is increasing due to the changing economic environment. Their awareness of potential opportunities is extremely limited. Furthermore the acquisition of skills is often perceived as unimportant by informal workers (micro – credit is much more popular). The reasons for this lack of interest need to be addressed (lack of time – especially for women –, lack of basic education which may explain lack of awareness, lack of relevance of existing training facilities, distance, cost, etc).

It is increasingly recognised that the lower the educational and skills levels, the more important it is to provide a wide range of skills in an integrated manner. As we move up along the informal-formal continuum more specialised skills are needed. In particular, the growth-oriented micro-entrepreneurs normally need such skills as:

- a) entrepreneurial skills beyond the basics since management requirements are getting more complex;
- b) occupational skills that may range from skills upgrading to improved technologies. Growth-oriented micro-entrepreneurs tend to have a better idea of their needs in terms of skills (although they may also express a preference for micro-credit if given the choice).

Regarding formal training systems (comprising public and private vocational training centre, technical colleges, apprenticeship in formal enterprises, etc.), they are mostly geared to wage employment in the formal economy and they often lack relevance to the needs of the informal economy. When they do take an interest in the informal economy, they tend to target growth-oriented small enterprises, considering that such enterprises are more apt to create employment and more conducive to economic growth. Actually, most often the skills that informal workers possess are acquired outside formal training institutions, sometimes through apprenticeship in informal enterprises, other kinds of on-the job training or at home.

Below are some issues that are proposed for discussion. Field experience on skills development schemes that are successful in ensuring employability

of informal workers and decent employment will be particularly welcome.

a) Key points suggested for discussion relating to poverty, gender and youth:

- The kind of training programmes that are offered depends upon the type of informal workers or micro-enterprises that are being targeted by skills development interventions. In particular, it has already been pointed out that most of the informal micro-enterprises and assimilated economic units operate at survival level. However, this is often overlooked by skills development interventions. «Survivalists» are rarely considered worth the attention of business development type of interventions. They are often left to the care of welfare programmes even though it is known that the latter cannot possibly cope. Targeting growth-oriented small enterprises therefore amounts to discriminating against those who are most likely to operate survival-type of informal enterprises – the poor, women, youth. Survivalists need skills and other services as much as welfare. Although their specificities need to be taken into account they probably do not justify a dramatically different approach.
- Investment in education and training is inadequate. Firstly, it is globally insufficient. Secondly, training and human resource development policies pay only scant attention to the informal economy despite the fact that, in many developing countries and even in some transition economies, the majority of the work force is in the informal sector. As a result investment in education and training is rarely directed to the needs of informal workers and there are persisting inequalities in access to such basic rights. This is the case for the poorer segments of society, in particular women and youth and those living in rural areas. This is compounded by the fact that whenever training is available to these categories, it rarely leads to gainful employment either because of poor design or inadequate delivery method, lack of funding, etc.

b) Key points suggested for discussion relating to institutional implications, including delivery mechanisms

- Planning and implementing vocational training policies and programmes, including curricula de-

velopment, training materials, training of trainers, as well as coordination, is normally the responsibility of Ministry of Labour, Ministry of Education, etc. In most countries training delivery itself – especially for disadvantaged groups – is left to the private sector (apprenticeship and NGOs). Given the nature of the informal economy, how do various institutional set ups fare in relation to skills delivery and up-grading for informal workers? Who is most apt to offer relevant, flexible, accessible, demand-driven training to people who have been so far excluded from structured vocational training?

- Labour market and training institutions often have difficulties coping with changes (in particular, identifying trends in labour markets and products markets). There is a need to improve training needs assessment methodologies (how to direct training towards employment, how to identify demand, needs and opportunities in a rapidly changing socio-economic environment) and to respond swiftly to the identified needs.
- Issue of delivery methods: i) on and off the job training; ii) what are the relative strengths and weaknesses of current skills acquisition modes; iii) how to improve skills delivery systems, including formal and non formal training; iv) in particular, how have some traditional apprenticeship systems been adapted to the needs of the modern economy while opening up to new categories of trainees?

c) Other points for discussion:

- Rapid technological change, in particular widening digital divide result in informal labour being increasingly marginalized. While young women and men have limited life and work experience, as well as lack access to physical, social and financial assets, they are often better educated than the adults and are keener to learn and experiment. Given the chance, some of them are even entering the field of information and communication technology (unfortunately many under unprotected work arrangements). But for the vast majority their potential is not realised since opportunities are lacking.
- Are there some positive experiments in the use of ICT in delivering skills to disadvantaged groups (multimedia, distance education, etc.)?

What Skills are Needed to Ensure Survival and Growth of Enterprises? The Dimensions of Poverty, Gender and Youth

By Amelita King Dejardin, IFP/SKILLS, ILO, Geneva

Cycles of Poverty, Vulnerability and Social Exclusion

Implications for Informal Micro Enterprises

Knowledge, measured in terms of literacy and years of schooling, is universally accepted as one basic element of material well-being that is linked to other dimensions of poverty that are tangible, (e.g. in nutrition, health, access to productive resources and assets), and intangible, such as social networks, power and autonomy. Vulnerability to risks and uncertainties, and social exclusion are reinforced by deprivation in economic, social and political resources.⁸⁷

Women and men, in the same community, geographical area or income group, face similar disadvantages and risks that could lead them into poverty and social exclusion. However, norms about women's and men's roles, division of labour and entitlements lead further to gender inequalities and discrimination of women in education, training and the labour market. These processes make women more vulnerable to falling into poverty.

Material and social disadvantages often begin at an early age, in childhood and adolescence, sometimes at birth. Young individuals from poor households are caught in a vicious cycle where deficiencies in basic education, lack of vocational training opportunities, little chance of finding a job, and, if they do, the likelihood that this is precarious with little future or skills advantage, all act together to further deepen their social exclusion.

Employment and production in the «informal economy» have provided young and adult women and men from poor households and communities the sole means of survival. While there are informal micro enterprises that are growth-oriented and profitable, the

⁸⁷ Vulnerability means exposure to risks, shocks and contingencies (e.g. drought, death, retrenchment) – and inability to protect oneself from their negative effects. Social exclusion denotes denial to individuals and groups of access to goods, services, activities and resources associated with citizenship rights, which further leads to their inability to participate effectively in social, economic and political life.

great majority of informal activities are at subsistence level and are precarious.

Women represent an important proportion of owner-operators and workers of survival-oriented enterprises (term used loosely to refer to productive, income-earning activities or units), using family labour and traditional technology, and relying heavily on local natural resources. Even within sub-sectors where both men and women owner-operators are found, men's activities tend to be larger in capital and returns. Because of the sheer number of women engaged in informal work, efforts to assist the informal sector have sometimes been regarded as gender responsiveness. However, the links between informal work and gender go beyond numbers. And skills and enterprise development strategies in this area will have to do more than target women.

Gender relations, within the family, household and community, partly determine differences in the way men and women allocate their labour time and limited resources, respond to markets and manage risks; their investment thresholds; how income from productive and paid work is used and who has a say; etc.

For women in male-headed households in many developing countries, successful negotiation with the male head (usually husband) regarding production resources can be paramount for survival. Women's lack of control over their own production and income is a source of insecurity and affects investment decisions. Being the manager or operator of one's business does not necessarily imply the power to decide how income would be used. For example, among garment makers in Ahmedabad, women were less likely to control their enterprise income (husbands tended to have the final say), the higher their earnings (Kantor, 2000). In case studies of informal settlements and townships in Durban South Africa, men saw themselves as owners (where they provided the start-up capital) or overall managers of enterprises even while their wives managed on a daily basis, and expected (as did the women) their wives' earnings to be spent on household needs (C. Cross et al, 2000 draft).

Women's income is more like to be used for daily sustenance, such that rarely is there a surplus. Thus, women with older children, women heads of households, and women who customarily trade (e.g. Ghana) are more likely to reach an investment

threshold than young wives with under-5 year-old children and a huge reproductive burden (Von Massow, 1999). Men might reach investment thresholds faster than women.

Resource-poor women and men typically diversify to spread risk and to meet needs over the year. However, it has also been observed that women pursue even lower-risk subsistence strategies in order to allow men to take greater risks, or to absorb the effects of the decline in men's secure wages.

Informal networks of support among women and men are known to play important functions in the informal economy and in resource-poor communities. In Africa, for example, these networks, often kinship-based, involve labour exchange and sharing (including child care), bartering and sales on credit (Von Massow, 1999:95-106). Women's networks of mutual obligation are meant to help them cope with simultaneous demands of their reproductive, productive and community management roles, and enables women's «survivalist» enterprises to take place. In such contexts, women's enterprise income and turnover are intertwined with household and community consumption and shortages.

As regards skills, these tend to be passed along gender lines rather than learned in formal institutions. A by-product is gender stereotyping of productive roles, men tending towards activities with higher returns. In West Africa, career paths to own-account work are different for young women and young men (Birks et al, 1994). The former, who are channelled into «less attractive» activities (i.e. irregular income, arduous, less in technical content, not using electric power, ease of entry; e.g. such as soap making, meal provision, food preparation), had much shorter periods of formal schooling, apprenticeship and wage work, but longer periods of family helping as compared to men. «More attractive» activities, such as car and TV repair, metal working, wooden furniture making and hairdressing, were preceded by apprenticeship and wage work. Traditional and informal apprenticeship is predominant in technical trades, i.e. an average 60 percent or more of workers in West Africa (Birks et al, 1994). Enterprises run by women have on average significantly fewer apprentices but more family helpers than establishments run by men. Wage work, also man's domain, provides much needed start-up capital and work experience.⁸⁸

⁸⁸ Similar finding in case study of townships and informal settlements in Durban, South Africa (C. Cross, 2000 draft).

Skills Development and Poverty: Experiences and Lessons

The Background Paper to this Conference notes that there is «a vast gap between endorsing poverty alleviation in principle and alleviating poverty in practice.» In spite of intent and prescriptions over the past decade, the widely held view is that vocational education and training (VET) among poor sectors is largely non-existent, or that it has had no significant contribution to poverty reduction.⁸⁹

For example, an assessment of training policies, institutions and programmes in Eastern Africa concludes that the training sector has made little progress since 1987 with regards to addressing the informal sector, although some changes and innovations are ongoing (Haan, 2000 draft). Given huge constraints, training institutions are able to reach only a tiny portion of the target population. There is little information on training needs of informal sector operators; training results in terms of good and employable skills appear low; very little is known about the fate of trainees and the usefulness of skills imparted. In spite of wide recognition of the need to reduce gender-based disadvantages in skills and skills training, vocational education and training policies and programs largely continue to bypass low-income women or to train them in domestic, traditional and low-remunerative skills.

The unequal participation of poor women in programmes of formal vocational education and training institutions in Africa, Asia and Latin America, and the factors that have led to this are well documented (Goodale, 1989; ILO, 2000). Formal education and training promote and perpetuate stereotypes and occupational/skills segregation. VET programmes discriminate, indirectly or directly, against young and adult women for the following reasons:

Standard courses geared for the formal waged jobs or for «male» occupations; high entry requirements; methodology based on literacy and numeracy; training delivered in centres and at hours inconvenient for girls and women with household responsibilities; training facilities and classroom environment unfriendly to young women. Self-employment programmes for women of poor households tend to limit their economic opportunities to small subsistence income-generating activities that reinforce their secondary income-earning role and do not promote financial autonomy.

As regards training for youths, an assessment of relevant programmes in Latin America concludes that

⁸⁹ One can refer to Working Paper No. 2 of the Working Group for International Co-operation on Skills Development, 1997; and to P. Benel, 1999, among others.

most VET institutions effectively exclude most young people from poor households because these primarily train adults, and among them, those already employed, while poor young men and women tend to be inactive or unemployed (Gallart, 2000a). Moreover, VET institutions focus on specific occupational training, although young people of poor households lack basic general education having left primary school early. The poor gain access where training programmes are located in areas with high poverty incidence. As regards special programmes targeting youths, the main weakness is their little relevance to the labour market.

Against this backdrop, there have been important initiatives, pilot projects and large-scale programmes in the recent decade geared towards building competencies of the poor. One can benefit from these diverse experiences to chart future directions for skills development for poverty alleviation. A few of these initiatives fall within the vocational training sector and involve VET institutions, and but many are part of broader actions that address the multiple, interlinked dimensions of poverty and social exclusion. The amount of lessons we can learn from these experiences is limited by the usual problem of scarcity of data on impact, sustainability, and success and failure factors. Nevertheless, a few interesting ones seem worthwhile pursuing for further collective examination and elaboration.

Programmes for Adults, Women

In Latin America, a number of training or education programmes target adult women from poor households and communities, such as the «Proyecto Camayagua de Educación para el Trabajo» (POCET) in Honduras, the «Programa de Formación para el Trabajo dirigido a Mujeres Jefas de Familia» (PMJH) in Chile, and a pilot project «Capacitación Profesional de la Mujer» in Bolivia (ILO, 2001 forthcoming).⁹⁰ All three involve the national training institution in the role of initiator or major collaborator together with other public institutions and regional and/or municipal authorities.⁹¹ Common threads run through these programmes: (a) oriented towards gainful work, but training goes beyond vocational training for a specific trade and covers a range of social competencies, (b) efforts to diversify women's occupations and break stereotypes; (c) importance given to developing

⁹⁰ The discussion by Sara Silveira will be most probably elaborate on these actions.

⁹¹ In Honduras, Instituto Nacional de Formación (INFOP) together with Ministry of Education; in Chile, Servicio Nacional de Capacitación y Empleo (SENCE) with Servicio Nacional de la Mujer as coordinator, Fondo de Solidaridad e Inversión Social (FOSIS), Ministries of health, education, national welfare, and cooperation and planning, and Junta de Jardines Infantiles; in Bolivia, Fundación Nacional para la Formación y Capacitación Laboral (INFOCAL).

women's autonomy; (d) multi-dimensional services that meet women's practical needs and household constraints; and (e) gender equality perspective.

Example: Chile's PMJH

Let us focus on Chile's PMJH which completed its first phase in 1992-1997 and has been on its second phase since 1998⁹². The programme has reached a total of 245,000 women; in 1998, the total coverage was 37,000 women in 86 municipalities; and in 2001, estimated reach would be 63,000 women. The PMJH approach consists of five elements: technical training and apprenticeship for wage or self-employment, upgrade of basic and intermediary educational levels, development of social competencies necessary for work and sense of autonomy, child care services and access to basic needs. Based on the Programme's evaluation and monitoring results, achievements are:

- women's employment: of all women trained under the programme, 66.5 percent have been employed, 16.5 percent, unemployed but looking for work, and 16.7 percent inactive; comparative figures for the control group are 58.5 percent, 12.7 percent and 28.2 percent, respectively. Improvements in women's employment could be seen in terms of increase in daily work, decrease in occasional work, or increase in wage earners.
- women's personal development: women valued the most was the increase in their autonomy, information obtained about institutional networks necessary for job search, and a personal capacity to sit for interviews and apply for work.
- institutional development: municipal government's coordinating role and cooperation among public entities as regards employment and training have been reinforced; the need for differentiated services and policies to meet different needs of population was demonstrated to ministries which are used to providing standardized services.
- public policy: visibility of the distinct problem faced by women heads of poor households and recognition as an issue for social policy.

Alongside these achievements, some issues remain to be addressed:

- interface between supply and demand – this was the task of technical training institutes (private companies, foundations, universities) which proposed and bid for specific training contracts and were expected to have direct relations with the private sector. The involvement of private enterprises proved difficult to advance and maintain; many enterprises still had not recognized the pro-

⁹² Based on information provided by CINTERFOR.

gramme or were solely interested in it as far as it provided cheap labour.

- segmentation in the labour market– efforts to train women in «male» jobs in order to break labour market segregation did not achieve desired results; enterprises were reluctant to hire women in such jobs.
- institutionalization of gender policies – actions that addressed women were limited to those that concerned the poor. Outside of PJMH and other women-specific programmes, a public gender policy in vocational training had yet to be adopted. Apart from SENCE and the Health Ministry, other public institutions did not have women-specific programmes outside of their involvement in PJMH.
- financing – sustained and sufficient support still being searched.

ILO's Work with Poor Women

The work of the International Labour Office (ILO) with women in situations of poverty and social exclusion (e.g. landless women from scheduled castes in India women, women in rural, relatively isolated villages of Tanzania, female heads of households in South Asia, homeworkers in Asia) provide another set of insights into the links between poverty, work and skills. Among these women, productive work is not solely a question of possession or not of appropriate technical and managerial skills. The poverty of their work is the outcome of unequal access to and control over productive assets and services, over the productive process itself and over income earned; it reflects women's social and economic relations with other actors who are part of the same production process, market, trade, etc. The ILO's approach may be characterised as consisting of two prongs: (a) income- and employment generation to meet practical needs in a viable, sustainable way – through technical training and extension services in new production technologies, diversified trades, product and market development, and business management; micro financial services; and market assistance; and (b) empowerment of women to initiate and take action, and promote or defend their interests – by building women's self-confidence, leadership, advocacy and self-organizational competencies; facilitating their organizations, networks and collective actions; raising their literacy on rights; and linking them up with institutions and government bodies, and making the latter more cognizant of poor women's situation. For sure, the approach is easier described than done; it implies change in social and economic behaviour and relations, that is long, slow and often meets resistance.

Example:

Action to Assist Rural Women in Tanzania

The Action to Assist Rural Women in Tanzania is an example of the above-mentioned approach⁹³. It was implemented in 16 villages in Mufindi District, Iringa Region, directly involved over 500 women, over a span of 10 years, although significant changes only really began to occur in the last five years. The area was resource-poor, with limited accessibility due to poor transport infrastructure. The reach of local government technical extension services was constrained by inadequate resources and male bias. A few notes on the project strategy:

- Diversification of productive activities beyond maize farming (which was necessary for food provisioning but highly vulnerable to drought) and beer brewing was critical to improving and securing incomes, but not easy in far-flung villages. Deliberate efforts were taken to introduce women to these new ventures; most often, relatively younger and better educated women were more prepared to try them, although women in general were much less wary of non-traditional, non-farm activities by the time the project closed. The choice of technical skills was based on women's interests and needs and on market opportunities; and consisted of a participatory deliberation among the women concerned, project staff and local specialists or extension workers.
- To enable women to make these and future business choices on their own, short sessions and technical advisory services disseminated knowledge and skills in market analysis and business management.
- To build women's capacity for self-organization and self-management, women were motivated and trained to form small groups which provided the fora for mutual help, learning and reflection, savings, common productive facilities; they then formed Women's Executive Committees (WECs) which united and coordinated small groups at village level; and chose Grassroots Trainers-Animators (GTAs) from among themselves who were trained and advised on how to assist women in the villages, lobby with village and ward leaders for resources, and network with local institutions.
- Training in the wide range of business management, organizational, leadership and social competencies was done gradually and incrementally, in small doses, alongside practical experience, and group discussions. Simple methods, materials and language were used in training delivery. In 2000, the women produced their own

⁹³ Based on Report of Final Evaluation Workshop, 13-16 December 1999, Mafinga, Tanzania.

«How-To Manual» covering competencies that they had acquired from business identification to conducting group meetings and networking.

- It was necessary to mobilize the interest and support of the district government, and local institutions and experts in Iringa, and link them with the women's groups.

At the end of 1999, the following had been achieved:

- productive activities and incomes – diversified activities including mushroom growing, bee-keeping, fish ponds, timber preparation and trading, tearooms and kiosks, and horticulture. Incomes increased (in some cases by 100 %) or became more secure; and women were able to save regularly for school fees and emergencies.
- income-generating capacity – women could analyse for themselves which activities would be profitable, and showed greater confidence in choosing non-traditional activities and new technologies.
- organizational capacity – GTAs and WECs carried out many of the project activities, e.g. ensuring availability of government extension services, organising support for income-generating activities, mobilising savings, forming new groups, providing training and advice to members in business implementation, report writing and leadership; and a district-wide organization consisting of all the WECs had been established.
- impact on family – as women had become important co-contributors to family income, they exercised greater say over income use.
- impact on community – communities provided assistance to women's groups such as dam building, farm clearing and project houses; village councils allocate land directly to women for productive activities; women leaders sat on village and ward councils.

Homeworkers

Unlike rural women, homeworkers constitute an invisible segment of the informal economy. They are not self-employed, although they might sell directly to the market at certain times; nor are they recognized as wage workers by the formal enterprises and their agents who subcontract production to them. As far as available statistics go, homeworkers are not substantial in relation to the total population of informal home-based workers, but they represent important and increasing segment of certain labour-intensive manufacturing sectors (e.g. garments and textile products, leather goods, small metal products, bamboo and wood products, handicrafts, soldering of microchips, simple assembly). Being at the invisible end of the commodity chain, they are most often left

with the least share of returns to labour; income is precarious; social benefits, non-existent. Homeworkers' vulnerability lie in their weak bargaining position vis-a-vis subcontractors and middlemen, little information about their labour and product markets, limited or no skills transfer, inadequate or ineffective legal protection from unfair labour practices, and lack of public recognition of their situation.

To address the complex issues of homework, the ILO's pilot initiatives in India, Thailand, the Philippines and Indonesia, have elaborated a multi-pronged strategy that combines employment promotion, social protection, homeworkers' organization, and policy advocacy.

For homeworkers, improved employment and income prospects consisted of either (a) owning an own-account business that will reduce their dependency on subcontractors and middlemen, and/or (b) upscaling their technical and management ability, as an individual entrepreneur or group-based production unit, to compete for job orders (subcontracts) at reasonable returns to labour and investment. Evidently, the development of technical and entrepreneurial skills has figured as an important instrument in these pilot initiatives – for improving production and productivity, product designs, product quality, and initiating new business ventures. Skills development has been done through punctual, practical training courses, on-site extension of advisory services by specialists, transfer of new technologies, study visits of innovative production sites, and participation in trade fairs.

Results in Thailand, Philippines, Indonesia

The results of entrepreneurship and technical skills development in Thailand, the Philippines and Indonesia, has been uneven. Country experiences saw punctual successes in homeworkers' enterprise performance, either as groups or individuals, e.g. new or complementary sources of income; better or new products; increase in sales revenue or profit margin; job orders for group production; independent marketing or business to augment income from homework. Some groups had greater difficulty in launching new initiatives. Of the three countries, Thailand demonstrated substantial progress in enterprise development, and this may be attributed to the business, market and product development orientation of the non-governmental and governmental organizations that assisted the homeworkers and the country's up-beat export performance⁹⁴.

⁹⁴ In the past 2-3 years, however, mindful of the continued expansion of homework in the country and the vulnerability of homework within the subcontracting chain, HomeNet Thailand has identified three priorities – social protection of homeworkers, strengthening homework-

As regards sustainability or permanent viability of homeworkers' income, trade or enterprise ventures, this has been difficult to track and achieve, mainly because markets are constantly changing. Homeworkers' business ventures have had to deal with the entry of cheap imports from neighbouring countries (e.g. China), the tremendous increase of people wanting to set up their own business, decline in export demand, increased prices of raw materials, devaluation of local currency, etc. Most homeworkers are not business-oriented enough to deal constantly with these challenges, in spite of skills training. Relatively successful and dynamic groups that I had met in the Philippines, Indonesia and Thailand had the benefit of a few members and leaders who had entrepreneurial savvy, were naturally innovative and creative, and possessed product quality awareness (perhaps due to previous factory experience).

National networks of homeworkers and local and national institutions which could provide them support were established with assistance from the ILO and non-governmental organizations in the period 1989-1994. Since then, these networks have led or sustained actions to assist homeworkers, to mobilize institutional support and resources, and to raise public awareness about homework issues⁹⁵. In the light of the range of functions these networks have had to fulfil, the range of competencies they require is equally impressive. Needless to say, capacity building for these networks is still an on-going process. Financial sustainability and autonomy are critical problems faced by all three networks.

Programmes for Disadvantaged Youths

Youth-specific employment programmes along the Chile Joven model represent one category of experiences in Latin America (Argentina, Chile Peru and Colombia)⁹⁶. Training programmes are executed by private and public institutions, selected through bidding; and funded from a common fund mainly sourced internationally. By combining short training courses in semi-skilled jobs, apprenticeship of similar duration in private enterprises, and close collaboration with employers' organizations, these programmes have enhanced the direct relevance of training to the labour market, and facilitated the

ers' grassroots organizations, and skills development for homeworkers.

⁹⁵ In Thailand, HomeNet Thailand consists of homeworkers' groups and non-governmental organizations assisting them; membership is about 5000 homeworkers in the northern and northeastern regions and in Bangkok area. In the Philippines, the PATAMABA is completely a grassroots organization with some 7000 members across the country. In Indonesia, MWPRI consists of non-governmental organizations assisting homeworker' groups in East Java, Yogyakarta and Jakarta.

⁹⁶ These combine short-training courses in semi-skilled occupations, and apprenticeship of similar duration; target poor youths through self-selection (occupational areas are expected to be unattractive to middle income groups) and further screening of applicants.

youth's links with the formal sector. Nevertheless, impact studies have shown a number of weaknesses which might explain the slight impact on employability of trained graduates in comparison to control groups: a) while majority of beneficiaries come from households below the poverty line, trainees selected are those with comparatively less deficiencies (e.g. have reached but not completed secondary school) and thus more likely to find work after training; b) training does not include competencies necessary for youths to overcome other sources of vulnerability, such as social competencies (e.g. punctuality, responsibility, how to behave in job interviews); c) courses do not channel youths into career paths for skilled, better quality jobs, but rather in precarious occupations; and d) teaching staff of institutions that implement the programme are not prepared to work with the target group.

Example: Proyecto Joven in Argentina

Up to May 1998, it has trained more than 100,000 youths who have undergone apprenticeship in 21,928 enterprises (Gallart, 2000b). The target group was defined as: 16-29 years of age; complete secondary education as maximum level but in general incomplete secondary level or less; unemployed or underemployed with little or no work experience; from low-income groups. The profile of actual beneficiaries in Buenos Aires metropolitan area generally matched the target profile.

Training courses were delivered by public and private institutions that had been registered with the Labour Ministry and whose capacity to provide a specific course had been examined and classified. These institutions could be non-educational public entities, foundations, associations and cooperatives, educational institutions, chambers and confederations, trade unions, enterprises. They were required to present a document of intent by organizations of private enterprises to provide apprenticeships to graduates of training courses.

As regards actual courses offered, most were for jobs in the tertiary sector (gastronomy, health, supermarket), and accounting and administration. Proyecto Joven may be regarded as having succeeded in introducing courses different from standard offerings (e.g. plumbing, sewing) and linked to specific labour market demand.

Weaknesses that have been identified by training institutions:

- bidding procedures – irregularities; long delays between bidding, awards and delivery of courses which led to retraction of apprenticeship offers by enterprises

- enterprises – insufficient motivation to participate; interest linked essentially to benefits of free training; have sometimes rejected trainees who have not completed secondary education or who did not meet suitable physical attributes for front-line jobs
- beneficiaries – drop-out, among others, due to personality traits of youths, previous negative experiences, offer of higher pay than that given by Proyecto Joven.

Non-formal Education for Youths in Francophone Africa

Non-formal education programmes for disadvantaged children and youths in Francophone countries of Sub-Saharan Africa provide similar lessons. An extensive state-of-the-art review identifies their key features (Fanny Chauveau, 1998)⁹⁷: a) importance placed on the development of autonomy, a capacity to direct their life, analyse and solve problems, initiate individual or collective actions; b) participatory approach, which gives participants a say in elaborating the educational content and evaluating results; c) educational process and content that take into account the whole environment of youths concerned, including family, community, work; d) education and training that include literacy and numeracy, and skills and knowledge required by a profession and work situation; e) adaptation of training delivery to distinct constraints faced by youths engaged in urban informal and agricultural activities; f) creation of small income-generating activities to meet practical needs during education and training; g) individualised follow-up during training; and h) post-training follow-up. As in many developing countries, these approaches have entailed non-conventional institutional actors and arrangements: role of NGOs in initiating and testing innovations; role of communities in supporting and managing non-formal educational projects (e.g. «écoles communautaires» in south of Mali, upper valley of Niger, valley of river of Senegal that are supported by villages and associations of parents), collaboration between government agencies, NGOs and local communities.

⁹⁷ The review looks at programmes concerned with a wide range of disadvantaged youths, including girls and young women, youths in urban centres, and youths belonging to nomadic communities and displaced and refugee populations. It examines three broad categories of actions: alternatives to formal education including apprenticeship; those aimed at facilitating entry into the labour market or professional life including «chantiers-école», preparation for self-employment and centres for youths; and programmes meant to enable disadvantaged youths, their associations and representatives to become an active interlocutors in society.

Conclusion

Vocational education and training, if it is to address poverty in practice, must be part of a poverty agenda and strategically linked to other poverty-reduction actions.

Skills training has to go beyond occupational skills training for a specific trade or profession, even if this meets a current niche in the labour market. The multidimensional nature of poverty, vulnerability and social exclusion, as well as the fluidity and flexibility of labour markets, require that the poor receive general education and training in a range of social competencies. Leadership, advocacy and organizational competencies are critical in enabling the poor to manage and overcome unequal economic and social relations related to work status, gender, age, race, ethnicity or caste.

In the same vein, skills development among enterprises of the poor has to go beyond entrepreneurship or business management and technical skills training. Their labour and capital investments, incentives, risks, and returns cannot be solely attributed to skills deficiencies. As the earlier section exposed, these «business» decisions and outcomes are inextricably linked to the gender-based division of labour and access/control over resources and assets, and to patterns of economic and social relations between the micro entrepreneur and other actors in the trade or market.

Micro enterprise programmes focus on the visible operator or entrepreneur, and tend to forget paid and unpaid workers, the people who work «behind the scenes», most of whom are women and children. Since most informal units are household based and interlinked with household fortunes, skills development should perhaps address whole households. There is definitely a need to pay greater attention to the career paths of young unpaid family helpers, especially girls.

Skills training must have an explicit gender equality agenda. Gender biases that are rooted in cultural norms and values are reproduced and reinforced by training institutions, by the nature of their curricula, training materials, modalities of training provision, ways by which skills or competencies are defined, the views and behaviour of teaching staff, policy and regulations, etc.

VET institutions need to work with other institutions and organizations which have the reach, capacity and experience in working with the poor and socially excluded populations.

Development of competencies, especially non-occupational skills, should follow an incremental process, with training in small doses alongside practical experience. The absorptive capacity of the target

population usually cannot taken in huge amounts of new concepts and methods in one stroke.

There is no generic «poor», or «poor youth» or «poor woman». Strategies and methods should be fashioned according to their differentiated needs and situations.

Among the poor, the likelihood of success is higher among those with a better edge, e.g. some secondary education, age-youthfulness, natural aptitude for entrepreneurship, creativity, work experience. They are valuable assets for group-based ventures.

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¿Qué competencias son necesarias para asegurar la supervivencia y el crecimiento de las empresas?

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¿Para qué y a quién formar?

Han sido desde siempre las preguntas ordenadoras de la formación profesional y definitorias de sus ámbitos de referencia— el empleo y la fuerza trabajo. Pero sólo su formulación sigue igual. El empleo de por vida, seguro, ascendente y previsible y por cuenta de terceros, para a ser a ser inestable, flexible, con períodos de desempleo, con cambios de modalidad y de actividad y mayoritariamente por cuenta propia. En América Latina, en la década de los 90, por cada nuevo puesto de trabajo del sector formal, se crean 9 en el informal. Ya no crece más en grandes números y los trabajadores ubicados en las pequeñas y medianas empresas significan en torno al 90% del empleo. El empleo actual requiere de inteligencia e intensidad, la concepción y la ejecución van unidas, la noción de producto se diluye siendo sustituida por un concepto integral de servicio y hay que gestionarlo como si fuera una empresa.

La fuerza de trabajo ya no es sólo masculina y los demandantes de la formación no son sólo individuos sino también las unidades productivas, empresas familiares, pequeñas y grandes Las PYMES y de las microempresas necesitan de capacidades de emprendimiento, acceso y manejo de la información, desarrollo de estrategias de cooperación, etc. que les permitan competir, sin caer en el peligro de su precarización. Las grandes necesitan de los conocimientos avanzados para explorar nuevas tecnologías .

La incorporación de las mujeres es un proceso irreversible, han incrementado notoriamente su niveles educativos y consolidado el modelo de «doble presencia» enfrentando la difícil compaginación entre ciclo laboral y vida familiar, lo que implica irrupción de nuevas identidades, nuevos estilos de vida y una reconfiguración de varones y mujeres con lo público y lo privado, la casa y la calle y las propias relaciones de género. El modelo de relaciones laborales ya no se basa en la gestión de la fuerza de trabajo sino en la gestión de conocimientos. La computadora exige mayor velocidad, concentración de información y responsabilidades, nuevas formas de organización, se instala la dedicación plena y la calidad total, incrementando la exclusión de vastos sectores sociales,

que no pueden acceder a estos conocimientos y ven fuertemente limitadas las oportunidades de empleo. A ello están particularmente expuestos la juventud, los desempleados de larga duración, los trabajadores de edad despedidos, los menos calificados y las minorías étnicas siendo las mujeres las que se enfrentan, en todas estas categorías, a las mayores barreras para la obtención de empleo porque ellas no compiten en un mismo mercado sino que se enfrentan a exigencias distintas tanto en la demanda de mano de obra como en la oferta, derivadas de la adjudicación social diferenciada de roles, responsabilidades y valorizaciones.

Ante esto la formación ya no sólo debe contribuir a mejorar la competitividad económica sino también a incrementar la equidad en el mundo del trabajo. Debe, al mismo tiempo, ser pertinente y acorde con los requerimientos del desarrollo económico y social que la condicionan y constituirse en un instrumento de lucha contra las distintas manifestaciones de la exclusión social y la discriminación que ese mismo modelo de desarrollo ostenta. Más que nunca considerar la educación y la formación en relación con el empleo no significa «reducirla» a la calificación sino cumplir con su función esencial de aportar a la integración social y al desarrollo personal. Ha cambiado la manera de ver y estar en el empleo que se transforma en un componente determinante del proyecto de vida, de la autoafirmación y de la valorización social, El derecho al trabajo es uno de los aspectos sustantivos del derecho ciudadano y la cuestión pasa entonces porque el trabajo desempeñado no menoscabe a la persona, le permita no sólo alcanzar su sustento sino que habilite su desarrollo personal y su autonomía, entendida como la capacidad de pensar y actuar por sí misma, de elegir lo que es valioso para ella,

La articulación entre transversalización de perspectiva de género y focalización en colectivos específicos

Este interjuego de condicionamiento y modificación del modelo de desarrollo se torna especialmente complejo cuando las protagonistas de la formación son las mujeres, se agudiza con la aparición de cualquiera de los otros indicadores de exclusión (edad, raza, condición geográfica, informalidad, etc.) dado que el género es una variable de base, y siempre es absolutamente relevante para la equidad. Una expres-

sión contundente de ello es la segmentación profesional por género que no se inicia con el mercado de trabajo sino que es transmitida socialmente y cristalizada en el discurso escolar. La internalización de estereotipos y preconceptos se traduce en mecanismos internos de represión que modelan deseos y expectativas haciendo que las opciones pautadas socialmente se interpreten como autodeterminación. Si los programas de formación no tienen una mirada integral y estructurada que desarme, cuestione y desnaturalice esta pauta social, se constituyen en reproductores y reforzadores de la misma.

Para abordar la formación huyendo de la reproducción de los valores imperantes y de las formas de hacer de la sociedad que segregan lo masculino y lo femenino, jerarquizándolas a favor de los hombres las políticas de formación deben transversalizar la dimensión de género teniendo en cuenta, en todas sus dimensiones, los impactos diferenciados de la inserción y el desarrollo profesional y personal de mujeres y varones y demostrando que, en las actuales condiciones, una política de gestión de personal y de recursos humanos que no tenga en cuenta estas consideraciones estará afectando fuertemente su calidad y eficiencia mediante el desaprovechamiento y desmotivación de la mitad de la mano de obra disponible. Pero, simultáneamente, deben instrumentarse acciones y medidas específicas para atender las necesidades y perfiles de grupos focalizados en condiciones desfavorables tales como por ejemplo mujeres jefas de hogar, mujeres y varones de bajos niveles educativos o cuando se trata de promover la diversificación ocupacional, el acceso a desarrollos tecnológicos, la situación de trabajador@s en el área rural, en el sector informal, etc.

Pensar los programas de formación desde una perspectiva de género exige un enfoque integrador y sistémico que abarque no sólo las dimensiones propias del sistema de formación sino el entorno empresarial, comunitario, familiar, etc. y, especialmente, debe concebirse como una manifestación de la capacidad de transformar, innovar y mejorar la calidad y la pertinencia del diseño y de la gestión de la formación y el empleo. Sólo así se podrá cumplir con esa doble contribución de la formación, modificando tanto el posicionamiento individual como el colectivo sobre el trabajo femenino para alcanzar un modelo más integrador y menos deficitario con relación al trabajo decente y a la calidad de vida. El objetivo es promover desde la formación políticas multidimensionales que puedan intervenir en todos los niveles donde la discriminación opera, activar sinergias entre los diversos actores y generar un marco para que, cada organismo según sus características y mandatos, pueda insertar su propia iniciativa o programa, multiplicando así su efecto. Esta concepción, que no está generalizada, es la que marca el sentido de la innovación en América Latina y presenta distintos «modelos

de intervención», con diversos grados de complejidad en cuanto al diseño y al ámbito de acción. Un ejemplo de este modelo es el Programa de Fortalecimiento de la Formación Técnica y Profesional de Mujeres de Bajos Ingresos (FORMUJER) co-financiado por el BID, coordinado y supervisado técnicamente por CINTERFOR/OIT ejecutado, a nivel de Proyectos Pilotos Nacionales por el Ministerio de Trabajo, Empleo Y Formación de Recursos Humanos de Argentina, la Fundación INFOCAL de Bolivia y el INA de Costa Rica. El Programa busca recuperar y dar continuidad a los esfuerzos y lecciones aprendidas en la región y desde la OIT en la temática y tiene dos objetivos centrales: fortalecer la calidad, pertinencia y equidad de género de la educación técnico-profesional de la región y transferir y diseminar modelos y metodologías desarrollados y lecciones aprendidas a través de publicaciones, página web y cooperación técnica. Actúa simultánea y articuladamente en las lógicas de transversalización e institucionalización de la perspectiva de género y en el desarrollo de acciones formativas para mujeres en condiciones desfavorables o para incrementar y diversificar la participación. El Programa es evaluado anualmente mediante talleres con participación de los ejecutores y, recientemente se ha aprobado un modelo de evaluación para programas con perspectiva de género, elaborado en el marco de un proyecto Bid/Unión Europea que será aplicado en el propio Programa en forma tal de también diseminar y validar metodologías de evaluación para ponerlas a disposición de las entidades. Ha alcanzado un alto grado de institucionalidad y es reconocido por las entidades ejecutoras como un referente técnico e innovador no sólo en políticas formativas de género sino en los procesos de modernización institucional. Ha desarrollado una estrategia sistemática de articulación con el sector productivo, promueve un Sistema Integral de Orientación e Información sobre Oferta y Demanda desde la perspectiva de género, impulsa la innovación curricular, el desarrollo de formación por competencia y género, la integración de la Orientación al proceso formativo y el diálogo social mediante alianzas con múltiples actores para incidir en un cambio de la cultura societaria y empresarial.

El foco en la empleabilidad y el aprender a emprender

La conjunción entre contenidos y requerimientos cambiantes, con fuertes contenidos de polivalencia, gestión y autonomía, o rápidamente afectados por la obsolescencia para el desempeño de los puestos existentes, contracción y déficit en la cantidad y calidad de los empleos disponibles, necesidad de generación de nuevos a través de la articulación con las posibilidades de desarrollo local, donde las relaciones entre necesidad-oportunidad se hacen más notorias o de cobertura a nuevas demandas sociales surgidas a par-

tir de los cambios en los comportamientos de mujeres y varones imponen a las políticas formativas el desafío de fortalecer o formar para la empleabilidad y desarrollar capacidades para aprender a emprender, las que se constituyen en competencias claves para la supervivencia y el crecimiento de personas y empresas y para avanzar en la erradicación de las distintas formas de exclusión social – la desigualdad y la pobreza –, y, principalmente, las que impiden un desarrollo más igualitario entre hombres y mujeres. «Ante la actual realidad del empleo lo que puede hacer la formación es apoyar a cada «desempleado» para que se transforme en un detector/a de oportunidades, pasando de un estatus de receptor/a de un servicio al de buscador/a, constructor/a de su estrategia de empleabilidad» (M.A.Sallé)

Ahora bien, al igual que para todas las otras dimensiones, la empleabilidad y la promoción de la capacidad de emprender deben incorporar la mirada de género si se quiere efectivamente lograr impactos positivos. Si cambian los roles de género mejorará la empleabilidad y el empleo de las mujeres y si mejora el empleo y la empleabilidad femenina ello contribuirá a su vez a cambiar los roles de género. Se trata de dimensiones que se retroalimentan y mucho más aún cuando se trata de colectivos inmersos en situaciones de exclusión social.

¿Qué quiere decir hoy formar para la empleabilidad y cómo abordarla?

Refiere a la aptitud para encontrar, crear, conservar y cambiar un trabajo. La empleabilidad tiene múltiples dimensiones y encararla desde la formación es priorizar las culturales y personales porque sobre ellas las personas tienen cierto control y también entenderla en relación con el desarrollo personal y la integración social. Implica mejorar las posibilidades de inserción mediante el desarrollo de competencias claves que disminuyan el riesgo de obsolescencia y permitan movilidad de puestos o actividad. Requiere apoyar a mujeres y varones para que identifiquen quiénes son, cuáles son sus obstáculos internos y externos, valoren sus habilidades y saberes y conozcan las demandas y competencias requeridas en el mundo del trabajo. (yo y mi entorno) Incluye la información y orientación sobre el mercado educativo y de trabajo con intención de diversificar y ampliar las opciones y la instrumentación para la búsqueda y/o generación de trabajo.

¿Cuáles son las competencias claves para la empleabilidad, incorporándoles la perspectiva de género y la realidad del sector informal y de baja escolaridad uno de cuyos principales obstáculos es precisamente la demostración de competencias? Haciendo

abstracción de las distintas categorizaciones disponibles, se consideran prioritarias las competencias:

básicas:

referidas a aprender a aprender que elimina la creencia de que es posible aprender de una vez y para siempre y sólo en el aula. Incluye expresión oral y escrita, matemáticas aplicadas y un segundo idioma, la capacidad de situar y comprender, de manera crítica, los datos de la realidad, observar, elaborar criterios de elección, tomar decisiones.

transversales:

para aprender a hacer, en el sentido de movilizar y adaptar conocimientos y capacidades a circunstancias nuevas. Son especialmente importantes para las mujeres porque amplían alternativas y dan movilidad y entre ellas se destacan: la capacidad de anticipar amenazas y oportunidades, de integrar y desarrollar una visión sistémica de la realidad lo que incluye el control y la corrección de tareas, de organizarse, planificar, gestionar la tarea, los recursos y, especialmente, el tiempo y la información, la adquisición de cultura tecnológica (trabajar y aplicar la tecnología a la tarea y a la vida cotidiana). Entre ellas se encuentra la capacidad de emprender que es condición de empleabilidad en el actual contexto y que se analiza aparte

actitudinales:

para aprender a ser, fortalecer la identidad y eliminar autolimitaciones. En nuestras sociedades, la autoestima y el respeto aparecen muy ligados a mantener un empleo, sea cual sea y el desempleo trae aislamiento y conflictos personales y familiares. Para las mujeres son fundamentales para superar barreras mentales y sociales que limitan su posicionamiento y empoderamiento. Entre ellas merecen priorización las habilidades personales (reforzamiento de la identidad y seguridad personal y de género, auto-responsabilidad y protagonismo en el propio proceso de empleo-formación, autonomía) y las interpersonales o sociales: (trabajo en grupo, responsabilidad y autorregulación, relacionamiento personal, capacidad de negociación, saber escuchar y comunicarse, manejo de la diversidad, discriminación emocional en las situaciones laborales, etc.

técnico-sectoriales

que también refieren al aprender a hacer y que para las mujeres significan: diversificación, valorización de viejas competencias desarrolladas en otros ámbitos y creación de nuevas competencias para nuevos nichos de empleo.

Un «equipaje» de esta naturaleza permite a varones y mujeres situarse frente al trabajo productivo con competencias transversales y actitudinales para construir un perfil laboral polivalente para afrontar la diversidad y la heterogeneidad de los modelos y formas de trabajar que se están imponiendo. La formación por sí y sola no puede asegurarles la continuidad de

un empleo y el no cambio de los conocimientos pero sí puede darle herramientas para que puedan aprender por sí o entrar y salir a acciones formativas puntuales que resulten necesarias para hacer realidad sus metas de empleabilidad.

Un ejemplo de puesta en práctica de este desarrollo de competencias básicas y transversales son los Módulos de Formación para la Empleabilidad y Ciudadanía elaborados por el Programa FORMUJER para que formen parte de su propuesta curricular. A partir de la convicción de que todo ser humano debe actuar, tanto en su condición de ciudadano como de trabajador en tres dimensiones fundamentales: las relaciones consigo mismo, con los demás (vida en familia y participación en el espacio social más amplio) y con el entorno en los Módulos se aborda la formación para la empleabilidad y la ciudadanía con un conjunto articulado, incorporando como estrategia pedagógica las dimensiones personales y relacionales del aprendizaje. Se articulan con las actividades de Orientación Ocupacional y Vocacional para estimular en cada persona la definición y gestión de un proyecto personal viable de empleo y formación centrado en el mejoramiento de la empleabilidad. Qué implica un proyecto viable? Implica reconocer quién soy, la valoración de lo que tengo y lo que me falta y el entorno laboral en el que me muevo y cuáles son sus exigencias, todo lo cual es impulsado desde las actividades de Orientación, o sea, establecer el punto de partida y desde él definir metas y trazar el camino o la ruta hacia donde quiero llegar. Esta sencilla lógica de proceso se transforma en el eje estructurador del aprendizaje que permite estandarizar la metodología de formación y, al mismo tiempo, lograr la tan demandada personalización de las respuestas en un contexto grupal, estimula el involucramiento, la participación activa y la responsabilidad de los estudiantes que deben definir sus metas y, a partir de ahí, formular y reformular los caminos e itinerarios correspondientes para llegar a ella y permite seguimiento y evaluación por parte del docente que ya no tiene que transmitir información sino enseñar a buscarla y acompañar el proceso de aplicación en situaciones y con objetivos adaptados a los intereses de las personas. En realidad lo que se está haciendo es instrumentar a las personas para que incorporen un método de abordaje y resolución de problemas de aplicación en todos los aspectos de la vida laboral y personal. Los Módulos están concebidos para ser desarrollados en cursos mixtos pero cada ejercicio estimula la apropiación de acuerdo a las necesidades y experiencias específicas de mujeres y varones, en forma tal de que la adquisición de capacidades se procesa juntamente con el análisis de género que se visualiza en la práctica y el abordaje de los problemas. Se componen por una Guía para el/la docente y el correspondiente desarrollo pedagógico en base a ejercicios de aula de aplicación flexible y adaptada a las diferentes realidades. También incluyen la propuestas de evaluación con

sugerencias para su aplicación y corrección. Están orientados a desarrollar las capacidades y habilidades fundamentales para, en el caso del Módulo de Empleabilidad adquirir confianza en sí mismo/a, afianzar el sentimiento de pertenencia a un grupo y mejorar la capacidad de identificar y resolver problemas. Y, en el de Ciudadanía, el afianzamiento de la autonomía personal, el reconocimiento y ejercicio de los derechos y responsabilidad y aspectos seleccionados relativos a la participación y el liderazgo. Han sido aplicados en Bolivia mereciendo una evaluación altamente positiva de participantes, docentes y empresarios que recibieron alumnos/as en práctica, señalando que se logra cambios sustantivos respecto valoración de sí mismos/as, al reconocimiento de saberes, (algo especialmente resaltado por las mujeres de más bajos perfiles que señalan que ellas nunca se habían planteado que tenían saberes y que ellos era valiosos para su desempeño personal y laboral, al crecimiento de la autoestima, y a la incorporación de una actividad proactiva frente al empleo y de posicionamiento y manejo eficiente de los requerimientos laborales y sociales. Se han incorporado al proceso de formación docente y los centros del INFOCAL están comprometidos en extender su aplicación a la amplia mayoría de sus cursos por entender que resultan la base formativa sin la que los conocimientos técnicos no tienen sostenibilidad ni apropiación

¿Se puede aprender a emprender?

Ante el déficit de empleo y ante el hecho que los que se crean lo hacen en las Pymes, microempresas o actividades por cuenta propia, la capacidad de emprender y el desarrollo de estrategias de cooperación y colaboración resultan competencias fundamentales tanto para las personas como las organizaciones, especialmente las pequeñas. Decíamos que es una competencia transversal que está en la base de la formulación del proyecto profesional, que podrá ser por cuenta propia o ajena. Incluye el desarrollo de la iniciativa, el fortalecimiento de la toma de decisión, de la capacidad de asumir riesgos y de la participación a través del desarrollo del liderazgo, de la conducción activa de ideas y proyectos pero además aporta a la cultura ciudadana si se promueve un liderazgo democrático.

Dado el escaso tiempo disponible voy a plantear una metodología posible a partir de una de las experiencias latinoamericanas más innovadoras en este aspecto, el Proyecto Veranera, que— en esta línea de disección y adaptación de lecciones exitosas— ha desarrollado una Guía del emprendizaje que es resultado de la adaptación a un contexto rural de la Guía para el desarrollo de carrera, de Fundación Directa, de España.

Con la convicción de que emprender en femenino es una vía útil para trascender la pobreza y la discriminación y, por tanto una estrategia de progreso y equidad, fue financiado por la Agencia de Cooperación Española (AECI) que lo promovió junto con el Despacho de la Primera Dama y el Ministerio de Desarrollo Agropecuario. Se ejecutó desde julio 1997 a marzo de 2001, como programa piloto en diez comunidades de dos distritos de Panamá, correspondientes a zonas rurales despauverizadas cuya actividad fundamental es la agricultura tradicional. Sus objetivos fueron el fortalecimiento individual y colectivo de las participantes y crear las bases para la fructificación y consolidación de un conjunto de microempresas sostenibles. La experiencia tenía como meta definir un modelo y una metodología de intervención rigurosa e innovadora, extensible a otras áreas rurales.

Su nombre, Veranera, procede del simbolismo de la veranera o buganvilla como flor de la sequía. El punto de partida fue la creencia de que en los territorios rurales desfavorecidos no habría empleo si no se creaban nuevas empresas, y que dicha «empresarialización» debía darse con la puesta en marcha de nuevas estrategias y metodologías integrales, que combinasen la capacitación y el acompañamiento, la constitución de redes y el apoyo financiero. Se consideró a la mujer como el principal agente de cohesión y lucha contra la pobreza, otorgándole un protagonismo esencial en el desarrollo social y económico agrario.

Se propuso tanto el desarrollo individual y grupal de las beneficiarias como el favorecimiento de su actividad económica mediante la creación de sus propias microempresas. Se planteó una metodología integral que está plasmada en una Guía de ruta para el aprendizaje y se estructura sobre cuatro variables fundamentales: el perfil actitudinal y aptitudinal de las beneficiarias (la persona), el grupo como soporte activo, el entorno como espacio en el que deben consolidarse las experiencias, y las ideas/proyectos empresariales como base para la creación pautada de microempresas viables y sostenibles. El diseño se sostenía en el protagonismo activo de las participantes, en la capacitación como eje central y en la necesidad de integrar los procesos hacia un fin perfectamente definido, evitando la realización de acciones aisladas y puntuales.

El proceso diseñado incluyó siete fases, consecutivas y en ocasiones paralelas, agrupadas en torno a tres subprogramas: «Trabajar la emprendedora», «Trabajar los proyectos» «Trabajar las microempresas»,

a) Trabajar la emprendedora:

desde la persona y desde su entorno. el objetivo era sensibilizar y capacitar para el desarrollo personal y se abordaron autoestima y refuerzo personal, habilidades personales reconocidas en sí y en otros contextos como el familiar, motivación, conflictos y negocia-

ción, verse en el nuevo rol y se indentificaron los problemas principales (falta de experiencia en la toma de decisiones, no acceso a la información, soledad, etc. no acompañamiento familiar, etc) .Se reforzó el punto de partida individual mediante seminarios participativos y se estableció para cada una el punto de arranque de la capacidad de emprender.

b) Trabajar el proyecto:

empezando por plantearse alternativas de ideas, evaluarlas, profundizar en la mejor, buscar información y concientizar sobre los errores y riesgos más frecuente. Definida la idea que soportará el proyecto, mediante metodologías de diseño de proyecto, la participante, apoyada por la metodología y acompañada por el/la tutor/a se impulsa la construcción del proyecto, paso a paso y en una secuencia temporal que empieza en la relación cliente-mercado, plan de búsqueda de la información y definición de la oferta. Son estos pasos y procedimientos los que abren la puerta para la entrada de los conocimientos técnicos y no a la inversa y además se visualizan a partir de la necesidad de resolución que se le plantea a la participante y para la que tiene que encontrar una respuesta. Se trata de una elaboración monitorizada de un plan de negocios,

c) Trabajar la empresa:

acompañando su apertura y apoyando su consolidación. Se abordaron tres grandes pasos: creación, infancia y desarrollo de la empresa, en cada una visualizando necesidades de recursos, gestión y técnicas, riesgos o errores más comunes, Cuando la ha superado las dificultades de la infancia de su negocio, necesita refuerzos de sus compañeras y del programa para continuar y para ello se construye un sistema de refuerzo mutuo mediante talleres entre participantes para descargar, compartir y aprender colectivamente y con l@s tutores, familiares y entorno para capacitarlos , comprometerlos e involucrarlos. En esta etapa se comienzan a identificar las posibilidades de establecimientos de estrategias de cooperación y de creación de redes. El papel del grupo en la motivación , refuerzo y retroalimentación de los proyectos personales para generar aprendizajes compartidos y apoyar estrategias comunes se comprobó como un factor indiscutible de éxito de los procesos de mejora y cambio. Para ello hay que generar espacios estructurados, introducir módulos de cooperación y formar a orientadores /as y a docentes para que cambien su rol actuando como soportes transversales de las dinámicas del grupo, como estimuladores de los desarrollos y articuladores de las diferencias para que desde ellas se procese el aprendizaje.

Los datos de una reciente evaluación muestran que de 126 participantes participantes 69 han obtenido créditos grupales o individuales, se ha creado 32 unidades productivas y se generaron como resultado del programa: 75 puestos de trabajo. A ello se le debe agregar un número importante de participantes que

se han convertido en miembros, con papeles de liderazgo, dentro de los Comités Comunitarios de Desarrollo Sostenible: y han establecido un compromiso formal de promover la constitución de la Red Nacional de Emprendedoras Rurales, que se integrará en la red de Centroamérica y del Caribe. Se observan cambios apreciables y reconocidos por la mayoría de las participantes en lo que respecta a la participación de los maridos en el reparto de las tareas domésticas y las están apoyando para viabilizar su disponibilidad para los emprendimientos en curso. Para ello, se considera decisivo el haber organizado, dentro de las actividades y a petición unánime de sus participantes, un taller –no previsto al principio– sobre el programa, así como sobre género y administración de los negocios, destinado específicamente a los maridos de las beneficiarias). Se aprecia una mejora ostensible de la autoestima y del margen de maniobra personal de las participantes y se ha producido una nueva conciencia por parte de las mujeres y de sus maridos acerca del valor de un trabajo (tanto doméstico como agrícola) al que antes no se le daba reconocimiento ni visibilidad alguna. Como efectos a más largo plazo, se observa también que se ha modificado la conciencia sobre los modos de educar a hijas e hijos, dándole a ellas las mismas posibilidades que a ellos. La elaboración de la guía metodológica amplifica el impacto del programa y apoya su sostenibilidad y se formaron cien extensionistas del Ministerio de Desarrollo Agropecuario de todo el país en herramientas para acompañar de una forma pautada emprendimientos femeninos en el medio rural, facilitándoles el paquete metodológico completo, los que valoran positivamente este nueva clave del desarrollo rural que pasar de «pasar de centrarse en los productos a hacerlo en las personas y en los mercados»

Como claves del éxito respecto a la participación surge el hecho de que las mujeres se sintieron tomadas en cuenta y protagonistas principales, asumiendo con Veranera una responsabilidad y un reto. Ayudó que existieran ciertas facilidades de transporte así como la implicación de los maridos para generar cambios más sustantivos en los roles de género (de hecho, al principio del programa, el cuidado de los niños mientras sus madres acudían a la formación estaba a cargo de las abuelas, desplazándose después a los maridos). Pero, los factores decisivos y que hicieron la diferencia fueron: el «trabajar la persona», apoyándose en la introducción de módulos de desarrollo personal y, dentro de ellos, en particular los de autoestima, derechos de mujeres y varones y género/ desarrollo. la existencia de una metodología previamente pautada para trabajar el proceso de emprender que además conectaba la capacitación con la realidad concreta de las participantes mediante el uso sistemático de ejemplos vinculados a dicha realidad y la aplicación de una pedagogía participativa con cambio del rol del/la docente, que desempeñaba más bien un papel de incentivador y orientador de proce-

so y no tanto de depositario de conocimientos. La duración (9 a 12 meses) , también se entiende, crucial enlazada con una lógica de proceso destinado a generar cambios sostenibles en las participantes y su entorno así como el establecimiento de itinerarios modularizados (procesos definidos donde se va incorporando el logro de metas sucesivas), largos (mínimo: 9 meses) y combinados (aula y terreno), que permiten asunción y síntesis de los aprendizajes, y obtención de buenos resultados en el empleo, empleabilidad y mejora de la calidad de vida y del liderazgo familiar y social de las mujeres. Por último, el que el programa se focalizara en las mujeres fue muy importante para que participaran activamente en el aula y estableciesen una red de apoyo entre ellas lo que no es sinónimo de preferencia automática por cursos específicos para mujeres, sino la necesidad ineludible de que haya espacios propios para ellas en los procesos de formación con visión de género.

Como claves respecto al impacto se destacan : a) El protagonismo y responsabilidad de las participantes en el forjamiento de su propio destino. b) La integralidad de la propuesta formativa, combinando el desarrollo personal con la capacitación para la creación de empresas. c) La existencia de una metodología pautada para la generación de procesos de emprender. d) La consolidación de proyectos de mejora de la economía individual pero, sobre todo, de la familiar y la comunitaria (planteamiento a la vez personal y social). e) El refuerzo aportado por la incorporación de un sub-programa de microcréditos. f) La participación y apoyo de los maridos.

Complementando estas dos experiencias y arimando una pequeña lanza para otra de las inquietudes planteadas para este Grupo de Trabajo, quisiera recordar que la Fundación Directa que fue quien diseñó primeramente una Guía para el desarrollo de carrera para mujeres , aprovechado las potencialidades de la Sociedad de la Información, primero la transformó en un CD de autouso, que es extremadamente consultado por las comunidades españolas, y luego desarrolló servicios en línea o teleservicios respetando las reglas de un buen servicio presencial que demuestra que desde las entidades de formación o de los servicios socio-laborales es posible cumplir con el objetivo doble de atención personalizada de much@s rutas de usuari@s sin elevar los costos de operación Un tele-servicio puede ofrecer la formación con una metodología de autoaprendizaje asistido; el apoyo guiado mediante la tele-tutoría y acompañamiento de procesos (aliento en la nuca), un sistema experto de información/conocimiento que – con todas las ventajas disponibles –ponga a disposición de las mujeres la información agregada y sistematizada y un punto de encuentro con l@s compañero@s de ruta armando red, puentes, a través de foros virtuales y luego personales y por e-mail.

Ya sin tiempo, me gustaría simplemente puntear, aclarando que no tienen orden jerárquico algunos aprendizajes que creo pueden servir para la discusión del grupo y para las orientaciones de este seminario:

- a) Necesidad de políticas integrales y sistémicas que aborden conjuntamente los diferentes espacios y dimensiones de la exclusión y la inequidad y que pongan el énfasis en el fortalecimiento de la empleabilidad.
- b) Erradicar la dicotomía reduccionista de formación para el empleo formal o para el informal: cada vez las competencias son más afines y la concepción de educación a lo largo de la vida reclama un continuo entre la educación básica, que debe redefinirse para aportar esta concepción de competencias básicas, la educación formal técnica, la formación profesional, la educación en el puesto de trabajo y en la comunidad, etc. para generar una gran red de educación permanente con dos ejes: se vuelven educativos todos los espacios de nuestra vida y la educación dura lo que dura la vida. Ahora bien, un proceso de este tipo sólo se logra con una participación activa y comprometida, con una apropiación de la persona de su propio proyecto.
- c) Actuación simultánea y articulada en la doble lógica de transversalización y focalización. Y esto es, en primer lugar, para la mirada de género, como variable de base sobre la que actúan y se refuerzan todas las otras, pero también para el diseño de políticas de y para jóvenes, trabajadores informales, etc. Transversalización e institucionalización del enfoque de género en los programas de capacitación quiere decir concitar acuerdos macros a nivel político pero también de principios o ejes de las misiones o de las políticas institucionales para asegurar apropiación y continuidad de los esfuerzos. Dotación de un sólido marco institucional favorecedor de las políticas de igualdad de oportunidades; responsabilidad y compromiso conjunto de las instituciones; creación, en los niveles ejecutores, de redes de hombres y mujeres comprometidos con el programa, dado que la existencia de una «agenda de género» es mucho más importante que la mera presencia de mujeres en cargos de responsabilidad; formación docente sistemática en género, en nuevas metodologías y ante todo para redefinir su rol y reaprender a enseñar; despolitización de los procesos técnicos, preservándolos de intereses partidistas y garantizando, de un modo u otro, la estabilidad de los equipos gestores de los proyectos; formación y sensibilización en género de todos los actores del proceso formativo; apoyo del Programa en la existencia de organizaciones de base fuertes y consolidadas, tema considerado crucial, teniendo en cuenta las dificultades derivadas de la fortísima rotación existente dentro de las instituciones y publicidad sistemática de los logros
- d) Renunciar a hacerlo todo y solos: las articulaciones y coordinaciones, horizontales y verticales son los mecanismos de los que hoy se dispone si el objetivo es, como debe ser, la generación de sinergias para combatir la exclusión. En esta línea se inscribe el trabajo con ONG y con entidades crediticias, las políticas públicas como paraguas y las acciones combinadas de privados y públicos, la diseminación y adaptación de metodologías generadas para abordar una manifestación de la discriminación pero que pueden perfectamente ser aplicadas con la misma lógica a las otras, el trabajo compartido y la construcción de conocimientos evitando la originalidad y el comienzo cada vez. Pero también, desde el punto de vista de las metodologías didácticas implica articular educación presencial y a distancia o por todos los caminos que ofrece la multimedia, autoaprendizaje y tutorías de acompañamiento y la trayectoria y organización modular así como las acciones de nivelación o los espacios de atención específica para grupos con requerimientos e inhibiciones concretas (por ejm. espacios sólo para mujeres en un programa mixto) lo que permite, una vez abordada la dificultad o visualizados y superados los comportamientos autolimitantes, autocensura, etc, sumarse al río de la formación general. Diversidad y flexibilidad de los contenidos, incorporación de mayor vivencialidad en las experiencias, acciones complementarias de nivelación educativa y preempresarial, etc.
- e) Permanente y proactiva vinculación con el contexto lo cuál quiere decir no sólo conocer e indagar todas las posibilidades sino incidir (mediante sensibilización, investigación de nuevos nichos, invención de la demanda a partir de las potencialidades del territorio) incorporando estrategias de vinculación con la visión local, en la que las relaciones entre necesidad –oportunidad se hacen más palpables. Pero también implica operar y reforzar los sistemas de formación con estrategias de concertación los agentes públicos y privados que tienen responsabilidad en la generación de puestos de trabajo
- f) Incorporación de un modelo de gestión participativa con promoción de la incorporación de trabajadores/as y empresarios/as en todo el proceso, sistemático y permanente régimen de monitoreo y evaluación (con un componente fuerte de participación de los actores) que permita retroalimentación y corrección sobre la marcha. Elaboración cuidadosa y sistémica de modelos de evaluación de la empleabilidad que tengan en cuenta la existencia de estas interacciones mutuamente modificantes y que comprendan definitivamente los otros valores, los otros impactos de mediano y largo plazo de la

formación y que, al medir por ejemplo, inserción tengan presentes cuáles son las marcas de género o de discriminación intergeneracional para definir resultados a partir de estas condiciones y no de manera lineal o interpretando las condiciones de mercado como resultado de la formación.

- g) Promover el papel y la responsabilidad de los organismos financiadores: a) formalizando con claridad y desde el principio las condiciones de diseño, ejecución y transversalización; b) dedicando esfuerzos estratégicos y financieros hacia proyectos cuyo punto de focalización sea el fortalecimiento de los enfoques de género en las instituciones y políticas; c) reforzando el seguimiento permanente y previendo la realización de «auditorías de género»; d) no dejando la evaluación en manos exclusivas de las instituciones ejecutoras sino de entidades independientes de éstas; e) estipulando condiciones precisas relacionadas con la estabilidad y relevamiento de los equipos técnicos; f) optando por programas de largo plazo que dispongan de una cierta continuidad, más que haciéndolo por proyectos puntuales; g) obligando, asimismo, a que éstos contengan una estrategia específi-

ca –y con indicadores– de institucionalización en el contexto que corresponda.

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Institutional Implications in the Knowledge-Skills Linkages within the People's Economy: the Bangladesh Perspective

By Dr. Muhammad Ibrahim, Executive Director, CMES, Bangladesh.

1. Introduction

A small country with a huge population, Bangladesh is a typical example where informal sector of economy has always played a very important role in the basic survival strategies of the people. Until recently, the formal sector has been a small one and so has been the literacy rate and education and modern skills in general. But the people always have had a survival strategy of their own, based on their hard labour and traditional wisdom. The informal sector nucleated around these basic resources, but has been finding it more and more difficult to cope with the changing circumstances.

Now, some growth in small enterprises in the formal sector, has opened up new opportunities. But to take the proper advantage of these, there should be a smooth transition from the informal works to such new entities, to be attained through feasible and appropriate education and skills. This would be among the next important challenges in the people's economy. The knowledge-skill linkages would play a vital role in it, with appropriate institutional arrangement for them.

Traditionally, the informal works mainly took the shape of some basic manual labour-based occupations. But the people's economy has not involved only unskilled labour. The traditional farmers, fishermen, the artisans – weavers, potters, blacksmiths, tin-smiths, carpenters and others have once been the cornerstone of rural economy, and are important even now.

Things have not gone well for all parts of informal sector in the recent times. Many livelihoods in the informal sector have been affected negatively by the change of consumption patterns, without really offering them an alternative within the fold of formal sector.

However, there are other parts of informal sector which have had a new lease of life thanks to micro-credit and other NGO efforts in empowerment. But for a long term future they have to adapt new technologies and to respond to new market demands and

ultimately have to turn to more formal kind of enterprises, even if small ones. This is specially so in non-agricultural sectors.

2. The Training Support

In spite of being vitally important, the informal sector of economy never had the respect or the support it deserved. The huge pool of agricultural and other form of labourers are mostly illiterate and helpless, living below the poverty line.

The artisans, peasants and traditionally skilled people do hardly better. Many of these vocations are hereditary. The practitioners learn their trade from their elders, and they start very young usually not waiting to be literate or educated. People have always depended on their crafts, but in general put them in one of the lowest rungs in the social ladder. In the traditional society there has not been much respect for essential skills. It is the white collar jobs, or even those menially associated with such jobs, which had the respect. The artisans in particular, remained awfully poor, and their poverty has been increasing with the fall of demands for their products and services. Yet they had no way of adapting to the new situation by modernizing their crafts.

2.1 Formal Technical Education and Training

For those of the children from the whole society who manage to enrol in schools and remain there, the aspirations in education concentrated on getting a white collar job of some sort. Anybody who failed to reach that goal was considered a failure. Even in the education of science and technology, which only a minority of students pursued any way, the goal was to become an engineer or equivalent which would put him in a desk-job or supervisory one. Few people wanted education to become a technician or an artisan or a worker to do work with their own hands, because these are considered to be lowly vocations.

Lately, however, there have been some contemplation of the necessity of technician's and craftman's training within the education sector, and a Technical Education Board took up the matter. But the training

opportunities thus created were meager and hardly served the purpose these were intended for. Most of such institutional arrangements need at least a high school graduation e.g. for polytechnics and commercial institutes, and their graduates also aspired ultimately for an office-job. There are, however, some other training facilities called Vocational Training Institutes (VTI) which need the junior level of high school education• class eight level. These are rather machine-intensive and still have many formal aspects. The distances, the admission criteria, and the formalities discouraged most of those who would be the real clientele of these facilities. After all, the children from the poor peasant's and artisan's families did not see in education any relevance to their life, and therefore either did not enrol, or dropped out very early—never making to the skill training institutes. More often than not, it is the youth from the next higher income group of families who came to these institutes. But they would not like to soil their hands in manual work, when the time arrived for real-life practice. The total intake in all the formal sector technical and vocational institutes at its latest, has been below 50,000 of which a mere 3,600 has been female.

2.2 Non-formal Training

Outside the government-run institutes, there are some private trade schools• mostly in cities and towns. These are usually run on commercial lines. Though some of these train the students effectively, the majority is more keen to give only certificates which are useful for getting a skilled job, usually abroad. In reality, once the candidate gets a job, he learns on-the-job. There are, however, some trade schools which are sponsored by NGOs and charitable organizations. These give more attention to the youth from the disadvantaged families. But in general, all these private institutes also suffer from some of the same limitations. They demand prior formal education as an admission criterion, but usually do not help with their education themselves. As for finances, students either have to be supported and paid by the parents while enrolled there, or they have to depend on charities.

Apart from these limited, and in many cases rather misplaced arrangements, the informal economy sector is devoid of any institutional training support• imparting knowledge and skill. Here young people learn skills from their parents or masters in a kind of a long-drawn, uncertain, on-the-job apprenticeship, and that is all they can hope for in terms of instructions. New knowledge and new skills are hardly added in such circumstances, which could help them to adapt to the new circumstances or to join the formal sector which is gradually opening up.

3. The CMES Experience

Centre for Mass Education in Science (CMES), a NGO in Bangladesh which I founded in 1978, has developed over the last 20 years, a unique and innovative approach to human resource development.

CMES's Basic School System has addressed the following problems which had been impeding a meaningful education and the education-skill linkages for a vast member of young people, disadvantaged in various ways.

- The parents need the assistance of the children in their traditional work, from a very early age.
- The family needs the income from the boy/girl. The opportunity-cost for education is too high.
- There is no relevance of the education offered, to the livelihood and the need of skills so important and so urgent to so many.
- The gender discriminations prevent the girls to advance into education and skills towards an economic self-reliance.
- Those who actually engage in skill-based work in real-life have no access to an education in those technology at any level. On the other hand, those who have access will hardly engage in them.

CMES's effort takes the shape of an alternative, and a flexible education program which would be more responsive to the livelihood imperatives of the young people from disadvantaged families. Named Basic School System (BSS), this offers diverse options through an integrated education, skill-training and profitable work practice• to adolescents and youth who can afford education only in terms of learning while earning. The system has evolved its way to a considerable size, as a model system goes, now serving 20,000 students at a time in 17 different rural areas of Bangladesh. The focus is on skilled employment and self-employment, and on an exposure to new opportunities and new technology in doing that, in concert with the appearance of such new things in the horizon, even in rural Bangladesh.

CMES's integrated approach makes education a supportive force to skill development leading to immediate income generation and vice versa. A gender empowerment program within this, the Adolescent Girls' Program (AGP), helps the girls in shaking off discriminations and stereotypes and to participate in the new paradigm of people's economy in the shape of more challenging skilled works. The discriminations generally suffered by the girls include a lack of freedom of movement, superstitious attitudes towards puberty, early marriage and unequal opportunities in all aspects within and outside the family. However, these do not prevent the families to exploit their labour to

the extreme. The work they do are usually of the nature of domestic chores in a confined fashion not leading to their cash income or skill development. Apart from these stereotypes connected with the work-practice, there are others determining the way the girls are expected to be meek, obedient and dependent on the male guardians for all decisions concerning their life. The Adolescent Girls Program addressed these problems.

All the components of this integrated program serve to enrich one another• education drawing its subjects from livelihood practices while the latter gets its scientific basis in the general education curriculum. The school-day is divided into an inner campus (class room) and outer campus (practices) situations providing a lot of options. The latter takes place as actual works responding to the local demands for products and services that can be marketed by the system to create income for the students and the school.

To make the system effective, CMES explores the present state of the economic and technology scenario, specially in the informal sector and its transition interface to the formal sector. Its Research and Development component does this in a kind of action research as the system evolves. CMES has done it by piloting small scale income generating activities which have not been tried before in the villages but the demands for which have been dormant here as these were spreading in cities and towns. CMES had to engage in some adaptive research for bringing things into a type and scale suitable for such piloting. The Service Centre of CMES in Dhaka which have some personnel and facilities to undertake such research, usually initiates these activities on the basis of field level market surveys. These begin as a form of students' learning and practicing subjects. The initial investment comes from CMES and it acts as the risk-taker. But in many cases the activities become ultimately profitable. And some of the students graduating from BSS could even start business of their own in these trades.

Thus the skill training ranged from simple soap making, candle making and carpentry to small scale scientific poultry farms and on to bio-fertilizers such as vermicompost and solar electrification and computer use. All the traditional artisan's and technician's trades were seen from an educated point of view, and more modern and marketable versions of them were brought within the reach and practices of the people at the grass root. It is not that all the products and service thus created are marketed within the villages themselves. Some definitely are – even completely new products such as vermicomposts, which the common villagers soon come to appreciate and buy as they do the chemical fertilizers. Even villages have people who would afford new and interesting things as they become available. For example, villagers occasionally did use the services of photographic stu-

dioses from the nearby towns. Now the students of BSS are making it available right at their homes – increasing the use a lot. There are other marketings which are done in nearby cities and towns using BSS's own marketing channels and those of others. Thus while village potters are happy with the traditional pottery utensils, the BSS students are making fancy decorative vases to be sold in the towns at a much higher price.

Self-employment, as well as employment in the existing enterprises were emphasized in everything that the BSS does. The strength of the microcredit institutions in Bangladesh villages have been fully utilized in this. CMES itself has its own microcredit scheme, which is unconventional in the sense that it introduced microcredit for the youth• unmarried girls in particular. One of the reasons CMES had to start its own microcredit scheme in spite of other stronger providers' presence, is the fact that others did not regard the adolescents and unmarried girls as credit-worthy. They thought it involves too much risk. But CMES's success in this field has proved them wrong. The other reason was that CMES tries to link the microcredit with new and non-stereotyped livelihood activities, which others do not insist upon. For CMES the microcredit was only a tool in pursuing its objective, not an end in itself. While this kept the CMES microcredit scheme somewhat limited, it served its purpose better.

CMES's innovative efforts on the subject has had a gradual but definite impact on the institutional aspects of education as related to poverty alleviation. The issue is well-recognized now and the ways and means of reforms are very much in discussion – where CMES's experience is one of the very few that can give some concrete examples. Of course over the years the direct impact of CMES's institutions on the empowerment of the disadvantaged local youth including the enhancement in their income earning potential has been quite significant. But CMES's real achievement is in offering a tangible model for the country, which the NGO movement as well as the government policy makers can adapt to build up an appropriate institutional support for the people's economy.

One shortcoming of CMES's effort consist in its being inadequate in size compared with the need. It had to work within a limited resource and had to struggle all along to be noticed by the mainstream educational establishment as well as the development partners. The whole concept remained a very unconventional one, and there was a tendency to regard it as an obscure experiment. Therefore, although the local impact has been very positive, and sometime spectacular, the wider impact was slow to come by. The attitude within the policy makers are changing now, and it is hoped that this will allow CMES to overcome some of its limitations. The long term sustainability of

its efforts is a big question. So far, this has been addressed in a rather tentative manner, though there are well-demonstrated potentials for sustainability within the model, mainly based on the linkage of income generation with education and training. These potentials need to be developed further.

4. A New Delivery Mechanism

To develop the potentials for sustainability, CMES has been working on a new concept in delivery mechanism in which the real-life enterprises in the commercial sector would share responsibilities with a BSS-like institution.

The components for specialized skill can better be delivered by particular enterprises offering long internships to the students. This will widen the scope of technologies to be learnt and the level at which these can be learnt. At the same time it will enhance the immediate employability of the graduates either in these enterprises or later in self-employing small businesses, while depending on some internship-remuneration for the moment.

The BSS-like institute will take care of a further education in general competencies, in accordance with the previous formal or non-formal education of the student. After a period of this and a training of some core skills at the institute, the rest will be a joint responsibility of the institute and an enterprise where the internship would take place.

CMES has been conducting some preliminary survey on the local enterprises, to assess the feasibilities of such institutional partnerships. The responses so far have been quite encouraging. Typical prospective partners being local workshops, small business enterprises, repair-maintenance shops, cottage & small industries, organized agrobased farms such as poultry farm or fish-farm, health clinics, computer centres etc. We are now formulating the details for a possible piloting of this delivery mechanism first based on the existing CMES institutional arrangements and later as separate independent endeavours.

5. Institutional Implications for the Future

The education-skill linkage has been an utterly neglected issue within the national program, so far. This is a basic reason for the non-relevance of education for the large part of the youth, and the high dropout rates among them many relapsing into illiteracy. The huge informal sector of economy and much of the formal one too, remain without the blessing of a progressive knowledge and skill base. The development and progress in the mainstream education including

that of primary enrolment is somewhat being defeated by this failure to address the specific learning needs in this sector.

Recently, I was asked by the Ministry of Education to write the thematic paper on Continuing Education with Livelihood Skills for Out of School Adolescents and Young People, which would contribute to a long term national policy and programs. In this I made the CMES's idea of IRE model (Internship in Real-Life Enterprise) as the basis for an institutional arrangement to be developed over the next fifteen years, in three phases.

This would be a nationwide replication of the CMES's IRE model, ensuring a sustainability built on cost sharing between the beneficiaries, local and national governments and the development partners. The participation by the community in building up the institution would be vital, while the strength possessed by many NGOs in management capacity at the grass root will be an important asset to use. There will be an extended piloting in the first phase when valuable experience will be gathered on the details. This will be followed up by wider replications. In all these, the role of the state will be that of the policy maker and facilitator, leaving the actual implementation to the private initiatives – the community organizations and the NGOs. The method will be participatory in the sense that active roles will be played by various stakeholders – the beneficiaries, the enterprises, the community the NGOs and the government and all will contribute in terms of resources invested, and supports provided.

The present trends show that there maybe more rapid progress in the technology and the socio-economic scenario even in rural Bangladesh, taking advantage of their global counterparts. This will create additional enabling factors for the model, particularly optimistic areas being the following.

- Diversified and non-conventional agricultural activities-e.g. tissue culture, bio-fertilizers, new crops etc.
- Information and Communication Technology.
- Rapid rural electrification, much of it through decentralized renewable energy.
- Development in health services.
- Fabrics and garments industries.
- Service sectors including tourism.

These will rapidly multiply the diversity and opportunities in enterprises which would offer internships and employments, and that too in continuously innovating and developing manner. This is expected to enhance the feasibilities of cost-sharing, thus improving the sustainability.

Much of the activities which are within the informal and transitional economic sector today, will then hopefully be transformed into more formal and challenging activities such as above, requiring a substantial knowledge-skill base to be delivered through the institutional framework like this model.

The framework will encourage further some budding trends now visible in the horizons, such as opportunities being created through rural telecom infrastructure, growth of private education providers, opportunities for subcontracting etc.

Institutional Implication of Linking Work, Skills and Knowledge for Survival and Growth of Enterprises: The African Perspective

By Dr. Robert Gichira, Coordinator, Gok/World Bank, Micro And Small Enterprise Training And Technology Project

1. The Magnitude of the Informal Sector

Like in Bangladesh and other Asian countries the informal sector constitutes a huge and growing source of employment in Africa. It provides the bulk of urban employment and are second only to smallholder agriculture as a rural employer. The recent studies undertaken in Africa estimate that they employ 61 per cent of the urban labour force. In contrast the «modern» sector employs only 21 per cent, the remaining 18 per cent of the labour force being unemployed. The informal sector is also an important employer in the rural area where at least one-fifth of the rural labour force is engaged in non-farm activities. In view of the declining modern sector employment coupled with increasing urbanisation it is estimated that 93 per cent of the additional urban jobs will have to be generated from the urban-informal sector.

The sector encompasses a wide variety of economic activities that tend to be «overlooked» in statistics, including all sorts of manufacturing activities, construction, trade and commerce, repair and other services. The operators are mostly self-employed and helpers or apprentices. They encompass the poorest of the poor as well as the relatively well-to-do entrepreneurs.

The review of the studies on sectoral coverage in Africa indicates that; trade accounts for 40-60 per cent of urban informal sector enterprises; services 10-30 per cent; 5-25 per cent in manufacturing and up to 10 per cent in construction. The studies also indicate that 50-60 per cent of African rural non-farm activities are in manufacturing accounting for between 15 and 40 per cent. These figures suggest that manufacturing accounts for minority of enterprises. This implies that training measures cover only small proportion of informal sector manufacturing enterprises. On the other hand any training strategy that fails to cater for trade activities is likely to ignore the majority of the informal sector operations.

Dr. Muhammad posits in his paper that the incomes earned by the informal sector operators is small. This

is the case in Africa, in particular, of self-employed workers in household enterprises and on the lower end of petty trading, street vending and personal services. The workers employed by the informal sector enterprises are not well off, as the owner/managers, especially if they are taken on as apprentices. However, there are instances where informal sector entrepreneurs earn income equal to or more than formal sector wages. For instance the 1999 Baseline Survey on informal sector in Kenya indicated that the employees were earning two and half times more than the minimum wages.

2. Constraints

Dr. Muhammad argues that the development of the informal sector enterprises can be constrained by external and internal factors. The limited education level, managerial and entrepreneurial competencies, and inappropriate institutional support and low technological capabilities are key constraints affecting informal sector operators. It is estimated that about 80 per cent of the informal sector businesses in Africa fail within the first three years due to lack of basic education, managerial and technical skills. On the whole lack of skills (basic knowledge, technical, managerial and entrepreneurial skills) means that the individuals are likely to struggle to enter into wage employment or self-employment. Therefore training is important for enhancing social inclusion. The operations of the informal sector is also being affected by globalisation which has resulted into rising costs of inputs and dumping of imported goods resulting into oversaturation and reduced level of competitiveness for the informal sector. This implies that the informal sector workers, and owner/managers should be equipped with appropriate skills in order to be competitive.

3. Training Support

3.1. Formal Technical Education and Training

The scenario depicted on Bangladeshi's formal technical education and training also applies to most African countries. Over the years community training

centres, youth polytechnics, technical institutes and national polytechnics have mushroomed. These institutions produce artisans, craftworkers, and technologists. It is estimated that about 85 per cent of the graduates from these technical education and training institutions enter into self-employment within the informal sector. This raises the level of education for the informal sector operators. Majority of the technical and education institutions are also conducting non-formal skills upgrading training programmes for the informal sector operators. The students from the community training centres, youth polytechnics and lower level technical institutes are attached for their required practicum in the informal sector. These new trends have improved the image of technical education and training and that of the graduates. However, as posited by Dr. Muhammad these TET institutions are faced with the problems of inadequate facilities, staffing problems, increasing costs and declining enrollment.

The role of conventional training institutions in the informal sector remains to be properly defined. It is wasteful to leave these expensive and experienced institutions isolated from the fasted growing segment of the labour market. On the otherhand, the strategies and methods that these institutions can deploy to reach informal sector workers are not self-evident. One interesting alternative is to have them give resource support to other smaller institutions by providing training materials, technical assistance and training of trainers for the informal sector.

3.2. Non-Formal Training

The analysis by Dr. Muhammad on non-formal training indicates that non-formal training is offered by public sector agencies, private bodies and private commercial sector. The public sector bodies in Africa include informal sector agencies, development financial institutions training centres, technology development centres, donor assistance programmes etc. The services offered by these agencies suffer from centralisation, inadequate institutional capacity, lack of operating funds and political interference.

The private sector bodies include NGOs, consulting firms, sectoral associations' micro-finance institutions, banks, cooperative institutions etc. These institutions are decentralized and rapid in their decision making

4. Innovative Informal Sector Support Programmes

The unemployment rate of young persons between 15 to 24 year of age is about three times as high as that of older groups in most African countries.

A number of innovative informal sector support programmes like CMEs have emerged over the last ten years to assist unemployed youth. These programmes are targeting the following groups.

- Uneducated youth
- School drop outs
- Primary School leavers
- Secondary school leavers
- Post secondary school leavers

These programmes are managed mostly by local and international NGOs. They follow the CMES integrated approach. These programmes entail the traditional apprenticeship programmes, and self-employment programmes. The training skills offered by these programmes include basis skills, occupational skills and entrepreneurial skills.

Traditional apprenticeship in a craftsman's workshop is one way of training workers in this sector. Instead of abandoning this system, it is preferable to seek to improve it within the constraints under which small firms operate.

Training-cum-production schemes offer concrete advantages and can be employed meaningfully in various circumstances. Yet, this is not a very easy system to operate, requiring precautions to ensure good results. The danger is that either the focus of attention in training falls on conventional academic activities leaving production for the market becomes the sole objective, the training side being considerably downgraded.

The lessons to be learned from CMES is that an integrated programme should be:

- designed to reach the poor and disadvantaged
- treated in a business like manner
- designed to respond to client needs
- designed and delivered in a practical learning manner
- delivered by the right institutions and people
- based on the need to ensure client commitment

The unresolved issues from these programmes are the extent to which the costs of intervention provided should be recovered and how to reach the poor and disadvantaged.

5. Delivery Mechanisms

CMES delivery mechanism is a three-tier approach involving classroom, practicum and self-employment. The practicum is internship based. This delivery mechanism prepares the young person for entry into

the informal sector initially as a trainee and then as an intern rather than as entrepreneur. This mechanism enhances networking between non-formal institution like CMES and practicing businesses and hence making the learning demand driven and practical. However, for the internship to be effective there is also a need to train the craftworkers in pedagogical skills in order to improve delivery mechanism.

The effective delivery of support services remains an important problem given that the number of informal sector operators is so large that, even with self-selection mechanisms, only about 5 per cent of the target is reached. This situation can be resolved by ensuring that the delivery mechanism is:

- Business-like and demand driven
- Built on demonstrated initiatives and best practices
- Continuously monitored and evaluated
- Sustainable

There are many other issues, which deserve reflection before delivering training for work in the informal sector. The issues include:

- the identification of self-employment opportunities and related vocational guidance for young people who continue to seek wage-jobs which do not exist;
- the specification and delivery of inputs which must complement training so that it can be effective, in particular credit and appropriate technology;
- the decentralisation of government services, including training, their co-ordination and integration, as appropriate, and the participation of beneficiaries in their design and implementation;
- the issue of vocational standards, testing and certification and the related issue of quality control, evaluation and feedback for training efforts which are highly diverse and dispersed;
- the relationship between education and training for work in the informal sector including the question whether illiterate people must be made literate before they can be trained;
- the relationship between formal training and non-formal training for work in the informal sector, in particular the role of existing institutions, e.g. in supporting traditional apprenticeship systems;
- the art of targeting so that those who need training most will be trained and so that those who are trained will indeed benefit from their training.

6. Institutional Implications for the Future

Dr. Muhammad raised issues pertaining to replication of CMES model, sustainability and the role of the key stakeholders. This would entail enhancing efficiency, effectiveness and sustainability of CMES through institutional development with a view to improving its services, adding new services or expanding its target group as well as developing networks with the key stakeholders. This will require:

- rigorous assessment of the current interventions
- encouragement of more innovations
- creating business like CMES
- building on interventions being offered by the private sector
- developing indigenous networks and associations
- achieving appropriate balance between the levels of intervention

7. Survival and Growth

As regards survival and growth Dr. Muhammad reiterates that the growth of small enterprises in the formal sector has opened new opportunities. He argues that smooth transition from informal work to such new entities can be attained through feasible and appropriate education, skills upgrading and institutional arrangement. Fairly high disappearance rates for microenterprises are not surprising, given their low general level of technological and marketing practices, the performance of the national economies in which they operate and the precarious tenure of their premises. Clearly, despite their resilience, their essential role as a huge provider of employment and the reasonable income levels they yield to many who work in them, informal sector enterprises in Africa do not yet fully display the dynamic, productivity-raising, growth-oriented facets of entrepreneurship.

The issue therefore is not whether Africa will continue to depend on the microenterprise («the informal sector») to generate employment in the foreseeable future but rather to determine what can be done to improve the employment performance, enhance the productivity, and expand the output and incomes of microenterprises, while at the same time encouraging small modern firms to grow and expand beyond the microenterprises level. In this way the situation of the entrepreneurs and workers making a living in both these types of enterprise would gradually improve.

8. Conclusion

The reorientation of training systems is an urgent task in many African countries. To ensure that training contributes better to social and economic development in Africa, change should be comprehensive, in-

tegrated in broader strategies, and instrumental. However, these changes cannot take place overnight. A beginning consists of consensus about needs, objectives and direction.

Notes from Working Group 4: What Skills are Needed to Ensure Survival and Growth of Enterprises?

By Josiane Capt, ILO International Labor Office, Geneva

The Working Group (WG4) discussed the variety of undertakings in the informal economy which may call for a corresponding variety of skills. It was stressed that skills training should go beyond specific technical training. Since one of the characteristics of workers in the informal economy is to be particularly disadvantaged in terms of skills, it was felt that special attention should be given to basic skills such as literacy and numeracy and, more generally, the capacity to learn (learning how to learn and how to translate skills into action). Skills training should also involve personal and social competencies (e.g. self-esteem, networking, negotiating, etc). Yet occupational skills retain a very important role. It was pointed out that occupational skills training directed at women should not only build on their existing skills but also aim at diversifying their skills to enable them to adapt to new market niches.

Similarly skills training for the creation and operation of micro-enterprises should go beyond management techniques and cover the capacity to mobilise and adapt one's skills to new circumstances, problem solving skills, etc. Given that the role of women as entrepreneurs tends to be under-reported and unrecognised training should be imparted not only to the visible micro-entrepreneurs but more importantly to the real ones.

Lastly skills training should go beyond the survivalist/growth-oriented dichotomy. It is only fair that disadvantaged groups be given the opportunity to be trained in those activities that have a growth potential.

As seen above the needs for skills are multiple. This multiplicity calls for an incremental process of skills development. Design and implementation of training interventions must take into account the absorption capacity of target groups and adapt their rhythm accordingly.

It was recalled that in many countries women constitute nearly half of the economically active population in the informal economy. It is therefore crucial that skills training have a gender perspective. Several participants of WG4 underscored that this does not mean that there should be a stereotyped training for women. On the contrary a gender perspective means that whilst the specificity of men and women must be

taken into account equality must remain a priority objective. If properly used, training is a good tool to contribute to this objective as it can further women's autonomy and consequently their economic, social and political empowerment.

WG4 agreed that for skills training to be most effective it cannot be applied in isolation. As much as possible it should take place within an appropriate policy framework. Also it must be combined with other support services such as micro-finance, market information and other business development services as well as social services. It was however recognised that training and other services may not be enough when workers do not have control over the whole supply chain. The organisational dimension is therefore also crucial.

The issue of financial sustainability of training interventions was not discussed in-depth as this was the topic of another Working Group. However it was recognised that sustainability and replicability are key issues. It was pointed out that this implies a political will and regular resources. Furthermore capacity building of intermediary organisations, especially training institutions, whether formal or informal, is essential. Such capacity building covers organisational, methodological, social and technical aspects.

WG4 debated for some time on whether training should be considered as a public good or whether it should be left to the private sector. Some expressed the view that this should depend on the type of micro and small enterprises that are the target group. Others emphasized that training, as education, should be considered as a right. All agreed on the necessary linkages between education and training.

Within this framework, WG4 viewed the role of different stakeholders, their complementarity and how these could articulate their interventions as follows:

- the governments' responsibility is to create a conducive environment, invest in skills development and monitor the impact of various interventions. Public and semi-public institutions, in particular vocational training institutions, research centres, etc., should be re-oriented to cater to the needs of informal economy workers;
- the private sector is well placed to identify employment opportunities and training content and provide relevant training and other services, possibly also under subsidised schemes such as, for in-

stance, training vouchers. Some stressed the potential to provide training for profit even to operators of the informal economy – although admittedly this is likely to apply to the more growth-oriented micro-enterprises;

- NGOs play a crucial role in implementing programmes, especially those directed at entrepreneurs and workers of «survivalist» micro-enterprises since these are less likely to afford

training in the private sector. NGOs' capacity needs upgrading so that they become more market-oriented and able to support «survivalists» to adapt to new circumstances rather than using income-generating approaches that do not ensure the empowerment of the most disadvantaged groups. Examples were provided of some successful NGOs having taken more market-oriented approaches thus able to break away from a total dependency on subsidies.

The Role of International Cooperation in Skills Development (with Particular Reference to the Informal Sector)

By Kenneth King & Simon McGrath, Centre of African Studies, Edinburgh

The Particular Challenge of Donor and Government Coordination Skills Development for the Formal or Informal Sectors

The starting point of this issues paper on international co-operation in skills development is to state that with the exception of the annual conference of the Working Group for International Co-operation for Skills Development (WGSD), there is in fact precious little international co-operation in this field. In particular countries there has been a tradition of agency co-operation, notably South Africa in the EU project, and in Tanzania over many years by a number of donors. But for most other countries, it would be difficult to describe the interplay of a multiplicity of international projects in terms of co-operation. This situation raises a series of questions for the two sessions of this working group.

1. Why is it, when Sector Wide Approaches (SWAPs) are being developed in the Education and Health Sectors that they are not being developed in the area of Skills Development? This is not to suggest that SWAPs are a perfect instrument of international co-operation, but we ought to be clear why they are not being tried in the sphere of skills development.
2. One reason why it may be difficult to develop SWAPs in the arena of skills development is that the 'sector' to be encompassed is so vast. Skills development is to be found in so many different pathways, and institutional settings. Nor is it all under the same ministry, but divided at least between Education and Labour, and always others also.
3. Even if school-based skills development tends to fall under one ministry, and formal institutional training and formal enterprise-based training un-

der specific other ministries, it is very difficult to allocate responsibility for skills development in the informal sector. Frequently there is simply no single ministry directly concerned. Thus donor projects in relation to the informal sector in a single country may have a whole range of different ministries involved, or, more likely, may be organised through a series of different local and international NGOs. Consequently donor co-ordination in this field starts out with a much greater challenge.

4. There is a parallel challenge to co-ordination from the donor side. First, because of the differentiated institutional settings and pathways of skills development, it is seldom the case that technical and vocational training (as it used to be termed) is in the same section as support to formal education. Certainly in some agencies, such as GTZ and Danida, vocational training has traditionally had its own section, while in others, like ODA/DFID or SIDA/Sida, support to vocational training has been in the same section as education. A different institutional culture is likely to be found when training has had a separate section or department from education.
5. In the last ten years and more, there have, in addition, been a set of factors that have dramatically reduced the agency traditions of support to technical and vocational training (TVT). It would seem to be the case that support for this area of work has suffered more in agencies where TVT was in the same department as Education. This may have been because of the 'Jomtien effect', the absence of TVT in the International Development Targets, or the influence of the policy position of the World Bank on TVT. It could also be the result of a change in thinking about TVT which has de-emphasised – at least on paper – the preparation for particular artisan or craft skills and encouraged a wider set of core skills, under the newer rubric, skills development. Yet there is a paradox here. At the same time that the old TVT has declined in apparent importance, globalisation and rapid technological change seem to have heightened the potential importance of skills development as more broadly

conceived. This is a challenge that agencies have been relatively slow to grasp.

6. As at the country level with different ministries, so in agency headquarters, the situating of skills development becomes even more complex when it is concerned specifically with the informal sector. In some agencies it will be located in Enterprise or Private Sector Development; in others in Social Development or Social Protection. On occasions, the same project has been known to start out in one department and continue in another. But it is probably the case that because skills development is a more recent aspect of support to the informal sector or micro-enterprise development, it is harder to locate than the older strategies of micro-finance, business development services and infrastructure development. It should be noted, however, that in several agencies there is a closer now relationship emerging between skills development and enterprise development.
7. In general, it could be argued that agency attempts to support skills development in the informal sector cannot easily be delivered if there is no understanding or support for skills development in the formal sector. Equally, it could be argued that a poverty orientation towards informal sector development risks impoverishing the necessary growth orientation of any realistic micro and small enterprise development policy.

Challenges to the Working Group Sessions

The institutional differentiation and complexity associated with support both to skills development and to the informal sector should be taken as an opportunity and not just a challenge.

- Mapping existing skills development practice against the potential mechanisms for support.

At the country level, it is critical that policy makers analyse and map the multiple contexts in which skills for the informal sector are being generated. No single ministry can be responsible for skills development for the informal micro-enterprise sector. Rather, the specific contributions of particular ministries and their relationship to the different pathways to work need to be detailed. This does not mean that there should be a super, cross-sectoral or cross-ministerial initiative for skills development for the informal sector. Instead, the current methods whereby skills are actually formed in the informal and formal sectors need to be mapped on to the potential of many different ministries and non-governmental bodies to provide additional support.

- Skills development must target poverty, gender and youth – in both formal and informal sectors.

There is a danger in agencies only pursuing what could be called a poverty-oriented skills development strategy for the informal sector. Very large numbers of poor young people of both sexes rely on low quality formal training institutions for their work skills. It would be unfortunate if agencies target particular categories only in the informal sector, since the majority of young people depend on both formal and informal pathways for skills development.

- Institutional implications and delivery mechanisms for both national governments and donor agencies.

30 years after the informal sector terminology was first used, neither donor nor national government policies have yet adjusted to the immensity of the challenge of supporting skills development in the 'popular economy'. It continues to be the case that the majority of all skills in the popular economy are generated apparently with little or no support from government or donor agency. But the research and policy challenge may well be to recognise that the skills developed in the informal sector are a complex construct from several different paths, both formal and informal. Thus the starting point for greater donor co-ordination for skills development in the informal sector should be a recognition that a project with such a title would be much too narrow.

Specific Queries for WG Session One on Poverty, Gender and Youth

- What role can skills development play in an overall poverty reduction strategy?
- What are the needs of youth, women and other new clienteles?
- How far can skills development meet their needs?
- Can skills development programmes seeking to include or target non-traditional clienteles avoid ghettoising them?
- How can equity and competitiveness concerns be achieved simultaneously?

Specific Questions for WG Session Two on Institutional Implications and Delivery Mechanisms

- How far can we transform existing institutions to address new clienteles
 - Are new institutional forms or delivery mechanisms needed to meet their needs?
- What funding mechanisms can best support the goals of skills development?
 - Who needs to be involved in planning, monitoring and evaluating skills development?
 - What are the appropriate roles of the public and private sectors?
 - How can the capacity of both be developed?
 - Who do SD providers and planners have to liaise with to help delivery on the wider needs of their clienteles?

The Youth Challenge and Skills Development in Namibia: Choice and Opportunity

By Nahas Angula, Minister of Higher Education, Training and Employment Creation, Republic of Namibia

The Conference

The Conference on «Linking Work and Knowledge Learning for Survival and Growth» is both timely and opportune. It is timely because the post Jomtiem education experience in many of our countries has witnessed massive participation rates in Basic Education. In Namibia participation rates for the age cohort 6-16 years old is now over ninety percent. Equally literacy rates among the adult population is above eight-five percent. The question now is: Basic Education for what? Or literacy and numeracy for what? It is now time that we address these pertinent questions.

Equally it is now an opportune time to address the youth challenge. In a country like Namibia the youth, age group 16-25 old, constitute the majority of the population. Their needs must therefore be addressed. The development of work-related skills, competencies and knowledge seems to offer the possibility for personal growth and empowerment. This Conference offers the opportunity to explore how such skills development programmes could be organised, managed and promoted. This is an important undertaking if developing countries, like Namibia, will be able to create choices and opportunities to the young people and adults especially in the informal sectors.

I would like to thank the Swiss Agency for Development and Cooperation (SDC) for sponsoring this important conference. We further commend the Working Group for International Co-operation for Skills Development for mastering the intellectual resources to make the conference a success. We look forward to mutual exchange of experiences and the possibility for creating international networks for Skills Development. We further hope that the conference will inform the donor community that beyond Basic Education, Skills Development should receive priority attention.

The Namibian Context

Now I would like to give information on Namibian experience. Namibia is a south-western African country. Its population is less than two million. Its economy

is mainly extractive and subsistence. The majority of the population is locked into subsistence informal sector. The social problems facing the country are therefore:

- a) disparities in income distribution
- b) poverty, and
- c) unemployment.

Ten percent of the population own seventy percent of national assets and income (World Bank, 1991). Sixty percent live below the poverty level (National Development Plan II, 2001). Unemployment among the girls of 25-29 years old is twenty percent. Unemployment among the boys of the same age group is nineteen percent (Central statistics Office, 1991). Unemployment in the rural areas was 40 percent as compared to 30 percent in urban areas.

If income distribution among the population was going to change a conscious programme of income redistribution is called for. Equally, poverty reduction will require a policy of wealth creation and redistribution. In the same vein, unemployment could only be addressed through employment creation and economic growth and wealth creation.

Namibia is a country endowed with natural resources: mining, agriculture, fisheries, tourism and others. These resources create a great potential for growth. What appears to be missing is the human capital. Technical competence, knowledge, innovativeness and human ingenuity are the ingredients for wealth creation and economic growth. These competencies are particularly important for the upliftment of the communal subsistence economy and its integration into mainstream cash economy. Skills Development at the community level is therefore critical. It was against this background that a National Foundation for Community Skills Development was created in Namibia to address the challenge of community empowerment through skills development and the promotion of enterprise.

Community Skills Development

The National Foundation for Community Skills Development was established with the goal of enabling communities to source resources both financial, material and technical, from government, donor com-

munity and national sources. The Foundation enabled communities to establish National Foundation for Community Skills Development Centres (COSDECs) as community trusts.

The COSDECs are tasked to identify the community training needs according to the economic potential of a particular community. In this was the community will be able to source resources through the Foundation. The Foundation sources funds and other resources from the government, non-governmental organisations and the donor community in order to address the needs of such a community.

Skills development in the COSDECs are hands-on and competence based. Learning is by doing. Quality control is provided by the guilds or industry. Certification is, therefore, a joint responsibility of the Foundation and the industry.

The COSDECs have provided out-of-school and unemployed youth with choices and opportunities to learn skills, however basic, and the possibility for employment and self-employment. The Foundation is now devising additional programmes for the COSDECs aimed at adding entrepreneurship and product incubation to the training for skills development. The goal is to equip trainees with skills, entrepreneurial acumen and productive competencies before they are weaned off to stand by themselves. The Foundation has been helping the COSDECs to assess the communities economic and development potential. It is hoped that the COSDECs will be the community resources for development and empowerment.

Resource Co-ordination and Mobilisation

The Foundation for Community Skills Development has been co-ordinating the resource mobilisation. The Foundation which is made up of members of non-governmental organisations (NGOs) and governmental officials, serving in their individual capacity, has been able to identify potential resources for the support to the COSDECs because of its knowledge and networks nationally and internationally. The Foundation established a Support Unit which supervised the identification and the establishment of COSDECs in seven different localities throughout the country. The Support Unit helped to organise the communities to create the COSDECs Trusts, election of the boards and appointment of executive officers.

The Foundation was able to enlist the support for the following organisations:

- The European Union
- The Namibia Norwegian Association (NAMAS)
- Hope'87 of Austria
- The Comitato Internazionale per lo Sviluppo dei Popoli (CISP) of Italy
- Centrum ontmoeting der Volkeren (COV) of the Netherlands
- The Government of the Republic of Namibia

The Government of the Republic of Namibia provided seed funds to kick start the creation of COSDECs. The European Union provided training and institutional development of the COSDECs. COV of the Netherlands provided technical support to the Support Unit of the Foundation. CISP of Italy has been training trainees in entrepreneurship. Hope'87 of Austria and NAMAS of Norway linked up with the Tsumeb and Opuwo and Orumana COSDECs. Due to the co-ordination provided by the Foundation input from various donors proved to be mutually reinforcing. However, donor support should be viewed as temporary. The challenge is to address the sustainability issue.

Sustainability

The Community Skills Development Centres (COSDECs) are envisaged as community owned and community managed organisations. In this regard, the COSDECs are expected to attain a certain measure of sustainability. This means that the COSDECs should generate income to support its activities. It is against this background that efforts are being made to establish incubation units at each COSDEC. Skills development should lead to self-employment, community development and income generation. This is the challenge of community skills development.

Notes

Education Management Information Systems (EMIS), 1999, «School Statistics 1999», Ministry of Basic Education and Culture

National Planning Commission 2001, «National Development Programme II», Government of the Republic of Namibia

World Bank, 1991, Namibia, «Poverty Alleviation with sustainable Growth», Washington

Innovation and Micro and Small Enterprise Development in Developing Countries: Linking Knowledge and Skills to Produce Employment

Working group 5: What is the Role of International Cooperation?

By Meine Pieter van Dijk, The Netherland⁹⁸

Summary

Linking knowledge and skills can lead to innovation, which helps micro and small enterprises to survive. Innovation for micro and small and medium enterprises (SMEs) in developing countries started with the Appropriate Technology (AT) movement. Small is beautiful if the right technology would be developed. In the eighties the idea of developing the local technological capability came up. Biggs (et al., 1995) define the term as the information and skills – technical, managerial and institutional – that allow productive enterprises to utilise equipment and technology efficiently. Later research stressed the different factors influencing innovation at the macro, the meso or the micro level.

At the macro level the role of science and technology policies and national innovation systems are important. At the meso level (the level of the regions and cities and the business support system) the researchers tried to identify the factors explaining success of for example clusters or industrial districts for innovation. Finally at the micro level the role of the entrepreneur was analysed, focussing on personnel characteristics. We argue that for SMEs an innovative milieu is very important because they can not innovate on their own. Such milieu is often found in clusters of small and medium enterprises. International cooperation can help to create the right environment by developing the right knowledge and skills and by stimulating innovation and innovation diffusion.

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Introduction

It is important to look at the mechanisms of technology transfer, the local capacity to adapt and develop technologies and the degree to which government, private sector associations and donor organisations can influence these processes. The history of technology development and SMEs in developing countries starts with the AT movement. Schumacher (1974) suggested in the seventies that small is beautiful. The right technology for micro and small enterprises needed to be chosen or to be developed (Kruft, 1985). In the eighties the idea of technological capability came up and this led to research concerning the technological capability in the informal sector (Biggs et al., 1995). They speak of levels of endowment of technological capabilities and point to the fact that these capabilities are also at the centre of the new theories of economic growth, which focus on technology and human capital as engines for growth.

Technological change implies four stages starting with the introduction of the new technology. In a second stage local producers may try to imitate the technology. Subsequently efforts will be made to adapt the technology to the local circumstances. Finally innovation may take place when local producers manage to develop it further.

Romijn (1999) deals with the issue of acquiring technological capability. She argues that there is a difference for small enterprise in the Third world, where 'doing new things usually means the adaptation of a new machine, product design or manufacturing technique invented elsewhere'. An innovation would be the development in-house of fundamentally new things. Doing new things requires technological capability and she focuses on the acquisition of this technological capability⁹⁹.

⁹⁹ Romijn reviews indicators of technological capability increase and determines to what extent this increase has taken place according to a number of case studies in different parts of the world. She indicates

Later research went in different directions, stressing different factors at the macro, the meso or the micro level. At the macro level the role of science and technology policies and national innovation systems was studied (UNCTAD, 1995)¹⁰⁰. At the meso level the researchers tried to identify the factors explaining success of clusters or industrial districts (Van Dijk and Rabellotti, eds, 1996 and Pyke and Sengenberger 1992). Finally at the micro level researchers tried to find personnel factors influencing entrepreneurial success (Rauch and Frese, 2000).

Most studies concentrate on studying innovation at the meso and enterprise level. However, the interaction between these three levels is also important. The second and the third level together could be called the technological capability or local technological capacity and it is important to explain why this capacity is developing in certain cities and countries and lacking in others.

A Working Definition of Innovation

A number of factors foster or inhibit innovation adoption by small enterprises in developing countries. Innovation is virtually synonymous with technological change, as it refers to the first practical use of a new, more productive, technique. A distinction can be made between product and process innovation. Process innovation concerns changes in the amount, combination, quality or types of inputs required producing the same kind of output. Product innovations refer to changes in the nature of output and, in principle this may come about without changes in the process of production, although most of the times process and product innovations occur simultaneously. To some extent the distinction between process and product innovation coincides with the distinction between radical versus incremental innovations.

What can be considered an innovation in the case of micro and SMEs? The disadvantages of taking patent statistics as an indicator are well-known and the relevance of patents for micro and SMEs is limited.¹⁰¹ Different types of innovation can be distinguished, from basic research, invention to innovation. Also a distinction can be made between a new technological sys-

what makes firms learn and finds that capability building takes place in particular in the metalwork sector and among capital goods producers.

¹⁰⁰ The concept of national systems of innovations has been suggested by neo-Schumpeterian researchers such as Freeman (1987) to point to what may be necessary for innovation. The importance of the concept is that it is broader than just pointing to some laboratories or research institutes. It stresses the synergetic effects of all the institutions active in the field.

¹⁰¹ Kamien and Schwartz (1982: 50) formulate three arguments against this approach.

tem versus incremental changes in a techno-economic paradigm. Innovations are again related to learning. At present very new production technologies become available, using advanced electronics, new materials or allowing efficiency at smaller scales of production. This may have substantial effects to improve the productivity of micro and SMEs. It may make technology development and adaptation in Third world countries more difficult in the future.

In this paper a broad definition of innovation will be used. In the African case studies in Van Dijk and Sandee (2002), everything the researcher did not expect, given the traditional context and way of doing things, was called an innovation in this local context. This means making a different product or a product of slightly better quality. Using different raw materials or economising on the use of raw materials or energy would all be called innovation. Improving the design or introducing a new way to finance, distribute or stock products and changing the management of a small business. Koot et al. (eds, 1996), based on Wittgenstein, call 'something surprising' a broad definition of a paradox and as such a good point of departure for research, trying to explain the surprising phenomenon that traditional and small enterprises can be very modern and big in coming up with and implementing new ideas.

Three levels of analysis for studying innovation can be distinguished:

1. The macro or policy level promoting (or discouraging) innovation and innovation diffusion
2. The meso level or the level of the business support system and how technological development and innovation is influenced at that level, for example through clustering
3. The level of the enterprise or a cluster of enterprises where the actual technology development and diffusion will take place

Macro Level Factors

The following factors at the macro level seem to influence a small entrepreneur willing to learn from others:

- travelling around in the region
- special demands from customers
- the potential of a niche market
- the use of different marketing techniques and
- being part of a national network

At the macro level also the importance of factors influencing the choice of or adaptation of technology need to be analysed (Van Dijk, 1995). Besides the

macro-economic conditions such as a convertible currency, a low rate of interest and inflation and the availability of foreign exchange other factors are mentioned. For example the role of science and technology policies and national innovation systems were studied by UNCTAD (1995).

At the macro level the question whether innovations are producer, buyer or institution-driven is asked. Producer driven innovations can be analysed at the micro level. Buyer-driven innovations are macro level factors and refer to those innovations for which traders, industrialists and other intermediaries play an important role in fostering innovations in small-scale enterprises. It appears that buyers are most prominent in stimulating product innovations. Frequently, buyers have better insights into consumers' preferences than small producers and they may be in a good position to encourage these producers to manufacture improved or new products. There is also evidence of buyers that finance part of technological change process by small firms. Large-scale manufacturing firms are likely to take an interest in financing technological upgrading by their small-scale subcontractors.

Institution-driven innovations are important because stimulating technological change by small-scale producers is high on the agenda of government agencies, bi- and multilateral donors and NGOs. Fostering innovation adoption is regarded important for strengthening the role played by small firms in employment creation strategies. Such institutional interventions are often justified by pointing at the existence of market failures that hamper private initiatives to bring about innovation adoption in the small firm sector.

In reality there are several actors involved in technological change processes in the small firm sector, and it may not always be easy to determine who are the key agents of change. Innovation adoption in small-scale enterprises does not necessarily lead to upgrading of their technological According to the flexible specialisation concept (Pedersen et al., 1994) the innovative mentality of the entrepreneur and the skill level of the workers are important factors in the competitiveness of SMEs. This is partly the learning by doing aspect of the endogenous growth theory. Secondly, flexible specialisation stresses the importance of factors like clusters and networks (Van Dijk and Rabellotti eds, 1997). Given the idea is that innovation would take place easier in networks and clusters, special attention will be paid to the role of clusters for innovation and small enterprise development.

Meso Level Factors

At the meso level (the level of the regions and cities) researchers tried to identify the factors explaining success of clusters or industrial districts for innovation (Van Dijk and Sandee, 2002). The role of intermediary organisations in the business support system (BSS) deserves attention. What is the role played by clusters and networks of small enterprises. There is growing evidence that collaboration between small enterprises, either in clusters or in networks, makes individual small firms stronger. Understanding the characteristics of collaboration may well be of great importance when we want to understand why many small firms appear to be doing well during periods of economic growth and crisis.

Training small entrepreneurs is part of the BSS, but a lot of the critique has been phrased by Dawson (1997) concerning the supply driven character of donor programs, their failure to reach large numbers, the fact that they are very expensive. Concerning training critique is often even stronger¹⁰² :

- these are failed investments in generic business training with a standardised content
- the programs are often too much supply driven and lack a more market-oriented approach
- too little attention is given to the quality of the trainers
- there are insufficient investments made in training follow-up and hence there is a limited proven impact of many existing programs.

That is an argument for a different focus, namely on learning and innovation. There is evidence that innovation adoption takes place easier in clusters and networks. Various explanations may be brought forward referring to the distinction between producer, buyer, and institution-driven technological change. Producer clusters may have comparative advantages in innovation adoption as there are good opportunities to share costs and risks associated with innovation adoption. This is particularly relevant when innovation concerns the adoption of technological indivisibilities. In clusters and networks adoption may take place through collaboration among adopters, where producers work together to render innovation adoption profitable. Buyers may give preference to fostering innovation adoption in clustered enterprise because it brings down transaction costs of collecting and marketing new output.

¹⁰² Dawson (1997) also notes that the availability of micro-credit for entrepreneurs with limited management skills and a low tolerance for risk may lead them to drift into new businesses before they upgrade or innovate existing ones. The informal sector expands consequently horizontally and becomes characterized by saturation and low growth enterprises.

Development of technological capabilities is most likely to succeed when small producers themselves are the main actors in innovation adoption. In other cases it appears to be less sure whether innovation adoption will lead to increases in technological capabilities. In clusters it is very likely that there will be differences among producers with regard to the development of technological capabilities, depending whether they are part of a producer-driven, a buyer driven or institution-driven innovation process. Pioneers and early adopters are expected to be in the best position to upgrade their technological capabilities. Later adopters and laggards may adopt inspired by the experiences of others, and their process of technological change may lack the learning by doing elements that are crucial for the development of technological capabilities. Second, it seems that differences in development of technological capabilities among clustered producers are not necessarily a problem. Technological change may lead to growth of income and new employment opportunities in the cluster while only a limited group of the clustered producers increases their technological capabilities. This suggests that development of technological capabilities is important but it is not always a prerequisite for growth of income and employment in small clustered enterprises.

Technological capabilities may be defined as the ability to make independent technological choices, to adapt and improve upon chosen techniques and products and eventually to generate new technology, endogenously. These are essential parts of the process of development (Stewart 1977). It is argued that without development of technological capabilities innovation adoption by small producers may not contribute much to the long-term development of their firms. The reason is that innovation adoption will not set in motion learning processes that make small firms stronger and that make it increasingly likely that small entrepreneurs manage subsequent innovations on their own.

In clusters and networks firms are linked horizontally and vertically to other entities. Collaboration among small firms and subcontracting are good examples of respectively horizontal and vertical linkages. These linkages deserve our attention because their nature may influence the performance individual firms as well as their innovativeness or technological capabilities.

For both government agencies and NGOs, it makes sense to concentrate innovation adoption efforts on clustered enterprises as learning and diffusion processes are facilitated when small producers operate close to each other and there are patterns of interfirm collaboration. Small enterprises do not operate isolated. There is ample evidence of networking and col-

laboration among small enterprises.¹⁰³ There are virtually no examples of small entrepreneurs who adopt innovations totally on their own. Innovation decisions are frequently made by others than the small producers themselves.

Micro Level Factors

Finally at the micro level the role of the entrepreneur was analysed, focussing on personnel characteristics (Rauch and Frese, 2000). Rauch (2001) is a typical example of a psychologist studying the success of African entrepreneurs with the Giessen-Amsterdam model. The emphasis in the model is on five broad areas, which are often studied in entrepreneurship research: the business owner's personality, human capital, goals, strategies and environmental conditions. According to the model personality does not influence success directly. There is no success without action and the actions are determined (mediated) by goals and strategies while the environment moderates the effects of goals and strategies. Hence the emphasis is on personality variables which will lead to actions, such as formulating goals and strategies, which then influence the results of the enterprise. The model puts all other variables in the 'environment', which then influences the goals and strategies and success.

Innovation is crucial for small enterprises to become and remain competitive in a global economy. It contributes to the process of industrialisation and economic development. It is essentially a strategy to stay on board and accommodate to changes in the behaviour of technology buyers. An innovation in a small enterprise in a developing country may not be new to the world, in the sense that the entrepreneurs produce new products that have not seen the light before. Rather the innovation adoption by small enterprises concerns imitation of production processes that have already been adopted elsewhere in the country or region. Although not new to the world, it may be a novelty in the local milieu. Camagni (1995) drew attention to the creativity and the innovation process rather than individual factors affecting the efficiency of production of firms. The concept of innovative milieu may be seen as very close to concepts developed in the framework of endogenous growth theories, such as flexible specialisation industrial districts and the importance of the local technological capability.

Innovation at the level of the firm is at the first place the outcome of a cumulative process. It is cumulative in the sense that technologies of production used to-

¹⁰³ This draws our attention to a methodological issue, namely to what extent is the individual small firm an adequate unit of analysis while discussing the importance of innovation for small enterprise development.

day influence learning processes and the nature of accumulated experiences. Calbrese and Rolfo (1992) found that the introduction of process and product innovations in small firms takes place that conclude that the factors which condition the innovative processes in firms change through time. Firms at different technological levels and with different organisational and management structures appear to react differently to similar external stimuli.

Innovation adoption doesn't come about by itself. Innovation adoption may be viewed as the outcome of decisions taken by various actors. It is the outcome of a process and the actors involved may be viewed as a network that does not have a boundary, but rather a focus, namely innovation (Sverrisson, 2000). It is possible to distinguish between leaders and followers in innovation adoption processes and between producer, consumer and institution driven innovations. Producer driven innovations are cases where it appears that the producers themselves are the main actors in process innovation. Small entrepreneurs turn out to be very capable of continuously upgrading production processes. Learning by doing and social learning are key instruments by means of which small entrepreneurs are constantly trying to improve the way they do things.

For small firms the key challenge is not innovation, but rather the acquisition of technological capabilities, or the capacity to innovate. What do we know about technological capabilities? First that we can distinguish production, innovation and investment capability. Secondly that capabilities are built up over time. The question then become how they are built up, which factors influence the process and how the process can be reinforced.

Innovation in informal sector enterprises in Ghana, Burkina Faso and Zimbabwe is the subject of Van Dijk (2002). His research focuses on technology capacity building in these African countries and the importance of enterprise clusters and cooperation. He started with a very broad definition of innovation (everything which the researcher did not expect) and concluded that indeed the networks and clusters in these African countries contribute to a number of unexpected results. A lot of these 'innovations' could be qualified as 'embodied learning'.

Conclusion

We argued that for micro and SMEs an innovative milieu is very important because they can not innovate on their own. Such milieu is often found in clusters of small and medium enterprises. How can we stimulate the development of local technological capability to help the development of micro and SMEs in developing countries. Different types of enterprise co-opera-

tion were analysed. They ranged for example from co-operation between large international and small and medium local enterprises in Zimbabwe (Van Dijk, 2000), to co-operation between small enterprises in Ghana and Burkina Faso (Van Dijk and Rabelotti, eds, 1996). Also examples of Science and technology policies to promote innovation and the development of a local technological development capacity can be given (UNCTAD, 1995).

Introducing existing or new technologies is a question of first making them known to potential users. Subsequently they need to be made available and finally their introduction can be facilitated through financial, technical or other incentives. Subsequently the local capacity to maintain, adapt and develop the existing and new technologies is important. This local technological capacity needs to be developed. If such capacity is available, there is no longer a need to transfer technologies lump stock and barrel, but local adaptation and development will take place. The science and technology policy of a country can help to develop such a capacity, as has been shown in the case of Bangladesh (Van Dijk, 1995) and more in general in OECD (1991). Also technology partnerships can help to achieve this (Pietrobelli, 1996).

Science and technology policies need to be elaborated at the sectoral, regional and institutional level. In the larger countries in particular the number of different (sub) sectors, the number of provinces (or states) and the number of institutions involved may be very large.

Projects tend to be at the macro level, while in fact implementing policies is more difficult than formulating them. It requires considering the institutional capacity of the different actors concerned, making funds available, and assuring that there is co-ordination among the different institutions involved.

The major issue of this paper is how local capacity for technology development and adaptation can be improved by using partnerships and new forms of co-operation. We looked at how to promote new possibilities for partnerships between enterprises and how to create enabling policies and mechanisms necessary on the part of developed and developing countries to promote and provide incentives for such forms of co-operation.

Technology partnerships between firms from developing and developed countries can contribute to the solution of a number of development issues.¹⁰⁴ A partnership is a shared learning experience. To allow the learning to take place in a systematic way research institutes need to be involved and those parts of the private and public sectors involved need to take a

¹⁰⁴ One type of partnerships, namely those where financing is playing a key role, has received little attention until now and more needs to be learned from a large number of such experiences until now.

take a more open approach to this kind of shared learning processes.

Governments may help to stimulate technology development and innovation diffusion. Science and technology policies could be directed towards developing products and to improving production methods of micro and small entrepreneurs. The government could help to develop Technology development and innovation diffusion centres, which would help micro and small entrepreneurs to innovate, to produce different products in different ways. However, even in this case a maximum use should be made of existing technology development centres, for example the ones related to universities and the private sector. To assure a maximum use of these Technology Centres a business and technology support system needs to be put in place.

International co-operation can help to create the right environment for developing knowledge, skills and innovation. First they need to understand the process and build upon trends in the field. This means stimulating imitation and adaptation, developing local technological capabilities and strengthen local technology institutions. Secondly, it means linking learning, skills, information and innovation and use clusters and networks for learning and diffusion processes, just like we used master-apprentice relations in the past.

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Institutional Implications and Delivery Mechanisms: The Case of South Africa

By Hakim Malagas-Ntsika Enterprise Promotion Agency, South Africa.

Skills development has been identified as a national priority in South Africa. The National Skills Development Strategy (NSDS) and the Human Resource Development Strategy (HRDS) are the overarching strategic frameworks that have been devised to drive the development of education and training. The NSDS and HRDS gave rise to the South African Qualifications Authority Act, Skills Development Levies Act and the Skills Development Act.

The Skills Development Act established twenty-five Sector and Education Training Authorities (SETA). A SETA is an organization responsible for the facilitation and coordination of training in demarcated economic sector(s). Its role is to ensure that skills development is driven and aligned with the needs of the sector and to administer the enterprise grant payments. In addition, SAQA has awarded all SETA's the Education and Training Quality Assurance (ETQA) status, which seeks to ensure that all training within the specified sphere meets the standards and criteria set under the NQF.

The mission of the South African Qualifications Authority (SAQA) is to implement the National Qualifications Framework (NQF). The NQF is an education and training accreditation system that places all training (vocational, technical and/or academic) upon one common graded system, thereby establishing vertical and horizontal learning pathways. It also provides an avenue upon which prior learning can be accredited and thereby formally recognized. The NQF breaks down the artificial divided between different types of learning. It commences at NQF level 1, which is equivalent to Grade 9 of formal secondary school and ends at NQF level 8, which is equivalent to a university Doctorate degree.

The current system, however, does not cater for the needs of the illiterate and, more specifically, the training encompassed within the rubric of Adult Basic Education and Training (ABET). Current thinking is to divide the ABET level into four components with ABET level four seen as the entry level to the NQF level 1 band. This compartmentalization of learning does not take into account the uneven knowledge and special learning requirements of adults. With respect to the informal sector, the entrepreneur whom, in many cases, has been active in the field for many years, has acquired knowledge in the general opera-

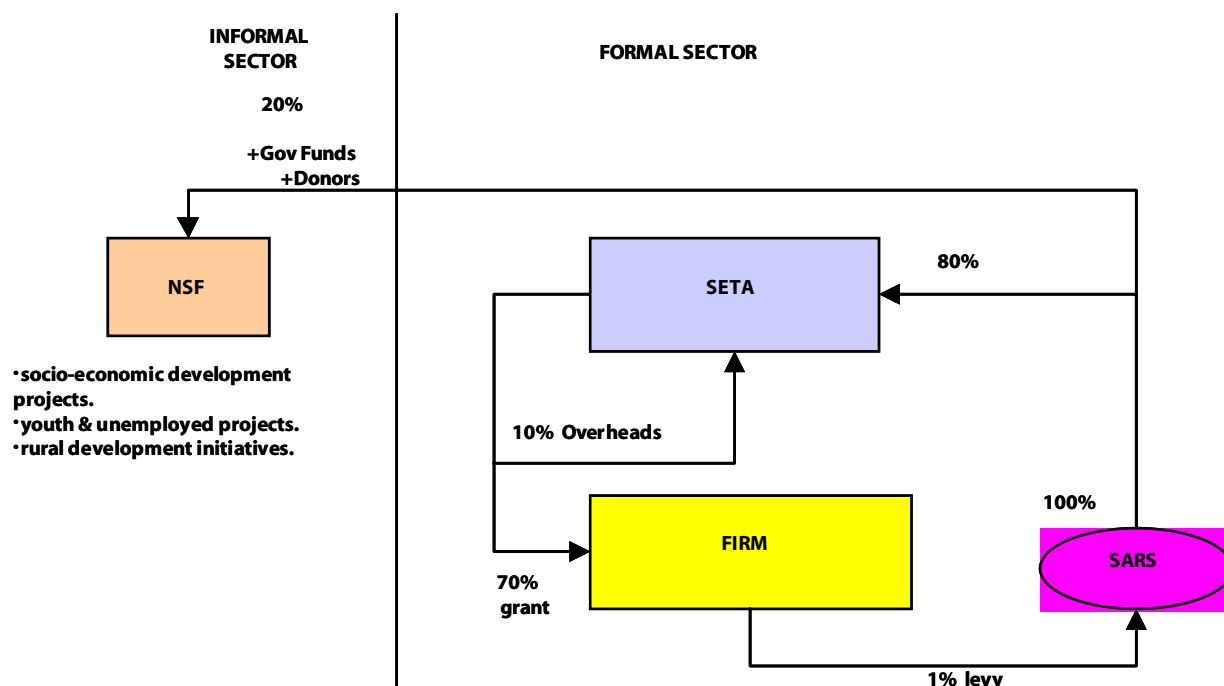
tion of their income-generation activity, and will be unwilling, and indeed, unable to undergo lengthy training activities that detracts from their ability to actually earn an income. Training interventions, therefore, must firstly determine the knowledge and skill package required by the various activities captured within the informal sector entrepreneur (the core activities), specific skills demanded within the various sub-sectors (the elective knowledge) and combine this with a targeted and appropriate ABET course (fundamental knowledge). Ntsika is currently engaged in a major research project to determine the informal sectors skill requirements and to develop suitable general and sector specific courses that can be incorporated into an «extended» SAQA accredited pathway.

The Skills Development Levies Act establishes a funding stream that endows the skills revolution currently underway in South Africa. The Act requires that all businesses registered for Pay-As-You-Earn (PAYE) tax and/or have a monthly payroll of over R250 000 to register with their respective SETA and to contribute 1 % of their wage bill in the form of a skills levy. The levy is collected by the South African Revenue Services (SARS). SARS distributes 80% of all funds collected to the respective SETA that in turn distributes 70% of funds received to the enterprise to fund agreed training programmes. The remaining 10% of funds covers the SETA's administrative costs. To claim from the SETA the enterprise must adhere to certain conditions, primarily, the appointment of a workplace skills facilitator and the submission of the workplace skills plan. Figure 1 depicts the funding arrangement.

The remaining 20% of the training levy collected by SARS is allocated to the National Skills Fund (NSF): a facility established to fund socio-economic development programmes, such as, training of the unemployed and to cater for the skills development needs of the informal sector workers and entrepreneurs. The fund also receives funding from the national government and international donor bodies.

In addition to the 70% levy repayment the firm can apply to the SETA for the Discretionary Grant. This cash grant is not linked to the amount of the levy paid. It is therefore possible for an employer to receive more from a SETA than they paid in the form of the levy. There are three types of discretionary grants: for skills programmes; sector specific priorities, and the provision of Learner ships. A learner ship

Figure 1: Skills Development Funding Arrangement



is a new skills training programme that provides both practical and theoretical learning within a workplace environment. It is approximately 12 months in duration and comprises 120 credit points (each credit is equivalent to 10 notional hours of learning). However, given that a learner ship can, generally, require up to 12 months of training, a short-term Skills Programme, comprising a selection of relevant Unit Standards, may be pursued. Once the learner has acquired the necessary 120 credits he/she is then awarded a learner ship that is within one of the 8 levels of the NQF.

The learner ship overcomes the barrier for youth and the unemployed to enter the job market by providing experience in specific work areas. The learner ship does not yet replace the traditional apprenticeship but extends the work based learning environment to encompass also general training. The learner ship agreement is entered into by three parties, namely, the employer, who provides the workplace for the practical component; the training provider, who provides the theoretical training, and the learner. The learner ship must be approved by the SETA before being presented by that SETA to the Department of Labour for registration.

The Skills Development Strategy has five objectives. Objective number three highlights the skills needs of the small, medium and micro enterprise (SMME) sector and states that at least 20% of new and existing registered small businesses will be supported by some form of skills development initiative by March 2005. No targets have been set for the provision of

support to the informal sector or unemployed. However, the Skills Development Levies Act, as outlined above, pays special attention to the needs of the marginalized. Thus, the formal sector is serviced by the various SETA's whilst the NSF provides funding for the delivery of training services to the informal sector and unemployed.

It is recognized that in order for the above strategy to be implemented effectively, with particular reference to the SMME and informal business enterprise, that a national champion be appointed to facilitate, coordinate and monitor and evaluate service delivery. The Department of Trade and Industry thereby recently appointed Ntsika Enterprise Promotion Agency (Ntsika) as that champion. Ntsika will therefore work in close collaboration with the Department of Labour, the custodian of the Skills Development Strategy, to ensure that the small and informal business sector benefits from the skills development apparatus. Ntsika will service two broad target markets:

- a) Services directed at the various SETA's, which in turn will provide for the training needs of all businesses registered for PAYE tax.
- b) Services directed at non-PAYE business, namely the informal sector and micro- enterprises.

According to estimates by Ntsika, published in the State of Small Business in South Africa (2000), approximately 26% of the economically active population is employed in the informal sector. This «sector» of the economy is faced with multi-dimensional constraints that require targeted and comprehensive in-

tervention programmes. A rudimentary division of the informal sector is as follows:

1. *Back-yard businesses:*
 - Home and family-based enterprises, e.g. spazas, sheebens, house-shops.
2. *Survivalist businesses*
 - Self-employed hawkers and street traders.
3. *The unemployed:*
 - Retrenched workers, who have some skills, life and work experience, and some access to formal networks like stokfels, banks, etc.
 - Youth, little to no work experience, some to no formal schooling
4. *Formal sector employees who supplement their income*
 - Employed yet moonlight in flea markets during weekends, etc
5. *Public employment projects*
 - These are the most marginalized group, which includes rural women and the low skilled majority and rely mostly on public works programmes,

Given the above categorisation three generic strategies, as depicted in Figure 2, is proposed that can facilitate the development of the skill levels of the informal sector:

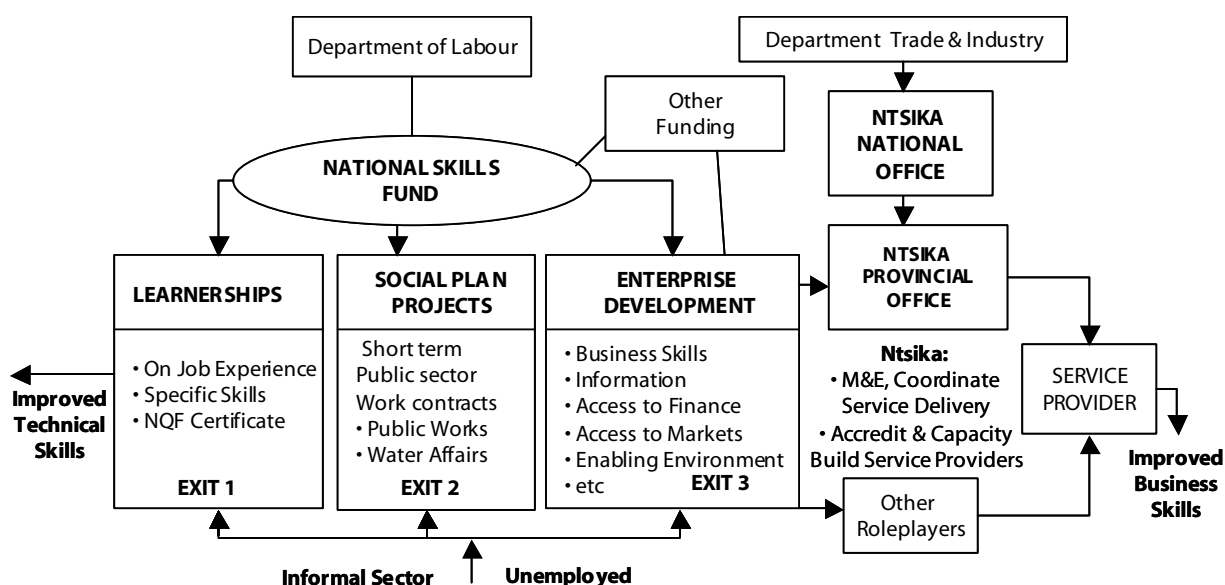
1. Formal sector training, namely, through learner ships. *Exit Strategy 1.*
2. The temporary absorption of the unemployed into public employment programmes, for example, Working For Water. *Exit Strategy 2.*

3. The provision of business development services to emerging and existing businesses. *Exit Strategy 3.*

Exit Strategy 1

The primary target market for this intervention is the youth, unemployed and retrenched workers. The objective of this intervention is to provide training that will equip the learner with skills that are demanded by the formal and/or self-employment market. The primary intervention tool is a combination of practical and theoretical training carried out, ideally, within a business enterprise. Training is therefore carried out through workplace-based programmes which can be complemented by class-room based programmes. Funding for the programme will predominately come from the NSF. In the case of youth training, funding will also be available from the Umsobomvu Fund. Given the broad categorisation of youth, 18-35 years of age, and that approximately 70% of the unemployed falls into this age bracket, the Fund is seen a key partner in the development strategy. Ntsika will work with the SETAs and the NSF to conduct training needs analysis and to facilitate the development of relevant training programmes. Furthermore, Ntsika will assist the SETA / project manager to identify and recruit small business establishments willing to take on a learner for a specified period. For example, a current project proposal in the Eastern Free State envisages training 600 unemployed persons and then placing them into a local small business for the practical training component. Ntsika will provide support to the small businesses participating in this project.

Figure 2: Strategic Interventions in the Informal Sector



Exit Strategy 2

Social Plan Projects are also designed to cater for the needs of the unemployed. Examples of such projects are Working for Water and the Community-Based Public Works Programme. The projects are essentially short-term work contracts for local persons. A weakness is its short-term nature and the limited skills development aspect. Moreover, no clear pathway currently exists for ex-contract workers. Thus, an exit strategy must be created that will facilitate the migration of the worker into either the learner ship stream or the business development stream as depicted herein.

Exit Strategy 3

Given that training is but one component in SMME development, a holistic package of targeted business development services is also required. Ntsika's Provincial Offices will form the critical interface between the entrepreneur, the training Service Provider, and the facilitation of access to other business development services. Ntsika's primary function will be to monitor, evaluate and provide a central coordination function for local entrepreneurial service and training

provision. Given the diverse needs of the entrepreneur, Ntsika will provide a first port of call for the prospective and existing entrepreneur, provide basic counselling and advice to ascertain the particular need and to refer the client to an accredited service-provider to deliver the service. The Provincial Office will develop and maintain a database of local business and will also conduct a public and private procurement advertisement and matching service. Ntsika will utilize its network of Business Service Centres and other accredited Academic Institutions to provide the training and delivery of programmes.

In conclusion, Ntsika will facilitate access to entrepreneurial training and business development services. In South Africa, Ntsika plays a critical SMME development role geared with special emphasis on the needs of the informal and micro sector entrepreneur. In addition, through the organisations training, business linkage and market access programmes and its programme design, research and information service, Ntsika is uniquely positioned to not only oversee SMME and informal sector skills development but to facilitate access to markets and to provide base-line and other qualitative and quantitative research data, information and reports.

Technical and Vocational Education and Training in Developing Countries – Consequences for Development Co-operation in Northern Agencies

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Summary:

Technical and vocational education and training in the developing countries continues to raise major problems which the training systems in these countries have long failed to address. Nevertheless, some of the concepts in the field of technical and vocational education and training currently under consideration by North and South which tackle the problems to date and discuss new concepts and models promise long-term solutions. The paper concludes by examining how co-operation between South and North can be improved in the future.

1. Introduction

The problems faced by most developing countries with their technical and vocational education systems have not changed significantly over the past decade. Even where there are no countrywide, comprehensive systems but a more fragmented approach, it is possible to identify «typical» problems:

- a failure to gear vocational curricula to the actual demand of those affected and the requirements of the business sector.
- teaching staff who are often under-qualified and a lack of effective initial and continuing teacher training establishments. This means that teaching personnel find it increasingly difficult to do their jobs properly by keeping abreast of technological progress.
- a lack of adequate public funding for technical and vocational training particularly in technical occupations, which has a detrimental effect on quality.
- systems set up in a way which gives companies at best only a marginal role in vocational training. Training schemes consequently have to be funded exclusively by the public sector and in their school-based form, are remote from real working life.

- a misallocation of human resources resulting from attitudes to education and the attractiveness of certain labour markets: the relatively large number of university graduates in the developing countries is in contrast to a much lower number of middle-level technical (managerial) staff with qualifications which can be put to practical use. This results in structural distortions in the labour markets.

Other examples relating to specific regions or countries can be added to this list, e.g. problems with the transition between the general and vocational education systems: in many cases entrance qualifications are not adequate for the vocational training on offer. This can mean that the socially weaker sections of the population who are often already disadvantaged in educational terms are «filtered out» of technical and vocational education and training.

Most developing countries have been unable over the years substantially to improve their provision although there has been no lack of advice and ideas. National and international organisations have reflected long and hard in recent times about their own activities and published policy papers which form the basis of their co-operation with the developing countries.

2. Technical and Vocational Education and Training and International Co-operation

The following section discusses some of the positions and consequences resulting from the above problems for institutions which are engaged in collaborating with the developing countries to improve vocational training systems.

In 1991 the World Bank initiated a new round in the policy discussion (World Bank, 1991) with a policy paper which was based on numerous studies from developing countries. The paper, which is still valid, prioritises

- an improvement in the quality of general education at primary and secondary level, and above all else

- greater involvement of the private sector in training programmes geared to actual demand, and – improved efficiency and effectiveness in the public vocational training institutions.

The Bank looks at the training programmes primarily from the highly functionalistic angle of the requirements of the business sector. Thus training is obviously superfluous where it does not fulfil employment-related functions. Whether those responsible for training in the developing countries use similar measures is debatable. Is it not the case that the provision offered in technical secondary schools under the auspices of the education ministries and the training centres run by the ministries of labour fulfils other political functions in the local context as well?

This might create different interests and misunderstandings (in the mutual perception) between donors of the North and governments in the South.

In virtually all developing countries more than half the population is now under 25 years of age. At the same time neither the traditional agricultural sector, nor the informal urban or the modern sector of the economy in the societies of the countries of the South offers sufficient employment opportunities for the young generation. Part of the job of the general education and vocational training system is therefore to hold off the younger generation from seeking jobs for a longer period and at the same time provide them with higher levels of qualification. Thus the countries in question pursue both educational and socio-political goals.

In its proposals the Bank overlooks such conditions and constraints which face many of those responsible for education and training in developing countries. In formulating its list of priorities it makes the first «system error»: technical and vocational education and training is interpreted exclusively in terms of its function to provide qualifications and measured against this. Does this fit in the existing complexity? It is thereby cut off from its social context and, because it is regarded as a purely functionalistic system, discussed too one-sidedly under cost-benefit aspects. The vocational training system is to an extent isolated from the rest of the social system and treated as though the education system had no further-reaching tasks or hidden goals within particular social structures – a different point of view of donor institutions and southern governments.

Indeed, from the point of view of providing necessary qualifications and comparing costs of public and enterprise-based training (Gill et. al. 2000), there is little to object to in an in-company vocational training system which is closely geared to reality, such as the World Bank demands; it simply fails to fulfil the socio-political functions of education systems. This does not apply to the developing countries only: in the Federal Republic of Germany many people are cur-

rently lamenting the retreat from the dual initial training system delivered predominantly by companies and to a lesser extent in state schools. The companies cite cost arguments. Vocational training as a long-term investment in the future seems to play a lesser role at present in commercial calculations, despite the fact that companies have repeatedly stressed the relevance of such investment as the central motive for their own training activities. Politicians are therefore calling for the public sector to take more responsibility for technical and vocational training and education.

In the meantime studies have been produced on countries in which vocational training is left entirely to market forces; one such is Chile (Corvalán, Peluffo 1994). For many people, adequate vocational training, which is provided almost exclusively by private institutions, is becoming impossible to finance, despite of subsidised public programmes like Chile Joven. The liberalised education market demands its sacrifices where it may be expected: the mass of the poor and socially weak remains, if at all, in the free establishments within the public education system. Given their tight budgets, the latter are hard pressed to carry out their tasks adequately. Experts speak of a long-term time bomb if nothing is done to counteract this trend.

Many of those who argue for a state-run training system thus see their position backed up by criteria such as social justice: a balanced and socially compatible education policy must rely predominantly and in its central elements on public-sector provision. This establishes an apparent alternative to in-company training. But even in the technical occupations alone, public providers have proved themselves unable to offer appropriate countrywide, comprehensive training which is geared to working practice and to demand. Thus public and private provision are not necessarily mutually exclusive (Wallenborn 2000).

German donors have always supported this position. In the past, international vocational training experts were prone to be somewhat condescending to Germans who called for the export or transfer of the dual system. Now both sides seem to have learned a lot more in recent years: the Germans no longer insist on a simple replica of the dual system in the developing countries (Schoenfeldt 1993), while experts from elsewhere no longer put all their faith in the performance of public-sector training providers, but endorse co-operative, i.e. dual approaches between state educational establishments and companies in relation to both initial and continuing training. Caillods (1994) underlines the many different possible forms of co-operation between public and private vocational training providers, treating them virtually as the norm. Today's concepts must reflect more intensively on the outcome side of training: were to employ people after training and how to make them more

productive. These are the crucial points of next future in modern and informal sector training (see also: Johanson 2001).

The Germans have become more circumspect in their vocational training co-operation with partners from developing countries. While the dual system may represent a sensible option in a form suitably adapted to the southern countries modern sector, particularly since it is far more difficult than was previously thought to bring about substantial changes to systems because of what Luhmann refers to as their «self-referentiality» (Luhmann 1997). Furthermore system approaches are not able to cover training needs of expanding informal sector target groups.

In its 1992 sector concept on «Technical and vocational Education and Training», the Federal Ministry for Economic Co-operation and Development (BMZ) identifies five funding priorities, although these do not automatically signify a decision for or against a particular option. The Ministry allocates priority to

- support for development of training systems,
- promoting training centres and programmes,
- training specialist vocational training staff,
- promoting target groups within the informal sector through vocational training, and
- intensifying the integration of vocational training measures and industrial promotion.

These funding priorities and the strategies derived from them have one problem in common: while they may be perfectly comprehensible on paper, for all projects they have to be adapted to the concrete reality of the country in question. This is where the real difficulty begins.

3. Underlying Social Conditions and Technical and Vocational Education and Training

The industrial countries of Europe have largely formalised and standardised their education systems, including technical and vocational education and training. Because mobility is for sociocultural reasons an important factor, young workers in particular require generally recognised certificates attesting to their skills which prospective employers can use to gauge the qualifications of a person applying for a particular job. In addition, the level of development and organisational form of the production process in industry and the craft sector require a high proportion of the workforce to be equipped with skills and qualifications: «To summarise, it appears that from the point of view of the companies surveyed, the ar-

gument about higher levels of qualification put forward in academic circles does indeed apply in the case of most skilled workers» (Gaugler/Wiltz 1993, p. 27).

Japan does not need a vocational training system based on certification. Because of the particular value systems and patterns of behaviour which prevail in the country, employees generally remain in the same big company for the whole of their working lives, with the result that in-company training is restricted to the imparting of only those skills and qualifications which relate to the particular production process within the company. The company has no interest in imparting knowledge and skills which could be applied straightforwardly in other companies (Georg 1995). Nevertheless, technological and economic developments in Japan mean that companies here also have to put a great deal of effort into in-company initial and continuing training. Production techniques become obsolete within shorter and shorter intervals. This also alters the relationship of initial training to continuing training, making lifelong learning, founded on solid initial vocational training, increasingly important.

In developing countries the situation is incomparably more complicated. In the industrial sector in particular, where there is one, it is possible to find companies with state-of-the-art plant and machinery. The requirement for skilled workers in these companies is comparable to that in the developed countries of the North: only a skilled workforce can guarantee the smooth operation of plant and machinery and the achievement of a specific level of productivity. In most cases these skilled workers receive their initial or continuing training in a company context because of high self help potentials in training.

However, these companies within the so-called modern sector are not generally representative of the overall economy in developing countries: in countries with a relatively poorly developed economy the modern industrial sector often accounts for less than 5 % of all production. The majority of employment opportunities are found in agricultural production, the traditional craft sector and the informal urban sector.

Training provision must take these circumstances into account: requirements in the developing countries are heterogeneous. Because of sectoral, regional and other disparities, the breadth of required qualifications is greater than in the industrial countries. In the latter, vocational certificates of skills and qualifications following initial training virtually guarantee minimum standards. In most developing countries training in some cases has to fall below these standards and in other cases exceed them in order to meet the specific requirements of different places of production.

Because in many developing countries the manufacture and sale of certain products are more likely to reside in the same hands than in the countries of the North, there is often a need for technical and vocational knowledge and skills to be supplemented by other qualifications. Improved commercial knowledge and entrepreneurial skills help to stabilise the small and medium-sized businesses in the modern and informal sector. Education and training systems need to react to such challenges and design measures of varying duration, scope, subject matter and quality standards. In this way they will be able to respond appropriately to different target groups. While there are constant warnings in the education debate in the countries of the North against levelling vocational education provision downwards since such a trend reduces the opportunities for improved social status with greater income and better career prospects, this line of argument is not transferable to the majority of developing countries. Bearing in mind the fact that many developing countries have fewer resources available for their education systems, the principal concern is to ensure that everyone is equipped with those qualifications he or she needs at the workplace and to guarantee a decent life. It is often simply not feasible to fund allcomers with a solid three-year course of initial vocational or technical training, which might in any case prove redundant since there are not enough jobs (Wallenborn 1989).

There is a need to take account of the different realities and sectoral disparities in the countries of the South by offering a broad range of provision from training measures running a few weeks to systematic initial vocational training courses lasting several years and achieving a high technological standard. The consequences of this situation on the establishment of technical and vocational training systems are:

- the public sector in the main, i.e. the state, should provide the socially disadvantaged who are least able to help themselves with basic vocational qualifications. These should be designed to help trainees become independent and integrated into working life.
- the length and quality of vocational training will be proportionate to the degree of competence required of the individual in the handling of plant and machinery. Because the plant and machinery are not available in state-run training centres, the private sector must step in here either alone or in collaboration with government training establishments.

This is an area which requires a rethink in many developing countries, particularly among entrepreneurs. All too often government-run training centres are at the receiving end of criticism from industry, but it is important to point out that if their performance is wanting, this is merely the consequence

of political circumstances and, in particular, a chronic lack of resources. Yet providing the requisite high standard of training is extremely expensive, particularly in relation to technical occupations.

For this reason the entrepreneurs themselves must make a greater commitment to technical and vocational training. It is their companies which ultimately need the qualified, skilled workers to operate their plant and machinery. It is therefore time to abandon the traditional way of thinking which for so long has placed too much responsibility for appropriate vocational training on public-sector providers – with no good results: «Exaggerated expectations and overly involved governments are perhaps both responsible for the disappointments that have plagued VET in many countries» (World Bank, ILO 1998, p. 7).

4. The Potential of Technical and Vocational Education and Training in the Development Context

«Technical and vocational education and training involves the acquisition of technical knowledge and skills and the imparting of social and political attitudes and modes of behaviour which are crucial in enabling individuals to manage their lives successfully in an independent, entrepreneurial or subsistence context» (BMZ 1992). Regarded in this light training plays an important role in enabling people in developing countries to secure themselves a decent living and in promoting economic and social progress.

However relevant this assertion about the relevance of vocational training and its potential in the development context may be, the organisations and institutions of the North which co-operate with the developing countries have for many years failed to give enough thought to whether there are further, more operational criteria governing the long-term implementation of vocational training projects and programmes with partner countries. In other words, there is too little attempt made to measure projects and programmes in this sector against the objectives of higher-level development processes (e.g. general societal, economic and social development) and a tendency for the projects and programmes to be self-contained, concerning themselves only with themselves on a sectoral basis. Sometimes it is impossible to avoid the impression that vocational training is carried out for its own sake.

This self-containment is proving increasingly counter-productive in a world which is growing ever more complex, a fact which the development co-operation organisations are gradually realising. To quote the

Federal German Technical Co-operation Agency GTZ: «The increasing complexity of structures and tasks requires a high level of interdisciplinary co-operation in the process of consolidating sectoral contributions into broad-based programmes. This includes coordinating with government and non-government providers, networking different function groups and partners and integrating the contributions they produce on various action levels using different instruments and a variety of experience. Technical co-operation must therefore be seen increasingly as the management of complex systems and the moderation of processes» (GTZ 1995, p. 6). This perception might be very different from the problems of education and training systems in the partner countries. Improvement of training (and employment) in the perception of the politicians and experts in the South has at a first glance nothing to do with the effectiveness of donor agencies and their institutional adjustments in the North.

It may well be true that development cannot be planned since it involves individuals, social groups, etc. whose actions, oriented to goals or results, are often as unpredictable as their interests, motivations and requirements. Nevertheless, it is possible to identify social constellations or development stages in the partner countries which offer at least «approaches», i.e. criteria and indicators according to which resources within the context of north-south vocational training co-operation can be more efficiently and profitably used than in other cases where even very broad-based projects have proved to lack sustainability (Stockmann 1992).

This view puts an end to one traditional misconception of co-operation between developed countries and their partner countries in the South. The idea that the success of projects and programmes of international co-operation is proportionate to the funds employed has been largely refuted. It is more appropriate to evaluate resources and the success achieved with them according to their compatibility with the system or according to their innovative power to bring about reform, which in turn must be based on a consensus of those involved in the reforms with regard to the action to be taken. This requires better communication about mutual interests and better planning before starting north-south joint ventures in technical and vocational education and training.

Another area of misunderstanding in international co-operation is the idea that criteria and indicators for the effective use of donor funds for vocational training projects and programmes can be derived in the first place from often very costly quantitative empirical studies on existing vocational training systems in the partner countries. These studies generally tend to be specific to particular systems and collate figures, facts, infrastructures, etc. relating to existing vocational training systems. This static method of investi-

gation suppresses the historical processes inherent in the systems, their specific socio-cultural characteristics and the educational and social goals associated with them. To this extent the studies, teeming with facts and figures, carry specific «blank areas», the precise definition of which is actually crucial to the initiation and implementation of reform and therefore to the implementation of projects and programmes of international co-operation. Arnold (1995) was one of the first to draw attention to this.

The deficits he identifies in relation to research into the more efficient use of resources in southnorth co-operation can, in my view, be divided into three areas: \$

- determination of the function of technical and vocational education and training in the context of the overriding development processes in the partner country in question,
- an accurate socio-cultural analysis of the value attached to vocational training and the sociopolitical goals pursued by way of it, including an accurate analysis of the local co-operation partner, i.e. the agency providing and/or implementing the measures, and
- unequivocal information on the compatibility of the proposed project with the system, or a realistic estimate of how intended innovations might conflict with traditional structures within the system.

Various ideas have since been expounded in relation to the first of these areas (Wallenborn 1995), and these are briefly outlined below. Fundamental positions regarding the other two areas are also reiterated.

International co-operation projects and programmes in the training sector must not confine themselves to their own sector. National and foreign donors should analyse training projects under strictly functional considerations, i.e. how and whether they can contribute in the modern and the informal sector to the development of the country and hence to the achievement of general development goals. Vocational training creates no jobs in itself. To this extent it is not a universal panacea as far as development co-operation is concerned. Projects and programmes located in other sectors (health, infrastructure, public administration, etc) are often more effective in relation to the achievement of primary development goals. Vocational training has a predominantly complementary function in the development of the industrial and craft sectors and therefore also in the economic and social development of a country.

International co-operation projects and programmes in this area should not be used to achieve «hidden goals». They should neither park young people in the education system nor be a substitute for social policy. Ideally projects and programmes in this sphere pur-

sue the goal of economic promotion (raising productivity and income levels of individuals and enterprises) and thus represent a very important basis for the general economic and social development of a country.

Where they have been correctly positioned, in the newly industrialised countries of Asia and Latin America, for instance, international projects have another and more important function than in many Least Developed Countries (LDCs). In this first group of countries bottlenecks tend to occur in specifically technological areas, and these can only be tackled by providing qualifications; most LDCs, on the other hand, are not even in a position to guarantee all the basic needs of the majority of their populations. From these points of view, the scarce resources of international co-operation should be targeted more precisely to particular sectors in the countries in question. There are indicators for this. Data on

- degree of foreign trade and world market orientation,
- types, standard and quality of exported goods,
- degree of industrialisation and capital intensity in industry and crafts,
- type and extent of migration movements of the economically active population from the primary to other sectors of the country's economy,
- proportion of the subsistence economy and the informal sector in the overall economy etc. provide information on sectoral and regional bottlenecks and constraining factors in specific areas and the conditions for vocational education projects. If the conditions are not right in the countries in question, vocational training projects and programmes should be rejected in favour of other projects.

Even if the above indicators provide positive signals for appropriate projects, their success is by no means guaranteed. What the indicators signal is merely that the essential conditions are in place, not that they are adequate. Of equal importance is the socio-cultural context in which the vocational education and training system subsists and the specific partner involved with the programmes and projects. Vocational training is not held in equal esteem everywhere in the world. The career patterns and professional opportunities in the vast majority of industrial and developing countries are far more likely to be determined by a broad general education normally culminating in a university degree. A desire for the highest possible educational qualifications pushes vocational training into the position of second best in many countries and regions of the world.

Projects and programmes of international co-operation should not presume to take upon themselves the task of changing socio-cultural values and pat-

terns of orientation which have arisen in the course of long historical processes. In those countries which show a marked preference for the general education side of the education system, vocational training programmes and projects within the framework of international co-operation should concentrate on addressing those who have already opted for, for instance, blue collar employment opportunities, i.e. owners of small and medium-sized businesses and their workforces and middle-level technical executives in larger enterprises.

Investments in human capital of this kind are likely to be more cost-effective than pouring additional funds into initial training which may be of dubious value since it is impossible to predict

- whether young skilled workers of the future will want to work in the occupation in which they are trained because of their ongoing educational aspirations, and
- whether the employment system is at all able to deliver the corresponding jobs.

Innovative projects must be examined to ensure they are system-compatible. Vocational training systems are complex structures which cannot be regarded in isolation, particularly where reforms are envisaged. They stand in complex interaction with other subsystems within society including the general education system, the labour and employment system, the legal system and the economic system. These complex relationships with other social systems do not operate on the basis of simple input-output mechanisms.

A further point to be considered is that those involved in vocational training systems do not all pursue the same interests; students, parents, teachers, businessmen and ministries all have different goals and agendas. Every vocational training system therefore represents a compromise within the particular country and a balance of the interests of different protagonists. One-sided interventions in these complex structures can therefore have questionable results: «In many partner countries attempts were made to counter the white-collar syndrome by establishing practice-oriented vocational training organisations; these inevitably came to be regarded within the system structures of the countries in question as superstructures, with the result that in one case an institution of this kind was itself converted after the hand-over of the project into a university, thereby reinforcing the white-collar syndrome» (Arnold 1995, p. 12). This example stresses complexity in international co-operation.

5. Consequences and Prospects for New Forms of International Co-operation

There are areas in which north-south co-operation has proved successful in technical and vocational education and training, but there are also areas which need to undergo substantial change. Weak points and the consequences for more effective co-operation can be identified in the following areas:

- self-contained systems or networking,
- dialogue and preparation of programmes and projects within international co-operation,
- technical programmes or system development,
- modern or informal sector interventions,
- intensity of intervention and local or foreign experts.

In conclusion various proposals are submitted in relation to these areas.

In the past the self-contained nature of internationally funded vocational training projects often made the projects insular. Where advanced training programmes for experts from the South were concerned, they often produced individual learning successes but failed to be sustainable or become institutionalised. Both results have basically the same cause: where too little attention has been paid to the social and institutional framework in which vocational training is practised, there is little wonder that many of these programmes have had little success.

It is wrong to accuse the local partners of not performing their vocational training tasks adequately from the point of view of the developed countries. The partners lack money for teaching material and infrastructure and also in many cases the necessary know-how because teacher training and continuing training institutions are often cut off from technical innovations in the various trades and occupations. Despite this, colleagues in the partner institutions have developed a similar understanding of their function as that of the corresponding experts in the countries of the North: vocational training systems operate on the basis of a division of labour; every individual has his or her place, tasks and varying degree of responsibility within it: the teacher is not there to decide on matters of financing, the curriculum developer is not there to decide whether training should be purely school-based, company-based or in a co-operative, dual form. There are any number of similar examples.

But what seems to be a relatively simple allocation of tasks and status within a system based on a division of labour conceals the complexity of the whole sys-

tem, a fact which must be recognised by the systems consultants and the politicians and reflected in their decisions as they contemplate reforms. The same applies to projects of international co-operation: isolated one-off measures in the form of projects and programmes generally fail because they do not take adequate account of circumstances and are thus wrongly placed or tied to the wrong partner:

- It does not matter how many teachers are trained if there has been a failure to appreciate that the institution in question, for whatever the reason, never has enough teaching material to allow the students to profit from the level of knowledge of the teachers.
- Well-trained students and/or trainees are relatively useless if there are no corresponding jobs where they can apply what they know and can do for their own personal benefit and for the further development of society.
- A superbly equipped training centre does not belong in the vocational training landscape of the partner country if local people cannot continue to fund it once the project is over.

Arnold (1995, p. 14) defines projects and programmes with the above results as «fallacies in dealing with complexity». Typical fallacies are:

- «Every problem is the consequence of a cause, – in order to understand a situation it is enough to photograph the actual situation, – behaviour is predictable, it is merely necessary to have sufficient information,
- problem situations can be «mastered», it is simply a question of expenditure» etc.

It is not far from this position to that of the experts who rush around the world with an overfilled diary, meeting the main representatives of the ministries and institutions responsible for vocational training and thinking that they now understand the problems of vocational training in the country in question. The mountains of figures and tables produced by them often obfuscate the essential problems: the way people deal with what the education system offers, the attitude towards work of the cultural circles in question, career patterns and individual life planning, the complicated relationships between the modern and informal sector, the segments of the labour market which overlap with each other, and the function of vocational training as it derives from such (!!) circumstances in the overall development goals of the country in question.

This is where the organisations of the North in particular have much to learn. They must think in terms of networks, i.e. systems, to ensure that what seems technically feasible at the present time can also bring lasting success in and outside the vocational training

systems of the partner countries. Fallacies, such as the belief that things are feasible everywhere and at any time, must be the first to be eliminated. Projects and programmes need to be better prepared, and this entails knowing about the prevailing conditions and how they affect the systems.

Implicit in this is a reference to the preparation of projects and programmes within international co-operation. Projects will be sustainable only if the main characteristics and designated functions of vocational training and the frame of reference in terms of personnel and institutions are better known in overall objectives like economic and social development. Thus much of the real work begins before the project or programme. It requires the presence on the spot of local experts and experts from the donor organisations. To quote Stockmann in his study (1992, p. 201): «In future training concepts should be devised which take more account than hitherto of the education and training system in the country and of its labour market and underlying sociocultural conditions». These words reveal a whole range of shortcomings in co-operation to date.

These shortcomings are found not in the operational stage of the project's implementation but in the failure of the project to be properly oriented and geared to reality. This failure can be attributed to a lack of background knowledge; it is essential that such knowledge is available and on call before the project begins rather than gleaned at the end of the project as the product of years of experience.

Ultimately all types of experts from the countries of the North will have to share their work more than before with local experts and even follow their lead. There have long been outstanding specialists in the developing countries, many of whom received their training in the education systems of the industrial countries and therefore have direct experience of these systems. The fact that these specialists have not been able to exert the (innovative) influence of which they are capable is more the result of problems of a social nature regarding the control of sub-systems (e.g. inadequate wages, inadequate skills etc) than proof of an over-dramatised educational divide, which is in any case least apparent among the elite of the countries in question, whether in the North or the South.

There is also likely to be a decline in the intensity of intervention measured in terms of material expenditure in multilateral and bilateral projects. In the setting of political priorities, the more developed countries in which vocational training can represent a bottleneck should be able to mobilise the necessary material resources for innovations in vocational training, particularly where co-operative approaches are concerned. Often the only elements lacking are properly targeted continuing training programmes for local

trained personnel and the targeted use of foreign short-term experts on site for a fixed period of time. If these services are combined in an optimum way with available personnel and material resources, there is nothing to stand in the way of their long-term success.

The shift of German policy in international co-operation to good governance or global structural politics doesn't make easier further co-operation in improving training systems in the South. The concentration of BMZ on several developing countries and sectors has still to clarify, what are the operational consequences of the new paradigm in international co-operation on the field of technical and vocational education and training. Lets begin a new dialogue with our partners.

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Abbreviations:

BMZ – Federal Ministry for Economic Co-operation and Development

DSE – German Foundation for International Development

GTZ – German Agency for Technical Co-operation

ZGB – Industrial Occupations Promotion Centre

Notes from Working Group 5: Deliberations

By Simon McGrath, Centre of African Studies, Edinburgh

Statement 1:

External forces such as globalisation and AIDS have uneven impacts on different societal groups which need to be taken into account in skills interventions.

Discussion 1:

The conference and the working groups were asked to consider the particular needs of target groups. The working group noted the impact of forces such as globalisation and HIV/AIDS in the South and the differentiated nature of these impacts. For instance, the AIDS pandemic in Eastern and Southern Africa has led to particular and severe new challenges for orphans and their carers. Also, in SE Asia the economic crisis of the late 1990s impacted particularly badly on the employment of women, and heightened their need for the generation of further income through informal and micro enterprises. The special challenge of working with street children, and the interconnection of this with issues of child labour and the right to schooling, was also discussed. It was suggested that globalisation increased processes of social polarisation and exclusion and that donors had a responsibility to ensure that their projects and programmes countered these trends.

Statement 2:

Whilst work in the informal sector is typically low income, hazardous employment of the last resort, the informal sector is not simply a safety net and issues of innovation, growth and competitiveness need to be addressed.

Discussion 2:

There was considerable debate and some divergence of opinion within the group regarding the nature of experiences in the informal sector and the value of the concept. For some, the informal sector was a sector of grinding poverty and poor quality livelihoods and working environments that was only seen as a last resort for those engaging in it. Other, however, noted that this was to miss the achievements and dynamism that were also contained in the sector. Moreover, it risked the danger of seeing interventions in the informal sector purely in social protection

terms. Thus, there was also an emphasis from some in the group on the need to address issues regarding the promotion of innovation and technological capability. It was also suggested that some micro enterprises were important to economic growth and private sector development.

Statement 3:

Issues in skills development cannot be separated from broader issues of economic development or from overall trends in development cooperation.

Discussion 3:

Linked to the previous point, several participants were mindful of the dangers of seeing the informal sector purely in terms of poverty. They argued strongly that it should be understood also within the broader context of policy issues about economic development, including technology policy, industrial strategy, private sector development and local economic development. Equally, it is important to try to understand how international cooperation in skills development operates in a broader environment of development cooperation. This includes understanding how decisions about debt relief affect the effectiveness of skills for work interventions; how overarching donor policy themes such as poverty, governance and environment interact with sectoral concerns; and how new tools such as PRSPs and SWAPs shape activities of development partners North and South.

Statement 4:

Skills development for the informal sector is highly complex and demanding at the institutional level – capacity development must be a major focus if ownership and delivery are to be realities.

Discussion 4:

A wide range of participants talked of the complexity of institutional arrangements in the area of skills development for the informal sector. There are typically a number of agency departments and government agencies involved in this area. Their respective responsibilities are often unclear or overlapping and

coordination of policy and practice is problematic. Capacity in such institutions is often poor and this is replicated at the level of national research on skills development / the informal sector. Capacity is also a problem at the meso and micro levels. These capacity problems undermine the possibility of successful delivery and a number of presenters noted that whilst policies were often well-conceptualised, there was frequently a weakness in subsequent planning and implementation. It was argued that this made capacity development a major imperative for international co-operation. Moreover, it was seen as necessary for the realisation of the current rhetoric of national ownership of development.

Statement 5:

Intervention must be a learning process.

Discussion 5:

Several participants noted that there was a tendency towards interventions that were ill thought out or excessively ideologically-driven. They also noted that tendency towards inadequate analysis of the lessons of project or policy implementation. This led to an emphasis on the importance of learning and flexibility being built into and emphasised throughout interventions. It also led to a concern that capacity development in research institutes, agencies, governments and meso-level institutions should be a major priority of skills development activities. Short projects were seen as contrary to a learning approach to development. Instead, long-term partnerships were emphasised.

Part 4

Interlaken Declaration

The Process

By Richard Gerster, Conference Organizer and Consultant of SDC

Early in the process of the conference preparations, the *idea* of an «Interlaken Declaration» came up. Such a declaration would have the advantage of serving as a vehicle to harvest the key insights of the conference and to put them into a nutshell. SDC stated as the objective of the Interlaken Declaration «to identify the needs and demands in skills development of the informal sector and the small enterprises in today's fast changing world of work and to propose key policy conclusions for the stakeholders involved». This conference statement was supposed to serve as an input to the «Working Group for International Co-operation for Skills Development», which is composed of most of the bilateral and multilateral development co-operation agencies. The Working Group met immediately after the Conference, on September 13 and 14, 2001.

The *contents* of the «Interlaken Declaration» were not to be a pre-cooked meal but a result of the conference deliberations (input papers, keynote speeches and debates on Monday, working group sessions on Tuesday). The Interlaken Declaration was to address governments, civil society and private sector in developing, transition and developed countries alike. Therefore, the preparation group and the conference participants were free – within the frame of the conference deliberations – to decide on the elements they wanted to emphasize. The adoption process was not meant to lead to a document in which conflicting views have been watered down to a meaningless consensus. In case of disagreement the Interlaken process allowed to expose conflicting views in a transparent manner and to mention them in the declaration. The Interlaken Declaration did not involve and oblige the institutions represented by the participants but was made in their personal capacity.

The conference days approaching, the secretariat on behalf of SDC invited a number of registered participants to become members of an *Interlaken Declaration Preparation Group*. Main criteria for the composition of the Preparation Group were vast experience and conceptual strength, representation of all the working groups, gender balance. In order to allow space for independent reasoning, SDC did not delegate a staff member into the group. To give the partners a strong voice all the members of the Preparation Group were to come from developing and transition countries. The following group accepted the invitation and constituted the Interlaken Declaration Preparation Group:

- Nahas Angula, Minister for Higher Education, Training and Employment Creation, Namibia
- Aldis Baumanis, Rector of School of Business Administration Turiba, Latvia
- Kai-Ming Cheng, Pro-Vice-Chancellor, Professor and Chair of Education of the University of Hong Kong, Hong Kong SAR/People's Republic of China (Chair)
- Muhammad Ibrahim, Executive Director, Centre for Mass Education in Science CMES, Bangladesh
- Violet C. Kaitano, Itachi P/L, Zimbabwe
- Ali Kansu, Secretary General, Meksa Foundation for the Promotion of Vocational Training and Small Industry, Turkey
- Sunita Kapila, Kenya
- Lucita S. Lazo, Director General, Technical Education and Skills Development Authority, Philippines
- Julia Schreiner Alves, Environmental Protection Agency CETESB, Sao Paulo, Brazil
- Liliane Egli of the Conference Secretariat supported the group as secretary.

An intense *preparation process* took place. The Preparation Group had a constitutive meeting on 10 September 2001 and elected Kai-Ming Cheng as chairperson. It met a second time early morning on 11 September to organise the upcoming work. The Preparation Group decided to have a brief and instant survey among the participants (see Annexes). In the evening the same day it had an open-ended meeting to draft the declaration mainly based on the Working Group reports available. Early morning on 12 September the group met again and prepared the draft which was immediately presented to the plenary of the conference. In a rich discussion quite a number of points for improvement were brought forward by participants and accepted by the chair. After the plenary session the preparation Group had a final meeting and prepared the final text of the Declaration (see Annexes). This text was distributed to the participants in the evening of 12 September 2001.

The process had *weaknesses* in three aspects:

- (1) Due to the tragic events in the United States on 11 September 2001, the planned plenary session to present the results of the Working Groups had to be cancelled, leading to information deficiencies about the results of the Working Groups;

- (2) Some of the participants felt uneasy about the fact that drafting language of the declaration was English only and access by the French and Spanish speaking participants was more difficult;
- (3) No final adoption of the declaration was possible by the plenary after the last changes by the Preparation Group.

After the conference, the Interlaken Declaration was translated into French and Spanish and sent to all the

participants with the invitation to comment on it until 10 October 2001. All the *remarks* received are accessible (see Annexes). The small number of reactions confirms that most of the amendment proposals by the participants had been respected by the Preparation Group. On this background, the formula «Presented to, discussed and amended by participants present in Interlaken (Switzerland) on 12 September 2001» was used instead of speaking of a formal adoption which could not take place.

Le processus

Par Richard Gerster, organisateur de la Conférence et consultant auprès de la DDC

Très tôt au cours de la phase préparatoire, l'idée d'une «Déclaration d'Interlaken» fut émise. L'intérêt d'une telle déclaration était qu'elle servirait de vitrine aux idées maîtresses émises à l'occasion de la conférence et permettrait de les présenter succinctement. Selon la DDC, l'objectif visé par la Déclaration d'Interlaken était «d'identifier les besoins et la demande du secteur informel et des petites entreprises en termes de qualifications et de savoir dans un monde du travail en évolution rapide et de proposer des solutions politiques fondamentales à toutes les parties prenantes concernées.» Cette Déclaration émanant de la Conférence devait nourrir la réflexion du Groupe de travail sur la coopération internationale pour le développement de la formation professionnelle, qui rassemble la plupart des agences bi- et multilatérales vouées à la coopération pour le développement. Le Groupe de travail s'est réuni à l'issue de la Conférence, les 13 et 14 septembre 2001.

En termes de contenu, la «Déclaration d'Interlaken» n'était pas censée être un mets précuit mais bien le fruit des délibérations de la Conférence (documents de réflexion, discours principaux, débats du lundi et conclusions des groupes de travail réunis le mardi). La Déclaration d'Interlaken doit être adressée aux gouvernements, à la société civile et au secteur privé, tant dans les pays en développement et en transition que dans les pays développés. C'est pourquoi le groupe chargé de la préparation et les participants à la Conférence avaient toute liberté pour mettre en relief – dans le cadre des délibérations de la Conférence – les éléments qui leur paraissaient importants de souligner. Quant au processus d'adoption de la Déclaration, il ne s'agissait en aucun cas d'aboutir à la rédaction d'un document édulcoré où les divergences auraient été aplanies en vue d'un consensus vidé de tout sens. Bien au contraire, le processus envisagé devait permettre d'exposer en toute transparence les divergences de vues et d'en faire part dans la Déclaration. Enfin, la Déclaration d'Interlaken n'est nullement contraignante pour les institutions représentées à la Conférence, leurs représentants l'ayant adoptée en leur nom personnel.

L'ouverture de la conférence approchant, le secrétariat invita, au nom de la DDC, un certain nombre de participants inscrits à se joindre au Groupe de préparation de la Déclaration d'Interlaken. Parmi les critères retenus pour la composition dudit Groupe figuraient une expérience approfondie des sujets traités, l'aptitude à conceptualiser les problèmes, la représentation équitable de tous les groupes de travail

de la Conférence et le nécessaire équilibre entre les sexes. Pour que les participants se sentent libres de s'exprimer en toute indépendance, la DDC ne se fit pas représenter au sein du Groupe de préparation de la Déclaration d'Interlaken. Et pour que le message des partenaires puisse se faire entendre, il fut décidé que tous les membres du Groupe de préparation devaient provenir de pays en développement ou en transition. Les personnalités ci-après acceptèrent l'invitation et constituèrent le Groupe de préparation de la Déclaration d'Interlaken:

- Nahas Angula, Ministre de l'Enseignement supérieur, de la Formation et de la Création d'emplois (Namibie)
- Aldis Baumanis, Recteur de l'École de gestion des entreprises de Turība (Lettonie)
- Kai-Ming Cheng, Vice-Chancelier, Professeur et titulaire de la Chaire d'Enseignement supérieur à l'Université de Hong Kong (Hong Kong, République populaire de Chine), Président
- Muhammad Ibrahim, Directeur exécutif du Centre d'éducation populaire des sciences (Bangladesh)
- Violet C. Kaitano, Itachi P/L (Zimbabwe)
- Ali Kansu, Secrétaire général de la Fondation Meksa pour la promotion de la formation professionnelle et des petites industries (Turquie)
- Sunita Kapila (Kenya)
- Lucita S. Lazo, Directeur général de l'Autorité chargée de l'enseignement technique et de la formation professionnelle (Philippines)
- Julia Schreiner Alves, Agence de protection de l'environnement de Sao Paulo (Brésil)
- Liliane Eggli, du secrétariat de la Conférence, assista les membres du Groupe en qualité de secrétaire.

Les préparatifs furent intenses. Le Groupe de préparation tint sa réunion constitutive le 10 septembre 2001 et désigna Kai-Ming Cheng à la Présidence. Il se réunit une seconde fois le lendemain matin pour organiser le travail de la Conférence. Le Groupe de préparation décida d'organiser un sondage rapide parmi les participants (voir annexes). Le soir même, ils tinrent une réunion à composition ouverte pour rédiger un projet de Déclaration d'Interlaken sur la base des rapports des groupes de travail déjà disponibles. Tôt dans la matinée du 12 septembre, le Groupe se réunit à nouveau et prépara le projet de Déclaration qui fut soumis, aussitôt après, en séance plénière. Un débat nourri permit aux participants de proposer nombre d'améliorations qui furent acceptées par le Président.

À l'issue de la réunion plénière, le Groupe de préparation tint une ultime réunion et mit au point le texte final de la Déclaration (voir 4^{me} section). Ce texte fut distribué aux participants dans la soirée du 12 septembre 2001.

Ce processus comportait des faiblesses, et ce pour trois raisons :

- 1) En raison des événements tragiques intervenus aux États-Unis le 11 septembre 2001, la réunion plénière prévue, au cours de laquelle les différents groupes de travail devaient présenter le fruit de leur labeur, dû être annulée, d'où une information parfois insuffisante quant aux résultats obtenus par les différents groupes de travail;
- 2) certains participants se dirent gênés par le fait que le texte du projet de Déclaration ne fût disponible qu'en anglais, ce qui en compliquait la lecture pour les lecteurs francophones ou hispanophones;

- 3) faute de temps, il ne fût pas possible d'adopter en plénière les ultimes changements apportés au texte par le Groupe de préparation.

À l'issue de la conférence, la Déclaration d'Interlaken a été traduite en français et en espagnol et envoyée à tous les participants, qui furent priés d'envoyer leurs commentaires avant le 10 octobre 2001. Un récapitulatif de ces observations présentées se trouve dans la 5^{me} section. Le petit nombre de commentaires reçus montre que la plupart des amendements proposés par les participants ont été dûment intégrés au texte par le Groupe de préparation. C'est pourquoi, plutôt que de parler d'une adoption formelle, celle-ci n'ayant malheureusement pas pu avoir lieu, nous avons usé de la formule : «Texte présenté, débattu et amendé par les participants présents à Interlaken (Suisse) le 12 septembre 2001.»

El Proceso

Por Richard Gerster, Organizador de la conferencia y consejero de la COSUDE

Desde el inicio del proceso de la preparación de la Conferencia, se concibió la idea de una «Declaración de Interlaken». Una declaración de este tipo podría tener la ventaja de servir de vehículo para recoger los aportes de la conferencia y ensamblarlos. COSUDE estableció como objetivo de la «Declaración de Interlaken» «la identificación de necesidades y demandas de la formación profesional en el sector informal y las pequeñas empresas en el actual y rápido mundo cambiante del trabajo y así proponer conclusiones de políticas claves a los participantes involucrados». La declaración de la conferencia fue utilizada como contribución al «*Working Group for International Cooperation for Skills Development*» el cual está compuesto por la mayoría de agencias bilaterales y multilaterales de cooperación al desarrollo. El grupo de trabajo se reunió inmediatamente luego de la Conferencia, entre el 13 y 14 de septiembre de 2001.

Los contenidos de la «Declaración de Interlaken» no suponían ser una comida pre-cocida más bien el resultado de las deliberaciones de la conferencia (documentos de referencia, discursos claves y debates de la plenaria del lunes y grupos de trabajo del martes). La Conferencia fue dirigida igualmente a gobiernos, la sociedad civil y el sector privado de países desarrollados, en vías de desarrollo y de transición. Es por ello, que la participación del grupo y los participantes de la conferencia tuvieron la libertad –dentro del marco de las deliberaciones de la Conferencia- de decidir los elementos que querían subrayar. La adopción del proceso evitó concluir un documento en el que las opiniones polémicas o contradictorias fueran reducidas a un consenso sin valor. En el caso de desacuerdos el proceso de Interlaken permitió exponer los puntos de vista contrarios de una manera transparente y así fueron mencionados en la declaración. La Declaración de Interlaken no comprometió u obligó a las instituciones representadas por los participantes pues su intervención se desarrolló según las capacidades personales.

En la proximidad de los días de la Conferencia, la secretaria en nombre de COSUDE invitó a los participantes inscritos a ser miembros del «*Interlaken Declaration Preparation Group*» (o Grupo de Preparación de la Declaración de Interlaken). Los criterios principales que primaron para la composición del Grupo de Preparación fue: una amplia experiencia y solidez conceptual, representación en todos los grupos de trabajo y equilibrio de géneros. Para dar paso a discusiones independientes, COSUDE no delegó a miembros de la organización en los grupos de trabajo. Y

para dar un mayor peso a la opinión de los miembros del Grupo de Preparación tenían que proceder de países en vías de desarrollo y de transición. El grupo mencionado a continuación aceptó la invitación y constituyó el grupo de preparación de la Declaración de Interlaken.

- Nahas Angula, Ministro de Educación Avanzada, Formación y Creación de Empleo de Namibia.
- Aldis Baumanis, Rector de la Escuela de Administración de Negocios de Turība, Latvia.
- Kai-Ming Cheng, Pro-Vice-Canciller, Profesor y Presidente de Educación de la Universidad de Hong Kong, Hong Kong SAR/República Popular de China (Presidente).
- Muhammad Ibrahim, Director Ejecutivo, Centro de Educación de Masas en Ciencias (CMES), Bangladesh.
- Violet C. Kaitano, Itachi P/L de Zimbabue
- Ali Kansu, Secretario General, Meksa Fundación para la promoción de la formación profesional y la pequeña industria, Turquía.
- Sunita Kapila, Kenia.
- Lucita S. Lazo, Director General, Educación Técnica y Autoridad de la Formación Profesional, Filipinas.
- Julia Schreiner Alves, Agencia de la Protección Ambiental (CETESB), Sao Paulo, Brasil.
- Liliane Egli de la Secretaría de la Conferencia apoyó al grupo como secretaria.

Se dio lugar a un intenso proceso de preparación. El Grupo de Preparación tuvo un Comité Directivo el 10 de septiembre de 2001 y eligió a Kai-Ming Cheng como Presidente. El Comité se reunió por segunda vez, temprano en la mañana del 11 de septiembre para organizar el futuro trabajo. El Grupo de Preparación decidió tener un resumen y seguimiento inmediato entre los participantes (ver Anexos). En la tarde del mismo día hubo una reunión final abierta para la preparación del borrador de la Declaración de Interlaken, basada principalmente en los informes de los grupos de trabajo existentes. Temprano en la mañana del 12 de septiembre el grupo se reunió de nuevo y finalizó el borrador que fue presentado inmediatamente a la plenaria de la Conferencia. Una serie de puntos a mejorar fueron resaltados en una enriquecedora discusión de los participantes y fueron aceptados por el Presidente. Luego de la sesión de la plenaria, el Grupo de Preparación tuvo un encuentro final y redactó el texto final de la Declaración (ver parte 4).

Este texto fue distribuido a los participantes en la tarde del 12 de septiembre de 2001.

El proceso de la conferencia tuvo sus debilidades en tres aspectos:

- (1) Dados los trágicos hechos en los Estados Unidos del 11 de septiembre de 2001, la sesión de la planificada Plenaria para presentar los resultados de los grupos de trabajo fue cancelada dando lugar a la deficiencia de informaciones sobre los resultados de los Grupos de Trabajo;
- (2) algunos participantes se sintieron incómodos con el hecho de la redacción de la declaración en inglés, el acceso fue difícil para los participantes de lengua francesa o de español;

- (3) ninguna adopción final de la declaración fue posible por la plenaria luego de los últimos cambios del Grupo de Preparación.

Luego de la Conferencia, la Declaración de Interlaken fue traducida en francés y español y fue enviada a todos los participantes con la invitación a enviar sus comentarios hasta el 10 de octubre de 2001. Todos los comentarios recibidos están a su disposición (ver parte 4). El pequeño número de reacciones confirmaron que la mayoría de las proposiciones de enmienda por los participantes han sido respetadas por el Grupo de Preparación. En este escenario, la fórmula «Presentada, discutida y enmendada por los participantes presentes en Interlaken (Suiza) el 12 de septiembre de 2001 fue utilizada en vez de presentar una adopción formal que no tuvo lugar.

Interlaken Declaration

Initiating Debates on Linking Work, Skills, and Knowledge: Learning for Survival and Growth

Preamble

1. From 10–12 September 2001 the International Conference «Linking Work, Skills, and Knowledge: Learning for Survival and Growth» was convened in Interlaken (Switzerland) by the Swiss Agency for Development and Co-operation (SDC) in close collaboration with the Working Group for International Co-operation in Skills Development.
2. We, the 177 participants from 56 countries in Africa, Asia, the Americas and Europe, drew upon our personal and professional experiences working in universities, governments, the private sector, social movements and non-governmental organisations.
3. We gathered here to discuss and exchange views on the issues raised by the title of the conference and arrived at the following statement.

Background

4. Our fundamental concerns were with the challenges in the world of work which arise from the spread of knowledge-based economies, global competition, and the concurrent increase in poverty and social exclusion of large numbers of the world's population.
5. The focus of our discussion was informal economies which exist in rural and urban areas, in the agriculture, manufacturing, commerce and service sectors; in traditional as well as in newly emerging knowledge economy activities. We noted that in some nations a large majority of people are dependant on informal economies, making them a vital element in national development. Given the diversity of national contexts and circumstances, a uniform concept of the informal economy is difficult to reach.
6. Dependence on informal economies for work and income has become the typical pattern for survival. This calls for a paradigm shift in national policies and donor support. Fundamental changes in policies towards human resources development through training and education are therefore required.

7. The informal economy includes micro and small enterprise(MSEs) which were observed to be developing at an increasingly rapid pace. Some enterprises in informal economies have growth potential, whilst others are the means of bare survival. It is essential to facilitate development of the latter into more economically viable enterprises.
8. Those in the informal economy share commonalities, namely lack of recognition and legitimacy; lack of access to and control of resources, unprotected and unorganised. Vulnerability and disadvantage is their common feature. For example, the informal sector uses mostly local knowledge to create their livelihoods whilst the formal sector have access to the latest knowledge and technology.
9. To promote equity in skills training and in consideration of their specific needs and requirements, particular attention should be given to the vulnerability of women, children and youth, the disabled and subsistence farmers.
10. A closer relationship must be established between education and skills for work and income. For example, we observed that the effectiveness of skills training depends on the acquisition of basic analytical skills and competencies through education.

Issue 1: Policy Context

11. Globalisation offers opportunities for the growth of informal economies, but the informal sector is ill-equipped to react to these challenges. In view of this, governments must accept their primary responsibility for providing a policy framework for the development of the informal sector which should be reflected in national plans and resource allocation. Such policies should aim at reducing the poverty and the vulnerability of the social groups who survive in informal economies.
12. The governments' role should be to provide a regulatory framework that is flexible and responsive to the needs of the informal economy. National development policies must recognise that the formal and informal sectors belong to one na-

tional economy and must address their development in an integrated manner.

13. Government policies on skills training must take into consideration issues such as gender, access to technology as well as concern about environmental protection and quality of life. The effect of HIV/AIDS requires special attention in some parts of the world.
14. An increased role for the private sector, civil society institutions and local communities in delivering skills training needs to be encouraged and supported by governments through appropriate policies and incentives.

Issue 2: Funding

15. In terms of funding there should always be a partnership between trainees, entrepreneurs, governments and other stakeholders. Where there are functioning markets, governments should refrain from excessive administration. However, governments should positively contribute to the overcoming of market failure, for example, by formulating policies that can anticipate market changes and by ensuring equity of access to resources for all learners.
16. Where possible, funding for skills training should be decentralised. In order to ensure sustainability, both public sector and community resources need to be mobilised.

Issue 3: Needs

17. Skills should be understood in the broadest sense of the term, accommodating practical skills as well as tacit knowledge and social competencies. Skills training should be embraced as an integral part of all educational reform projects.
18. The pivotal role of non-formal education in extending training to those that are excluded by formal education must be recognised and supported. Accreditation within formal and non-formal systems should be harmonised.
19. Access to training should be inclusive, with a particular emphasis on the needs of the poor, and should be conceived of and designed within the broader socio-economic context. The needs of women and youth, who comprise the majority in the informal economy, should be given special attention. The disabled are also disproportionately represented in this sector.
20. Training should be comprehensive, integrated with relevant and quality education and should

aim at the future development of individuals, small entrepreneurs and the underprivileged, so as to equip them with transferable skills and core competencies.

21. We are conscious that the need for skills training, and its content and modes, vary according to historical and cultural contexts. More importantly, flexibility is an essential element in programmes that are adaptive to change.

Issue 4: International Agencies

22. Bilateral and multilateral agencies are called upon to promote a new and positive vision of the informal economy and to reallocate resources accordingly through:
 - Extending support to the social and economic organisation of the informal economies through the development of intermediary agencies wherever possible.
 - Promoting actions to raise awareness and recognition of the potential in the informal economy.
 - Supporting enhancement of skills and productive capacity of small and micro enterprises.
23. Skills training should be embraced as an integral part of all educational reform projects. The pivotal role of non-formal education in extending training to those that are excluded by formal education must be recognised and supported. Accreditation within formal and informal systems should be harmonised.
24. Donor agencies should extend support for efforts to recognise the complementarities and linkages between the formal and informal economies. They should encourage governments to articulate these in their development plans.
25. External aid should concentrate on the development of local capacities and local ownership in order to ensure sustainability. In that context, skills training programmes should be made consistent with the overall economic development of the country and sub-region.
26. Donors have an important role to play in facilitating South-South dialogue and regional exchange on these issues.

Declaration

27. We appeal to national governments, international agencies and relevant social groups to address policy changes and their implementation as laid out in this declaration with a sense of urgency.
28. We will ensure the follow-up to the Interlaken Declaration beyond our own institutions.

Interlaken Declaration Preparation Group:

Nahas Angula, Minister for Higher Education, Training and Employment Creation, Namibia
Aldis Baumanis, Rector of School of Business Administration Turiba, Latvia
Kai-Ming Cheng, Pro-Vice-Chancellor, Professor and Chair of Education of the University of Hong Kong, Hong Kong SAR/People's Republic of China (Chair)
Muhammad Ibrahim, Executive Director, Centre for Mass Education in Science CMES, Bangladesh
Violet C. Kaitano, Itachi P/L, Zimbabwe
Ali Kansu, Secretary General, Meksa Foundation for the Promotion of Vocational Training and Small Industry, Turkey
Sunita Kapila, Kenya
Lucita S. Lazo, Director General, Technical Education and Skills Development Authority, Philippines
Julia Schreiner, Alves, Environmental Protection Agency CETESB, Sao Paulo, Brazil

Presented to, discussed and amended by participants present in Interlaken (Switzerland) on 12 September 2001.

Déclaration d'Interlaken

Lier le monde du travail, la formation professionnelle et le savoir : se former pour la survie et la croissance économique. Ouverture des débats

Préambule

1. La Conférence «Lier le monde du travail, la formation professionnelle et le savoir : se former pour la survie et la croissance économique», organisée par la Direction du développement et de la coopération (DDC), en étroite collaboration avec le «Working Group for International Co-operation in Skills and Development», a eu lieu du 10 au 12 septembre 2001 à Interlaken, en Suisse.
2. Nous, les 177 participants, provenant de 56 pays d'Afrique, d'Asie, d'Amérique du Nord et du Sud, et d'Europe avons mis à profit notre expérience personnelle et professionnelle, acquise au travers de nos activités au sein d'universités, de gouvernements, du secteur privé, de mouvements associatifs et d'organisations non gouvernementales.
3. Nous nous sommes réunis pour échanger nos vues sur le titre de la Conférence et réfléchir aux questions qu'il soulève. Au terme de nos travaux, nous avons établi le document suivant:

Contexte

4. Nos préoccupations résident essentiellement dans les nouveaux défis lancés au monde du travail par l'émergence de la nouvelle économie fondée sur la connaissance et la mondialisation de la concurrence, ainsi que sur l'augmentation simultanée de la pauvreté et de l'exclusion sociale de larges couches de la population mondiale.
5. Notre réflexion s'est principalement portée sur l'économie informelle, présent tant dans les régions rurales que dans les zones urbaines, dans l'agriculture, le secteur industriel, le commerce et les services, dans les activités économiques traditionnelles comme dans les activités émergentes fondées sur la connaissance. Nous avons constaté que dans certains pays, la majeure partie de la population est tributaire de l'économie informelle, lequel devient donc un moteur vital du développement national. Au vu de la diversité des situations et des contextes nationaux, il est très

difficile de définir strictement l'économie informelle.

6. Le fait d'être lié à l'économie informelle pour assurer travail et revenu est vraiment devenu la manière de survivre. Il convient donc de repenser complètement les politiques nationales et l'aide au développement. Une réforme en profondeur des politiques de développement des ressources humaines, par la formation professionnelle et l'éducation, s'impose.
7. L'économie informelle est formée de petites et de micro-entreprises qui se développent de plus en plus rapidement. Certaines entreprises de l'économie informelle ont un potentiel de développement, tandis que d'autres ne sont qu'un moyen de survie. Il est vital de permettre à ces dernières de se développer de manière à devenir viables.
8. Les acteurs de l'économie informelle possèdent des dénominateurs communs, notamment l'absence de reconnaissance sociale et de légitimité, l'impossibilité d'accéder aux ressources et de les contrôler, l'absence de protection et d'organisation. La vulnérabilité et la pauvreté font partie de leurs traits communs. Ceux qui travaillent dans l'économie informelle utilisent le savoir-faire local pour garantir leur existence (livelihood), tandis que le secteur formel a accès aux dernières connaissances et aux innovations technologiques les plus récentes.
9. Afin de promouvoir l'égalité dans le domaine de la formation professionnelle, de tenir compte de leur vulnérabilité et de leurs besoins spécifiques, il convient d'accorder la plus grande attention aux femmes, aux enfants, aux jeunes, aux handicapés et aux petits agriculteurs du vivrier.
10. Il convient donc d'accorder plus d'importance aux liens entre l'éducation et la formation professionnelle, dans la perspective de l'acquisition du savoir-faire pour le monde de travail et de l'accès au revenu. Nous avons notamment remarqué que l'efficacité de la formation professionnelle dépend des compétences et de l'esprit d'analyse développés par l'éducation de base.

Thème 1 – Aspects politiques

11. Certes la globalisation offre à l'économie informelle la possibilité de se développer, mais celle-ci est généralement mal armée et préparée pour saisir les opportunités qui se présentent. Les gouvernements doivent donc assumer le rôle premier qui est le leur dans l'élaboration d'une politique pour le développement du secteur informel, politique qui devrait se refléter dans les plans nationaux et l'affectation de ressources. Les politiques nationales doivent tendre à réduire la pauvreté et la vulnérabilité des groupes sociaux qui survivent grâce à l'économie informelle.
12. Les gouvernements doivent élaborer une réglementation suffisamment souple pour répondre aux besoins de l'économie informelle. Les politiques de développement nationaux doivent reconnaître que les secteurs formel et informel sont parties intégrantes d'une seule économie et qu'il convient donc d'adopter une stratégie de développement intégré.
13. L'égalité des sexes, l'accès aux technologies, la protection de l'environnement, la qualité de la vie doivent être au centre des préoccupations des gouvernements lorsqu'ils élaborent leur politique de formation professionnelle. Dans certaines parties du monde, il convient d'accorder une attention particulière aux conséquences du SIDA / VIH.
14. Les gouvernements doivent encourager le rôle du secteur privé, de la société civile et des communautés locales dans le domaine de la formation professionnelle par des politiques et programmes appropriés.

Thème 2 – Financement

15. Le financement doit toujours reposer sur un partenariat entre les personnes à former, les entrepreneurs, le gouvernement et les autres protagonistes. Là, où les marchés fonctionnent, les gouvernements ne devraient pas imposer des règles et procédures trop rigides. Toutefois, lorsque le marché ne fonctionne pas, les gouvernements doivent intervenir pour remédier à cette défaillance, notamment en élaborant des politiques capables d'anticiper les soubresauts du marché et en assurant l'accès aux ressources à toutes les personnes à former.
16. Dans la mesure du possible, il convient de décentraliser le financement de la formation professionnelle. Afin d'en garantir la viabilité, le secteur public et les ressources locales doivent être mobilisés.

Thème 3 – Besoins

17. Les compétences doivent être comprises dans leur acception la plus large et regrouper les aptitudes pratiques, les connaissances tacites et les compétences sociales. La formation professionnelle doit être au centre de tous les projets de réforme de l'éducation.
18. Il convient de reconnaître et de soutenir le rôle capital que joue l'éducation non-formelle en permettant aux exclus du système formel d'accéder à la formation professionnelle. Il faut que s'opère une certaine harmonisation dans les manières de reconnaître et officialiser les systèmes formels et non-formels.
19. La formation doit être accessible au plus grand nombre, tenir compte notamment des besoins des pauvres et s'inscrire dans le contexte socio-économique général, dont elle doit s'inspirer. Il convient d'accorder une attention particulière aux besoins des femmes et des jeunes, qui constituent les catégories de la population les plus représentées dans l'économie informelle. Les handicapés sont également sur représentés dans ce secteur.
20. La formation dont nous parlons ici doit se comprendre au sens large : elle inclut les éléments pertinents d'une éducation de qualité et ciblée. Elle doit viser au développement des individus, des micro-entrepreneurs et des défavorisés, en les dotant du savoir-faire et des compétences de base qu'ils pourront utiliser de diverses manières.
21. Nous sommes conscients que les besoins en matière de formation professionnelle, ainsi que les contenus et les modalités de cette dernière, varient en fonction du contexte historique et culturel. Au surplus, la flexibilité est essentielle s'agissant de programmes évolutifs.

Thème 4 – Organismes internationaux

22. Les organismes bilatéraux et multilatéraux sont invités à revaloriser l'image de l'économie informelle et à promouvoir ce dernier en réaffectant les ressources en conséquence:
 - ils apporteront, dans la mesure du possible, leur soutien à l'organisation sociale et économique de l'économie informelle en créant des organismes intermédiaires;
 - ils encourageront la reconnaissance de l'économie informelle et de son potentiel par des opérations ciblées;

- ils soutiendront l'amélioration du savoir-faire et de la capacité de production des petites et micro-entreprises.
23. La formation professionnelle doit être au centre de tous les projets de réforme de l'éducation. Il convient de reconnaître et de soutenir le rôle capital que joue l'éducation non-formelle en permettant aux exclus du système formel d'accéder à la formation professionnelle. Il faut que s'opère une certaine harmonisation dans les manières de reconnaître et officialiser les systèmes formels et non-formels.
 24. Les bailleurs doivent promouvoir la reconnaissance des complémentarités et des liens qui unissent les secteurs formels et informels. Ils doivent encourager les gouvernements à inscrire cette interconnexion dans leurs plans de développement.
 25. Dans un souci de viabilité, l'aide extérieure devrait veiller au développement des capacités locales ainsi qu'à l'appropriation locale de ses apports. Dans ce contexte, il convient d'intégrer les programmes de formation professionnelle dans le développement économique global du pays et de la région.
 26. Les bailleurs ont un rôle important à jouer dans la promotion du dialogue Sud - Sud et des échanges régionaux sur ces questions.

Déclaration

27. Nous prions instamment les gouvernements nationaux, les organismes internationaux et les groupes sociaux intéressés, de modifier leurs politiques et d'agir conformément aux principes établis par la présente Déclaration..
28. Nous assurerons le suivi de la Déclaration d'Interlaken au-delà de nos propres institutions.

Groupe de préparation de la Déclaration d'Interlaken:

Nahas Angula, Minister for Higher Education, Training and Employment Creation, Namibia
 Aldis Baumanis, Rector of School of Business Administration Turiba, Latvia
 Kai-Ming Cheng, Pro-Vice-Chancellor, Professor and Chair of Education of the University of Hong Kong, Hong Kong SAR/People's Republic of China (Chair)
 Muhammad Ibrahim, Executive Director, Centre for Mass Education in Science CMES, Bangladesh
 Violet C. Kaitano, Itachi P/L, Zimbabwe
 Ali Kansu, Secretary General, Meksa Foundation for the Promotion of Vocational Training and Small Industry, Turkey
 Sunita Kapila, Kenya
 Lucita S. Lazo, Director General, Technical Education and Skills Development Authority, Philippines
 Julia Schreiner, Alves, Environmental Protection Agency CETESB, Sao Paulo, Brazil

Examiné et amendé par les participants à la Conférence d'Interlaken, le 12 septembre 2001.

Declaración de Interlaken

Iniciando los debates sobre el vínculo del mundo del trabajo con la formación profesional y el saber: Aprender para la supervivencia y el crecimiento económico

Preámbulo

1. Del 10 al 12 de septiembre tuvo lugar la Conferencia Internacional « Vincular el mundo del trabajo con la formación profesional y el saber: Aprender para la supervivencia y el crecimiento económico» en Interlaken, Suiza bajo el auspicio de la Agencia de Desarrollo y Cooperación Suiza (COSUDE) y en estrecha colaboración con el Grupo de Trabajo para la Cooperación Internacional de la Formación Profesional.
2. Nosotros, los 177 participantes provenientes de 56 países de África, Asia, las Américas y Europa utilizamos como plataforma nuestras experiencias personal y profesional trabajando con universidades, gobiernos, el sector privado, movimientos sociales y organizaciones no-gubernamentales.
3. Nos hemos reunido aquí para discutir e intercambiar puntos de vista sobre los temas planteados por el título de la conferencia y concluimos la siguiente declaración.

Antecedentes

4. Nuestras principales preocupaciones se centran en los desafíos que se presentan en el mundo del trabajo y que emergen con la expansión de las economías del conocimiento (knowledge based economies), la competencia global y el concurrente aumento de la pobreza y la exclusión social de muchos de la población mundial.
5. El enfoque de la discusión fue economías informales que existen en las áreas rurales y urbanas, la agricultura, la manufactura, el comercio y los sectores de servicios; tanto en las actividades económicas tradicionales como en las del conocimiento emergente. Notamos que en algunas naciones, una gran mayoría de la población es dependiente de las economías informales convirtiéndolas así en un elemento vital en el desarrollo nacional. Dada la diversidad de los contextos y las circunstancias nacionales es difícil definir un concepto homogéneo sobre la economía informal.

6. La dependencia del trabajo y el ingreso de las economías informales se ha convertido en un modelo típico para la supervivencia. Esto requiere un cambio de paradigma en políticas nacionales y apoyo de los donantes. Es por ello que se requiere de cambios fundamentales en políticas hacia el desarrollo de recursos humanos a través de la formación profesional y la educación.
7. La economía informal incluye las micro y pequeñas empresas, de las cuales se observa un desarrollo a paso rápido y progresivo. Algunas empresas en las economías informales tienen un gran potencial de crecimiento, mientras otras representan apenas medios de supervivencia básica. Es esencial, facilitar el desarrollo de las últimas hacia empresas económicamente más viables.
8. Aquellos en la economía informal comparten realidades comunes, principalmente la falta de reconocimiento y legitimidad; la falta de acceso a y control de recursos, están sin protección y desorganizados. La vulnerabilidad y la desventaja son sus principales características. Por ejemplo, el sector informal utiliza casi solamente el conocimiento local para crear su subsistencia mientras que el sector formal tiene acceso a los últimos conocimientos y la tecnología.
9. Para promover la igualdad en la formación profesional y en consideración a sus específicas necesidades y exigencias, se debe prestar una atención particular a la vulnerabilidad de la mujer, los niños y jóvenes, los impedidos y a la subsistencia de los agricultores.
10. Debe establecerse una relación más estrecha entre la educación y la formación para el empleo e ingreso. Por ejemplo, observamos que la eficacia de la formación profesional depende de la capacidad analítica básica y las competencias a través de la educación.

Tema 1: Contexto Político

11. La globalización ofrece oportunidades para el crecimiento de las economías informales, pero el sector informal está mal equipado para reaccionar a estos desafíos. En vista de esto, los gobiernos deben aceptar su principal responsabilidad

de proveer un marco de políticas para el desarrollo del sector informal, el cual debe reflejarse en los planes nacionales y la asignación de recursos. Tales políticas deberían tener como objetivo la reducción de la pobreza y la vulnerabilidad de los grupos sociales que sobreviven en economías informales.

12. El papel de los gobiernos debería ser, proveer un marco regulatorio flexible y sensible a las necesidades de la economía informal. Las políticas nacionales de desarrollo deben reconocer que los sectores formales e informales pertenecen a una economía nacional y deben dirigir su desarrollo de una forma integrada.
13. Las políticas de gobierno sobre la formación profesional deben tomar en consideración temas, tales como, género, acceso a la tecnología como también la preocupación por la protección del ambiente y la calidad de vida. El efecto del VIH/SIDA requiere la atención particular en algunas partes del mundo.
14. Un creciente papel de intervención del sector privado, las instituciones de la sociedad civil y las comunidades locales en la impartición de las necesidades de la formación profesional deben ser motivadas y apoyadas por el gobierno mediante políticas e incentivos.

Tema 2: Financiamiento

15. Con respecto al financiamiento, debe existir siempre la cooperación entre los aprendices, los empresarios, los gobiernos y otros interesados. Donde los mercados funcionan los gobiernos deben abstenerse de una excesiva administración. Sin embargo, los gobiernos deben contribuir positivamente a superar las deficiencias del mercado, por ejemplo, formulando políticas que puedan anticipar los cambios del mercado y asegurando la igualdad de acceso a recursos que facilitan el aprendizaje.
16. En la medida de lo posible, el financiamiento de la formación profesional debe ser descentralizado. De esta manera se asegurará la sustentabilidad ante la necesidad de movilización de recursos de ambos, el sector público y de la comunidad.

Tema 3: Necesidades

17. La formación debe ser entendida en el amplio sentido del término al adaptar la formación profesional práctica tanto como las competencias sociales y el conocimiento tácito. La formación

profesional debe ser adoptada como una parte integral de todos los proyectos de reformas educativas.

18. Debe ser reconocido y apoyado el papel pivote de la educación no-formal en la extensión de la formación profesional a aquellos excluidos por la educación formal. La acreditación dentro de los sistemas formales y no-formales debe ser armonizada.
19. El acceso a la formación profesional debería ser inclusivo con particular énfasis en las necesidades de los pobres y debería ser concebido y diseñado dentro del contexto socio-económico. Las necesidades de las mujeres y los jóvenes que constituyen la mayoría de la economía informal, deben contar con una atención particular. Los impedidos también están representados desproporcionadamente en este sector.
20. La formación profesional debe ser comprensiva, integrada con una educación pertinente y de calidad y debe tener como objetivo el desarrollo futuro de los individuos, pequeñas empresas y los no privilegiados equipándolos así con habilidades transferibles y competencias esenciales.
21. Estamos conscientes que las necesidades de formación profesional, sus contenidos y formas varían de acuerdo a los contextos históricos y culturales. Más importante aun es la flexibilidad como elemento imprescindible en programas adaptables al cambio.

Tema 4: Agencias Internacionales

22. Las agencias bilaterales y multilaterales deben promover una visión nueva y positiva de la economía informal y como consecuencia reasignar los recursos de la siguiente manera:
 - Extender apoyo a la organización social y económica de las economías informales mediante el desarrollo de agencias intermediarias dondequiera que sea posible.
 - Promover acciones para concientizar y reconocer el potencial de la economía informal.
 - Apoyar mejoras en las habilidades y capacidad productiva de las micros y pequeñas empresas.
23. La formación profesional debe ser adoptada como una parte integral de todos los proyectos de reformas educativas. El papel pivote de la educación no-formal en la extensión de la formación profesional a aquellos excluidos por la educación formal debe ser reconocido y apoyado. Asimismo-

mo, la acreditación dentro de los sistemas formales y no-formales debe ser armonizada.

24. Las agencias donantes deben extender su apoyo para reconocer las complementariedades y vínculos entre las economías formales e informales. Elas deben motivar a los gobiernos a articular éstos en el desarrollo de sus planes.
25. La ayuda externa debe concentrarse en el desarrollo de capacidades locales y pertenencia (ownership) local para asegurar la sustentabilidad. En ese contexto, los programas de formación profesional deben ser consistentes con el desarrollo global de la economía del país y la sub-región.
26. Los donantes juegan un papel importante en la facilitación del diálogo Sur-Sur y el intercambio regional de estos temas.

Declaración

27. Hacemos un llamado a los gobiernos nacionales, las agencias internacionales y grupos sociales pertinentes para que dirijan los cambios de políticas y su puesta en marcha, tal como está expuesto de manera urgente en esta declaración.
28. Nosotros aseguraremos el seguimiento de la Declaración de Interlaken más allá de nuestras instituciones.

Grupo de preparación de la Declaración de Interlaken:

Nahas Angula, Minister for Higher Education, Training and Employment Creation, Namibia
Aldis Baumanis, Rector of School of Business Administration Turiba, Latvia
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Lucita S. Lazo, Director General, Technical Education and Skills Development Authority, Philippines
Julia Schreiner, Alves, Environmental Protection Agency CETESB, Sao Paulo, Brazil

Presentación discutida y amendada por los participantes presentes en Interlaken, Suiza el 12 de septiembre de 2001.

Complementary Comments on the Interlaken Declaration

The Conference was very useful to me. I have been distributing the Interlaken Declaration to people concerned with skills development and adult education in Namibia. It was refreshing to find that many people are taking skills development as key to poverty eradication. I hope we shall be able to build on the Interlaken spirit.

Nahas Angula, Minister for Higher Education, Training and Employment Creation, Namibia, and presenter at the Interlaken Conference.

Thanks for this opportunity via email to make some comments to the Interlaken Declaration. I was a speaker in Workshop 1 and these are my comments:

- a) last sentence of point 17 and the content of point 18 are fully repeated in point 23.
- b) in point 11 it is mentioned that «... globalisation offers opportunities for the growth...». I think this assessment only looks at the benefits of globalisation. Maybe the sentence could mention that «... the informal sector is ill-equipped to react to some opportunities offered by globalisation». (the tone is different). Also in point 11, it is mentioned that «... policies not only should aim at reducing the poverty and the vulnerability». In my opinion reducing is not enough. The big challenge is to address policies in such a way that people living in poverty areas have possibilities of productive incorporation, either within their local contexts (and this means enhancing local opportunities) or within the formal work market (and this means providing equal and quality opportunities in poverty areas so that people can also have access to all kinds of educational and work opportunities). The word then should not be «reduce» but «eliminate poverty».
- c) in point 18 it is mentioned that «... accreditation within formal and nonformal should be harmonised». I would agree on that. I would only add the importance of having equivalences between accreditations of the formal and non-formal system so that training and educational opportunities can be flexible enough to match people's laboral and educational dynamic in

poverty areas and also to enable multiple entry, access and moving upwards within training and educational institutions.

*Enrique Pieck
enrique.pieck@uia.mx*

Thank you very much for the information and the final copy of the Interlaken declaration. Below are my comments and observations.

1. My first comment on the declaration is that, most of the issues presented appear to be so general in character. Emphasis should have been laid on specific regions or continents (developing countries) and to their policies towards vocational or skills training. General education is highly encouraged by government of most developing countries.
2. Secondly, the funding of NGOs especially those in the developing countries promoting Practical skills training is not properly highlighted in the final document. This could have been taken into consideration by the declaration. The problem most NGOs face is the lack of funding to enable them set up practical vocational skills training centers, the ideas are there, but the resources are absent.
3. Besides encouraging partnership between trainees, entrepreneurs, government and other stakeholders, funding should also be extended to ex-trainees to enable them start up self – help activities either at individual level or as a group.

*Akang Samuel Mwene, Co-ordinator
Youth Development Center,
ydclb@yahoo.com*

I have just received the text of the Interlaken Declaration and I observe that the report of my comments during the discussion of 12 September 2001 omits the following statement, which is of vital importance:

Those governments that levy Customs duty and other charges on goods donated for children and adolescents in their countries violate the Rights of the Child, since they are «abusing» their children for their own profit.

The OME – World Organization for Education and Vocational Training – is often obliged to struggle, sometimes for as much as two years, to obtain exemption from Customs and other charges, since some gov-

ernments appear to consider it normal to make donors pay for giving to those most in need – a shameful attitude. Recently, Federal Councillor Joseph Deiss, rebuked the Israeli Government for levying duty goods intended for the Palestinians. This is an additional argument for insisting that my statement, quoted above, be included in the final text of the Interlaken Declaration.

Thank you for your prompt action.

*Eugen F. Müller, Executive President
OME – World Organization for Education and Vocational
Training, Geneva*

I would like to take the opportunity to congratulate to the final text of the declaration which, in its current form and with the translations available in French and Spanish, is an important tool to support the further strengthening of skills development in the informal economy.

A very few suggestions from my end:

Paragraph (1): It might strengthen the case as well as the weight of the declaration if the most relevant members of the «Working Group for International Cooperation in Skills Development» are given in bracket.

Paragraphs (9) and (19): The term «the disabled» has a negative connotation with the concerned target-group. They may prefer «people with disabilities» or «disabled persons» and respective translations into French and Spanish.

Paragraphs (18) and (23) are nearly identical: We may want to reformulate (23) somehow as follows: «These agencies should embrace skills training as an integral part of all educational reform projects. In this context, they should contribute to further strengthening the role of non-formal education in extending training to those that are excluded by formal education. This includes the need for harmonising accreditation within formal and informal systems.

Thank you very much again for having given me the chance to participate in the Interlaken-Conference!

*Dr. Andreas König
CH-1202 Geneva,
dr_andreas_koenig@freesurf.ch*

J'aimerais tout d'abord féliciter le groupe qui s'est chargé de la rédaction de la déclaration. J'aimerais également remercier les traducteurs de l'effort accompli (malgré le fait que le paragraphe 27 est resté en anglais).

Je suis personnellement satisfaite que les questions de genre soient évoquées dans le contexte (para-

graphe 9) et reprises dans la déclaration des politiques (paragraphe 13). J'estime que c'est très important de marquer cette volonté de réduire les disparités de genre pour assurer une meilleure équité dans la réalisation d'un développement durable.

Je compte transmettre la déclaration aux responsables des secteurs concernés dans le but d'avancer dans la mise en oeuvre de la convention.

Je ne manquerais pas de vous tenir au courant des informations disponibles pour vous permettre de faire le suivi de la déclaration.

Jeannine Ramarokoto – Raelimiadana, Madagascar

Observations

1. Informal economies or enterprises are generally understood to be those which operate outside the pale of government's prescribed rules and regulations. The reason of informality are normally ascribed to the inability and high cost of meeting legal requirement as well as the cost of remaining formal. Informality however is hamstrung by a host of factors such as lack of access to formal financial institution, cost of avoiding penalties and disadvantages in marketing.
2. In order to facilitate the transaction of informal enterprises to formal enterprises joints and achieve sectionable growth toe following measures are required.
 - i) A stable macro economic environment under a free non-discriminatory trade regime, i.e. bias in favour of large scale enterprises be dispended with;
 - ii) A workable legal and judicial system;
 - iii) Fair regulatory policies which encourage competition and protect small enterprises from predatory policies of both private monopolies and state power; and
 - iv) A well functioning competitive financial sector to provide Banking Services and Finance to small enterprises.
3. In so far as availability of finance is concerned, experience has shown that loans at concessionary interest rate or without proper collecteral are susceptible to use for the purposes other than for which these are meant or likely to be siphoned off by influential. Therefore grant of loans should be on the basis of universally accepted practices of banking. However red tapism in the sanctioning procedures be removed to reduce delays.

4. Another important factor contributing to the sustainability of an enterprise is the market. It is the market which transmits information and encourages enterprises to undertake activities of higher productivity. The government should strive for the development of market and integrate small enterprises with it.
5. Training no doubt is an important factor which can definitely increase employability and enable learners to earn more. However this is possible only if there is conducive macro-economic environment. In other words there must be efficient market to be able to absorb new skills.

Comments

Para 15

It is not possible for the government to formulate policies that can anticipate market changes. In fact government's policies trigger market failure. Governments have no fool proof mechanism to forewarn this regard. However government may help small enterprises to overcome market failure by enabling them to switch over to other business or loan write off. Government's policies should be aimed at this aspect.

Training should not be free of cost. The learner must pay, if not fully, a part of the expenditure to be incurred on his training. The reason being that any facility free of cost is not taken seriously. In the beginning Government, NGO or local authorities may subsidize the training. However with the passage of time if the training enhances employability, people will themselves come forward and pay the cost of training.

Private institutions should be encouraged to impart training. In developing countries governments do not have enough sources to meet all training needs. Private institutions may be subsidised in the beginning by the government.

Para 16

It is not clear from which tier of the government to which tier the funding is to be decentralised. If it is meant from federal or provincial level to local level, then the responsibility of imparting training is also to be handed over to local authorities.

Para 17

Training should be linked with the market needs. The learner should be able to sell his newly acquired skills in the market either in the form of product or services. Therefore instead of emphasizing on the need of poor, identification of market needs be given precedence.

Para 19

Not all non-formal institutions enhance the capabilities of learners to absorb training skills. Therefore, recognition of the role of non-formal education institution across the board is neither desirable nor useful. Only those institutions which impart relevant education can be associated with skill training.

*Muhammad Ashraf Khan
Deputy Secretary, Ministry of Labour, Manpower and Overseas
Pakistanis, Islamabad*

Muy atenta a la Declaracion quiero expresarles a nombre personal que considero a la economia informal – de subsistencia y de la empresarial – como las mejores salidas que pueblos creativos han podido hacer surgir; y esto no es reciente en el mundo, historicamente se ha dado ese proceso.

Los gobiernos deben considerar en sus planes publicos la adecuacion entre la formacion y el empleo a traves de una mayor inversion en el factor educacion.

La cooperacion internacional deberia considerar como uno de sus indicadores de sostenibilidad la relacion o el impacto que las intervenciones tienen en la economia informal de la zona de desarrollo, porque no se puede desvincular y trabajar.

*Delfina Varillas., Peru
dvarillas@promudeh.gob.pe*

Il faudrait inclure dans la déclaration un texte très clair, un message fort sur l'apprentissage dès les premiers paragraphes dans une déclaration de ce genre :

Compte tenu du fait que les moyens en hommes et en matériel font structurellement défaut pour généraliser un enseignement technique formel dans les pays pauvres il est capital de chercher à utiliser au mieux les mécanismes et les ressources existantes. Pour cela on cherchera systématiquement à s'appuyer, en les valorisant et en les améliorant, sur les systèmes traditionnels de transmission des savoir faire (apprentissage). Ce faisant on transformera en formateurs bénévoles de qualité des centaines de milliers d'artisans rendus davantage conscients de mieux remplir leur fonction sociale indispensable vis à vis de la génération suivante.

Gérard Barthélemy, France

Results of Survey

1. Answers from following countries:

Madagascar, Bangladesh, Sweden, Switzerland, South Africa, Burkina Faso, Hong Kong, Botswana, Mali, Pakistan, Tunisia, Cameroon, Albania, Lebanon, Turkey, Ethiopia, UK, Norway, Kenya, Austria, Bulgaria, Nicaragua, Senegal, Lebanon, Namibia, Latvia, Nepal.

2. Is there a significant growth of small enterprises in your country?

yes 34 no 5 undecided 1

3. Where do the small enterprises grow most significantly?

Urban Cities	29
Rural Areas	5
In the Service Sector	30
In the Manufacturing Sector	2
Traditional Activities	18
New Economic Activities	13

4. What would you see as the two core competences / basic skills that are essential for a person to benefit from the growth of small enterprises / informal sector? (Summary)

- Financial / Economic Skills (10)

- Marketing (8)
- Entrepreneurial and Business Skills (8)
- Management / Leadership Abilities (7)
- Social communication and negotiation skills (6)
- Technical capacities related to the activity (6)
- Basic Education (6)
- Computer literacy (6)
- Foreign languages (5)
- Organisational and Administrative Skills (4)
- Creativity / Flexibility / Innovative Thinking (4)
- Self-teaching ability to effectively acquire new knowledge (2)
- ICT Mastery
- Human Capital
- Networks
- Practical Academic Education
- Selecting the proper local partner
- Market analysis / spotting, detecting and responding to opportunities

5. Does your education / training system meet the needs of the small enterprises?

Doing a very good job.	7
Basically meeting the needs.	18
Failing to fulfill its responsibilities.	16

Part 5

Annexes

Detailed Programme

Monday, 10 September

09.00–12.00	Registration
11.30–12.45	Light Lunch
13.00–13.10	Announcements
13.10–13.20	Opening of the Conference Walter Fust <i>Director General, Swiss Agency for Development and Cooperation</i>
13.20–13.40	Effects of Globalisation on the World of Work in the Informal Sector and Small Enterprises in Developing and Transition Countries Lucita S. Lazo <i>Director General of the Technical Education and Skills Development Authority, Philippines</i>
13.40–14.00	Needs and Demands in the Informal Sector and Small Enterprises for Skills and Knowledge: A Developing Country Perspective (Asian) Tara Vishwanath <i>World Bank, India</i>
14.00–14.20	Needs and Demands in the Informal Sector and Small Enterprises for Skills and Knowledge: A Developing Country Perspective (African) Mamounata Cissé <i>ICFTU Ass. Secretary General, Brussels / Burkina Faso</i>
14.20–14.40	Needs and Demands in the Informal Sector and Small Enterprises for Skills and Knowledge: A Transition Country Perspective Aldis Baumanis <i>School of Business Administration Turība, Latvia</i>
14.40–15.15	Tea / Coffee Break
15.15–16.45	Panel Discussion (four Keynote Speakers) Break
17.15–21.45	Excursion to the «Schynige Platte» (mountain): Dinner

Tuesday, 11 September

08.30–09.00	Reflections on Previous Day Organisation of Working Groups
09.00–09.15	Break Divide into five Working Groups
09.15–11.45	Working Groups – Session 1 Focus on Targeting Poverty, Gender & Youth
11.45–12.00	Break – Adjournment to Dining Hall
12.00–13.30	Lunch
13.30–16.00	Working Groups – Session 2 Focus on Institutional Implications, Including Delivery Mechanisms
16.00–16.30	Tea / Coffee Break
16.30–18.00	Presentation of Results by the Working Groups Individual Dinner
Evening	Session for the Interlaken Declaration Preparation Group

Tuesday, 11 September

Working group organisation

Group 1:

Context and Regulatory Framework for Skills Development

Coordinator/Facilitator: Madhu Singh, India/Germany

Session 1

Presenter: Enrique Pieck Gochicoa, Mexico

Discussants: Maksim Konini, Albania

Rapporteur: Sunita Kapila, Kenya

Session 2

Presenter: Venni Venkata Krishna, India

Discussants: Norma Añaños, Peru,

Poorna Kanta Adhikary, Nepal, and Eugene Ryazanov, Kyrgystan

Group 2:

Linking (post)basic Education and Training:

A Way to Fulfil the Needs of Youth and Adults for Generic and Vocational Skills?

Coordinator/Facilitator: Michel Carton, Switzerland

Session 1

Presenter: Claudio Moura-Castro, Brazil

Case studies: Gerard Barthelémy, France
Mayla Bakhache, Lebanon
Delphin Randriamiharisoa, Madagascar

Rapporteur: Ahlin Byll-Cataria, Switzerland

Session 2

Presenter: Marianne Nganunu, Botswana

Discussant: André Kraak, South Africa

Case Studies: Kai-Ming Cheng, Hong Kong

Claudia Jacinto, Argentina

Group 3:

Costs and Financing of Skills Development

Coordinator: Matthias Jäger, Switzerland

Facilitator: Dev Bir Basnyet, Nepal

Session 1

Presenters: Bansi Rana, Nepal and Gary Flor, Ecuador

Rapporteur: Hedy Bühlmann, Switzerland

Session 2

Presenter: Aboubacar Sidiki Traoré, Mali

Discussant: David Atchoarena, France

Group 4:

What Skills are Needed to Ensure Survival and Growth of Enterprises?

Coordinator: Josiane Capt, Switzerland

Facilitator: Lucita S. Lazo, Philippines

Session 1

Presenter: Amy King-Dejardin, Switzerland

Discussant: Sara Silveira, Uruguay

Rapporteur: Jean-Marc Clavel, Pakistan

Session 2

Presenter: Muhammad Ibrahim, Bangladesh

Discussant: Robert Gichira, Kenya

Group 5:

What is the Role of International Cooperation in Skills Development?

Coordinator/Facilitator: Kenneth King, UK

Session 1

Presenter: Nahas Angula, Namibia

Discussant: Meine Pieter van Dijk, The Netherlands

Rapporteur: Simon McGrath, United Kingdom

Session 2

Presenter: Hakim Malagas, South Africa

Discussants: Manfred Wallenborn, Germany

Wednesday, 12 September

08.30–09.00	Presentation of Draft of «Interlaken Declaration»
09.00–10.30	Discussion and Adoption of «Interlaken Declaration»
10.30–11.00	Tea/Coffee Break
11.00–11.30	Conclusions and Closing Session
11.30–12.30	Lunch
12.30–18.00	Excursions to Swiss Institutions Related to Skills Development According to Separate Programme
	Break
19.00–20.00	Excursion Feedback Round (visualised)
20.00–22.00	Farewell Dinner

Wednesday, 12 September

Excursion to Swiss Institutions

During this afternoon you have the possibility to visit institutions which are related to skills development in Switzerland. Each group has a different programme and a different focus, therefore you can choose one of your interest. In the evening the different groups will briefly report to the other participants, so you will have an overall impression. In general you will meet young people between 16 and 20 in the various institutions. There are plenty of opportunities to talk to them as well as their instructors.

Below you find a short description of each group in English.

Group A: ABB, Baden

You will visit the apprenticeship workshop of the multinational ABB in Baden. First you will have a short presentation about the organisation of the workshop, as well as an introduction to the general training philosophy of the company. Afterwards you have the opportunity to visit the workshops and see the apprentices at work as well as ask them some questions.

Field: Technical

Group B: Berufsschulzentrum Oberland, bzi, Interlaken

You will have the opportunity to eat lunch at a school, which apprentices visit during their apprenticeship. You get an impression of their everyday life and have the opportunity to make some contacts. Then you will have a short presentation about the dual educational system in Switzerland. Afterwards you will go and visit a carpentry shop to experience the second practical part of the system as well.

Field: School and Carpentry

Group C: Geigenbauschule and Schnitzlerschule, Brienz

You will visit two very specialised institutions, which are unique in Switzerland: the school of violin making and the school of woodcarving. You will not only get a tour of both institutions and learn something about this old folks-art, but also have the opportunity to try it yourself.

Field: Applied arts

Group D: Restaurant La CULTina; Berne and Schulhotel Regina, Interlaken

You will eat lunch in Berne, in a special restaurant: At the La CULTina young people seeking asylum in Switzerland have a chance to get a basic education in restaurant industry, which they can also use when they return to their home countries. After lunch you will get the chance to have a look behind the scenes

and talk to the people who work there. Afterwards you will go to the Schulhotel Regina, which is a boarding school for young people who do an apprenticeship in the hotel industry.

Field: Hotel and Restaurant Industry

Group E: Schule für Gestaltung, Berne

First you will get a short introduction to the school and their different courses. Then you will tour their house and see workshops and classrooms, where people are at work and studying. You will get a chance to talk to the students you meet and see how they create ceramics, how printing works nowadays and how books used to be bound. Then you will also get a chance to have a glimpse at their photo laboratories.

Field: Arts School (Printing/Ceramics/Photography)

Group F: Ausbildungszentrum Insel, azi, Berne

You will visit an institution which houses many different schools. First you will get an introduction and a general overview about their organisational problems and restrictions. Then you will examine one of the schools more closely and look at specific questions. Finally you'll get a tour of the house and the opportunity to ask questions at an informal reception.

Field: Medical

Group G: Centre d'enseignement professionnel, Yverdon

You will get a tour of the house as well as a short, general introduction about the system of vocational training in Switzerland and the possibilities of learning and training. Electrician and technician apprentices visit this school. Furthermore the young people have the opportunity to take the high school exam which will allow them to go on to University afterwards.

Field: Technical School

Group H: Bahnhof SBB, Fribourg

An apprentice will show you the train station of Fribourg and show you all the places where apprentices work: selling tickets, cargo transport, etc. You will get an impression of a big company and their educational policy.

Field: Services/Public transport

Evening: Farewell Dinner

Mercredi, 12 septembre

Visites d'institutions suisses de formation professionnelle

Pendant l'après-midi, vous avez la possibilité de visiter des institutions liées à la formation professionnelle. Chaque groupe suit un programme différent, mettant en valeur un aspect particulier. Vous pouvez choisir le programme selon votre préférence. Mercredi soir, chaque groupe fera une présentation en séance plénière pour permettre à tous les participants d'avoir une impression générale. En règle générale, ces visites vous permettront de rencontrer des jeunes gens entre 16 et 20 ans. Vous aurez la possibilité de vous entretenir avec les apprentis ainsi qu'avec leurs maîtres d'apprentissage.

Ci-dessous, vous trouvez une courte description du programme de chaque groupe.

Groupe A: ABB, Baden

Les langues de travail dans ce groupe seront l'anglais et l'espagnol uniquement. Veuillez vous référer aux programmes dans ces deux langues sur les tableaux d'affichage.

Champs: Formation professionnelle dans une entreprise multinationale – Technique

Groupe B: Centre d'école professionnelle Oberland, bzi, Interlaken

Vous avez la possibilité de déjeuner dans cette école, avec les apprentis. Vous aurez ainsi une impression de leur vie quotidienne et la possibilité de vous entretenir avec eux. Vous suivrez une présentation du système d'éducation dual en Suisse, puis vous visiterez un atelier de charpentier pour voir la formation en atelier.

Champs: Ecole technique et entreprise de charpenterie

Groupe C: Geigenbauschule and Schnitzlerschule, Brienz

Vous visiterez deux institutions très spécialisées, uniques en Suisse: l'école de lutherie et l'école de sculpture sur bois. Dans un premier temps, vous pourrez visiter ces deux écoles et vous familiariser avec ces métiers de l'artisanat traditionnel. Ensuite, vous pourrez essayer vous-même de vous exercer à ces métiers.

Champs: Artisanat

Groupe D: Restaurant La CULTina; Berne and Schulhotel Regina, Interlaken

Les langues de travail dans ce groupe seront l'anglais et l'espagnol uniquement. Veuillez vous référer aux programmes dans ces deux langues sur les tableaux d'affichage.

Champs: Hôtel et industrie de restauration

Groupe E: Schule für Gestaltung, Berne

D'abord, vous suivrez une présentation sur l'organisation de l'école et les différents cours qu'elle offre. Ensuite, vous visiterez les différentes salles de classes pour assister au travail des étudiants: Création d'objet en céramique, graphisme moderne, reliure de livres à l'ancienne ou les ateliers de photographies. Vous aurez la possibilité de discuter avec les étudiants.

Champs: Ecole d'Art Visuels (Graphisme/Céramique/Photographie)

Groupe F: Ausbildungszentrum Insel, azi, Berne

Vous visiterez une institutions comprenant plusieurs écoles dans le domaine de la médecine. D'abord vous aurez une introduction sur les défis quant à l'organisation et les restrictions auxquels l'institution doit faire face. Ensuite, le fonctionnement de l'une des écoles vous sera présenté en détail. Finalement la visite de l'institution et une petite réception vous permettrons de poser vos questions.

Champs: Médical

Groupe G: Centre d'enseignement professionnel, Yverdon

Une visite de l'institution et une présentation générale vous permettrons de vous familiariser avec le système d'éducation suisse et les possibilités d'éducation secondaire. Des apprentis électriciens et techniciens suivent l'enseignement de cette école. En plus, ces jeunes gens ont la possibilité de suivre une éducation secondaire qui leur permet de poursuivre des études au niveau universitaire.

Champs: Ecole technique

Groupe H: Gare CFF, Fribourg

Un apprenti vous montrera la gare de Fribourg et vous présentera les différents types de formation offertes à des apprentis comme la vente de billets ou le transport cargo. Vous pourrez ainsi apprendre à connaître une entreprise importante du service public de la Suisse ainsi que leur politique de formation professionnelle.

Champs: Services/transport publique

Soir: Dîner de clôture

Miércoles, 12 de septiembre

Excursiones a instituciones en Suiza

En esta tarde, usted tiene la posibilidad de visitar algunas instituciones que se relacionan con la formación y la educación en Suiza. Cada grupo tiene un programa y un foco diverso, por lo tanto usted puede elegir el grupo según su interés. En la noche los grupos van a presentar a los demás participantes lo que han visto, así que usted tendrá una impresión general. En general usted va a encontrar a jóvenes entre 16 y 20 años en las varias instituciones. Hay muchas oportunidades de hablar con ellos como también con sus instructores.

Debajo encuentre Ud. una descripción corta de cada grupo en español.

Grupo A: ABB, Baden

Usted visitará el taller de aprendizaje de la multinacional ABB (Asea Brown Boveri) en Baden. Primero usted tendrá una presentación corta sobre la organización del taller, así como una introducción a la filosofía educativa general de la compañía. Usted tiene luego la oportunidad de visitar los talleres y de ver a los aprendices en el trabajo tan bien como hacerles algunas preguntas.

Campo: Técnico

Grupo B: Berufsschulzentrum Oberland, bzi, Interlaken (Centro de formación profesional en Interlaken)

Usted tendrá la oportunidad de comer el almuerzo en una escuela que visitan los aprendices durante su aprendizaje. Eso le da una impresión de la vida diaria de los aprendices y usted tiene la oportunidad de hacer algunos contactos. Entonces usted tendrá una presentación sobre el sistema educativo dual en Suiza. Usted irá luego visitar un departamento de carpintería para conocer la segunda parte del sistema también.

Campo: Escuela y carpintería

Grupo C: Geigenbauschule y Schnitzlerschule, Brienz (Escuelas de formaciones especiales en Brienz)

Usted visitará a dos instituciones muy especializadas que son únicas en Suiza: una escuela de construcción de violines y una escuela de woodcarving (el arte de cortar madera). Usted no sólo hará un tour de ambas instituciones y aprenderá algo sobre estos viejos artes folclóricos, sino también tiene la oportunidad de intentarlo usted mismo.

Campo: Artes aplicados

Grupo D: Restaurant La CULTina; Berne and Schulhotel Regina, Interlaken

Usted comerá el almuerzo en Berna, en un restaurante especial: El restaurante CULTina da la ocasión de conseguir una educación básica en la industria del restaurante a jóvenes que buscan asilo en Suiza; les da una educación que pueden también utilizar cuando vuelven a sus países de origen. Después el almuerzo usted tiene la ocasión de tener una mirada detrás de las escenas y de hablar con la gente que trabaja allí. Usted irá luego al Schulhotel Regina, que es un colegio de internos para jóvenes que hacen un aprendizaje en el campo de la hotelería.

Campo: Hotelería y servicio de restaurante

Grupo E: Schule für Gestaltung, Berne

Los lenguajes en este grupo serán inglés y francés solamente. Refiera por favor a los programas en estos dos lenguajes en los pinboards.

Grupo F: Ausbildungszentrum Insel, azi, Berna (Centro de formación de un hospital en Berna)

Usted visitará una institución que contiene muchas escuelas diversas. Primero le van a dar una introducción general y una descripción de los problemas organizativas y de las restricciones del sistema de formación. Entonces usted examinará una de las escuelas más de cerca. Finalmente van a conocer el hospital más grande de Berna y van a tener la oportunidad de hacer preguntas en una recepción informal.

Campo: Médico

Grupo G: Centre d'enseignement professionnel, Yverdon

Los lenguajes en este grupo serán inglés y francés solamente. Refiera por favor a los programas en estos dos lenguajes en los pinboards.

Grupo H: Gare CFF, Fribourg

Los lenguajes en este grupo serán inglés y francés solamente. Refiera por favor a los programas en estos dos lenguajes en los pinboards.

Tarde/noche: Cena de despedida

Excursions to Swiss Institutions: Final Report

By Richard Gerster, Conference Organizer and Consultant of SDC and Sonja Zimmermann, Assistant to Richard Gerster

Background and Objectives

As a part of the conference programme SDC wanted to give the participants the opportunity to see and experience the concept of vocational training in Switzerland. The so-called dual system, where apprentices go to school and work in a company at the same time is of high interest to foreign visitors, as it has proved its effectiveness. Furthermore it reflects a part of Swiss culture: its political and economic system as well as its history. Therefore the participants would also learn a little bit about Switzerland itself.

The main objectives of the visits were:

- participants should have the opportunity to speak to the people involved in the formation of apprentices, i.e. apprentices themselves, teachers, trainers, etc.
- participants should get some insight in selected areas of VET in Switzerland and the entire system.

It was decided that the last half day of the conference would be spent visiting different institutions in the area, so that a more practical part could round off the conference programme. Gerster Development Consultants was asked to take care of this part of the programme and find suitable enterprises as well as make the logistical arrangements for the visits.

Preparations and Implementation

Concept:

Each group was to have a distinctive feature, so that at the end of the day participants could share their experiences in a feedback round and learn about other institutions as well. This way we hoped to get as broad a picture as possible. The main criteria for the selection of an institution were therefore their field of work (technical, services, medical, etc.), the size of the company, the number and kind of apprentices, the way apprentices are integrated in the institution, etc. For detailed description of each group please refer to the next paragraph.

In order to account for the different needs of a group during such a visit we decided to have two people to accompany each group. If possible one person

should be a teacher who works at a Berufsschule and who could provide the necessary knowledge to answer questions and to point out interesting facts. Since individual talks were a priority, but could provide to be difficult because of language abilities we decided that a second person should be there in order to translate for the participants if the need arose. Furthermore one of the two group leaders could also take pictures which were to be used for the feedback in the evening.

Process:

On the first day of the conference all the groups were briefly described and participants could put down their names for one of the groups on a first-come-first-serve basis. In order to make the most of each group and allow for interaction, group sizes were limited. It was to be expected that some groups seemed to be more popular than others, however it was interesting to see that the participants favoured other institutions than we thought they would. This led to the fact that in the group to the Ausbildungszentrum Inselspital two people got almost a personal tour, whereas in the Schule für Gestaltung the visits happened in two different groups. The group to the Bahnhof Fribourg was cancelled due to lack of interest.

The participants all had a brochure about VET in Switzerland in their registration package, which should help them prepare for the visit and give everybody the same background knowledge. The different institutions also received the same brochure. However in retrospect it seemed that not many people looked too closely at it.

On Wednesday morning the different group leaders met for final information and an update. They should have been presented to the participants at the end of their plenary session in the morning, however due to an improvised change in programme this part fell away and things were a bit unclear for some time. Some of the groups departed at 11.45 and either had lunch on the bus or at their institution. Others had lunch at the Casino and left in the early afternoon. At this point also a lot of the Swiss participants left, as the official conference programme was over. For the feedback round in the evening about 100 people assembled – mainly the participants from abroad, SDC representatives and the organizers.

Feedback:

Robert Gichira (Kenya) chaired the feedback round. Since not all of the groups could be equipped with a digital camera, not all of them could present pictures,

but the oral accounts were equally interesting. They left the impression that the goal of the visits were achieved and the participants did get chances to have personal questions about VET in Switzerland answered. It was also interesting to see that it was an exchange of information which worked both ways: not only the participants, but also the group leaders as well as the responsible people from the different institutions seemed to have learned some things. As one person put it: «It was really interesting to see that people in Africa have the same problems as we have them here. And that they work on the same questions. It is not only a question of money and infrastructure.»

Overview and short descriptions of Groups (as posted for the participants during the conference)

Group A: ABB, Baden

Description: see previous descriptions
 Field: Technical
 Participants: 8
 Accompanied by Peter Weibel and Robert Mathys

Group B: Berufszentrum Interlaken and a local carpenter shop

Description: see previous descriptions
 Field: School and Crafts (carpentry)
 Participants: 16
 Accompanied by Bernhard Mathyer and Martina Glaser

Group C: Kantonale Geigenbauschule und Schnitzlerschule, Brienz

Description: see previous descriptions
 Field: Applied arts
 Participants: 19
 Accompanied by Hans-Heini Winterberger and Susanne Hersel

Group D: Restaurant La CULTina and Schulhotel Regina

Description: see previous descriptions
 Field: Hotel and Restaurant Industry
 Participants: 19
 Accompanied by Kurt Aufderegg and Sascha Wyniger

Group E: Schule für Gestaltung, Bern

Description: see previous descriptions
 Field: Arts School (Printing/ Ceramics/Photography)
 Participants: 17
 Accompanied by Anna-Lydia Florin and Tom Gerber

Group F: Ausbildungszentrum Insel, Bern

Description: see previous descriptions
 Field: Medical
 Participants: 2
 Accompanied by Monique Tabet

Group G: Ecole technique, Ste-Croix

Description: see previous descriptions
 Field: Technical School
 Participants: 12
 Accompanied by Daniel Heuer and Thomas Sattler

Results

As with other parts of the programme: planning is one thing, results are another. One can not plan, what the participants will finally learn and take home. However all groups had ample opportunity to ask questions and speak to people directly, which was one of our main concerns. Almost all reported to have had at least a coffee break which certainly facilitated individual talks and gave time to ask questions. Thus some comments lead us to think that our goal was fulfilled, and we would like to let the participants and their group leaders speak in this place:

«Each participant should have the chance to do this [some practical woodcarving with the guidance of apprentices and teachers]. Skills and knowledge can be experienced here... By talking to the teacher I can learn from their practical and theoretical knowledge and reflect on what I'm doing.»

«The most memorable part of the visit was the time spent in the Ceramics class, where someone showed us how to make a vessel.»

«I was really impressed by the new 'vision' of the superior. In this institution [ABB] (s)he is not a preacher or lecturer, but rather a counsellor or advisor.»

«My group remembered the thought of an 'overall' or well balanced education: apprentices here have to have an understanding and appreciation of music, as well as the handicraft [visit to the school of violin making].»

«We spent a most challenging day together. A lot of questions, many answers, and a large amount of follow up work for us! We shall send curricula and syllabuses to the participants from Ecuador. We organised the local media successfully. The result: A half page report in the newspaper. The practical part of our introductory training course impressed the foreign participants most. Difficulties of understanding did not occur. When can we receive the next group of visitors?»

Other topics which were frequently mentioned were financial issues, as well as questions of quality and customer satisfaction. In various institutions the participants were interested how everything is financed and asked a lot of questions about the different concepts. In other places they were impressed by how much students still have to pay in order to attend school or also how much equipment/products cost.

In addition to the knowledge they gained, it was also highly appreciated to have had the chance to get another glimpse of Switzerland and one or the other group did a little extra sight seeing on the side of the official programme. But apart from memories of fatter cows, the perfect retirement house and picturesque bears and souvenirs like T-shirts or carved pencil-holders there were other things, which the participants took home. So all in all it can be said that the visits were a success. Even if they did not entirely fulfil the educational goals, there were other (unplanned) bonuses which made the participants happy. Either way, upon their return most participants were very enthusiastic about what they had seen and experienced during the afternoon, and that was an important thing: to go home with a positive feeling.

Evaluation

By Richard Gerster, Conference Organizer and Consultant of SDC

Summary

Since only 35 participants (about one fifth of the participants) handed in an evaluation, these results might not be representative. However a few issues were mentioned several times, so to a certain extent they can be considered as representative statements.

One major point is the issue of time: As usual there was not enough of it and the allocation to the various parts of the programme has been questioned several times. Also the handling of the time for presentations (in the plenary as well as in the Working Groups) was mentioned more than once. It seems in general that people felt there was not enough time to allow (in depth) discussion.

Another issue which was to some extent beyond our control was the cancellation of the session on Tuesday Evening due to the unfortunate events in New York. It seems that the lack of exchange of information and reporting about what has been happening in the other Working Groups was not only noticed in terms of completeness, but also for the entire process of the Interlaken Declaration.

Content	very good	good	fair	poor
Choice of Keynote Speakers	4	25	8	
Panel Discussion on Monday	10	15	8	4
Topic of Working Groups	22	13	2	
Presentations in Working Groups	12	20	5	1
Atmosphere in Working Groups	17	17	1	1
Presentation of Results by Working Groups	cancelled			
Discussion on Interlaken Declaration	7	15	8	3
Visits to Swiss Institutions	13	5	1	
Marketplace	7	19	8	1
Evening Programme on Monday	31	4		
Overall Impression	10	22	4	1

Apart from these two main points there are a lot of individual comments regarding the content and methods of the Conference, each of them valid and interesting. They have simply been collected to speak for themselves and are not commented or explained. They have been grouped according to different topics, which should make it easier to find the specific information in the overview below.

In general it can be said that the feedback was mainly positive, for the Conference content as well as the logistical arrangements. This is also underlined by the fact that the category 'poor' has been used a few times only. Overall it seems that the Conference seemed to have fulfilled its main goals: the exchange of ideas and experiences as well as facilitating new contacts.

Comments on the relevance of the conference content to your work:

- Extremely relevant (2x)
- Very relevant (8x)
- Relevant (2x) and useful
- Topics are relevant, the challenge is how to force presenters and participants to focus on the topic
- Fairly relevant, though definitions for different contexts need to be made clear ALL the time for all participants to know exactly what we're talking about!
- Haut niveau de pertinence, particulièrement la question de compétences et de coûts
- Le contenu est pertinent, mais on reste un peu sur notre faim, parce que le temps n'a pas permis des débats approfondis sur certains sujets
- Provide broader perspectives to our work in terms of advocating greater support for skills development in the informal sector from government.

Other personal comments

- Gave me valuable insights into the global view of my profession
- It opened my mind and was good food for thought
- La conférence m'a permis de rencontrer des gens et d'échanger sur des problèmes communs que je pensais être seulement les nôtres
- Good chance to share views with each other (2x)
- L'emporte de nouvelles connaissances et des nouvelles idées
- As a teacher in a transition country where the emphasis has been on formal education with no place for skills development and/or relevance to the workplace, I have realised how important it is for us to make our new curriculum work and how fortunate we are to have embarked on the road to re-

- cognising that Labour and Education need to move closer
- A lot of important input, I will be more motivated
- I leave this place more committed to increase the efforts of making the Water Sector a source of informal jobs special in communities
- I've got important ideas and material to work about the informal sector and knowledge-learning topic
- Informal sector plays a vital role in the economic development of my country. The content of the conference will help the development of the informal sector of my country
- The theme of the conference is forcing me to think of the informal sector and reschedule my research on sector policy for development.
- Could not involve myself so much, but I learned a lot and saw many things/discussions having the same or similar problems in the health field.

General Remarks on the Content:

- Very good
- Good (4x)
- Quite good (2x)
- Well thought of
- Le contenu a été empiété du contenu des discussions très riches au sein des groupes de travail
- Good summary of emerging global context for changes in skills development
- Could get a good overview and update on the current situation, needs and problems of the topic
- Helped to understand the present situation of the discussion on training, in particular the vacuum around training refugees, subsistence farmers and the excluded
- Very rich and responding to very important and up to date issue, what to learn, what to teach for giving on better, to open opportunities for all
- Permet d'avoir différents point de vue sur ce qu'il faut faire dans le cadre de la mondialisation
- Giving wider vision of questions at stake as well as demonstrating the different points of views and approaches of government agencies, NGOs, grass-roots-projects, etc.
- Did not expect that teaching/training was looked at so much from an economic side
- A degree of surprise of the emphasis on 'informal sector' (particularly in draft Declaration)

- Centred in the informal sector
- The chance to really link work, skills and knowledge was not taken. I have the feeling that results of research in the field of pedagogic and teaching of the last 15 years were not taken into account. Often the discussions were led about an abstract system, not looking on the quality and content of training
- Les questions de genre n'ont pas été suffisamment discutées. Beaucoup confondent avec l'approche Femme
- First day's input did not contribute much to the topics of the conference. I question the cost-effect ratio
- The competence of industrialised countries in informal sector training must be discussed
- It has touched on the significant challenges on employment faced by developing countries. But it has to fine-tune to the realities of donor countries. That it needs to focus on priorities, get stronger commitment from international agencies to skills development and its linkage to sustained growth of enterprises
- La documentation de base me semble insuffisante
- The content was interesting and good, however lack of time and lack of diversity in the methodology of work used limited the scope of discussions and indepthness.

Comments on the methods

- Not enough time for the working groups discussions (2x)
- Speakers in plenary did NOT stick to the time!!
- Les ateliers sont denses et ne laissent peut-être pas assez de place à la discussion, mais la qualité des intervenants a été bonne et très intéressante
- Debate, analysis of experiences, methods very insufficient
- Topics hardly to handle in 2,5 days. SDC should point out better its own contributions and competence. SDC should not only invite but also point out what are the conceptional guidelines with the Swiss projects
- There was a total lack of transparency on the use of the working group results for the formulation of the Interlaken Declaration. It was as if we had two parallel events: a) Working Groups and b) Declaration, with no link between the two
- Agreed that the events in the US were tragic, still was it right to drop one of the most important items of the agenda, namely discussions of Wor-

king Group results? In absence of that, one gets the feeling of not fully sharing and knowing what other groups discussed

- The organisers should have seen that there are less parallel sessions. Next time the groups should be organised so that the participants have a chance to participate in a maximum of groups
- Only aware of one Working Group, but the others also seemed good
- Questions d'enquêtes de genre: d'exclusions des femmes, jeunes et pauvres ont abordées par rapport au programme
- Shallow when it comes to concepts like 'skill'. training vs. capacitation-formation
- Allow for more information between sharing between countries with common problems
- Excellent 'South' representation and emphasis – would be enhanced by better translation, (esp. in working groups.)
- Forum at start (i.e. Marketplace and informal lunch) was excellent, this technique served to break the ice at the earliest possible stage

Comments regarding the Interlaken Declaration:

- The Declaration will be disseminated to our programmes
- It would be more useful to replace the Interlaken Declaration's discussion by a more in depth discussion in the working group
- Question on legitimacy of Declaration was not addressed, but ignored
- It was unfortunate that not more time was given for the preparation of the Declaration
- La groupe de la déclaration d'Interlaken a été très mal composé, le choix des pays africains est contestable
- Le thème sur le financement devrait être plus ressorti dans la déclaration car ledit financement est un problème clé dans les pas en voies du développement et transition
- Spanish and French speaking not represented in the Declaration writing.

General Comments:

- A very timely (2x) and good initiative
- A lot of praise for the whole arrangement to SDC

- Notwithstanding these comments, SDC has do be thanked for such a fantastic contribution to improving quality of life in the world at large, through efforts like this
- Should be more practise oriented
- As formal education has not responded to the needs of the majority of people in developing societies, there is need for paradigm shift in thinking about education and subsequently in skill development of people in the world of work
- The cost-benefit-ration of such a conference better remains our 'secret', as we enter into a devastating public debate
- Surtout elle nous a permis de rencontrer de nombreux partenaires
- What is foreseen as next steps, following and further networking?!
- Needs follow-upiVery good as a first conference. Find it important to follow up the content through website and similar and to attempt to focus more still (in the sense of practical steps to be undertaken) in future conferences.

Logistical arrangements	very good	good	fair
Registration	31	6	
Hotel Arrangements	21	14	1
Conference Location	29	8	
Translation	15	12	1
Travel Arrangements	17	10	
Overall impression	24	13	

General remarks:

- Excellent (4x)
- Very good (7x) and practical
- Congratulations (4x) for doing the fantastic work
- Well done (3x)iA big hand for the organisers: professional (2x), friendly (2x), open minded – Bravo!
- Very efficient
- The team was extremely competent and effective (2x)
- Fine (2x) and good
- The organisers try very hard
- Logistical arrangements are fair
- Thank you for your effort
- All the best.

Specific positive comments:

- Interlaken is an impressive, attractive and efficient site, well-chosen
- Very nice accommodation (2x)
- Well prepared kits
- Very fast response to needs of participants.

Specific negative comments:

- Translation very weak in working groups
- Facilitators must enforce time limits
- Il n'y avait pas de 'bloc' pour prendre les notes!!!
- La restauration, trop peu variée
- No internet connection at the hotel
- Transport late for the visit programme
- There were problems in transportation from conference centre to the railway station and from there to the hotel on Monday evening
- Room a bit far.

List of Papers and Contributions

This overview shows all contributions (in alphabetical order, by author) which have been made for the Conference. Since they have not been allocated to one specific working group, they are not included in the printed version of the report. They can be found either on the CD-ROM or on the webpage of the Conference: <http://www.workandskills.ch>.

Author	Title	Language
Giovanni Anbar, Palestine	Training for Work in the Informal Sector. The Palestinian experience	E
Surinder Batra, Principal Consultant, Centre for Interactive Management, India	Skills Development of the Informal Refrigeration Servicing Sector in India: A Case Study	E
Tahar El Mili, FORTI/GTZ (Integration), Tunisia	Micro-entreprise & besoins en compétences	F
Arze Glipo-Carasco, Integrated Rural Development Foundation of the Philippines	Effects of Globalization on Women in the Informal Sector: Harnessing Local Capacity in Times of Crisis	E
Iván M. García, Ecuador	Experiencia de la Escuela de Formación Profesional para el Desarrollo Rural «Mons. Cándido Rada» (Contribution a & b)	Sp
Dimitar Hadjinikolov, Executive director of FAEL Foundation, Bulgaria	Bulgarian SMEs declare to need Skills Development in Marketing	E
Claudia Jacinto, Sociologist, Argentina, researcher of the IIEP-UNESCO, and of the Labour Studies Centre of Argentina	Vocational Training Programmes and Disadvantaged Youth in Latin America: How to provide Generic and Vocational Skills?	E
Abraham John, Sierra Leone Adult Education Association, Sierra Leone	The Non-formal Sector and Functional Literacy in Post Conflict Situations in Least Developed Countries – the Sierra Leone Experience	E
Violet Kaitano, Development Consultant, Itachi Enterprises, Zimbabwe	Linking Work, Skills and Knowledge: A Personal Reflection and the Southern African Experience	E
Patricia Cristina Komacek, Direccion de Educacion y Trabajo, Argentina	La Formación Profesional. América Latina y MERCOSUR	Sp
Ivan Labra, Communication Link Trust, Zimbabwe	The Development of Power in Grassroots Groups. Skills and Knowledge within a self-managed production environment	E
Sebastião Lopes Araújo, Brazil	La Autogestión como Instrumento de Inclusion Social en el Contexto de la Economía Globalizada	E
Sunil Manandhar, Programme Coordinator, SEWA Nepal	Job Oriented Technology and Skill – Need for the Survival and Development	E
Akang Samuel Mwene, Cameroon	A Paper on Skills related to Self Help Activities	E
Margareta Nikolovska, Ministry of Education, Republic of Macedonia	Reform of Vocational Education and Training System in the Context of Transition from centrally planned to Market oriented Economy: Experience in the Republic of Macedonia	E
Michael Njuguna, ISAA AfriCenter, Kenya	What Skills are needed to ensure Survival and Growth of Small Enterprises in Kenya	E
Jeannine Ramarokoto Raelimiadana, Madagascar	Cout et financement d'une formation professionnelle	F
Clara Altagracia Rodriguez Alvarez, Dominican Republic	Educación para el Trabajo	Sp
Julia Schreiner Alves, CETESB, Sao Paulo Environmental Protection Agency, Brazil	Environmental Education: Working Knowledge and Skills for Sustainable Development	E
Miguel Sobrado, Universidad Nacional, Costa Rica	The Social Participation System for Identifying Investment Projects (SPSIIP)	E/Sp