

Review

Essentials in enhancing self-employed micro-entrepreneurs and home-based workers rights in Gondar, Ethiopia

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This paper argues that home-based workers are not easily identified as either self-employed or dependent workers because these categories of employment status fail to capture gender subordination, which is particularly salient in the case of home-based work. Presenting the cases of home-based workers in Gondar, Ethiopia, this paper proposes that home-based workers should be treated as self-employed micro-entrepreneurs and be effectively organized to demand their rights. It is concluded that educating home-based workers about their rights is essential to enhancing their bargaining power within the family and community.

Key words: Home-based workers, gender subordination, micro-entrepreneurs, Gondar, Ethiopia.

INTRODUCTION

Sara Kadiri is a seamstress in Fasiledes, a suburb of Gondar town. She learned how to sew as an apprentice in various workshops in her neighborhood. After a few years, she struck out on her own and established a firm relationship with a trader in Arada, Gondar's central business district. Once a week she goes to Arada to pick up pre-cut material, takes it home to assemble, and upon returning the finished clothing, she is paid by the piece.

Sara makes most of her income from working for the trader. But when there is little work, she turns to making or altering clothes for individual clients in the neighborhood. From her pay, Sara has absorbed a variety of costs. When the traders are not satisfied with quality of her sewing, she has to redo pieces at her own expense. She has to provide thread, elastic, and other materials needed to complete the pieces of clothing. She also bears the expenses for utilities - lighting, electricity for one industrial sewing machine, spare parts, needles, oil and transportation.

Traders in Gondar prefer to give out work to women who can complete large quantities of work. Sara Kadir owns two sewing machines: one standard and one

industrial. She uses one machine herself. Sometimes her sister-in-law helps her out on the second machine. Yet since Sara has two children and must take care of household chores, she often cannot achieve the level of productivity the trader desires. Therefore she draws on the help of neighbors during times of high demand. She assumes the role of an intermediary giving out materials to them and paying them for the finished product. During such times, she thinks of herself as an entrepreneur and dreams of establishing her own workshop.

Is Sara Kadir a home worker or is she a micro-entrepreneur? Is she a dependent employee or is she self-employed? Has she hired out her labor or does she run a business? Non-Governmental Organizations (NGOs), policy makers and researchers in micro and small-scale enterprises usually assume that home workers and micro-entrepreneurs are distinct categories which require dissimilar types of intervention (Cinar, 1994; Dagg, 1995, 1996; Dangler, 1989; Allal and Chuta, 1982).

Subcontracted home workers need to organize, obtain legal protection and bargain collectively. The self-employed need access to credit and develop entrepreneurial skills. But as the case of Sara Kadir shows, the distinction between home workers and micro-entrepreneurs can be illusory. As a result, the

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approach of governments and NGOs toward these home-based workers has sometimes been contradictory.

As decentralization and downsizing due to economic hardships encourage use of subcontracting, protection for home-based workers becomes an issue for governments and international organizations. Responding to the challenge of work-place decentralization, the international labor conference, the policy-making organ of International Labor Organization (ILO), in June 1996 passed a convention on homework. The convention requires ratifying states to develop a national policy on homework, which ensures equality of treatment between home workers and employees. Yet governments and intergovernmental organizations, including the ILO, also promote micro enterprises, which are usually home based (ILO, 1989, 1999; Jain, 1996).

It is important to note that home-based work as used in this paper is a descriptive term rather than an analytical term. It is therefore used loosely to describe not only sectoral activities but also to include individual employment in micro-enterprises and family and community workshops. While we focus on the individual worker in our argument, actual descriptions of the home-based workers' environment and employment underscore the fact that their work arrangements often involve other family members whether occupationally or frequently, paid or unpaid. Three categories of home-based micro-enterprises in Gondar will therefore be discussed: industrial home work, craft production, and making and selling food.

Industrial home workers

Industrial home workers in Gondar are particularly common in the leather and garment industries. The typical industrial home worker is a seamstress who gets pre-cut materials from a local merchant or from an intermediary, sews the garments together at home, and is paid by the piece upon returning the finished products. Some, like Sara, seek assistance from friends or relatives when demand is high, and these women often work together at home.

Industrial home-workers in Gondar can be found in large variety of cottage industries. In addition to sewing garment and shoes, embroidering and knitting industrial home workers assemble artificial flowers, jewelry, toys and umbrellas. They package cloth, sweets, cotton balls and bath plugs. They peel onions and other spices, roll incense sticks and polish plastic containers.

Crafts production

Gondar craft producers range from skilled basket weavers and potters to artisans who create batik cloth to highly trained jewelry makers, artists and wood carvers. Some make household goods, personal ornaments, or religious objects for personal and home use.

Although many of these craft producers continue to use traditional Ethiopian knowledge and techniques to produce their wares, as micro-entrepreneurs they constantly adapt their products to demands from neighbors, tourists and marketing groups. In many developing countries, craft workers are being organized by governments as well as by national and international non-governmental organizations into marketing cooperatives that provide assistance for improved products.

Similarly, merchants also recruit active craft producers or train new ones to adopt traditional designs and colors for western tastes and organize this production as a subcontracting system (Littlefield and Reynolds, 1990; Berik, 1987; Perera, 1987; Allal and Chuta, 1982; Nash, 1993).

Food producers and vendors

Street vendors and small stores are a ubiquitous sight in Gondar. They sell everything from local produce to prepared food to overruns from the local clothing factories to illegally imported watches. While many peddle their goods on the streets, they often use their homes as a base and much work out of their homes. This is particularly the case with regard to the sale of agricultural products and prepared foods.

Selling of agricultural products is highly "gendered" in Gondar. Men tend to trade staple and in established business premises, while women predominate in street and open markets especially in Arada, Piazza and Azezo. Gondar women also buy spices and dates from middlemen, which they dry and sell to stores or hawk themselves.

Selling cooked food is equally gendered. In Gondar, the favorite Injera, Sambusa, eggs, Puffed rice, peanuts and spices are produced on mud cook stores and packaged for sale in the town hotels and restaurants or on the streets of Gondar town and Azezo.

Male family members may market Injera directly or sell wholesale to distributors in the central business district. Gondar women also sell home made meals, pastries locally brewed beer called "tella" from their front porches.

They additionally, cook meals on contract for office workers, construction site workers or harried house wives and deliver the food directly to offices or homes.

In piazza and Arada in Gondar town, gourmet food shops sell special breads, cakes and candies produced at home by women home workers. Women caterers arrange feasts for weddings and celebrations in Autoparco, Fasiledes, Chachela, Ledeta, Sumunaber, Maraki, and Belico.

Even more pervasive are the vendors of street foods, prepared at home or sometimes on the spot, and sold from a basket or stall in neighborhoods. Most of the vendors, mainly young girls and boys, sell on commission or are employees or family members.

IS GONDAR HOME-BASED WORKERS SELF-EMPLOYED OR EMPLOYEES?

Unions and development organizations differ in their approach to home-based workers. The former assume these workers are dependent employees, while the latter assume that they are self-employed. Criteria employed in different legal traditions yield insight about the employment status of home-based workers but fail to capture the multiple power relationships in which home based workers are embedded. Most importantly, they ignore the gender dimension of power, which frame the work relationships of these workers.

Legal traditions in countries around the world generally rely on two criteria to gauge the employment status of workers namely subordination and economic dependence. Under the first criterion, a worker is said to be an employee if he/she is subordinate to a provider of work. One widely used indicator of subordination is the degree of control the provider of work has over the worker. Does the provider have disciplinary power over the worker? A second indicator of subordination is whether the worker is under the direction of the work giver. Does the work giver specify designs and the particular way in which the work is to be performed? Test for the economic reality of dependence, which is the second broad criterion for employment status, gauges whether a worker takes risk by investing capital, providing raw materials, hiring employees, refraining from fixing prices in advance, having only short-term relationships with the provider of work and whether the worker has opportunity for profit or loss by having access to a broad market and possessing skills with a market value. For Gondar home-based workers, these legal tests yield ambiguous results. They are not under the direct supervision of providers of work and therefore cannot be considered subordinate under the first legal criterion. For some industrial home workers in Gondar, this is the only legal aspect, which makes them different from factory workers. Like factory workers, they are under the direction of the work giver. They have to follow closely instructions about how to assemble the provided materials. They also appear economically dependent on most criteria, having limited skills and limited access to a market to sell their products and thus little opportunity for profit or loss. Most are in long-term and relatively permanent relationship with their work givers and prices are usually fixed in advance. But for some industrial home workers such as Sara Kadir, economic dependence is ambiguous. Many seamstresses own means of production. They own sewing machines and scissors, and many are required to contribute raw materials such as thread, oil, or glue. Furthermore, industrial home workers, such as Sara Kadir, sometimes turn into intermediaries, profit from the work of others, and even come to head workshops in which they employ neighbors and relatives.

GENDER SUBORDINATION AND WORK OPPORTUNITIES

The ambiguity of home-based workers employment status in Gondar is clear from these examples. But what is usually not considered in discussions of employment status is the dimension of gender subordination. The large majority of home-based workers in Gondar are women and young girls. Working at home and their domestic roles visibly affect and interact with their paid work. Thus, home-based work challenge the gender bias in constructions of workers as legal and economic subordinates more than any other type of female employment in Gondar. On the one hand, these constructions do not take into consideration the way in which women's ties to the home limit their opportunities.

On the other hand, they reveal that a dualistic understanding of workers as either employed or self-employed fails to capture the complexity of women's insertion into the labor market.

Legal construct, such as employee and self-employed, are built on western liberal assumptions about autonomous and self-contained individuals. Feminists have argued that women, for better or worse, lack this autonomy. They are tied to the household, to subsistence production and to the family. They do not fully own their labor power. The result has been that women have not been able to freely sell their labor power. On the other hand, women have not been able to pursue entrepreneurship to its fullest. In western societies, it is marriage which curtails women's autonomy. According to Pateman (1988), the marriage contract makes a woman into a housewife "who lacks jurisdiction over the property in her person." Ideological constructions of proper womanhood in other parts of the world similarly shackle women opportunities (Mies, 1982: 3-5; Beneria and Roldan, 1987: 66; Pateman, 1988: 135).

Regardless of interpretation, scholars in gender studies agree that the legal image of a self-contained individual free to sell her labor power is simply not appropriate for women. Social construction of women as unfree labor, housewives, secluded women, or contributors to the farming household, limit their opportunities in the market. Such constructions constrain women's ability to sell their labor power to the highest bidder because they require women to make their income earning compatible with the demands of the household, the farm, and/or the family enterprise. They also make it more difficult for women to succeed as entrepreneurs, because they constrain them to venture away from home in search of opportunities for profit. In practice, home-based workers occupy positions in the labor market whose dimension of subordination and dependence are not captured in the legal definitions of employee and self-employed. An individual not free to sell her labor cannot approximate these dualistic, mutually exclusive categories. Accordingly, the distinction between dependent home workers and micro entrepren-

eurs loses its usefulness.

CONCLUSION

This paper has examined two important categories of home-based workers in Gondar: the micro entrepreneur and the dependent homework, and has also addressed the question of gender subordination. The Ethiopian government, NGOs and international development organizations need to acknowledge the flexibility with which women move from being self-employed to participating in putting-out systems and family workshops that sit on the cusp between dependent employment and independent entrepreneurship. They should recognize that the self-employed are exploitable by merchants and should genuinely be concerned with the welfare of women home-based workers.

Organizing is the essential first step to ensure that women workers in Gondar are treated fairly and that they can participate in decision making about their livelihood. The organizing group, either NGO or government, is critical in order to provide political representation and economic protection. Gondar women home based workers need to be educated about their rights not only as workers but as women in order to enhance their bargaining power within the family and the community. These are basic requirements, regardless of the ideological stance of the advocate. Artificial distinctions between the ideal independent self-employed entrepreneur and the exploited and dependent subcontracting worker only confuse the debate, and by perpetuating a false dichotomy, delay measures to improve the lives and incomes of home based workers and micro entrepreneurs.

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