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## **Retrenchment programs in Sub-Saharan Africa: Lessons for demobilization**

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## I. INTRODUCTION

Retrenchment is a byproduct of public sector reform, which in turn is a direct response to some of the early implementation problems of structural adjustment programs (SAP). It has received much less attention than public sector reform (PSR) as donors, policy makers and researchers have tended to focus more on internal structural, governance and process issues, rather than on the nature, scope, and impact of retrenchment.<sup>1</sup> Yet, in terms of institutional and human capital development and utilization, it is important to pay attention to retrenchment and to draw lessons of experience applicable to other forms of adjustment such as military demobilization.

The purpose of this paper is fourfold. First, it provides an estimate of the size and scope of retrenchment in Sub-Saharan Africa in the 1980s and early 1990s. Second, it outlines some of the common approaches used for retrenchment. Third, it discusses the impact of retrenchment especially in terms of costs, labor markets, gender, individual and regional aspects. Finally, it attempts to draw lessons from retrenchment and their potential relevancy for demobilization.

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<sup>1</sup> At the beginning of this research, personal telephone contacts were made to known professionals representing the World Bank, Washington, D.C., the United Nations (Public Administration and Management), New York, the Commonwealth Secretariat, London, and Canadian International Development Agency (CIDA), Hull, Quebec. In all cases, the responses were similar in their lack of information and interest about retrenchment.

## II. SIZE AND SCOPE OF RETRENCHMENT

The exact number of employees who have been retrenched from the African public sector is not known. It is estimated, however, that between 2.5 million and three million employees may have been affected<sup>2</sup>. However, it must be seen only as a best effort ‘guestimate’ in the absence of more accurate estimates.

When public sector retrenchment schemes were first introduced in Africa in the mid-1980s, the target cuts in the numbers of employees ranged from 15 to 25 percent. There was no rationale for these numbers other than the expectation that the wage bill would be proportionately reduced; although in the end this proved not to be the case.

**Table 1** summarizes the numbers of employment and retrenchment for Ghana for 1987 and 1992. In 1992, net retrenchment was 32,546 government service employees or 8.1 percent over five years, and 23,000 staff from the public enterprises sector or 9.2 percent. Overall, the government retrenched 55,546 public sector employees—or 8.5 percent of its workers—in a period of five years.

**Table 2** summarizes the results of the 1991 civil service voluntary departure program in Senegal. Out of a total of 5,609 targeted retrenchees, 3,745 or 66.8 percent actually left the service. This figure, however, may be too optimistically high because it does not take into account new hires and those retrenchees who may have rejoined the service through the ‘revolving door’ hiring practices.<sup>3</sup>

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<sup>2</sup> Using figures from countries such as Ghana, Senegal, Zimbabwe, Gambia, etc., it is estimated that during the early 1980s, before public sector restructuring and retrenchment, the ‘average’ African public sector employed about 500,000 people. About 20 percent of these were in the civil service. Taking the effective number of countries in Africa as 50, this gives a total number of 25 million public sector employees. Retrenchment is estimated to have reached or affected 10 percent of the employees or about 50,000 per country. For 50 countries, this comes to 2.5 million public sector employees of whom about 500,000 are from the core civil service. Using figures from Senegal (Rouis, 1994), the average cost per retrenchee is estimated at CFA francs 4.2 million. (*Source*: Kiggundu, 1996; United Nations, 1991. See also, Schiavo-Campo, 1996.)

<sup>3</sup> It is widely suspected that many retrenchees end up being re-hired into the service. This has been reported in nearly all the adjusting countries including Ghana, Senegal, Guinea, Zimbabwe, Uganda, and Gambia. In Tanzania, for example, it was reported that up to 2,000 retrenchees were hired back at the beginning of the civil service reform program. Rouis also reported that in Senegal “after the first round of departures in June 1990, the government recruited as many as had left.” (1994:324)

**TABLE 1: GHANA: PUBLIC SECTOR EMPLOYMENT AND RETRENCHMENT, 1987 AND 1992**

Group	1987		1992	
	Numbers	% of total public sector	Numbers	% of total public sector
1. Core Civil Service	131,089	20.1	102,173	17.2
2 Education Services	159,000	24.4	167,370	28.1
3. Subvented Organizations	81,574	12.5	69,574	11.7
4. Security Organizations	29,000	4.5	29,000	4.9
5. Total government Services (1 to 4)	400,663	61.6	368,117	61.9
6. Net Retrenchment, 1987 to 1992	-	-	32,546	8.1
7. Public Enterprises	250,000	38.4	227,000	38.1
8. Net Retrenchment, 1987 to 1992	-	-	23,000	9.2
9. Total Public Sector (line 5 plus line 7)	650,663	100	595,117	100
10. Net Retrenchment, 1987 to 1992 (add lines 6 and 8)	-	-	55,546	8.5

Source: Leechor, 1994, p. 164.

Note: The reader is encouraged to consult the original source for detailed footnote explanations.

**TABLE 2: SENEGAL: CIVIL SERVICE VOLUNTARY DEPARTURE PROGRAM, 1991**

Category/ Type of Departure	Target Number <sup>4</sup>	Applications (Number)	Actual Figures as of October 1991		
			Number of Actual Departures	Share of Total (%)	Average Cost CFA Franc Millions
Voluntary Departure	2,850	2,458	2,155	57.5	4.8
Early Retirement	1,450	1,682	1,590	42.5	3.3
Privatization	1,309	-	-	-	-
<b>TOTAL</b>	<b>5,609</b>	<b>4,140</b>	<b>3,745</b>	<b>100.0</b>	<b>4.2</b>
Departure by Grade:					
A (highest)		492	434	11.6	5.9
B		1,088	925	24.7	5.9
C		744	674	18.0	4.1
D		1,417	1,339	35.8	3.1
E (lowest)		399	373	10.0	2.2
		<b>3,745</b>	<b>3,745</b>	<b>100.0</b>	<b>4.2</b>

Source: Rouis, 1994, p. 323.

**Table 2** also provides the numbers and percentages of departures by job grades. As expected, most of the retrenchment concentrated at the lower levels of the service. While only 11.6 percent came from the highest grade (Grade A), the bottom three job grades accounted for 63.8 percent of total departures. These figures are comparable with Uganda's proposed personnel reductions by job levels which also concentrate at the lower levels of the service (see Box 1). It is also important to note that in most countries, technical ministries and institutions such as ministries of health and education—who are often among the biggest employers—were excluded from the retrenchment exercise.

<sup>4</sup> Target numbers as in SAL IV World Bank Program.

**Box 1: Uganda's Proposed Retrenchment by Salary Scale**

<i>Salary Scale</i>	<i>Proposed Percentage Cut</i>
U1 (top)	25.7
U2	22.2
U3	25.6
U4	28.1
U5	36.4
U6	31.9
U7	36.1
U8 (bottom)	47.1

Source: Government of Uganda, 1990, p. 71.

**Table 3** provides information on Ghana's state enterprises' retrenchment in terms of numbers, costs, and occupations affected. Table 3.b shows the results of the retrenched's occupations from a survey of 64 state owned enterprises. Once again, the majority of the retrenched were from unskilled and semi-skilled ranks. The professional, senior administrative and managerial ranks were hardly retrenched.

In a World Bank report, it was observed that "Despite the resistance of governments to undertake what they perceive to be politically risky measures, retrenchment has taken place in several countries. Although reliable employment figures are hard to come by, just under 45,000 civil servants (roughly 12 percent of the total) were retrenched in Ghana since the inception of their program. In Gambia, following a census and staff audit, approximately 3,800 government employees (including 2,900 temporary employees) were dismissed. And in the Central African Republic between 350 and 400 civil servants have been removed so far, with more reductions planned for subsequent years." (Nunberg and Nellis, 1995, p. 19).

**TABLE 3: GHANA STATE ENTERPRISES' RETRENCHMENTS:  
NUMBERS, COSTS AND OCCUPATIONS, 1985-89**

**TABLE 3.a**

Year	Number Retrenched	Total ESB* (000 cedis)	Average ESB* (000 cedis)
<b>Reported Actuals</b>			
1985	17,743	2,275,453	128
1986	453	71,530	158
1987	5,843	2,700,340	462
<b>Estimated</b>			
1988 P†			
Sample survey ‡	5,952	2,806,448	471
estimated §	4,466	2,009,770	450
Cocoa Board	6,000	2,700,000	450
Divestiture SOEs	1,650	742,500	450
Total 1988 (estimate)	18,068	8,258,718	457
1989P†			
Sample survey ‡	2,332	1,179,485	506
estimated §	1,750	787,430	450
Cocoa Board	6,000	2,700,000	450
Divestiture SOEs	1,650	742,500	450
Total 1989 (estimate)	11,732	5,409,718	461
<b>Total (1985-89)</b>	<b>53,839</b>	<b>18,715,456</b>	<b>348</b>

Source: Special unpublished surveys and estimates by the State Enterprises Commission, April/May 1988.

\* ESB = End-of-service benefits.

P† = Planned retrenchment, ESBs estimated.

‡ Sample survey of 64 SOEs

§ Estimated for professionals.

**TABLE 3.b**

<b>Occupational Classification</b>	<b>Number</b>	<b>Percentage in total workforce</b>	<b>Percentage in retrenched</b>
Professional, technical	144	9.5%	6.1%
Administrative, managerial	9	1.5%	0.4%
Clerical	257	23.3%	11.0%
Sales Workers	130	1.4%	5.5%
Service workers	351	10.5%	15.0%
Agricultural, forestry, fishing	415	17.8%	17.7%
Production workers	945	29.1%	40.3%
Material handling, transport	95	6.9%	4.0%
<b>Total</b>	<b>2,346</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Davis, 1991, Tables 1 and 2, pp. 990, 992.



### III. APPROACHES TO RETRENCHMENT

African governments have always considered structural adjustment in general and retrenchment in particular as politically risky. Accordingly, they have tended to use those retrenchment methods that are considered to be less politically risky. Nunberg and Nellis (1995) list the following cost and employment containment measures in increasing order of perceived political risk:

1. Removal of 'ghost' or non-existent names and workers from the government payroll.
2. Elimination of officially sanctioned posts that are not currently filled.
3. Retrenchment of temporary or seasonal workers.
4. Enforcement of retirement age.
5. Freezing of recruitment.
6. Elimination of guaranteed entry to the civil service from the educational or training system.
7. Suspension of automatic advancement.
8. 'Voluntary' incentives - induced retirement of surplus workers.
9. Containment of wages (restraints or freezes).
10. Dismissal of serving civil servants.

**Table 4** lists several retrenchment mechanisms used by eight African countries. At the beginning of the retrenchment exercise, those countries with poor personnel records such as Uganda, Central African Republic (CAR) and Ghana tended to concentrate on 'deghosting' their public services. Senegal and Guinea-Bissau, on the other hand, concentrated on voluntary departures. Cameroon, Guinea, and to a lesser extent Ghana, used enforced early retirement. While it is not clear as to why different countries prefer different retrenchment methods, it appears as if the main consideration is minimizing political risk and protecting the professional integrity of the service.

**Box 2** lists approaches to retrenchment proposed for Ghana and Uganda. The similarities between the two countries are quite apparent. Recently, Zimbabwe was reported (*The Economist*, 31 August 1996, p. 38) to have precipitated a strike of 60,000 civil servants (total 180,000). The government would then use the strike as a pretext to sack all strikers, refuse to negotiate with them, and get rid of thousands of unskilled workers. It would then retain professionals with the required skills and raise their wages.

**TABLE 4: PUBLIC SECTOR EMPLOYMENT REDUCTION BY DIFFERENT MECHANISMS, 1981-90: SELECTED COUNTRIES**

<b>Reduction Mechanism</b>	<b>Cameroon</b>	<b>CAR</b>	<b>Gambia</b>	<b>Ghana</b>	<b>Guinea</b>	<b>Guinea-Bissau</b>	<b>Senegal</b>	<b>Uganda</b>
1. Ghost removal	5,830	2,950	0	11,000	1,091	800	497	20,000
2. Enforced early retirement	5,000	0	0	4,235	10,236	945	747	0
3. Voluntary departure	0	1,200	0	0	1,744	1,960	1,283	0
4. Retrenchment (regular staff)	0	350-400	919	44,375	0	921	0	0
5. Retrenchment (temporary staff)	0	0	2,871	0	0	0	0	0
6. Other Mechanisms*	0	0	0	0	25,793	0	0	0
7. Total**	10,830	4500-4550	3,790	59,610	38,864	4,628	2,527	20,000

Source: Nunberg and Nellis, 1995, p. 13.

## **Box 2: Recommended Approaches to Retrenchment in Uganda and Ghana**

### **A: Uganda**

1. Those who have reached or exceeded the mandatory retirement age of 55 years, except those with scarce professional skills or expertise who may qualify for employment on contract basis as long as their expertise is needed and their performance is satisfactory.
2. Those who are adjudged poor performers, including those achieving a total score of 19 or less in the rating by their immediate supervisors on their specific suitability criteria.
3. Corrupt persons or embezzlers, as identified by the census questionnaire or by other means.
4. Those names established to be 'ghost workers.'
5. Habitual drunkards, as identified by the census questionnaire.
6. Those identified to have entered the public service illegally or fraudulently, e.g. by using fake qualifications documents.
7. Those detected by the Registration exercise to have registered two or more times (those should be dismissed outright, without any benefits).
8. Those officers who may be recommended by their Ministries or institutions to be laid off. This group includes:
  - a) officers in Ministries or institutions who do not have assigned formal positions or duties, and
  - b) officers on unpaid leave due to procedural or technical reasons (e.g. those whose case files have disappeared).

### **B: Ghana**

1. Officers whose effectiveness is seriously handicapped because of physical infirmity.
2. Officers whose work and conduct have persistently been negative or who can be dispensed with.
3. Officers engaged over and above approved and established schedules.
4. Officers who are willing to retire voluntarily and who can be dispensed with.
5. Officers on secondment outside the civil Service or Ghana Educational Service and who can be dispensed with (excluding teachers).
6. Officers whose qualifications are proven to be false.
7. The last-come-first-to-go strategy (seniority) if the above criteria do not generate enough numbers.

**Source:** for Uganda: Government of Uganda, 1990, pp. 69-70; for Ghana: United Nations, 1992, p. 36.

## IV. IMPACT ASSESSMENT

### 1. Employment and Costs

Retrenchment, as a policy instrument for public sector reform, is essentially aimed at long-term development objectives. Evaluating Africa's long-term success is not possible at this time. Progress is also difficult to quantify, partly because well-defined norms for measurement and evaluation do not exist. There are no baseline measures, no tracer studies, and personnel records are usually not well kept. In Senegal, for example, no serious follow-up took place on what became of the staff who left the service (Rouis, 1994).

Available evidence, however, points to the conclusion that results of the impact of retrenchment, especially on employment and costs, have been, at best, mixed. In terms of employment, only modest achievements were made partly because initial numbers contained many 'ghosts' or 'phantom employees', and also because governments found it difficult to sustain retrenchments due to 'revolving door' practices. In the short run, however, available evidence shows that countries have made some progress in reducing their wages and salaries as a share of GDP and current expenditure (see Table 5). For example, a 1994 World Bank report concluded that between 1985/86 and 1990/91, fifteen countries cut their wage bill as a share of GDP while eleven increased it. At the same time, countries are spending more on social sectors (education, health, welfare) as a percentage of GDP than they did before the reforms.

**Table 5** gives a summary of wage trends for five African countries between 1980 and 1988. While the absolute wage bill increased for four of the five countries (except Guinea-Bissau), wages and salaries as a percentage of current expenditure decreased for all countries except Ghana.

**Tables 2 and 3** above give some data on the cost of retrenchment for Ghana and Senegal. In addition, according to Nunberg and Nellis, Ghana's Cocoa Marketing Board (COCOBOD) was required to downsize as part of the World Bank's exports rehabilitation program. In 1986, COCOBOD laid off approximately 16,000 workers at a cost of US\$20 million, out of a total employment of 80,000 staff (i.e. 20 percent). The cost per employee is estimated at about US\$1,250 paid in three annual installments. With inflation, this is the equivalent of four and a half years' salary. For Senegal, Rouis (1994) reported that as of August 1991, a total of 3,745

employees, representing 90 percent of the total number of applicants, had left the service at a total cost of CFAF 15.7 billion. The average cost per retrenchee is about CFAF 4.2 million (see Table 2 above), representing almost 3.2 years of salary.

**TABLE 5: WAGE TRENDS FOR SELECTED GOVERNMENTS**

Country	1980	1988
1. Central African Republic (CAR) (1982)		
Wages & Salaries (Billions CFAF)	23.7	25.4
W & S*/current expenditure %	65.1	58.2
2. Gambia		
Wages & Salaries (000 dalarie)	52,775	78,387
W & S/current expenditure %	40.7	19.3
3. Ghana (1981)		
Wages & Salaries (Millions of Cedis)	1,257	49,464
W & S/current expenditure %	--	44.6
4. Guinea-Bissau		
Wages & Salaries (% of GDP)	16.0	5.3
W & S/current expenditure %	59.5	29.4 (1987)
5. Senegal		
Wages & Salaries (Billions of CFAF)	78.3	125.1
W & S/current expenditure %	61.7 (1984)	50.4

\*W&S = Wages and Salaries

Source: Nunberg and Nellis, 1995, Table 7, pp. 31-35.

**Box 3** provides evidence of the changing composition of salary and benefits as a result of civil service reform and retrenchment. The results show that salaries as a percentage of total compensation have been declining while benefits have been rising. This may have been due to short-term difficulties of reducing benefits or it may be a carefully developed strategy to increase the use of non-taxed benefits for public service employment.

### Box 3: The Changing Composition of Salary and Benefits

Available evidence suggests that retrenchment and reforms have resulted in changes in the composition of the compensation package between benefits and salaries. In Senegal, between 1980 and 1985, benefits as a percentage of total compensation made up 25 percent and salaries 75 percent. In 1989, the corresponding percentages were 43 percent and 57 percent respectively. In Gambia, the figures were 12 percent and 88 percent in 1982, but changed to 22 percent and 78 percent in 1988. For the Central African Republic (CAR), in 1984 the benefits were 38 percent and salary 62 percent, but this had changed to 41 percent and 59 percent respectively.

**Source:** Nunberg and Nellis, 1995, p. 26, Table 5

**Table 6** gives details of severance payments for seven selected countries. While the specifics vary, the details show that in general severance payments in the public sector are more generous than in the private sector. In a sample of state-owned enterprises, Davis (1991) found that in Ghana, contract provisions for redundancy are approximately 65 percent and for retirement 70 percent higher on average than those of private sector contracts. On average private sector firms offered 71 months for retirement benefits compared to 122 months for public enterprises for comparable length of service.

**TABLE 6: SEVERANCE PAYMENTS FOR SELECTED COUNTRIES**

Country	Payments
1. Central African Republic (CAR)	Forty months' salary and the employee's accumulated pension fund contribution
2. Gambia	1.2 months' salary per year of full-time service. One month for non-permanent staff
3. Ghana	Four months' basic salary, plus two months' basic salary per year of full-time service
4. Guinea	Flat amount equal to about five years' basic salary for the average worker, with 30 percent paid up front and the balance paid in twenty monthly installments for the voluntary departure program
5. Guinea-Bissau	One year's salary paid in monthly installments
6. Senegal	Up to 48 months' salary; 60 months for the two lowest grades. No unilateral firing of civil servants
7. Uganda	Three months' basic salary in lieu of notice, one month's salary in lieu of leave entitlement, transport money from place of work to home district headquarters. (US\$ 2000/km plus US\$ 200,000 to travel

	to remote home village.) Severance package equivalent to three months' basic salary for each completed year of pensionable service, up to a maximum of 20 years. Non-permanent employees received one month's basic salary in lieu of leave entitlement plus transport to home village. Voluntary retiree received an extra 'golden handshake' of UShs. 1 million (about 1,000 US\$).
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**Source:** Compiled from Nunberg and Nellis, 1995, p. 21; for Senegal, from Husain and Farugee (eds.), 1994, pp. 322-23; for Uganda, Langseth, *et al*, p. 151.

## 2. Labor Markets

There are no systematic studies of the effects of retrenchment on labor markets. However, some speculative statements can be made. First, one would expect differential effects for different types of labor markets for unskilled, semi-skilled, professionals, and senior administrative or executive positions. Second, the effects on these labor markets would be small since public sector employment, as a percentage of total formal sector employment was small even before retrenchment began. For professional labor markets, the impact would be minimal as well since there was only limited entrenchment among these ranks.

Since most of the retrenchments concentrated at the unskilled and semi-skilled workers and since these are in large numbers, one would expect that retrenchees from the public sector would depress wages as they compete with others in the private sector for available jobs. However, it is also possible that many low level employees move freely between the formal and informal sectors and retrenchment would simply push them out of formal sector employment.

## 3. Gender

It is commonly believed that structural adjustment in general (Goetz, 1995) and public sector reform in particular (Nzomo, 1995) have detrimental effects on women and other vulnerable groups in the adjusting countries. Available evidence seems to support this claim. In a World Bank study of labor markets in several African adjusting countries, Horton *et al* (1991) found that women suffered more because they are:

- more concentrated in the informal sector which tended to absorb excess labor
- predominantly in food crop agriculture whereas resources have tended to go to cash crops
- less educated, and therefore less competitive in the labor market



- less attached to the formal sector labor market, and therefore more likely to leave either voluntarily or with minimal pressure
- more concentrated in the lower level jobs which suffered from retrenchment proportionately more than other job types
- less attractive and competitive in the private sector than men.

## V. IMPLICATIONS FOR DEMOBILIZATION

The implications of the similarities and differences between retrenchment and demobilization are many and pervasive. It is beyond the scope of this paper to discuss them all in detail. Instead, the following five implications are briefly discussed below: (1) policy objectives, (2) political risk analysis, (3) lack of data and objective information, (4) social implications, and (5) human resource development and utilization. This discussion draws also on lessons of experience from civil service reform (Kiggundu, 1996a).

### 1. Policy Objectives

There is a need to develop shared understanding and acceptance of program policy objectives and their immediate and long-term implications. On the civilian side, objectives for retrenchment remain ambiguous, contentious, contradictory and not fully internalized. While donors generally saw retrenchment as a means of cost containment, eventual improvement in institutional performance and good governance, recipient governments were more concerned with hedging political risks, maximizing donor support, and finding alternative employment for retrenchees. For example, in Ghana, the retrenchment program was deliberately renamed *redeployment* both to deflect political opposition and to create the impression that retrenchees would find gainful employment elsewhere in the economy.

Likewise, with demobilization taking place in the backdrop of different stages of conflict management and peacemaking, different stakeholders seem to pursue different policy objectives especially along the demobilization-reintegration-reemployment continuum. Competing policy objectives compound the impediments to effective policy implementation. Donors, governments, (former) opposition forces, as well as civil society need to develop a consensus as to the key objectives, implementation, modalities, and realistic expectations from demobilization at the macro, meso and micro levels. A workshop which includes stakeholder analysis might help to bring this about (Kiggundu, 1996b).

## **2. Political Risk Analysis**

Change often involves both danger and opportunity. Governments of adjusting countries have often associated reform with danger involving political risks (e.g. riots, coups), administrative resistance (e.g. strikes), or economic sabotage (e.g. smuggling). Demobilization is particularly risky in a dominant culture of military violence and human rights abuses. While civilian reforms have tended to be less politically risky than was previously feared by governments, military demobilization requires careful analysis of associated political risks. Corresponding initiatives must be taken to develop local and national capacities and institutions to manage the changing risks of demobilization as the country evolves from a state of war (e.g. Somalia) to absence of war (e.g. Mozambique), peacemaking (e.g. South Africa), and democratic development (e.g. Namibia). Ejigu and Gedamu (1996) outline a conceptual framework from conflict, demobilization (dispersion) to sustainable development, which can be used to analyze political risks at different stages and develop strategies for managing the risks.

## **3. Lack of Data and Objective Information**

Public sector reform in Africa is characterized by intellectual dishonesty resulting from a generalized lack of reliable and valid data and objective information. The head of an African civil service once said, “We do not know how many we are, we don’t know how many we need, but we are told to cut by 15 percent.” Attempts to rectify the situation by collecting data and keeping records before, during, and after reform initiatives have been feeble.

It was expected that the rigid military culture of rules, regulations and formalization would provide more accurate information for demobilization. Evidence, however, suggests that both within government military bureaucracies, and among the less organized opposition forces, objective and reliable data is hard to come by. For example, in Mali, Angola, Central African Republic, Sierra Leone, and Liberia, it is hard to determine with any degree of accuracy the numbers, profiles (e.g. rank, age, gender, education) and arms for any of the opposing fighting forces. Without good data and objective information, intelligent policy formulation, implementation, monitoring and evaluation is almost impossible.

#### **4. Social Implications**

Experience with public sector reform shows interrelated social implications. The majority of public sector employees belong to a cobweb of family, community, tribal, and national groupings which affect and are affected by the prospects for employment and earnings. A recent World Bank study in Senegal found that 89 percent of the urban respondents considered intralineage transfers an acceptable part of local culture (Dia, 1996, p. 182). Therefore, when a public sector employee is retrenched, negative multiplier effects reach far and wide.

It is reasonable to expect similar social implications for demobilized soldiers. In addition, soldiers can be expected to experience additional social problems including: (1) loss of status in family and community, (2) stigmatization by the local community, (3) propensity for revenge, (4) health problems (e.g. AIDS, combat injuries, tropical diseases), (5) conflicting gender and sex roles, (6) mental health, (7) demobilization of child soldiers, (8) intermarriages within and outside the military (tribal, religious, etc.), (9) poor education background, and (10) inability to adjust to civilian life. Klingebiel *et al* (1995) discuss some of these social implications in their study of reintegration of male and female ex-combatants in Eritrea.

#### **5. Human Resource Development and Utilization**

On the civilian side, experience shows that public sector employees are not agile in their capacity to secure alternative employment once retrenched. Training and retooling interventions have not been particularly effective in changing this. After years of civil service acculturation, many find it difficult to adapt and remain brisk within the modern labor market. Consequently, they retreat back into the informal or subsistence economy.

In most African countries, military personnel tend to have less formal education than their civilian counterparts. This may make them even less agile for civilian life and work. On the other hand, military life offers a wide range of training and learning opportunities which enable the soldiers to acquire portable knowledge, skills and abilities which could be transferred for civilian use. Another consideration is the generally high unemployment rate in Africa especially among school leavers and even university graduates. Can the demobilized soldiers compete in such a tight civilian labor market? What kind of assistance (e.g. training, counseling, tools, etc.) do they need in order to be competitive? What employment opportunities and support

systems exist in the communities to which they are demobilized? These and similar issues are discussed by Nübler (1997) in her recent paper on human resource development and utilization for demobilization and reintegration of soldiers.

It is hard to be clear about lessons of retrenchment experience and their potential implications for demobilization when the impact of these programs remains largely unknown. Nevertheless, an attempt is made here to outline some of the possible implications, grouped under policy and operational implications:

### *Policy Implications*

1. It is important to be clear about the policy objectives and the means by which they are to be achieved.
2. There is a need to take a long-term perspective, not only because reforms take time (retrenchment, demobilization), but also because short-term initiatives tend to waste resources with little or no long-term benefits.
3. Assessment and development of local capacity for effective program implementation is critical. Sustaining these initiatives requires local political, institutional, and administrative support and capacities.
4. There is a need to put more emphasis on reintegration and human capital development and utilization rather than simply getting rid of people with little or nothing to do.
5. Experience shows that while the costs of implementing these programs are high, the long-term benefits are not so obvious.
6. It is important to realize that these programs are likely to have differential effects on various sectors or subgroups. It is important to have well-defined measurement and evaluation strategies including, wherever possible, baseline data, tracer studies, and multi-country comparative case studies.
7. Alternatives to public sector employment should be studied rather than assumed.
8. The role of the state in the development and effective utilization of human capital may be redefined but should not be assumed non-existent.
9. Activities such as retraining, redeployment, credit, public works and personnel databases should not be undertaken for symbolic or political reasons where they have been shown to have limited practical effects or where they are administratively difficult.

10. Governments must do proper homework before, during and after the formulation and implementation of these programs. There are no blueprints, therefore local knowledge and experience is very important.

#### *Operational Implications*

1. The process and modalities of implementation are important: participation, understanding, ownership, commitment, timing, sequencing, experimentation, etc.
2. There is a need to think through the issues and to develop strategies for overcoming individual and institutional resistance and impediments to effective program implementation. Institutional and stakeholder analysis may be necessary.
3. Dispersed and unorganized retrenchees may be powerless and vulnerable. In the absence of strong trade union representation, efforts to organize them through civil society organizations (e.g. NGOs) may be encouraged.
4. There is no conclusive evidence as to the most effective way of packaging and delivering benefits (e.g. cash, materials, training, etc.) to the departing employees. Experimentation and sharing of experiences may be the best way to proceed.
5. Others outside the central government including local government, the private sector, family and tribal leaders, church organizations, etc. should be consulted and invited to participate in the formulation, implementation, monitoring and evaluation of these and other redeployment programs.

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