

SCRIPT INFORMELE SECTOR KENYA

(c) 2009, Ruud Elmendorp
Video Journalist Africa
<http://videoreporter.nl>
info@videoreporter.nl
+254 736 746 312

PR

The credit crunch is still spreading around.
Governments pump huge sums into the economy, but it doesn't seem to help.
Big companies start to fire staff to cut on costs.
Several countries now declare themselves in a economic recession.
But not everybody seems to be harmed.

Like in Kenya in Africa.

There a large group is people is living on some Dollars per day,
and still have mobile phones and a television at home.

This can be explained by the so-called 'informal economy'.

That part of the economy which does not reflect in the official figures, but where
large sums of money are made.

In Kenya it consists of millions of small companies that produce anything from
anything.

We follow a day in the life of metal worker Raphael in the capital Nairobi,
and the credit crunch does not seem to affect him at all.

LENGTH: 3'24" DVCAM, PAL 16:9

BETA

This Raphael Ochieng.

He is 24-years old.

According to the Kenyan
government he is jobless.

But that same Raphael
has a metal workshop.

SOUNDBITE HAMMERING

QUOTE RAPHAEL OCHIENG

Where I am now is my workshop.

Here is where I make these boxes here.

Raphael's business is not registered,
and therefore it officially doesn't exist.

In Kenya there are 6 million people
with businesses like Raphael's.

In the capital Nairobi whole

areas are occupied by them.
Most of the work is done by hand.

SOUNDBITE SLOWLY HAMMERING MAN LOOKING CONFUSED

So with bare sweat the metal
labourers create anything.
The products are sold on the
spot, mostly by the wives.
All joined together this business are
a major economic power in Kenya.

SOUNDBITE HAMEREN

Professor McCormick of the Nairobi University, studied them for years.
She found out that this sector grew because of a lack of other employment in
Kenya.
Many people don't have another choice than starting a business.
Training is often not necessary.
Interesting is that the government doesn't really try to register them.
So they could start to pay taxes, which now they don't.

QUOTE Dorothy McCormick PROFESSOR DEVELOPMENT STUDIES
***The government may also have seen that taxation of many micro units
would carry very high transaction costs.
And that might not net enough to make it worth their while to try do it.***

Like this Raphael and his 6 million colleagues have a reasonable income.

SOUNDBITE HAMMERING

With a bit of luck he makes 7.5 Dollars per day. Enough to live on.
Raphael has no family yet, but he supports his younger brother.

QUOTE RAPHAEL OCHIENG
***It helps me for my brother so he can go to school.
I pay rent with it, so many things in my house.***

The work is done for today.
Raphael goes to his home in a suburb.

SOUNDBITE RAPHAEL WALKING
***- How long are you in this job?
In this job I am five years.***

The work is done for today.
Raphael goes to his home in a suburb.
Rent are low, and most metal workers live in areas like this.

Raphael's house might seem small, but it has a tv and dvd player.
It doesn't work now since the power went.
He got it by slowly saving.

QUOTE RAPHAEL OCHIENG

Per day maybe you get 500 Shillings.

Then I came with that money.

When I reach in my house then I took 200 Shillings, and kept it somewhere.

According to McCormick Raphael and his colleagues won't have to fear the credit crunch.

Since the Kenyan economy depends on them.

QUOTE DOROTHY MCCORMICK

I don't think the Kenyan economy could do without it.

Or things would be much more expensive then by enabling people to buy things made of service through informal sector.

Raphael therefore remains safe.

He is going to grab a bite, and tomorrow back to the workshop.