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International Labour Migration and its Influence on Self-help Marketing Activities: A Case Study from North-eastern Morocco

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0) Introduction

This article presents some aspects of preliminary results from a research project in the rural area of the Nador province (North-eastern Morocco) which deals with the impact of international labour migration and remigration on the local economy.¹

This region in the eastern Rif mountains has - because of a high population pressure and very limited natural resources (low rainfall rates, mountainous surface, soil erosion) long known a strong temporary emigration towards western Europe (see Bossard 1979). A specific phenomenon of this migration movement is that - contrary to labour migration in Southern Europe and Turkey - only very few migrants take their families with them. This means that the relations between the foreign workers and their families in the region of origin are comparatively vital and the amount of remittances usually quite high (see fig. 1).

Because of the strong relations between the emigrants and their region of origin one is inclined to assume that this might have positive effects on the economic situation in this region. As to the marketing situation it could be expected that the afflux of purchasing power to this region would give those who do not have the chance to go abroad a possibility to earn their living by self-help commercial activities.

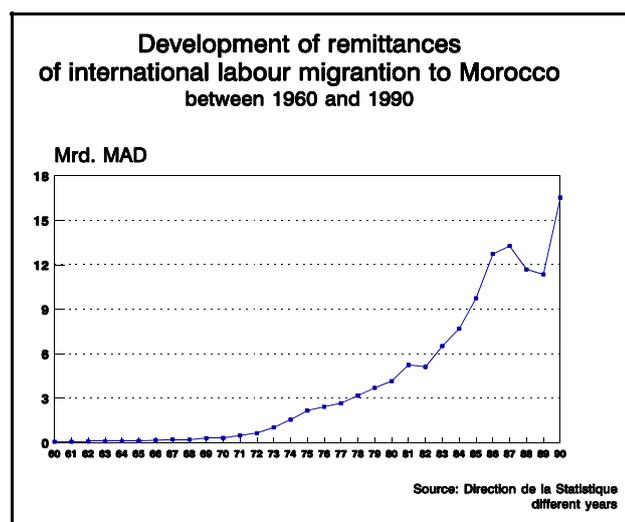


Fig. 1: Development of remittances from international labour migration to Morocco between 1960 and 1991

¹ The findings were gained during field work in March/April 1992 which has been supported by the Deutsche Forschungsgemeinschaft (DFG) and the Gesellschaft für technische Zusammenarbeit (GTZ).

Periodic markets are a good place to study self-help marketing activities because the access to this kind of distribution system does not require much capital. In the study region weekly markets have a long tradition. In former times they served as places of exchange between the peasants, the semi-nomades, local craftsmen and urban merchants, giving the rural population the opportunity to change the agricultural surplus for non-agrarian products and services.

With the remittances from international labour migration the relative importance of agriculture diminished and the periodic markets, which had been a place for mutual exchange between the urban and the rural environment, developed more and more into places for the distribution of merchandises from outside the region to consumers with purchasing power not earned in the region.

This does not only apply to industrial and urban products. Also vegetables and fruits offered on the periodic markets come to a great extent from outside the region. For example at the examined 20 periodic markets out of 459 interviewed merchants trading vegetables and fruits only 14.4% (66 persons) were peasants offering their own products.

1) Structure and changes

Before discussing whether the high temporary labour migration rate offers favourable conditions for commercial activities and services it seems to be necessary to have a look at the present situation of the rural periodic markets in the study region.² In the eastern part of the Nador province there are presently 20 rural periodic markets (see fig. 2).³

In eight markets there are less than 100 sellers offering merchandises and services. The main characteristic of these small markets is the predominance of food merchants, on average nearly 70%. The eight middle sized periodic markets (170 to 500 offerors) are, with an average of 60%, still characterized by a comparatively high portion of food merchants. But at the same time - and in accordance with central place theories - they already have a remarkable number of sellers of mediumterm

² Until now only the three eastern districts out of a total of four in the province are covered. The study is going to be continued in September 1992.

³ Three periodic markets that lie in the urbanized region of the town of Nador (Nador, Segangan, Seluan) are not being considered. The commercial activities in the urban environment are studied by two other colleagues, Priv. Doz. Dr. Hans Hopfinger (Erlangen) and Prof. Mohammed Berriane (Rabat).

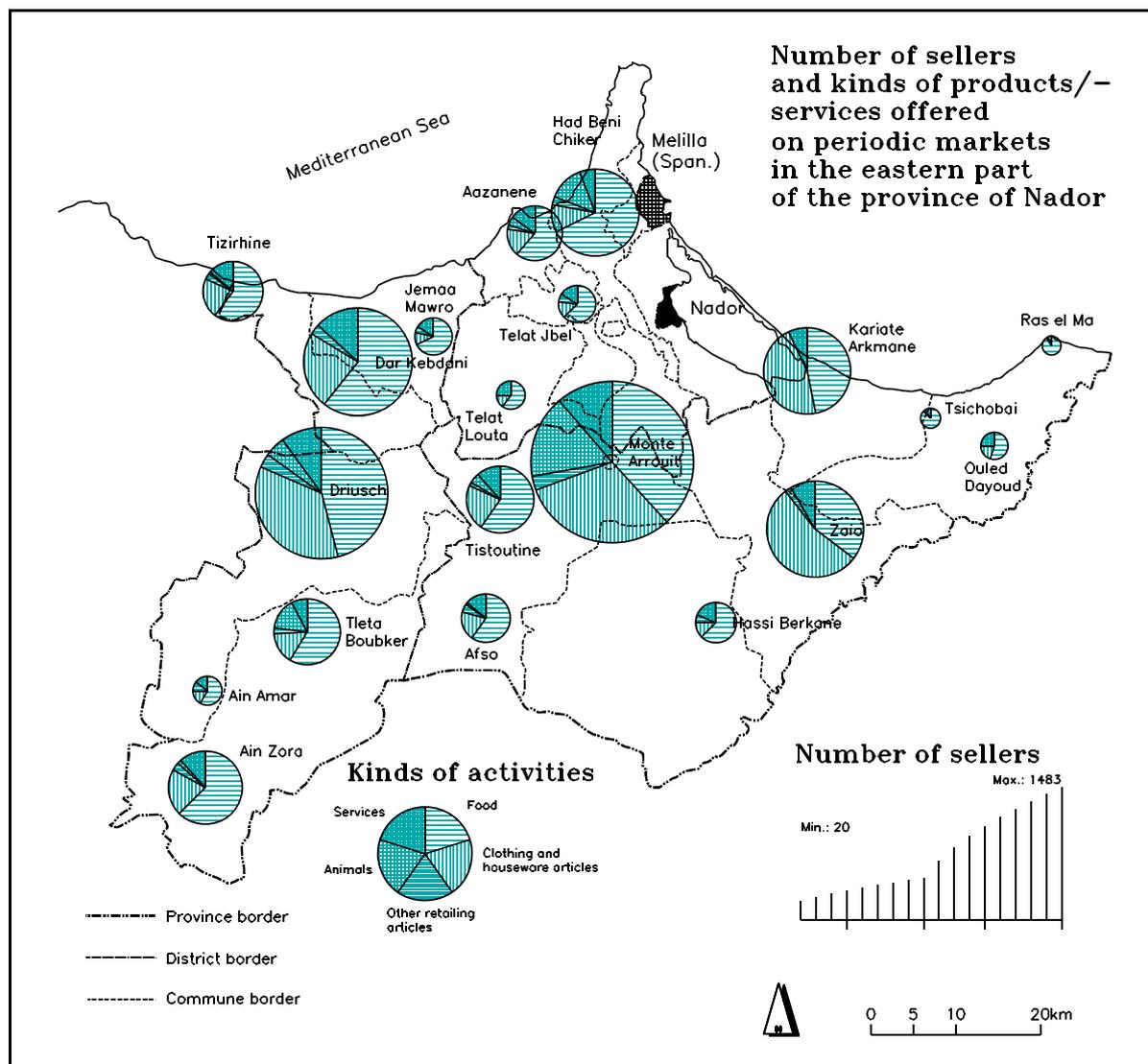


Fig. 2: Number of sellers and kinds of products/services offered on periodic markets in the eastern part of the province of Nador

goods (clothing, textiles, household articles, cleaning agents, watches etc.) who make up 22% of all offerors compared to only 12% in the small markets. The four greatest periodic markets in the study region - which are at the same time the four greatest settlements in the study area (Monte Arrouit, Driusch, Dar Kebdani and Zaio⁴) - with more than 500 offerors a day tend to have the main emphasis in medium-term goods (on average 36% of all offerors) and a comparatively high diversity of services offered.

Troin (1975) has registered the number of offerors on periodic markets in northern Morocco in the mid-sixties (without giving the exact

⁴ The actual importance of Zaio is greater than the representation in the map suggests. The periodic market at Zaio is open two times a week and has a third date reserved for animals.

date). By comparing the findings of Troin with those from 1992 one can show in which direction the markets are developing (see fig. 3). Five of the seven small markets which already existed in the mid-sixties have seen a decrease in the number of offerors of more than 10% in the last 25 years, and the other two have about the same number of sellers today as 25 years ago.⁵ Only one of the middle-sized and none of the great markets lost importance in the last years. As far as self-help commercial activities are concerned this could mean that favourable conditions might be found at the greater markets.

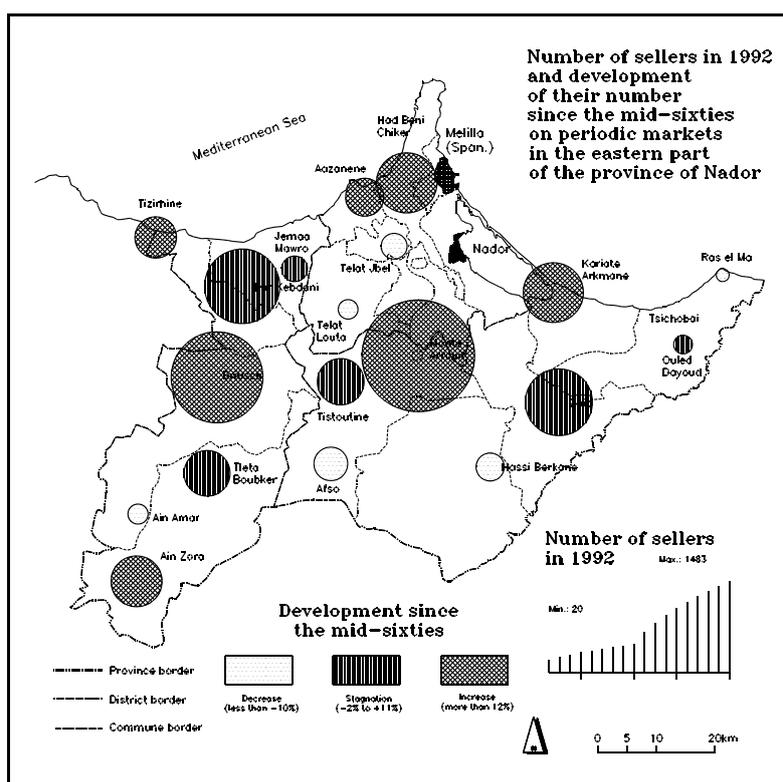


Fig. 3: Number of sellers in 1992 and development of their number on periodic markets in the eastern part of the province of Nador

If it is more advantageous for a offeror to visit the greater markets, the portion of sellers coming from a greater distance should be higher on these markets. The answers of 1653 offerors on the markets concerning their places of living are shown in fig. 4. While on the

small markets an average of only about 20% come from outside the same or a neighbouring village, this portion is 36% on the middle-sized and 50% on the great markets.

To sum up it can be said that in the study region the traditional periodic markets are still of great importance to supply the rural population with goods and services. In the last years there has been a general tendency of concentration, which means that the smaller markets lost importance whereas the greater ones tended to gain importance. In the next parts it will be discussed whether these generally favourable basic conditions also reflect favourable conditions for self-help activities of peasants, not well-funded small sellers or offerors of services.

2) Direct marketing by peasants

One group which might benefit from the afflux of purchasing power to

⁵ In the study area between the mid-sixties and 1992 one small periodic market disappeared and another small market (Tschobai) has been newly established.

the study region are peasants who can cultivate fruits and vegetables to sell them on the local markets. It has to be said that most of the peasants in the study region own only small lots of arable land. Therefore a great part of the harvests is only used for subsistence purposes and only small quantities of agrarian surplus can be brought to the local markets. 459 sellers of fruits and vegetables on the markets in the study area were asked whether they sold products produced by themselves or whether they were only merchants. As already mentioned above, only 14.4% were peasants offering their own products. Most of them offered only one sort of fruits or vegetables and the quantity offered in most cases was that which one donkey or one person can bear, because almost none of them had their own motorized transport facilities.

The lack of motorized transport facilities also reduces the peasants radius of action, which means that in most cases they visit only the market which is nearest from their place of living. If one looks at the different kinds of markets, peasants offering their own goods are quite rare to be found at the greater urban markets (see fig. 5). While at the small markets 33.0% of the interviewed sellers of vegetables and fruits were peasants, only 12.7% and 5.2%

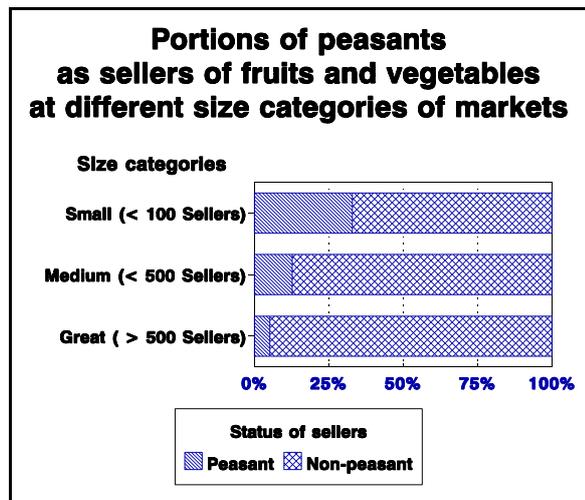


Fig. 4: Portions of peasants as sellers of fruits and vegetables at different size categories of markets (N=456)

peasants are to be found on the medium sized and great markets.

This means that those markets with the greatest concentration of purchasing power are quite difficult to be reached for most of the peasants because they lack motorized transportation facilities of their own. This finding corresponds with the facts that half of the interviewed peasants said that they were selling something on the markets only few times a year and that 68.9% answered they were only visiting one market per week (The average of markets visited is 1.6 for the peasants and 3.0 for the other sellers of fruits and vegetables).

At the same time most of the fruits and vegetables offered at the traditional markets come from other parts of the country (mostly from regions with intensive irrigation and great-scale farming) where the conditions for cultivation are more favourable. This means that the local products are confronted with the national competition, and the prices which can be achieved are not too high because of this competition with products produced under much more favourable conditions. The very brief look at the situation of direct marketing of agrarian products has shown that the possibilities for local peasants to earn additional incomes are quite limited because of the strong competition and the feeble ability of the small-scale farmers to cope with it.

3) The part of small sellers at the local markets

Another kind of attempt to participate in the local markets without disposing of investment capital is to sell goods bought at the same market or at other markets in the region. Referring another time to the sellers of fruits and vegetables, one can make the difference between those merchants (i.e. not including the peasants) who own a car or a small truck to transport their goods and those who do not. From the 386 merchants of fruits and vegetables who answered this question almost two thirds do not own a car. Out of them again about two thirds had bought the merchandise offered at the same place (mostly from another greater merchant owning a car) and almost another 10% had bought the merchandise at a place very near the market (for example on another greater market or from a peasant). This means that on the local markets there are a lot of little merchants who usually do not even have the capital to buy the stock for the day. In most cases they get the merchandise from a greater merchant on credit at the beginning of the market and they have to pay for these goods after having resold a great part of them at the end of the market day (when one can often see the greater merchants going around and collecting the debts).

Like the peasants the small fruit and vegetable merchants also come to a comparatively great extent from the same village where the market takes place or a neighbouring village (see fig. 6).

And while the merchants owning a car or a truck offer their goods on average at 3.2 markets per week, the merchants without a car visit on average 2.9 and therefore significantly fewer markets.

All of the interviewed offerors of services and goods were asked how satisfied they were with the economic situation of their business during the last years. With a range of answers going from 1 = very good to 5 = very poor the average for the fruit and vegetables merchants owning a car is 3.17 and for those without a car 3.35 (again very high

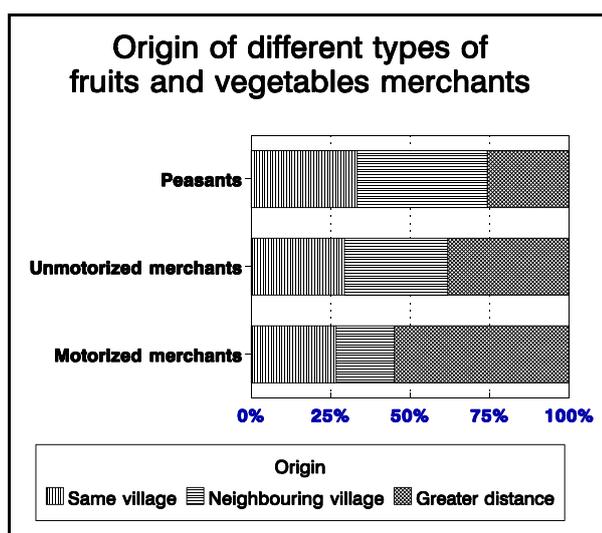
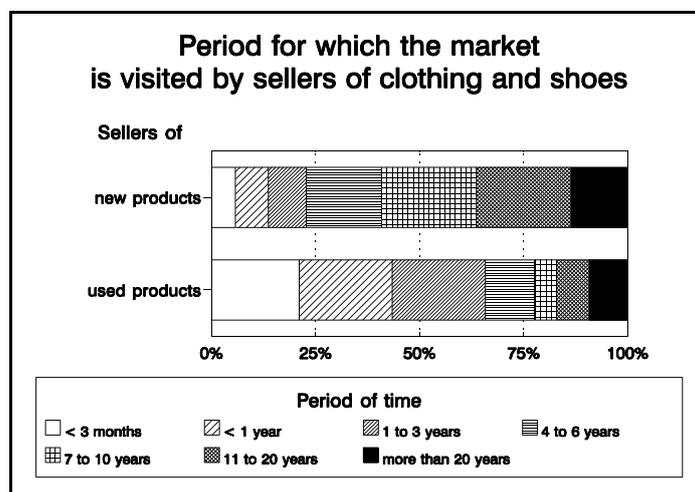


Fig. 5: Place of living of the sellers of fruits and vegetables (N=456)

significant difference of variance).

Apart from the food merchants one should also have a look at other trades. The 179 interviewed merchants of clothing and shoes shall be taken as an example for merchants of medium-term goods. 90 of them were selling new clothing or shoes and 89 were selling second-hand clothing or shoes.⁶ With a mean of 3.47 those merchants selling new products were significantly more content with their economic success than the sellers of second-hand clothes and shoes with an average of 3.75. With an average of 3.0 markets visited during a week they also visit slightly more markets than the sellers of used



clothes and shoes, who answered that on average they offered their merchandises at 2.7 markets. The sellers of used clothes and shoes have to a much greater extent been visiting the markets only for quite a short time (see fig. 7). About one fifth of them said that they had been visiting the market for less than three months, and another fifth claimed to have visited this market for less than one year. On the other hand, more than two thirds of the sellers of new clothes and shoes have been doing this for more than 7 years. This means that the fluctuation to be found with the offerors of used articles is much higher than that with the merchants of new clothes.

Fig. 6: Period of time for which the market has been visited by sellers of new and used clothes and shoes (N=164)

If one looks at continuity as an indicator of economic success, this means that a lot of people are trying to gain additional income by offering some used clothes at the markets but only few of them seem to achieve a profit which makes it worthwhile to do this for a longer period.

These results show again that those offerors who dispose of a certain amount of capital to start their business with have a great advantage over the other offerors, because they are capable to buy their goods at lower prices and to offer a greater amount of goods at more places.

4) Offerors of services at the traditional markets

Until now it could be shown that neither offering one's own agrarian products nor trying to sell products without a minimum capital seems to be a successful way of trying to participate in the market activities in the study

⁶ At the 20 markets a total of 428 merchants of new and 449 merchants of used clothes and shoes were counted.

region. A third possibility to earn some money is to offer services or self-produced craftsman's work on the markets.

On the markets in the study area 221 persons were interviewed who either offered some services and/or craftsman's work (see fig. 8). More than 40% of them were persons offering something to eat or to drink either in tents or stationary buildings in the market places. Most of the one fifth of craftsmen repairing broken goods were repairing shoes or metallic houseware articles and only very few of those doing repairing

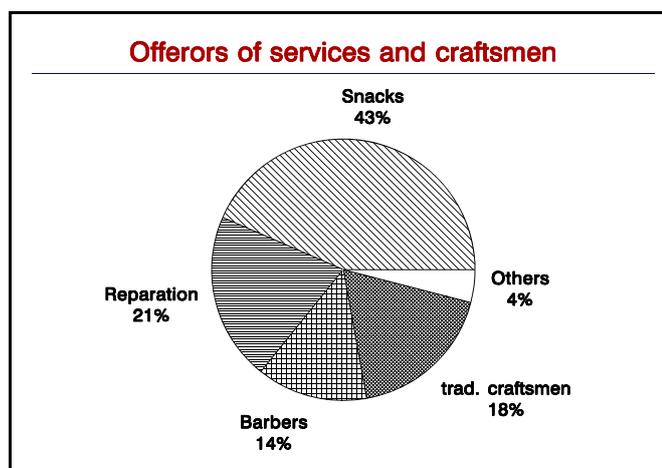


Fig. 7: Offerors of services and craftsmen (N=221)

work were dealing with technical goods (e.g. watches, radios, motor-bikes). Barbers make up about 14% of the services offered and another fifth could be called traditional craftsmen, who are mainly blacksmiths for the donkeys and horses or selling traditional housing products (pottery, plaited articles) or agricultural (mattocks, wooden ploughs) products which they have made themselves.⁷

If compared to the other merchants on the markets the craftsmen and offerors of services are quite old. The average age of the traditional craftsmen is 47 years against 40 years for the other merchants, which means that one quarter of them is more than 65 years old and the number of younger traditional craftsmen is comparatively low. The owners of the snack facilities and those repairing goods are with an average age of 43 and 44 also comparatively old. Only the barbers show about the same distribution of age as the other merchants. At the same time more than 20% of those offerors of services where quite a high portion of older persons is to be found have been doing this job for more than 20 years as opposed to 11% of the other merchants. These older craftsmen quite often visit only one or two markets a week, so that on average only 2.4 markets are visited by the offerors of services as opposed to 2.7 for the other merchants. Corresponding to the fact that the offerors of services are comparatively old persons who work quite often only at one or two local markets they also expressed - with the exception of the barbers - a more pessimistic estimation about their economic situation than the other merchants.

Even if one can still find younger people offering services or doing craftsman's work, it has to be underlined that some of these branches seem to be in a state of decline. With the customers at the markets using more and more

⁷ The craftsmen selling their own products were counted as sellers in fig. 1.

their own cars or public transports, there is less need to have a snack or to visit a blacksmith. The necessity to have some housing goods repaired exists especially for the very poor who do not have incomes from international labour migration. This means that the demand for traditional services and craftsman's works is declining.

At the same time the demand for other kinds of services (e.g. car repairing, electricians, photographers, amusement halls) is met at stationary shops which can be found in a great number in the bigger villages and which are quite often run by former emigrants who spared some money overseas to start some kind of business in their region of origin.

5) Conclusion

In this contribution the possibilities for self-help marketing activities in a region with a high degree of temporary labour migration were discussed at the base of empirical work done in north-eastern Morocco. The findings seem to suggest that although one might assume that the afflux of purchasing power to a region in the third world would allow the underprivileged groups to participate to some extent by means of some marketing activity, quite the contrary could be the case. Because of a relatively high income level due to labour migration, comparatively well-funded merchants play a very important role on the markets and form an important competition for those who do not have financial means at their disposal. The remigrants who try to invest their capital which they have gained overseas often build a stationary shop in one of the greater villages and thus also obstruct the possibilities of other people to open a small ambulant service.

Due to international labour migration in the study region the traditional markets are very intensively influenced and transformed by these relations with developed capitalistic societies. Labour migration and the comparatively high purchasing power attracts quite well-funded people to participate in the market activities which means that poorer offerors meet a strong and unequal competition. At the same time the incomes from the labour migration are to a great extent invested in commercial and craftsman's activities and enlarge especially the offer of goods and services at stationary shops. This means for the poorer part of the population that offering modern services meets the competition of former emigrants who have a better financial background. Because of this competitive situation in the study region there is probably no promising way of supporting self-help marketing activities by development aid and one has to search for other ways of helping the poorer people in this region to earn their living.

Until now the investments in stationary commercial and craftsman's establishments have not contributed very much to the creation of new jobs in the study region because - as the results of other parts of this research project show - most of the firms established by former emigrants do not have any or only one or two employees. The economic situation of most of these small establishments is not too good and expansion are only very seldom planned. In most of the cases the undertaker has not got any qualification to run his

business and therefore is not very successful. This means that the capital which comes to the region by international labour migration is not invested and used in the most effective ways. One way of helping the poorer people of this region - where contrary to many regions in third world countries there is capital to be invested and the intention to invest it - might be to create training facilities for those who already have or who intend to open a little establishment, to make their establishment more successful and to enable them to create new jobs. By assisting those who are already comparatively privileged one could induce some kind of trickle-down effect that leads to job opportunities for the unemployed or underemployed.

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