

## Chapter 2

# Gender, Entrepreneurship, and Informal Markets in Africa: Understanding How Ghanaian Women Traders Self-Organize with Digital Tools

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### ABSTRACT

*Mainstream scholarship on entrepreneurship focuses on firms in the global north as the dominant paradigm, neglecting potential lessons to be found in the informal sector, in the global south, particularly in Africa, and among women. Local entrepreneurship practices present a valuable case study for understanding the nature of entrepreneurship in emerging economies and their contribution to social and economic development. Drawing on ethnographic data, this chapter examines gender and information and communication technology use in the Ghanaian marketplace. Market women's entrepreneurship is influenced by social capital derived from social networks drawn from strong community ties. The study found that ICTs such as mobile phone, while gendered, are central to organizing and managing these micro-enterprises. This chapter contributes to studies on entrepreneurship by drawing attention to the under-researched intersections of female entrepreneurship in the Ghanaian marketplace and ICTs in emerging economies.*

### INTRODUCTION

In many African countries, trade and enterprise revolve around informal networks that are both local and international. African markets are one of the most dynamic spaces and are at the heart of the economic sphere where local and global exchanges have implications for socio-economic growth at

both the macro and micro levels. The well-defined spaces for buying and selling of informal marketplaces are expanding with the wave of globalization and neoliberal government policies. Women are a driving force behind Africa's economy. Nearly a third of businesses in Sub-Saharan Africa are female-owned and women grow an estimated 80% of the food. The marketplace in Ghana is

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often constructed as a female space where gender intersects with social structures to define women's roles in the informal economy. Ghanaian women's entrepreneurial activities are relevant to both the household and local economy. In fact it has been established that female entrepreneurship is a key driver of economic growth and development in many countries (Gender-GEDI Report, 2013).

Entrepreneurship has been part of the Ghanaian culture even before the arrival of the first Europeans in the fifteenth-century and prior to colonization (Buame 1996; House-Madimba & Ekechi, 1995; Takyi-Asiedu 1993). Chamlee-Wright (1997) notes the established practice of Ghanaians engaging in long-distance trade in salt and fish well before the arrival of the first Europeans. Cultural institutions and traditional practices provided the necessary foundations that promoted the extension of local and long-distance trading (Chamlee-Wright 1997; Robson, Haugh & Obeng 2008). In Ghana, entrepreneurs are heavily dependent on family connections and ties to access financiers, suppliers, officials and customers (Buame, 1996). Additionally, entrepreneurs in the informal sector rely on the support from family members in the form of training via apprenticeship, startup capital and network associations (Adeya, 2006; Clark 1994, 2010; Robson and Obeng, 2008). Thus, the importance of social capital cannot be underestimated as critical to entrepreneurial success in the informal sector in Ghana. The cultivation of social networks, thus, is central to garnering both social and human capital (Granovetter, 1973; Bordieu, 1980/1995; Burt, 2000, 2002; Putnam, 1994) which is a focal part of entrepreneurship.

With the advent of digital tools and networked technologies, mobile phones have become an important part of trading practices through local appropriation to meet specific needs as well as harnessing and maintaining multiple social networks. Mobile applications allow access to banking services, farm prices in the West African produce

market, and enable market women to carry out their business in ways that increases both spatial and social mobility as well as enabling them organize their trading practices more efficiently. Women entrepreneurs in the informal sector employ strategies embedded in socio-cultural practices in organizing both formal and informal livelihood networks. Even though Ghanaian market women play an integral role in the local economy there is very little understanding of how they organize trading practices and income generation via ICTs such as mobile phones. This chapter explores the following questions:

1. What is the nature of entrepreneurship among Ghanaian women in the informal sector?
2. How do Ghanaian women entrepreneurs organize trade in the marketplace and how do new digital technologies facilitate this?
3. How do gender, class and geographic location intersect in the informal marketplace as women entrepreneurs appropriate and use mobile phones in their trading practices, and as part of the larger discourse on using ICTs for socio-economic development by marginalized groups in emerging economies?

This chapter addresses these questions through a case study based on interviews, field observation and literature review of how gender and new technologies intersect in the practices of entrepreneurship in the informal sector in Ghana. This study departs from previous studies in several ways. First, it moves women in the informal sector from the margins and places them at the center of economic development as active participants. Secondly, this study focuses attention on the importance of placing value on the work and contribution of women entrepreneurs in the informal sector. The contribution of Ghanaian market women to socio-economic development is deemed valuable.

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