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Migration, remittances and local development in Africa
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Executive Summary

In the light of the economic, social and political problems afflicting various countries in the Maghreb and sub-Saharan Africa, migration, both internal (the rural exodus) and international (to other countries, be they in Africa, Europe or Asia) is seen by the people as one of the best solutions to their poverty.

My purpose here is to highlight the extent of these large-scale migratory movements (I). It should then be noted how such migratory movements make a contribution to local development (town and the rural environment) via the remittance of money from workers migrating abroad. A macro-economic estimate is included (II). Finally, at a family level, the income from migratory workers has implications in terms of social development which requires analysis in the light of the problem scenario associated with it (III).

I. PRIMARILY SOUTH-SOUTH MIGRATIONS

Population movements within the continent are on a considerably larger scale than intercontinental migration (to Europe and the USA).

In addition to this, it should be noted that Africa, the least urbanised continent, is undergoing a very rapid urbanisation process. Over the past 45 years, the population in West Africa as a whole has risen from 88 million to 290 million (i.e., it has multiplied by a factor of 3.3) while the urban population has risen from 13 million to 128 million (a tenfold increase). Over the same period, it is estimated that over 80 million West Africans have migrated from the country to the cities.

The outcome of this is that we must speak of a double movement, since international migration is exaggerated by internal migration. From the point of view of rural development, it is difficult to separate their respective roles. This also applies to remittances from migrants.

It may be assumed that the urban dweller is less affected by poverty than the country dweller, since the rural exodus steals the most dynamic individuals from the rural world. But are there, perhaps, factors which offset this imbalance? New communication technologies, which require little infrastructure, may limit the isolation of the rural environment.

II. MACRO-ECONOMIC APPROACH

If the question is examined in terms of cash aggregates, the crucial matter is that of the contribution made by remittances to development¹. If the remittances reduce poverty, it must be assumed that the more the remittances increase, the more the standard of living rises.

We have calculated correlation coefficient (r2) between the remittances per inhabitant and the GDP per inhabitant for the 19 sub-Saharan African countries shown in table 1 below.

The correlation is positive, but modest (+0.33), which suggests that the contribution made by remittances to living standards is small.

¹ This point is developed in Yves Charbit's study, 'Transferts, retours et développement : données, concepts et problématiques'[Movements, returns and development: data, concepts and problem scenarios], in Véronique Petit ed.: *Les migrations internationales de retour dans la perspective des pays du sud [International return migrations in respect of the countries of the South]*. 2007, Paris, CEPED, pp. 44-75.

This apparently surprising result is actually quite predictable and even desirable from the point of view of development.

The result is *predictable* since migrants going abroad represent only a small fraction of the active population and hence the potential wealth-creation aspect of the remittances plays a marginal role in the GDP. Other factors are also important (the cost of living in the migrant's destination country, etc.)

The result is *desirable* as regards development, since a higher correlation would mean that migration is a major contributory factor to the GDP, which would be a sign of a high level of dependence on countries seeking migratory labour and thus an additional cause of the economic fragility in the country of origin.

Two comments should be made. The *global* macro-economic situation does not rule out the possibility of labour shortages associated with emigration being *locally* very acute or that that remittances reciprocally may make significant contributions to local development (as with a number of villages in the Senegal river valley). This is why an assessment of the contribution made by remittances to development varies according to whether the focus is on the macro-economic or micro-economic aspect: the families or the villages may end up wealthier, but does the nation as a whole? And anyway, is it really possible to *evaluate* the extent of these movements of wealth between North and South based on this data? This is a matter related entirely to other forms of remittance.

III. REMITTANCES, FAMILIES, LOCAL DEVELOPMENT

The contribution made by migration and remittances in terms of social development is well known: remittances are used to cover health, education and housing costs. The families benefit from them, but so do the relatives and villages of the migrants.

But the migration of men is leading to a change in the structure of the families throughout the whole of Africa, resulting in a large number of households being headed by a woman (see table 1). Does this mean that such migratory movements are leading to what may be termed a feminisation of poverty? This is a matter which has been frequently raised. Female heads of households suffer from more serious disadvantages than men: they are frequently illiterate and younger; but they also include elderly women and widows. When they are involved in the economic sector, they are for the most part trapped in activities which are unreliable and of low productivity. The vulnerability of female household heads is also connected with the characteristics of their households and the profiles of the secondary members: no spouse is present to contribute to the economy of the household, and there is a higher number of dependents and non-workers.

What we need to know is whether all of these unfavourable factors lead to greater poverty.

It turns out that an analysis of the data shows that using a cash poverty indicator produces a significant result: in Senegal, female households are less exposed to cash poverty than those headed by a male².

This important result can be explained by two factors:

1/ The migrant income is higher in households with a female head, because if these households include a migrant, he has usually gone to Europe or the USA. In households with a male head, emigration is more likely to be internal (the rural exodus) or elsewhere in Africa, where migrant income, and hence migrant transfer, is lower.

2/ The mobilisation of social networks (help provided by other households) also makes it possible for female households to offset other vulnerability factors.

² See Yves Charbit and Mababou Kébé, 'Genre et vulnérabilité : les femmes sénégalaises chef de ménage'[Gender and vulnerability: Senegalese women as heads of households], *Revue Européenne des Migrations Internationales*[European Review of International Migration], vol. 23, No. 3, 2007, pp. 51-65.

Table 1: Cash transfers, poverty and female household heads in Africa

Country	<u>Transfers from migrants^a</u>		<u>Poverty</u>		<u>Female household heads</u>	
	millions US \$	year	%	year	%	year
South Africa	735	2007	8,6	2004	NA	
Benin	(e) 173	2007	30,8	2004	13,8	1999
Burkina Faso	(e) 50	2007	28,7	2004	9,4	2003
Cameroon	(e) 103	2007	14,9	2004	24	2004
Cape Verde	(e) 143	2007	1,6	2004	NA	
Comoros	(e) 12	2007	NA		32,2	1996
Congo (Dem. Rep.)	11	2007	NA		23,3	2005
Ivory Coast	(e) 176	2007	18	2004	18,04	2005
Djibouti	(e) 28	2007	NA		NA	
Egypt	(e) 5 865	2007	2,30	2004	12,3	2005
Eritrea	3	2000	NA		46	2002
Ethiopia	(e) 172	2007	12,5	2004	22,8	2005
Gabon	(e) 6	2007	NA		26,00	2000
Ghana	(e) 105	2007	16,6	2004	33,8	2003
Guinea	(e) 42	2007	NA		16,7	2004
Kenya	1 300	2007	12,1	2004	31,7	2003
Lesotho	371	2007	44,4	2004	NA	
Madagascar	11	2007	62,8	2004	21,7	2003/04
Malawi	1	2007	20,8	2004	24,7	2004
Mali	192	2007	38,9	2004	12,3	2006
Morocco	5 700	2007	0,30	2004	17,1	2003/04
Mauritius	215	2007	NA		NA	
Mauritania	2	2007	17,7	2004	29,1	2000/01
Mozambique	80	2007	30,5	2004	26,8	1997
Namibia	17	2007	32,8	2004	30,8	1992
Niger	67	2007	63,8	2004	NA	
Nigeria	3 329	2007	71,2	2004	16,9	1999
Uganda	856	2007	82,6	2004	29,4	2004/05
Tanzania	14	2007	50,9	2004	23,1	1999
Rwanda	21	2007	58,8	2004	36,1	2000
Sao Tomé-et-Principe	1	2007	NA		NA	
Senegal	874	2007	13,1	2004	23,1	2005
Sierra Leone	38	2007	56,9	2004	NA	
Sudan	1 157	2007	NA	2004	12,6	1989/90
Swaziland	98	2007	48,7	2004	NA	
Togo	192	2007	NA		24,3	1998
Tunisia	1 669	2007	0,2	2004	NA	1988
Zambia	58	2007	60,0	2004	22,6	2001/02
Zimbabwe	NA		61,9	2004	32,7	1994

a: these are funds remitted from abroad through official channels. (e) : estimate.

b: percentage of the population living below the poverty threshold.

c: percentage of households with a female head of the household.

Sources:

World Bank, *Migration and Remittances. Factbook 2008* on movements and poverty.

Enquêtes Démographiques et de Santé [Health and Demography Surveys] (EDS) on female household heads (visit <http://www.measuredhs.com>).