



THE ANALYSIS OF THE EFFECTS OF MIGRANTS' REMITTANCES ON THE LIVELIHOODS OF HOUSEHOLDS IN IGABI LOCAL GOVERNMENT AREA, KADUNA STATE

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ABSTRACT

This study has analyzed the effects of migrants' remittances on the livelihoods of households in Igabi local government area of Kaduna state. The objectives of this study are to; examine the volume of out-migration in Igabi local government and to identify the forms of remittances received by households in Igabi local government area. Data for the study were obtained through the administration of a semi-structured questionnaire to 382 Households using systematic sampling. Items in the questionnaire elicited information on scale, direction, level of migration, educational attainment, livelihood sources, rate of out-migration, remittances and reasons for migration among others. The result reveals that in terms of distribution by destination 57.08% of migrants migrated to urban areas, 14.75% migrated to some rural areas and 28.17% migrants migrated to some other areas. Other findings revealed that use of remittance is mainly to cater for immediate household needs due to less importance attached to education in Igabi L.G.A. thus, evidences suggest that remittances from abroad is crucial to survival in Igabi Local Government Area of Kaduna State. It was recommended that there is a need for functional qualitative education, and educational institutions in rural areas need to be well equipped. More so, there is also need to promote access to financial services with particular attention on rural areas.

Key words: Analysis, Effects, Migrants, Remittances, Livelihoods, Households

INTRODUCTION

Population movement is not a recent phenomenon in the world especially when we take a peep into the history of man in the world. From the early times, people were known to have moved over distances in small units (groups) or in large tribal societies in search of their livelihoods and subsistence, especially during the hunting and gathering culture (Fellman and Getis, 2014). In recent years population movement for economic and political reasons, particularly forced migration, has taken a new turn, Migration is one component of population change, others being births and deaths (Kpedekpo, 1982). The population of any defined area at a particular time can be influenced majorly by three demographic factors: birth rate, death rate and pattern of migration in the area (Fellman and Getis, 2014). Migration was identified as a pathway out of poverty for rural households in developing countries because it provides households with a source of income (World Bank, 2007).

However, the beneficiaries of migration may not include the rural poor. It has been suggested that more risky and costly long – distance international migration, which is also the most lucrative in terms of remittances, is not accessible, at least initially, to the wealthiest of the rural population (Lipton, 1980; Stark, Taylor and Yitzhaks, 1986; Taylor,

Mora, Adams, and Lopez – Feldman, 2005). If this hypothesis is correct, the presence of a long- distances migrant in a particular household may well be associated with a lower level of poverty in that household, but also with greater inter household income inequality when compared with non-migrant and intra Africa households. Economic causes have caused more migrations than any other single category. If migrants face unsatisfactory conditions at home, such as, unemployment or famine and that the economic opportunities are better elsewhere, they will be attracted to the thought of moving. To a nomadic herdsman, better opportunities might be abundant grass and water; to a western emigrant, rich soil, and to a modern worker, the promise of a high paying job. Attractions such as these are pull factors and those that contribute to dissatisfaction at home are called push factors. Very often, migration is as a result of push and pull factor (Fellman and Getis, 2014). Migration of humans has continuously produced significant spatial, demographic, economic and social effects (both at the origin and destination) have inevitably generated the need for an on-going study of phenomena. Geographers and other disciplines are particularly interested in the study of human migration. Indeed, the terrestrial redistribution of population is an attractive subject for spatially oriented disciplines. The dynamic aspect of human migration has attracted more attention and at the present time interest in spatial processes and spatial interaction is of concern in modern geography (Ihali and Jafarey, 1999).

Remittances are a positive outcome of migration. Remittances, the portion of migrant worker's earnings sent back from the destination of employment to the place of origin of the migrant, play a central role in the livelihoods of many households and have become a focal point in the ongoing debate concerning the viability and sustainability of this livelihood option (Ratha, 2003). Migration whether internal or international, has become" an important livelihood strategy among household in most developing countries. The is because it provides migrant households with remittance that are uncorrelated with agricultural income (World Bank, 2006). This research has assessed the effect of migrants' remittance on the livelihood of households in Igabi Local Government Area of Kaduna State, Nigeria. Nigeria represents a good case study for examining these issues; not only is poverty in Nigeria, but the country also produced a large number of internal and international migrants. For instance, remittances to Nigeria were estimated at U\$\$ 2.8billion in 2005 making the country the highest recipients in Social Security Administration (S.S.A) and one of the top 25 recipients In the World (Guptal et al, 2009). A recent study by Oseni and winter (2009), using a nationally representative data set, showed that about 5.5% of the average household income in Nigeria is from remittances and the households in the Southern regions received more from remittances than their Northern counterpart. From the existing literature on remittances, several gaps still exist particularly in Nigeria. The authors are silent on the specific effect of migrant's remittances on the livelihood of house in parts of, and Nigeria as a whole. This is the research gap, which was addressed, using primary data that was collected from Igabi LGA of Kaduna State, Nigeria.



Statement of Problem

For some individuals, especially young boys and men, out-migration into cities is a necessary approach to overcoming poverty and attendant powerlessness in rural areas notwithstanding the implication of such migration for individuals, families and groups in destination locations. In some instances, the recipients are hardly aware of the impending human conditions; yet most strive to accommodate the migrants in line with the Africa extended family tradition and hospitality, at times at severe costs. The volume of internal migration in African countries was aptly highlighted by Findley (1997) in the following: By any measure, millions of Africans are migrating from one place to another within their countries. Without regard for migration type, one in five Africans is no longer living in his or her birthplace. Migration to urban areas or particular cities ranges from 12 percent to 66 percent. In many cities and regions, the proportions are well above 33 percent. Migrants often maintain economic and social ties (remittances) with the community of origin. Some of the role remittance played could be attributed to rural livelihood, to construct houses and enabled children's education (Ihali and Jafarey, 1999). Remittances may also be used to acquire assets –housing, land, financial assets, and business in the community of origin. There is a growing interest in the extent to which migrant remittances are channeled toward physical capital investments, especially land and housing. However, very little is known about any specific investment that migrants make in their communities of origin. Also, in the last few years, there has been a remarkable renaissance in the interest in remittances. This interest has undoubtedly been triggered by a striking increase in the flow of remittance after years of relative neglect; it has been rediscovered as a potential source of development finance. Remittances sent back to developing countries rose from \$31.1 billion in 1990 to \$76.8 billion in 2000 to no less than \$167.0 billion in 2005 (Kapur, Devesh and McHale, 2003). Registered remittances now amount to well over twice the amount of official development assistance and are 10 times higher than net private capital transfers to developing countries (Kapur and McHale, 2004).

The impoverishment of rural areas in Nigeria is partly explained by out-migration of able bodied youths in search of employment in cities. Consequently, agriculture which prior to discovery of oil was the mainstay of Nigeria's economy was far relegated to the background leading to the country's mono-economy status. Overdependence on oil, as it is obvious in Nigeria's economic sector has led to employment crisis which hence has increased the rate of out-migration in the country. From all the studies carried out on migration and remittances, none have focused on effects of out-migration particularly on how migrants' remittances have impacted on the livelihood of households in Igabi local government area of Kaduna state. This is the gap on existing studies that the present study has attempted to address.

Aim and Objectives of the Study

The aim of this research is to analyze the effects of Migrants' Remittances on the livelihoods of Household in Igabi LGA of Kaduna State and this will be achieved through the following specific objectives:

- i. To examine the volume of out- migration in Igabi local government area.

The Analysis of the Effects of Migrants' Remittances on the Livelihoods of Households in Igabi Local Government Area, Kaduna State

- ii. To identify the form of remittances received by households in Igabi local government area.

Study Area

Igabi local government area was created in 1989 out of Zaria local government, with its headquarters at Turunku. The local government shares boundaries with Giwa and Zaria to the North, to the south by Kaduna north, to the west by Birnin Gwari and to the East by Soba. Igabi lies between latitude $10^{\circ}37'N$ and $11^{\circ} 15'N$ of the equator and longitude $7^{\circ}17'E$ and $8^{\circ} 12'E$ of the Greenwich Meridian. Igabi lies within the hinterland of Kaduna metropolis with a total area of $3,727\text{km}^2$.

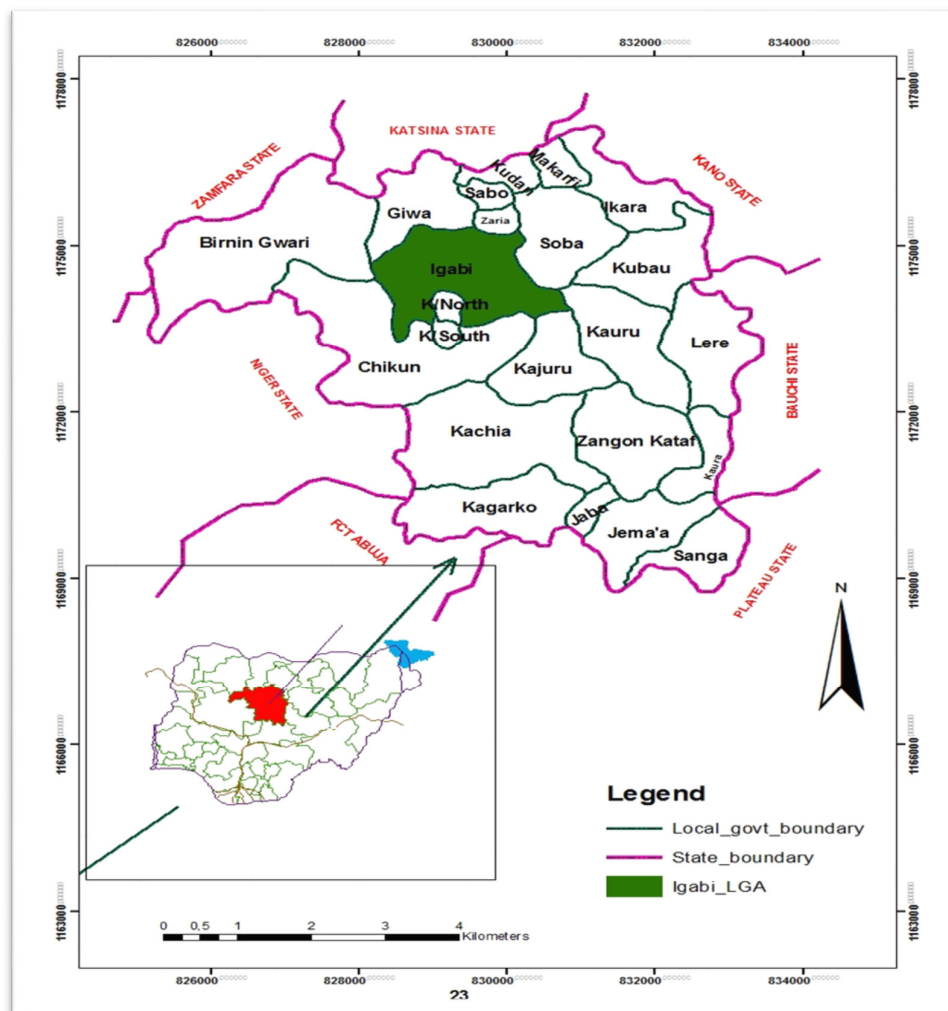


Figure 1: Kaduna State Map Showing Igabi Local Government Area with Nigeria as Inset. Source: Dept. of Geography, K.A.S.U 2018

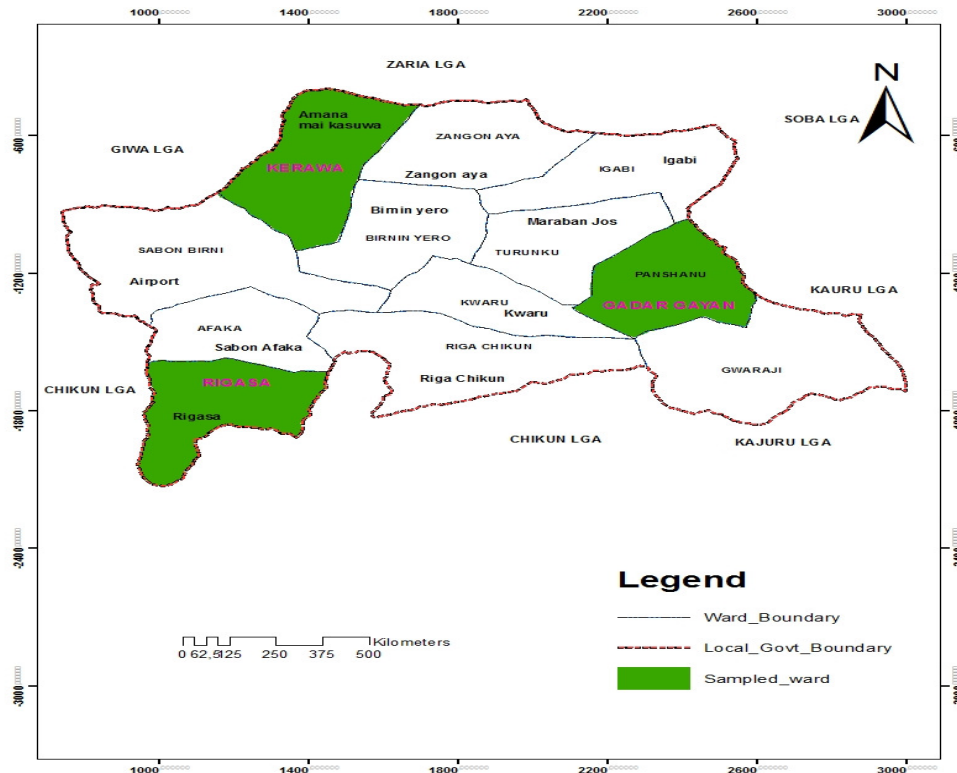


Figure 2: Government Map Showing Sampled Wards
Source: Dept. of Geography, K.A.S.U 2018

RESEARCH METHODOLOGY

Reconnaissance survey

Reconnaissance survey of the study area was carried out in order to be conversant with the area and it helped in determining the sample size of the study area, draw out the questionnaire and order necessary instrument that was applied in the course of the research to meet the objectives.

Types of Data Required

The type of data required for this research include data on Age, Sex Marital status, educational attainment, level of income, occupation, effects of remittance, forms of remittances received, livelihood of households and size of household.

Sources of Data

Primary Source

Data information on level (no) of migrants and their demographic and socio-economic characteristics were generated directly from the sample through interviews using well-structured Questionnaire.

Secondary Source

The secondary source was accessed through the consultation of related books, newspapers, magazine, journals, article, gazettes, and other relevant materials which was of help in generating ideas related to the study.

Sampling Technique and Study Population

Three wards were sampled out for the purpose of this research out of eleven using the systematic sampling. These three wards represent the administrative, commercial and household characteristics of Igabi Area. The eleven wards were arranged alphabetically and every third was selected that is 3rd, 6th and 9th were picked. Igabi Local Government Area In 2006 has to total population of 423,753 (NPC, 2009). A projected population By Kaduna State Government recently Estimates the Local Government Population to be 627,155 and 667,676 (336,996 males and (330,680 females) for 2018 and 2020 respectively. To determine the sample size for this research, Krejcie and Morgan's (1970) method of determining sample size was adopted, where population size of 75,000-999-999 has a sample size of 382.

$$N = \frac{z^2 \times p(1-p)}{m^2}$$
 where n= sample size for infinite population, z = confidence level, p=population proportion and M= margin of error at 5%= (0.05)

Data Analysis

The data were analyzed based on the Objective of the study. The 382 questionnaires used for this research was coded into a computer and analyzed using the IBM SPSS software. The information elicited through questionnaires was collated, analyzed and presented along with that from the NPC and personal observations. This technique was used for data summarization. It allows for descriptive of variable through frequency distribution, presentation of results in percentage, tables, bar charts and pie charts. The inferential statistics is used to establish the relationship between the independent variables of the effects of remittances and the various dependent variable of livelihood like health facility, educational enlistment, and drop in household poverty level. The test would be at 0.05 levels.

RESULT AND DISCUSSIONS

The results of the study are presented below in line with the research objectives

Objective 1: To examine the volume of out-migration in Igabi local government area

Distribution by volume of out migration

The distribution by level of out migration shows large number of respondents have two members of their household that have migrated while only few respondents has least number of household that migrated.



Table 1: Distribution by volume of outmigration

Family members migrated	Frequency	Percentage
2	200	37.83
4	44	8.31
6	180	34.02
7	105	19.84
Total	529	100.0

Source: Field Survey, 2017

This implies that migration has become the order of the day in the study area as a means of survival of the people in the area of study. The population of any defined area at a particular time can be influenced majorly by three demographic factors: birth rate, death rate and migration (Fellman and Getis, 2004). Migration was identified as pathway out of poverty for rural households in developing countries because it provides households with source of income (World Bank, 2007).

Distribution by destination of Migrant

Table 2 shows the distribution of respondents by destination of migrant shows that most of the migrants move to the city (57.08%) and rural dwellers have 14.75 percent

Table 2: Distributions by Destination of Migrant

Migration Destination	Frequency	Percentage
Urban	302	57.08
Rural	78	14.75
Others	149	28.17
Total	529	100.0

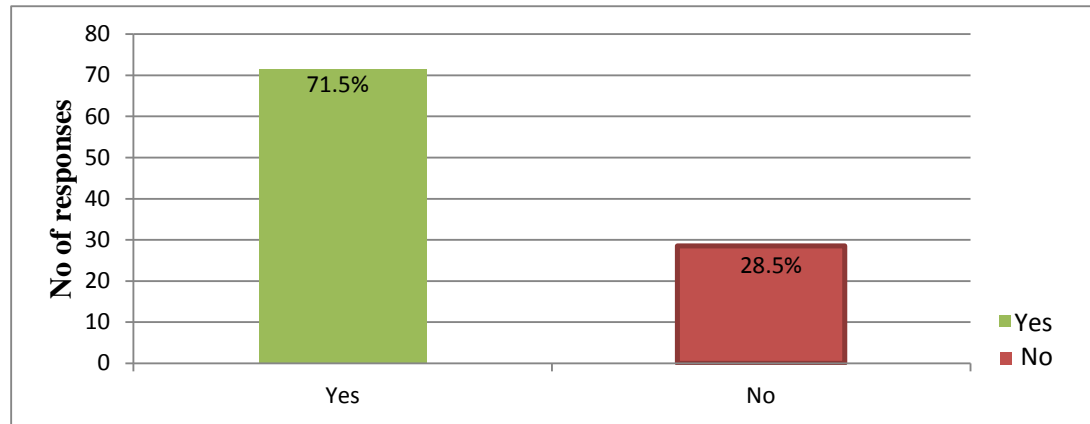
Source: Field Survey, 2017

Others mean those that have migrated outside the country with 28.17 percent. According to DFID 2006, the main destination of remittances to Nigeria is Lagos, which receives about 60% of the flows, followed by Abuja with 15%. However, they are not necessarily the final destination of the funds. These clearly indicated that migrant migrate to cities in search of job opportunities or education.

Distribution by Migrants regularity in visiting home

Figure 3 shows the distribution of respondents by how often the migrant visit family at home. The result shows that most of the respondents (71.5 percent) often visit their family at home, 28.5 percent do not visit their family

Figure 3: Percentage Distribution of Migrants Visit to Family Home



Source: Field Survey, 2017

This clearly shows that migrants mostly visit their wife, children and parents during festivity.

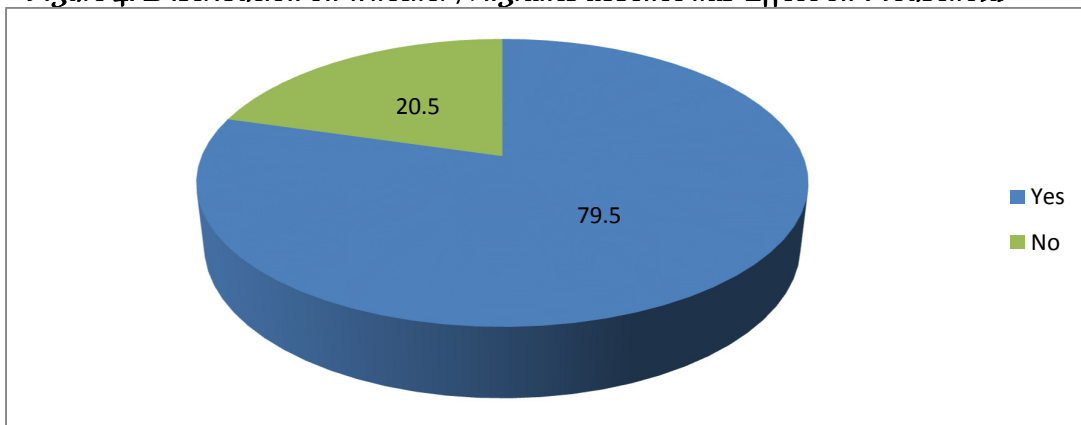
Effects of Migration

This section discusses migrant's effect in their respective households.

Effect of Migrants Absence on household

This section discusses migrant's absence effect on the household. The distribution of respondents in figure 4. 'either the migrants' absence has any effect in the household' shows that 79.5 percent agreed that there is effect in the household while 20.5 percent did not.

Figure 4: Distribution on whether Migrants absence has Effect on Household



Source: Field Survey, 2017

This shows that majority of the migrant's absence have affected the household in different ways with regards to the type of work the migrants engages in before migrating.



Objective 2: To identify the forms of remittances received by households in Igabi local government area.

Forms of Remittance Received

Table 3 shows that majority of household which represent 67.5 percent receive remittances from migrant by monetary form which could be by bank, friends coming home, while 32.5 percent household receive remittance by non-monetary form which could be in the form of foods stuff, clothes or farm tools.

Table 3: Distribution by Form of Remittances received by Household

Remittance receiving by household	Frequency	Percentage
Cash	254	67.5
Kinds	122	32.5
Total	376	100

Source: Field Survey, 2017

Remittances contribute to economic growth and to the livelihoods of people worldwide. Moreover, remittances can also promote access to financial services for the sender and recipient, thereby increasing financial and social inclusion. Remittances also foster, in the receiving countries, a further economic dependence on global economy instead of building sustainable, local economies (Englama, 2009)

Ways Households Receive Remittance

Table 4 indicates that the major channels in which household receive remittances from migrants is through friends coming home with 32.7 percent, followed by the migrant bringing the remittance home by self with 31.9 percent, and remittances sent through banks with 14.9 percent.

Table 4: Distribution by Ways Household Receive Remittances

Ways of receiving Remittances	Frequency	Percentage
Through bank	56	14.9
Through friends	123	32.7
Through relatives	73	19.4
Remittance brought home by migrant	120	31.9
Others	4	1.1
Total	376	100

Source: Field Survey, 2017

Indeed, the need to remit to the countryside and villages may increase with urbanization. Relatively high urban incomes support the ability to remit. The same benefit of stimulated economic growth via remittances is also likely to apply as they help overcome inadequacies in the financial infrastructure in rural areas. Indeed, remittances could

promote the development of financial infrastructure as banks and other financial institutions are attracted to country-side by the remitted funds.

Ways in which Remittances are used

Table 5 shows that 202 respondents representing 53.7 percent utilized remittance to cater for immediate household need, followed by 17.3 percent of respondents who engaged in petty trading and least percentage 4.8 percent goes for education.

Ways in which remittances are used

Ways of Remittances used	Frequency	Percentage
To purchase farm implements	61	16.2
To cater for immediate household needs	202	53.7
Medical treatments	30	8
Engage in petty trading	65	17.3
Educating other members of the family	18	4.8
Total	376	100

Source: Field Survey, 2017

The use of remittances is mainly to cater for the immediate household needs due to the poor economic situation of the study area so as to make a living and the least goes for education due to less importance attached to education in the area. Thus, evidence suggests that remittances from abroad are crucial to the survival of communities in many developing countries as indicated in the World Bank country analysis report (1990). Oluwa and Adebayo (2015) said that about 73.4 percent of households in rural Nigeria were engaged in farming activities as a major source of income for the rural household heads.

Forms of Remittance Received

Table 6 shows that majority of household which represent 67.5 percent receive remittances from migrant by monetary form which could be by bank, friends coming home, while 32.5 percent household receive remittance by non-monetary form which could be in the form of foods stuff, clothes or farm tools.

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Source: Field Survey, 2017

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CONCLUSION

Inadequate formal education attainment has added to the severe poverty in rural areas. And this can be a reason for rural-urban migration among the households in Igabi Local Government area. Rural-urban migration has Positive effect on the migrants and their households but it could also have some consequences on both migrants and Non-migrants in the area in terms of brain drain and brain gain. There is considerable increase in inflows of migrant remittances to Igabi LGA and these remittances have not only improved household standard of living but have become an important source of income for consumption smoothing in Igabi LGA. Since Remittances are largely private household activities, governments may find it difficult to regulate how recipients use these remittances. Nevertheless, government programs that guide families of Migrant workers in maximizing the benefits of remittances maybe helpful in enabling families to utilize the remittances they receive positively.

RECOMMENDATIONS

- i. The need for qualitative functional education cannot be overemphasized. Related to this is the need to construct and equip educational institutions in rural areas. This can help in stemming the tide of rural out migration.
- ii. Migrants prefer to send remittances through informal channels as a result of high cost of fund transfer or inadequate access to financial services. There is need to promote access to financial services with particular attention on rural areas.

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