

Internal and International Labor Migration in Uganda: The contribution of Remittances to household livelihoods

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Abstract

This paper highlights the role of both internal and international remittances in improving the livelihoods of individuals and households in Uganda. Findings from this study will provide a better understanding of the characteristics of migrants in sending and receiving countries and thereby help inform national policy-makers about trends in migration and remittances, determinants and consequences, and development impacts. A total of 2,040 individuals were recipients of remittances, according to the 2007 remittances survey. Available evidence shows that about 20% of Uganda's population (equivalent to about 3.6 million persons in 2009) had migrated from one district to another, and 0.2% had migrated from outside Uganda. Migration is slightly higher among the males than their female counterparts. The paper also highlights two issues: (i) the level of internal migration and international migration in Uganda; and (ii) the contribution of remittances to national development in Uganda.

Introduction

One aspect of migration that is of a vital concern to policy and development in Africa is labour circulation (DFID 2004a). Labour migration across nations has been in existence for a long time. It is a process majorly driven by pull and push factors including voluntary and involuntary; or forced migration due to wars and political instabilities. While in the past this process took place virtually unnoticed, it is only in the last three decades that migration has become an issue of growing concern to the international community. This is attributed to the increased volume of flows of

migration. The increased migration is a result of several factors; wars, social instabilities, economic reasons such as hardships and increased unemployment and education reasons, among others. Of recent the surge in labour migration is a result of globalization and regional integration processes, easy communication due to ICT revolution and liberal migration policies pursued in some of the developed world (this category of migration however affects mainly skilled and semi-skilled labour), and foreign investment incentives offered in developing countries.

East Africa's and indeed Uganda's cross border migration has been triggered by the instability of the region which poses particular challenges to cross-border co-operation in the field of migration. The absence of a sub-regional dialogue on migration issues, which includes all the countries placed along the East Africa migration routes, also impedes the development of a common understanding of migration towards, within and out of the sub-region. In Uganda like many other countries have a long history of labour migration within the country and also externally with other countries outside the region. Penetration of foreigners to East African countries has been long and this sparked movement of labour within East African countries.

Migrant destination locations include agricultural estate plantations in Uganda, mines in the DRC as well as in Uganda, seasonal migration by pastoralists in Kenya, Tanzania and Uganda (DFID2004a). Most migrations in East Africa are intraregional, and characterized by migrant workers undocumented migrants, nomads frontier workers, refugees as well as highly skilled professionals. East Africa's migration experience is largely male selective with an increasing female autonomous migration as a survival strategy (Adepoju, 2002). The internal migration trends are seen as a reaction to the unfavorable socioeconomic conditions in the region.

East African Countries host a number of refugees and the current political trends in Africa are a key indicator that they might continue to host even an increased number

in the near future. This situation including refugee flows has been signaled by the rapid population growth, economic depression, conflicts, political instability, widespread poverty and deepening unemployment

Studies have highlighted the contribution of remittance in household management. In South Africa, remittances constitute a significant one-third (32 percent) of the total income of rural households. In East Africa, Studies have shown that rural families increase their livelihood security by splitting the locations of the family, most often by one member of the family migrating to an urban area (Bigsten1996). In these families, remittances offer relief as well as insurance in times of adversity. Various studies in the region have looked at impacts on remittances from shocks to rainfall, which impacts crops and livestock as well as shocks through ill health or death in the family (Lucas 2005).

Remittances of internal migrants may seem insignificant when compared with those of international migrants. But they have wider coverage as more people are involved in internal migration. Internal migrant families tend to be poorer than international migrants or even non-migrant families. Nguyen, 2008:5; Marx and Fleischer, 2010: 41; Hugo, 1982; Jhang, Kelley et al: 2001 found that remittances of internal migrants helped households advance their living standards through improved diet, better access to education and healthcare. In the context of India, Deshingkar (2006:92) pointed out internal migrants prevent poor rural households from sliding further into poverty. The 2004 Vietnam Migration Survey covering nearly 5000 migrant households across 11 cities and provinces reported that more than one half had sent money to their households of origin. Agincourt survey data (2005) on South Africa shows that 'households that have lost temporary migrants of either sex, through retrenchment or death, have a significantly higher risk of being chronically poor.' However, given the absence of sufficient data on internal remittances, this paper will dwell more on international labour migration and the attendant impacts of remittances.

Methodology

This paper makes an analytical review of literature on impacts of internal and international migration on household livelihoods in Uganda. It is based on available secondary data covering both qualitative and quantitative studies on Uganda and other selected African countries. The aim of the review is to collate existing evidence on the contribution of remittances to household livelihood. The paper also reflects on the Uganda Remittance Survey report (2007). The sample size was computed basing on the proportion of recipient households as obtained from the listing returns. This consideration yielded a sample size of 2040 remittance recipient households. A matching sample of 2040 non-recipient households was selected alongside the recipient households. This implied an overall sample of 4080 households.

Findings

This paper is divided into two main sections. The first section presents a highlight of the level of international migration in Uganda, while the second part deals majorly with the contribution of the remittances to household livelihoods.

The migrants

All the East African States (Kenya, Tanzania and Uganda) do not have emigration laws. The movement of nationals from these countries is uncoordinated and not synchronized. Historically, there was little emigration of East African but in comparative terms compared to Tanzanians, Kenyans and Ugandans emigrated due to reasons such as wars and economic hardship and unemployment. Today, there are some indications that there is a sharp increase in the number of East African migrant workers, both women and men working abroad. The movements are composed of legal and illegal as well as skilled and unskilled. Most of skilled East Africans migrate to more developed economies particularly in North America and Western Europe. A significant number of East Africans also have in the past emigrated to Southern Africa Development Community (SADC) countries mainly

Botswana, South Africa and Swaziland. Most of the unskilled East Africans migrate to South Africa.

According to Orozco (2008), at least three waves of emigration can be identified in Uganda. The first major wave occurring circa the period of dictatorship in 1972, when 80,000 Ugandans of South Asian descent were expelled from the country. A second wave occurred between 1971 and 1986, when thousands of Ugandan refugees left the country as a result of armed conflict and political instability. A third wave of migration has resulted recently from the prevailing ties with the Ugandan diaspora and the way in which globalization has generated push-and-pull factors on labor mobility.

Migration from the East African region is relatively smaller than from other countries worldwide. However, due to historical circumstances in the region, Eastern Africa is both a migrant sending and migrant receiving sub-region. High rural unemployment, intercommunity inequality, environment factors such as droughts and rainfall unpredictability, high population growth as well as political instability can be considered as the main drivers of emigration in much of Eastern Africa in recent years. Many East Africans have emigrated abroad. However, it is hard to find accurate quantitative data on the numbers and trends of East African nationals in the diasporas. According to the recent World Bank fact book (2011), the stock of emigrants as a percentage of the total population of the country was 8.7 percent for Somalia, 2.2 percent in Uganda, 1.1 percent in Kenya and only 0.7 percent for Tanzania.

Estimates from the Development Research Centre on Migration, Globalisation and Poverty, there may be nearly 200,000 Ugandans abroad, representing about 0.5% of the country's population (Orozco, 2008). The top destinations for Ugandan emigrants are the United Kingdom, Tanzania, the United States, Canada, Rwanda, Sweden, and Kenya, among others. The UK in particular is home to a large Ugandan diaspora

community, due in part to colonial ties between the countries and the fact that, prior to 1990; Ugandans did not need a visa to travel to the UK.

Further evidence from the Uganda remittance survey (2007) suggests that the remitters cut across all age groups, but are mainly in the 20-49 years age range. The majority of remitters (69.6%) have lived abroad for periods of 10 years and less. The bigger proportion of remitters, (64%) was married, while 29.6% were in the never married category. Most remitters, (86.2%) attained a qualification of secondary school level and beyond. The bigger proportion of households (36.9%) indicated that remitters were based in Europe, which was followed by Africa (29.0%) and North America (24.5%). The majority (93.0%) of remitters are in the 'working' category.

Impacts on Livelihoods

In terms of the consequences of migration for the poor, Oucho (1996) discusses the problems of balancing the costs and returns to rural areas of rural-urban migration, in terms of loss of labour, the cost of supporting the move and establishment in the town, returns in the forms of remittances, both economic and socio-cultural, and the eventual return migration. He argues that migration creates dependency in rural areas of Western Kenya on urban migrants and remittances (Oucho 1996). Kenya is also country of origin and transit for trafficked persons, primarily women and children. Internal trafficking is reported to occur, with an estimated 200,000 street children in Kenya, a significant number of who are believed to be engaged in forced labour or illegal activities, including prostitution (USDOS 2003).

In Uganda, study of livelihood strategies in Mbale, Kamuli and Mubende Districts (Dolan 2002) compared female and male-headed households, finding a greater number of economically active adults migrated from the former than the latter. This affected male sons in particular. However, although remittances were found to play

an essential role in female headed households, this did not translate into enhanced income diversification, since off-farm opportunities for women were more circumscribed than for men. There is also some evidence in Uganda of the association between HIV/AIDS and migration. Thus a longitudinal cohort study in a rural county of Masaka District found age and sex-standardised seroprevalence rates were 7.9 per cent overall, but just 5.5 per cent for adults who had not moved home, 8.2 per cent for adults who had moved within the village, 12.4 per cent for those who had moved to the neighboring village, 11.5 per cent for those who had left the area, and 16.3 per cent for those who had joined the study area (Nunn et al. 1995).

Outbound money transfers from Uganda do not seem to be a negligible issue (Orozco, 2008). While this study did not focus on that particular flow, there are important reasons to consider its study and analysis. First, the official figures suggest a larger number of outbound remittances than the number of Ugandans reported abroad. Second, a non-negligible number of these immigrants are believed to be refugees, many of whom are receiving remittances from relatives elsewhere.

Use of Remittances

The extent to which rural households engage in short and long-term migration to maintain and diversify household income and reduce risk in the face of agro-climatic constraints is well documented in Kenya. Studies have shown that rural families increase their livelihood security by splitting the locations of the family, most often by one member of the family migrating to an urban area (Bigsten 1996). This may be necessary in marginal areas as there is insufficient economic capital in rural areas to diversify sources of income without migration (Oniang'o 1995). Research carried out under DFID's Natural Resources Policy Research Program (NRPRP) shows, in a small sample in Makueni district, not only that over half of households surveyed had access to migrant income, but that this was also larger and more secure than income from local wage labour, and had contributed to investment in farming (Nelson 2000).

Hoang (2011) stated that despite their immobility, the extended families in source areas have been found to play a significant role in migration. Migrants often move with various kinds of support including funds mobilised through family network. In turn, they are expected to fulfill their duties to those family members (Hoang, forthcoming). The Vietnam Household Living Standard Survey (2001:22) informs that remittances in Vietnam were disproportionately directed to those who are more than 50 years old. In Vietnam, elderly women, aged 60 and above, are more likely to receive remittance than elderly men (Marx and Fleischer, 2010:41). Studies on Indonesia, Nepal, India and Bangladesh provide ample examples where migrants extended support to families at the time of wedding, funerals and religious events. Hoang (forthcoming) cited positive links that exist between migration and health and well being of the elderly in Indonesia. Adhikari ((2011) reported short term seasonal migrants can make more out of migration when they have initial support in the destination areas. Extended family members or neighbours help these migrants to find jobs and arrange stay at the early stages of migration.

Evidence from the Uganda remittance survey shows that most households (69.8%) indicated that remittances in cash were used for consumption, in particular, for household expenses like food, clothing, rent and other utilities. In terms of value, the higher proportion (27.4%) was spent on education. Apart from consumption, a good proportion of cash remittances (41.1%) were spent on savings and investment with building works accounting for 21.2%. Household expenses accounted for (22.0%) of the total. The findings on remittance use are supported by community perceptions on the impact of remittances. Overall, remittances were perceived as having a positive impact on the general standard of living (48.0%). Remittances were also linked to construction of better houses (31.6%) and improved access to better schools (31.6%). There are however regional variations in terms of the perceived impact.

Conclusion

Labour migration and the role of remittance transfers from emigrants to their origin countries have attracted increasing attention over the past few years, yet little is known on the magnitude of remittances receipts by developing countries and Uganda has not been an exception. The size of remittance inflows varies considerably among the countries. This paper has shown that the impacts of diaspora remittances are associated with the positive role attributed to remittances sent by Ugandan emigrants to their families.

Recommendation

Uganda lacks research and empirical evidence on migration impacts. There is therefore urgent need for empirical research, both quantitative and qualitative to establish the impact of remittances to the individual, household and community levels in both sending and receiving communities. This would allow direct analysis of macro, micro and meso level issues in producing migration outcome.

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