

The Socio-Economic Value of Home Remittances as means of Reducing Rural Poverty: Case Study of Igbomina Migrants in Lagos

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Abstract

Remittance is anything of value (cash or kind) sent regularly by relation or friend that has come to form part of the means of sustenance of the receiving group or individual. Remittance include money and materials sent home for the construction of houses at natal home by Lagos migrants. Recent studies have demonstrated that remittance could emanate from both urban and rural areas. However the focus of this paper is the remittances sent from urban to rural area and how this has become a major source of income and an invaluable means of reducing rural poverty. The flow of remittance can be both direct and indirect; it can be obligatory or free choice. Remittance reflects the strong tie that migrants maintained with their home area. It serves as a form of social security for the aged parents and relations left back at home. To some recipient, remittance was the sole source of livelihood. The paper argues that for the Igbomina migrants in Lagos, home remittance was obligatory and have provide means by which urban live was being enjoyed in rural area. It is the contention of this paper that home remittances has been a veritable tool through which poverty has been drastically reduced in rural Igbomina Society and needs of home people supplied.

Keywords: Remittance, Economy, Rural, Alleviate, Poverty

1. Introduction

A careful survey of the current demographic situation in Igbomina shows that a great proportion of its economically active population is settled outside the homeland, predominantly in the South-western parts of Nigeria primarily in search of economic fortune. Like the Jews, Diaspora Igbomina are migrants who, in spite of their long absence from home, still regard the original home as the ultimate place of habitation to which they hoped to retire at old age. Home, to them as is with most Yoruba sub-groups, is not just a geographical location, but also a meaningful cultural niche, representing the past, present and future. "Home" is where the umbilical cords of children born in cities are buried. "Home" is where they themselves will eventually be buried¹. The consciousness that they would one day retire from public life and return to their villages meant that improving the living condition of the people and place now, rather than later, is of priority consideration. It is therefore, not a great surprise to see the energy and resources committed by Igbomina migrants to community development in their villages and remittances sent to sustain the people back home.

2. Migration and Settlement in Lagos

Migration of Igbomina people to Lagos dated back to the last decade of the 19th century. However, prior to the establishment of colonial administration, evidence abound of traditional migration associated with origin of the people dating back to the 18th and early part of the 19th centuries. During those periods, population was constantly being redistributed through migration of small groups. Migration from kingdoms to acephalous communities caused by disputes of office (Chieftaincy) seems to be common in Yoruba-land then.

However, migration associated with economic activities did not commence in Igbomina until the second part of the 19th century. This has to do with the long drawn civil wars that plagued the entire Yoruba country and restricted long distance trading to a few individuals who enjoyed immunity from abduction through the protective umbrella of the Lagos Colony Government².

Those that were initially involved in long distance trading in the late 19th century confined their activities to seasonal migration conducted during dry seasons to avoid a clash with agricultural production. These were the pioneers of economic migration in Igbomina whose destinations were then mainly in and around Bida, Ibadan and Kano. Lagos being a relatively

small coastal village was unknown to them. The relative prosperity and enhanced living and financial capacities of these few seasonal migrants, coupled with the forced absorption of Nigeria into the colonial economy, led to an increase in migration flow towards the coastal region in search of wage labour and trading activities.³

The imposition of Colonial rule from 1900 brought greater peace and security. Consequently, there was a considerable flow of migration, following the consolidation of the colonial presence. However, right up to 1920, migration was still exceptional and relatively slow. Between 1920 and 1945, it increased slowly, but from 1945 to 1985, the rate of increase accelerated rapidly for reasons having to do with socio-political and economic transformation of the country. The pre-independence and four of the post-independence National Development Plans all fall within this period when greater emphases were placed on urban development to the detriment of the rural area. Therefore, a shift of the neglected rural population in order to enjoy urban privileges was inevitable⁴. Migration was the result.

The population that was not involved in long distance trading at the early stage could only make do with subsistence farming in food crops. However, this traditional economic system could no longer absorb the full potential energies of the population especially of the males. The absence of an adequate market for produce over and above the need of the local subsistence meant minimum utilization of the potentiality of the work force. It was, therefore, natural for people to look outward for places where this human potential could be adequately utilized.

The Igbomina were among the earliest migrant communities to settle in Lagos in the early part of the twentieth century.⁵ Majority of the males who migrated to Lagos between 1900 and 1920 had been circulatory migrants who were either unmarried or whose families had been left at home. From the 1920s, however, the entire Igbomina population in Lagos began to take on the characteristics of a settled community of sojourners rather than a community of circulatory migrants.⁶ Many were already doing well in their businesses. But the world economic depression of the early 1930's saw the economic gains of the early years go down the drain. However, as the recession years passed by, the prosperity that came along in the 1940s and 50s made a remarkable imprint on Igbomina as ownership of houses with corrugated iron sheets, became a status symbol found in most Igbomina villages through remittances sent by migrants to parents and relations⁷. By this time there was great glamour and prestige associated with migration especially to Lagos.

It was seen as rite-de-passage, to be a real man (enlightened) you have to have been to Lagos at least once. Nearly all of the earliest migrants were exporting their strength and not their skill and were going to work as labourers. Petty trading accounted for more than fifty per cent of the occupational group as they graduated from labourer work.

It is within this frame work that this paper examines the Igbomina migrant community in Lagos within the context of its remittances advanced to the home region and the impact of this on socio-economic life of relations back at home.

3. Remittances and Its Socio-Economic Impacts on Home Region

Most studies on remittance in Nigeria, as elsewhere in developing countries, tend to focus primarily on the unidirectional flow of remittance, between migrants, usually in urban areas, and home place or rural areas. However, recent studies have demonstrated that remittance could emanate from both urban and rural areas.⁸ For example, it is on record that most fresh migrants originating from Igbomina often received assistance from home, in both cash and kind, for their sustenance in Lagos for the first two to three years. New migrants who took up apprenticeship on arrival were not expected to remit money home in the early years of arrival but rather expect assistance from parents at home, if as a token of their love.

Even old migrants valued greatly things that were sent from home, not for the quantity or quality of the item, but as symbol of being remembered by people at home. Things like, yam, *elubo*, (yam flour) *kulikuli* (groundnut cake), live chicken are a few of such items that were often sent from home as a sign of love or reciprocity. Therefore, while remittances of great economic value were mostly from Lagos to the home region that is Igbomina, there is no doubt that remittance also flew from the home region to Lagos. We define remittance for the purpose of this work, as any thing of value (cash or kind), sent regularly by relation or friend that has come to form part of the means of sustenance of the receiving group or individual. Consequently, cash and food items sent regularly by parents to apprentice migrants in Lagos from the early years of migration could be regarded as remittance too. Remittance will also include money and materials sent home for the construction of houses at natal home.

The information on remittance does not include the contributions migrants make to the various Development Associations, Socio-cultural Organisations, Clubs and societies, which in

most cases were directed at specific development projects at home place of migrants. In addition, gifts offered to visitors from home or taken home during home visits were not included in the analysis. Experience shows that only cash remittance can be easily measured, although such information is also subject to error of memory.⁹ However, clothing materials and other European goods sent home regularly that have come to form means of sustenance for the home people could equally be regarded as remittance.

A review of the prevailing economic situation prior to the period of intense migration shows that the living condition in Igbomina was relatively poor, resulting in part from the scarcity of non-farm employment opportunities and the subsistence economic activity in the area. The cost of education solely borne by parents represented a heavy financial burden for most people who sponsored their children from the meagre earnings from the subsistence economic activities up to the 1960s. To both parents and their children, education was regarded as a vehicle for social mobility and for most people, an escape from the arduous peasant farming and the low earning that this entailed. This awareness was responsible in part for the great obsession for western education. Thus, parents invested in their children, in both formal and non-formal education [including out-of-school training as apprentices] and later sponsored them to the town in search of employment in business or wage labour. Some youths continued to depend on parents and invariably relations-who had earlier migrated to the town for a long period before they secured a job and suitable accommodation. Ultimately, after securing a job and accommodation, migrants were expected and feel obliged- to send home part of their earnings, in part to support the family at home and most invariably to finance the education of children or younger brothers and sisters.¹⁰

The extent of the need for such remittances varied according to the economic status of the household at home. For most migrants, the remittance represented, in part, the reward for migration, or as an insurance against the time of return migration at old age. For others, especially, those who left their families back home and those with aged parents, remittances were simply obligatory.¹¹ Caldwell has formalised this behavioural pattern into the theory of intergenerational flow of resources.¹² He states that the flow of remittance is both direct, in the form of cash transfer, and indirect, involving gifts in consumer and durable goods, sent or taken home during periodic visits or offered to visiting relations. Home visitation serves as a means of

sustaining the socio- cultural link with home place. Such visits are also made for specific objectives: to supervise a building, during festivals and vacations or merely to occasionally look after the welfare of relations at home.

Very few people did not visit home and these were those who have no living parents and or relatives at home or have moved the remaining relatives to live with them or have migrated to the town while young. These migrants are permanent town dwellers. However, for most people, the contact with the home place remained strong as they still nursed the hope of returning home at old age to rest, die and be buried there.¹³ For most Igbomina, link with home is not only socio-cultural but also economic from as early as the 1940's. The economic link in the form of remittance of money is very important. Therefore, home visit could be very expensive. Home visit was a period when returning migrants demonstrate (or is expected to demonstrate) to the stay-at-home, how successful he/she has been during the year. Almost every relation, parents, brothers, sisters, and even in-laws, expected gifts ranging from clothes to cash. Apart from remittance of money, various items of consumer goods such as bread, biscuits, eggs salt, provisions [milk] are taken home. Others take home items of clothing, radio, wall clocks etc.

Incidence of home visits varies with the characteristics of migrants. The young visit home more frequently, while the old were tied down by family responsibilities. Nature of occupation also influenced frequent home visits. The link with home place was also fostered by remittance of money. The remittance system has become an institutionalised aspect of migration as observed by Adepoju.¹⁴ Rural households have come to depend on it for their sustenance as majority of them engaged in predominantly subsistence agricultural production with extremely low cash returns. Parents, who inspite of the extremely limited resources sent their children to school or to learn a trade, regarded this as an investment, a sort of enlightened self-interest. At the completion of education or apprenticeship, such children, were as a matter of obligation, expected to render regular returns to the parents to improve the standard of living.

A number of such migrant school leavers/freed apprentices interviewed in Lagos confirmed the obligatory remittance to parents especially after securing job. They claimed that they set aside a particular percentage of their earning as remittances to parents ranging from ten to thirty per cent, depending on the migrants total earning and the economic condition of the parents at home. About 20% of those interviewed claimed that they sent money home monthly,

45% did so quarterly. Others were doing so randomly when ever they could find some one travelling home. Less than 10% were not sending remittance at all. These probably were the few wayward migrants who had become carried away by the gay city lives.¹⁵ and those whose parents/ family have died or join them in Lagos.

The main recipients of remittance were the parents of the migrants at home. A small share also went separately to the wives and children of the migrants. The distribution of the remittance reflects the social setting in the community. Wives and children of the migrants were regarded as part of the larger family set-up and were not treated as independent economic units.¹⁶ This was in the light of the fact that wives and children were often kept at home under special circumstances. Migrants who had more than one wife often retained one at home to take care of aged parents. Also in a situation where migrants had not secured a strong footing, by way of secured job and accommodation, wives were often left at home under the care of parents. Under any of these two circumstances, wives were neither expected to cook separately nor incur any major independent economic expenses from the migrants parents. Besides the migrants' wives and children, a few other relations also benefit from the remittances, again stressing the obligation to the extended family net work.¹⁷

The direction of the flow of remittances also indicates the major use of the remitted money: over three quarters of the remittance is meant for feeding and general upkeep of the family at home. Only a small part, ten per cent, of the remittances were set aside for investment in trade, education of migrants children and those of relations at home,¹⁸ and still less for savings, trading and building of houses. The low percentage allocated to education is perhaps attributable to the fact that up to the 1970's the major aspect of education undertaken at home was mostly primary schools and the cost of this was minimal.¹⁹ Other aspects of education were often undertaken outside children's home village, and even when at home, they lived mostly in the boarding house and payment of the fee does not form part of the home remittance to parents.²⁰ Money for house constructions were often handled and supervised by migrants through frequent home visits or sent instalmentally to contractor handling the projects. Only about 4% of remittance was often used for marriage dowry and funeral ceremonies etc.²¹ Remittances of early migrants were mostly utilized for tax payment and marriage dowries, these being the initial motivation for migration. The needs and desires of parents at this period had not expanded to

include over dependence on remittances from migrants. Therefore, the data given above was only applicable to the period starting from the late 1960s to early seventies.

Therefore, as migrants retained the hope of returning home at old age, they contributed commodities and services to meet changing consumption pattern, which helped in creating and sustaining small urban centres in otherwise rural environment. The remittance has made it possible for a large number of people in Igbomina to benefit from the development and growth of urban economy, enjoying a higher standard of living without being town dwellers.²² Living in modern, not mud-thatched house, as was prevalent in the past and wearing gorgeous modern dresses became common feature of village live in Igbomina from the 1960s. A good many could afford in their diets certain range of items that were the exclusive preserve of town dwellers at the time. Milk, tea, bournvita, semovita, etc found their ways into the homes of village dwellers especially those with relations in Lagos who often regularly supplied them to their parents. The amount remitted represents a substantial proportion of the migrant's incomes. Therefore, migrants have to develop a strong sense of commitment and self-discipline to be able to set aside the money required to sustain the family member at home. There were cases where some migrants failed in this commitment and extra pressure had to be exerted through messages, both verbal and written, by family members at home. As a last resort a younger member of the family could be sent from home when condition became precarious.

Remittance reflects the strong tie that migrants maintained with their home area. It serves as a form of social security for the aged parents and relations left back home. Remittance could have significance for rural development, either as short –term working capital used to hire labour at peak seasons or long-term agricultural investment.²³ Parents left back at home, who as a result of migration were deprived assistance of their children in farm work, could probably have been rendered destitute but for the regular remittances they received from their wards in Lagos. So also was that remittance was being used to accelerate economic activities by recipients who utilized this for petty trading. A survey conducted among home dwellers at Esie, Oro, and Iludun-Oro revealed that over fifty percent of female recipients of remittances utilized such money for petty trading apart from feeding. Items in their wares included dry-fish, bush meat, raw food items such as yam, yam flour, rice and beans, locust beans, bread, cooked rice and beans and grocery.

In addition, remittance is used to supplement the limited local production of food. Some recipients however, depend on this solely for their sustenance, especially aged parents and children left behind at home. Other areas of usage of remittance include education of children of migrants sent home from Lagos for acculturation, payment of taxes and bride price. Remittances could also be utilized for traditional rites and rituals. *Egungun* festival is an example of such rituals. Food was often prepared to appease the dead ancestors and it is obligatory for each family to remember the dead ancestor, While members of the family living at home take charge of preparation of such food, it was the responsibility of migrants away from home to provide money for the preparation. Clothing materials could either be sent from Lagos or purchased with money sent by family members. In addition to meeting subsistence requirements, cash remittances have enabled many families to construct houses and educate the next generation.

Remittances sent by migrants have received much attention in literature. Mabogunje complains that migrants often provide amenities for their villages which were not justified by the size of the population and suggest that development capital might be better invested.²⁴ Of course this was true of Igbomina situation where many amenities were often provided to satisfy the share ego of migrants. In Otun Oro for instance, large houses of monumental architectural designs were built mostly out of size with the population of the family they were supposed to house. Such houses were often left vacant and unkept for most part of the year, except festival periods. A few were rented to teachers and public workers living in the community.

However, the satisfaction owners enjoy knows no bound especially when they have occasion to invite friends to their villages for any celebration. The purpose of erecting such out-of-size houses at home was to demonstrate to the home people the level of migrants' success in their enterprises in Lagos and also show casual visitors, especially Lagos based friends, the comfort they have been able to provide for themselves and their families at home. Economic consideration had nothing to do with their planning, structure and location. Ostentatious display of wealth had become part of cultural borrowing Igbomina migrants came to learn in Lagos society. Therefore, it is very important to note that houses built at home were not used for commercial purposes. Tenants accepted into such houses often paid little or nothing as rents but were made to keep the environment clean and prevent vandalization.

It is true that a good number of migrants, including students, apprentices and the unemployed receive remittances from home place to augment their expenses on housing, feeding, school fees and clothing during period of training, apprenticeship or job search. Therefore, the status and circumstances of migrants substantially influenced the pattern of reverse remittances.

Home remittance has become an integral part of Igbomina socio-economic life. The “apparent vigorous prosperity”, the “pan-roof every where”, at a time when thatched-roof was the most common, and the “springing up of bungalow type of houses”²⁵ noted in the 1930s in Oke-Ora\Esie district were then known to be “wealth” sent back by migrants in Lagos. This contradicts Amin’s claim that amounts remitted home by migrants was often so small to be laughable and for the most part served only to pay tax.²⁶ Neither will his assertions that remittances were often invested in unproductive projects stand against this credible evidence of natal home development.²⁷ Many of those remaining at home were found to be dependent on migrants’ remittances for their maintenance. At Ajase-Ipo and Oke-Ora districts, Hoskins noted, “the payment of tax in the districts will be impossible without the remittances of money from Lagos.”²⁸

Chief Ojomu of Ajasse-Ipo claimed to have built a stoned-walled building in Ajasse with such remittance before the commencement of the Second World War in 1939; he travelled to Mecca in 1949. As the number of able-bodied men and women continued to reduce in Igbomina owing to migration, annually the aged parents and the young schoolboys left at home increasingly became exclusively dependent on remittances. Remittance was not therefore complimentary to any other source of income but to some, the only source of livelihood.

4. Conclusion

Like many Asian migrants dispersed around the world, remittance has become an important part of Igbomina economic life on which many depend. Grossman’s findings in some Israeli villages are glowing examples of what remittance could produce in receiving rural economy.²⁹ It is no exaggeration to declare that but for this, the apparent prosperity and relative modern outlook for which the area was renowned could not have been possibly sustained.

Part of what motivated remittances has been the intention of every migrant to return home one day either at old age or when condition dictates. Development of the natal home into which

migrants looked forward to returning was therefore made more pressing and obligatory to every Igbomina migrants in Lagos. As their businesses grew in size and number, migrants committed greater resources to home development without necessarily allowing this to negatively affect the growth of their businesses. However the transformation of Igbominamigrants' business from petty trading to industrial entrepreneur was not achieved by sudden flight. It was after long years of perseverance, that Igbomina migrants in Lagos evolved from the status of petty trading, to become one of the foremost business groups in the city. Not only did their businesses experienced growth, many went into industrial ventures as a result of Federal Government policy of import substitution. They became producers of some of the products they were earlier serving as distributors.

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