



The Impact of Migration on the Welfare of Households Left Behind in Rural Ghana



Key lessons

- There is high incidence of internal migration in rural Ghana, with about 37 per cent of the households that did not have a migrant household member in 2015 having an internal migrant member in 2018.
- Poverty is the main driver of migration in rural Ghana, as households with lower initial consumption tended to have a member migrating over the three-year period of the study.
- Migration has helped to bridge the gap in welfare between disadvantaged (low-consumption) and advantaged (higher-consumption) households in rural Ghana.
- If well managed, migration from rural areas can contribute to poverty reduction and improved welfare among households left behind.
- In order to maximise the welfare impacts of migration, it should be mainstreamed into the development planning agenda and development plans of district assemblies.

Introduction

The impact of migration on welfare, especially in developing countries, has been the focus of much debate in both policy and academic circles (de Haas 2010). In Ghana, public discussions on migration have historically endorsed the view that the phenomenon is often unnecessary and is detrimental to national development. Consequently, many policy initiatives tend to discourage people from moving from rural areas to urban areas (Awumbila *et al.* 2014). Yet there is a lack of data on the actual impacts of migration on welfare, from rural Ghana in particular. This Policy Brief, which is based on data collected as part of the Migrating out of Poverty programme, examines the impact of migration on the welfare

of the migrants' former households. Using a panel survey for 2015 and 2018 that allows us to follow households with no migrants at the baseline and compare how outcomes differ between those that continued to have no migrants and those that did send migrants, we explore how the migration of a household member has impacted that household's consumption and subjective financial situation.

Methods

The Policy Brief draws on panel data collected from rural areas in the Northern, Upper East, Upper West, Brong Ahafo, and Volta regions of Ghana in 2015 and 2018 to examine the impact of migration on the welfare of migrants' households of origin. The methodology used to analyse our



Table 1 Household migration in rural Ghana, 2015 and 2018

2015 Household migration status	2018 Household migration status						
		Internal current	International current	Internal returned	International returned	Non-migrant	Total
Non-migrant		152	8	28	3	218	409

data mainly consisted of the propensity score matching (PSM) and the difference-in-differences (DID) quantitative techniques. Descriptive statistics were also employed to gain insight into the drivers of migration. With regard to objective measures of welfare, we used household consumption expenditure per person, taking into account gender and age differences among household members. With reference to subjective measures of welfare, we used households’ own assessments of changes in their financial situation.

What we found

Changes in the migration status of households

Our sample consists of 409 households, which in 2015 had no current migrants. As shown in Table 1, there is high incidence of internal migration in rural Ghana. About 37 per cent of the sample had an internal migrant member in 2018, whereas only 2 per cent of the sample recorded an international

migrant in 2018. About 53 per cent (218) of the sample still had no migrant member in 2018 (Teye *et al.* 2019a, 2019b).

Changes in poverty status in migrant and non-migrant households

Household consumption expenditure on food and non-food items was used to measure welfare in this study. We find a strong association between poverty and migration. Households with migrants in 2018 were more likely to be poor in 2015, more likely to remain poor in 2018, or more likely to fall into poverty in 2018. Households which had no migrants in both years were less likely to be poor to start with, and more likely to escape poverty. Thus our data suggest that poverty is an important driver of migration in rural Ghana.

We find that for the non-migrant households in 2015 who had a migrant in 2018 (migrant households), about 34 per cent (51 households) were poor in 2015. As shown in Table 2, 11 migrant households

Table 2 Change in poverty status, by type of household (migrant or non-migrant)

2015	2018			
	Poverty status	Non-poor	Poor	Total
Treatment: had a migrant				
	Non-poor	31	70	101
	Poor	11	40	51
	Total	45	110	152
Control: non-migrant				
	Non-poor	92	65	157
	Poor	12	49	61
	Total	104	114	218

had a switch of poverty status from poor to non-poor between 2015 and 2018, whereas 70 households experienced a transition from non-poor to poor between 2015 and 2018. On the other hand, 40 migrant households remained poor over the period.

Impact of migration on household welfare

Using both PSM and DID estimation approaches, we estimated the impact of having a migrant household member on household welfare. We found that households with lower baseline food and non-food consumption were more likely to have a member migrating over the three-year period of the study than households with higher baseline food and non-food consumption. This significant initial difference in consumption outcomes in 2015 was accounted for in estimating the impact of migration in a DID analysis. The coefficient on the interaction between the treatment dummy and the time dummy, which represents the DID estimate, was found to be positive, indicating that having a migrant positively impacted household consumption. However, this coefficient is not statistically significant. One possible interpretation of the result is that there could be higher benefits of migration for the initially

disadvantaged migrant households, but that three years may be too short a period to observe this level of impact. It is also a reflection of the time it takes for migrants to adjust in their destination before they are able to substantially support their households left behind. We find similar results for the subjective welfare outcome.

Overall, comparing all the households that did not have any migrant members in 2015 over time, and examining how changes in household migration three years after 2015 have impacted welfare, we conclude that internal migration did help disadvantaged households to catch up with advantaged high-consumption households (see Table 3).

The way forward

The findings presented in this Policy Brief indicate that there is a high level of internal migration in rural Ghana. These findings imply that state agencies and NGOs who are working in the area of migration and development should not only focus on international migration. Given our finding that poverty is the main driver of migration from rural Ghana, we draw the attention of the government and its development

Table 3 Impacts of sending an internal migrant on welfare in rural Ghana (– using DID)

VARIABLES	(1) Real per capita food consumption	(2) Real per capita non-food consumption	(3) Real per capita food and non-food consumption	(4) Financial situation improved or otherwise
Treatment	-283.26*** (95.15)	-158.04* (85.92)	-475.92*** (167.57)	-0.03 (0.05)
Time	-431.13*** (96.87)	-331.12*** (90.09)	-931.44*** (175.66)	0.10** (0.05)
Treatment*time	99.42 (124.34)	65.57 (137.39)	199.60 (237.61)	0.081 (0.07)
Constant	1,394.80*** (76.01)	1,017.23*** (62.07)	2,581.22*** (130.93)	0.32*** (0.03)
Observations	735	734	735	740
R-squared	0.06	0.03	0.07	0.02

Robust standard errors in parentheses: ***p<0.01 **p<0.05 *p<0.1



partners to the fact that policies that seek to reduce rural–urban migration are unlikely to achieve desirable goals unless rural poverty is addressed through effective programmes, such as agricultural modernisation and infrastructure development in rural areas. The finding that migration has helped to bridge the gap in welfare between disadvantaged (low-consumption) and advantaged

(higher-consumption) households in rural Ghana is an indication that if well managed, migration from rural areas can contribute to poverty reduction and improved welfare among migrant households left behind. In order to maximise the welfare impacts of migration, it should be mainstreamed into the development planning agenda and development plans of district assemblies.

Further reading

Awumbila, M.; Owusu, G. and Teye, J.K. (2014) *Can Rural-Urban Migration into Slums Reduce Poverty? Evidence from Ghana*, Migrating out of Poverty Working Paper 13, Brighton: School of Global Studies, University of Sussex

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Teye, J.K.; Boakye-Yiadom, L.; Asiedu, E.; Awumbila, M. and Appiah Kubi, J. (2019a) *Changing Patterns of Migration and Remittances: A Case Study of Rural Ghana*, Migrating out of Poverty Working Paper 58, Brighton: School of Global Studies, University of Sussex

Teye, J.K.; Boakye-Yiadom, L.; Asiedu, E.; Litchfield, J.; Appiah Kubi, J. and Awumbila, M. (2019b) *The Impact of Migration on the Welfare of Households Left Behind in Rural Ghana: A Quasi-Experimental Impact Evaluation*, Migrating out of Poverty Working Paper 62, Brighton: School of Global Studies, University of Sussex

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