

**Changing Mobility Patterns and Livelihood Dynamics in Africa: The Case of
Transnational Ghanaian Traders**

Preliminary Summary Findings

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Introduction:

Mobility across Ghana has gone through different phases over the last century in tandem with the changing socio-economic environment in the country. From a period when intra regional movements in Ghana were initially dominated by traders, fisherman, and nomadic farmers, new migration dynamics emerged with the introduction of the economic development policies of both colonial and post colonial governments. These policies resulted by the 1960s, in Ghana experiencing net immigration, with migrants coming in mainly from neighbouring African countries such as La Cote d'Ivoire, Nigeria, Burkina Faso, Togo and Mali. This trend continued until the late 1970s when economic and political instability led to a reversal of migration trends in Ghana, as the country became a net exporter of persons. Regional and inter-continental emigrations from Ghana gathered momentum in the 1980s and early 1990s as widespread emigration of skilled workers and professionals particularly from the health and education sectors occurred, and semi-skilled and unskilled workers also left Ghana on a large scale.

Recent anecdotal evidence indicates a trend towards greater diversity in migration patterns, away from the traditional colonial divisions and patterns, and involving new actors and new and multiple destinations including the Middle, Near and Far East (Saudi Arabia, Dubai, Malaysia and China). These have been linked to the shifts in the global political economy as China and other countries in the Far and Near East have assumed growing economic importance. Many of such actors include a new generation of traders using different strategies and feeding into different livelihood systems. Of particular interest have been the rising mobility of traders from Ghana to China, and other areas of the Far and Middle East, which raises several questions such as: what have been the traditional patterns and routes of international traders in Ghana? Who are involved? How does transnational trading impact on livelihood and also whether mobility of traders leads to permanent migration

Despite their emerging significance, these new destinations as well as the dynamics at work in the new destinations remain under-explored in the literature on Ghanaian migration. This study therefore focuses on short term international mobility patterns which are often more significant in the African context and discusses how the circulation of traders, becomes an integral part of livelihoods and systems of production and reproduction. Situating the study within a historical context, the research therefore examines mobility patterns and dynamics of different generations of traders from Ghana to destinations in the Middle and Far East, and the strategies they adopt.

3. Research Objectives

The study aimed at investigating the mobility patterns of different generations of traders from Ghana to new destinations in the Middle and Far East and also to ascertain the role of transnationalism in the livelihoods of these traders.

Methodology

The study was undertaken in the two largest markets and other known trading areas in Ghana- the Kumasi Central market in the central belt of Ghana, and the Makola Market located in the capital city of Accra in southern Ghana. Traders were selected from these two main markets in Accra and Kumasi, but also from shops in other trading areas of the two cities. This was to ensure that various categories of transnational traders who may not be operating from the “traditional market” were captured in the sample. For this study the market was therefore conceptualised not just in terms of the enclosed spaces where shops are located, but as a “fluid space” connecting different categories of traders - wholesale, retail and itinerant traders. This also accords with the study’s interest in mobility.

The study employed a variety of methods; this comprised of an exploratory approach using focus group discussions in the Makola and Kumasi Central Markets to gain insight into the issues to be studied. The purpose of these FGDs was to understand the demographic profile of those involved in trading, the range of goods traded, sources of obtaining the goods, as well as routes and processes used to obtain the goods. These helped to shape and sharpen the methodology for the study. A survey questionnaire is currently being administered to 150 purposively selected traders, made up of 100 traders in Accra and 50 in Kumasi.. 15 in-depth interviews and case studies of different generations of traders will be undertaken to map the experiences of different generations of traders, their multiple trading destinations, trajectories and motivations over time.

Thirdly, a set of interviews will be held with 20 key informants to discuss changing trends in mobility, changing economic and regulatory environments, and policy issues arising from these. These will include officials of relevant Ministries, Departments and Agencies (MDAs), travel agencies and business associations

This report provides an analysis of the preliminary results from the exploratory field work pending completion of the main field work. Data was obtained from two focus group discussions held in Accra and Kumasi markets each comprising of 6 traders aged between 36 and 65 years.

Preliminary Findings

Demographic profile of traders

The FGDs revealed that a variety of actors are involved in transnational trading. Both men and women are principal actors. Women transnational traders are relatively older women between the ages of 36 and 72 years. Most of them are married with a number of children and dependants. Many have generally low levels of education, but a few cases deviate from the norm. While a majority of traders possessed only basic education, a few had post secondary education including tertiary level (polytechnic) education.. Most traders had not worked at other occupations previous to entering into trade. One woman worked as a secretary in a formal organisation and

another as a seamstress before going into trading. Many of them started trading with an older relative, often a mother, grandmother, mother's friend, or other relative and gradually moved into trading independently. While some traders took to trading because they lacked education and skills to enter other sectors of the Ghanaian economy, others entered into trading on account of advice from friends and relatives, particularly parents. In this way, the preliminary data suggests the presence of social networks at the onset of trading and indeed mobility decision making. One FGD participant in Accra was trading with her daughter and her grandson (her daughter's son). While they were involved in trading jointly, each of them also operated independently on a small scale. For example the grandson was also involved in importing small medical equipment such as blood pressure monitoring equipment from China on his own.

Patterns and Routes of Ghanaian transnational traders

Though the focus of this study is on the new frontiers of Ghanaian transnational trade, with Asia, the Far and Middle Eastern countries, most of the actors started their trading activities not from those countries and regions. Indeed, the FGDs indicate that, Ghanaian transnational trading follows a step-wise process. The traders begin trading within and across cities and towns in Ghana. Later they move into the ECOWAS sub-region (mainly Lome, Lagos and Abidjan) and then to trading destinations outside of Africa including to Europe, North America, and in the last two decades, into Asia, Middle and Far East. Places visited for trade include Bangkok, Dubai, Indonesia, China and more recently Vietnam. One FGD discussant in Kumasi Central Market detailed her transition as follows:

“I started internal trading buying from whole salers in Kumasi and retailing in Kumasi market. Later I graduated from Kumasi to buying goods from Accra for retailing in Kumasi. Then I moved to buying from Lome, Lagos and now I buy my goods from China”.

Traders trade in a variety of imported consumer goods including hair care and beauty products, shoes, lace fabrics, bags, kitchen equipment and electronics, as well as in household and cooking appliances. Although both men and women make these transnational trips, there appears to be gender differences in type of goods traded. Men mainly traded in hardware, car spare parts, mobile phones and health care equipment such as blood testing and monitoring equipment etc. Women traded in a broader range of items

Mobility Strategies of Ghanaian transnational traders

Mobility Decision-making processes

The decision to move from trading destinations in the West African sub-region to the Middle East and China is attributed to the rising cost of items in West African cities, thereby lowering

their profit margins, as well as the problems they encounter in West Africa trading especially as they moved their goods across national borders in West Africa. The decisions were also based on information received from friends and relatives who were also traders. As illustrated during the FGD in Accra Central Market below:

“ I started going to Lagos with my Aunt for seven yeras. However it got to a time when going to Lagos was not worthwhile. We got the information that the goods we bought from Lagos were from Dubai. That was why we went to Dubai. In the process we also found Dubai not worthwhile. We realized Dubai was also importing from China. So when we got the information that they also bring their goods from China we also decided to go to China”

Mobility strategies

Transnational trading whether within West Africa or outside West Africa is fraught with several challenges and traders devise various strategies to facilitate mobility. For the West Africa trade, travelling in groups, using middle men to overcome language barriers and security issues as well as moving money, building up trust with traders are some of the major strategies used to facilitate mobility. In Lagos for example, the traders rely on middle men for a variety of services, and have built up camaraderie and trust to facilitate their trade; traders employ the assistance of “Gao”¹ men, who then get Ghanaian young men who have settled in Lagos for some length of time, to guide them around Lagos as well as to assist them in purchasing their goods. These middlemen also offer informal banking services including currency exchanges. FGD participants in Kumasi market explained further:

*“We travel in groups on our way to Lagos but we disperse the moment we get to Lagos. The people don’t accept the Ghanaian cedi so we rely on some “Gao” men who work as money changers to change our money into the CFA or Naira. These men are trustworthy and so we rely on them a lot. They help us with boys who speak the Twi language and work under them. These boys guide us around Lagos to make purchases of our goods. We don’t pay for the goods right away. We are issued invoices for the goods. After all the rounds and purchases, the guide goes back to the ‘master’ for the changed money to do the payments with the receipts. We do these to protect ourselves from losing money while in Lagos. We fear if we put the monies in a bank, we might be attacked if robbers see us moving out of banks with money. That is why we rely on the guides. We pay them some money when leaving Nigeria. **The whole operation is based on trust”.***

This strategy of using middle men, friendship networks and “building up trust” is also a major strategy employed for those who move to the Middle East and Far East. For traders who go to China, the services of “connection men” are employed to facilitate the visa acquisition process. While in China, they use Ghanaians resident in China as middlemen who help in language translation as well as facilitating the procurement of accommodation and finding eating places. Shop owners also facilitate the process by employing sales persons who speak a bit of English.

¹ Gao men refers to nationals of northern West African Countries such as Mali and Niger who are often involved in the currency exchange business.

Ghanaians also act as shipping agents. Friendship networks were identified as especially important for initial visits to China, as several cities have to be visited depending on where the trade fairs were being held. *“Initially we depend on friendship networks to take us to the various places to be visited”*.

Multiple strategies

Traders also use multiple routes and strategies for obtaining their goods. For example pending a trip to China, Dubai, Indonesia or other Far East country when their shops are empty, a quick trip is made to a closer destination such as Lome or Lagos to obtain the same or similar goods to stock their shops to ensure that they keep their customers. As travel within the ECOWAS region is shorter and relatively less expensive, they occur with greater frequency than trading expeditions to outside the continent.

Visa Acquisition

Traders reported many difficulties with securing visas especially to China and Dubai, and complained of high visa fees and short duration of visas granted. In both China and Dubai, traders encountered challenges relating to language and race, and with accommodation.

Impact on Households

These challenges notwithstanding, Ghanaian transnational traders consider their activities rewarding, with positive impacts on household welfare. Some traders also reported their acquisition of valuable assets including land, houses, and cars.

Conclusion

The preliminary findings from our exploratory study indicate that destinations in the Middle and Far East are becoming popular for many traders in Ghana due to the fact that goods can be obtained there much cheaper. To facilitate their movement traders employ several mobility strategies as well as social and friendship networks. Gender and generation feature significantly in transnational practices of traders. These are likely to impact on transnational patterns and choices made by traders as well as on their livelihoods and social environment, with policy implications. It is expected that the quantitative survey as well as the key informant and in-depth interviews and case studies will provide more insights into these issues.