



UNIVERSITY OF GHANA

# CHANGING MOBILITY PATTERNS AND LIVELIHOOD DYNAMICS IN AFRICA: THE CASE OF TRANSNATIONAL GHANAIAN TRADERS

Final Report for the MacArthur Project on:  
*“African Perspectives on Human Mobility”*

Prepared By:

*Mariama Awumbila*

*Peter Quartey*

*Takyiwaa Manuh*

*Thomas Antwi Bosiakoh*

*Cynthia Addoquaye Tagoe*

**CENTRE FOR MIGRATION STUDIES,  
UNIVERSITY OF GHANA,  
LEGON, ACCRA**

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# CHAPTER 1: BACKGROUND AND CONTEXT

## 1.1 Introduction

Mobility across Ghana has gone through different phases over the last century in tandem with the changing socio-economic environment. These have varied from a period when intra regional movements in Ghana were initially dominated by traders, fishermen and nomadic farmers, to a period of new migration dynamics which emerged with the introduction of the economic development policies of both colonial and post-colonial governments. These policies resulted by the 1960s, in Ghana generally experiencing net immigration, while the relatively few persons who migrated internationally did so for the purposes of education, training, and in the foreign services. Migrants came in mainly from neighbouring African countries such as La Cote d'Ivoire, Nigeria, Burkina Faso, Togo and Mali.

This trend of net immigration into Ghana 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. In 1969, Ghana passed the *Aliens Compliance Order*, which led to the deportation of large numbers of other African nationals, some of whom had lived in Ghana for more than a generation. In the following decades, regional and inter-continental emigrations from Ghana gathered momentum as a result of the economic hardship that engulfed the country. This led to the widespread emigration of skilled workers and professionals particularly from the health and education sectors as well as from other sectors, leading to what Gagakuma (1984) referred to as 'Labour: Ghana's Other Export', after the traditional exports of minerals and cocoa.

As the culture of emigration took root in the 1980s, substantial numbers of unskilled and semi-skilled workers also emigrated (Anarfi et al, 2003). Initially, the destinations of Ghanaian emigrants included La Cote d'Ivoire and Nigeria, as well as Southern Africa, Libya and some Gulf States. Currently, destinations have extended to include several other countries in Europe and North America. There is now the presence of well-organised associations of Ghanaians in major cities such as Toronto, New York, Amsterdam, Hamburg and Rome, among others.

In the current period, there is 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 such as the Far and Middle East and particularly China, Dubai, Malaysia and the Middle East. These can be linked to shifts in the global political economy as China and other countries in the Far and Near East have assumed growing economic importance. Many such actors include a new generation of traders using different strategies and feeding into different livelihood systems. Of particular interest has 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 the way they operate, their livelihood activities and the characteristics of the actors involved.

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. Even

though the majority of movements within Africa continues to be short-term and across African national boundaries (Adepoju 2005), the focus of migration and mobility studies in Ghana continues to be concentrated mainly on longer-term migration and particularly on the migration of skilled and semi-skilled people and on irregular migrants. This has been to the detriment of an analysis of the diversity of movements in Ghana. This study therefore offers an opportunity to explore in some detail, short-term international mobility patterns which may also be significant in the African context. Besides fitting into the general theme of the “African Perspectives on Human Mobility” Project, a focus on mobility rather than migration will allow a broader understanding of how changes in mobility are part of the general social, economic and political transformation processes taking place in Ghana and how such temporary circulatory movements could eventually lead to more permanent migration.

Furthermore, although the literature identifies migration as a livelihood strategy for individuals and families in Ghana especially by the 1980s, much less researched is how mobility, spatial practice, and the circulation of traders, as in this context, become integral parts of livelihoods and systems of production.

Situating the study within a historical context, this research examines the mobility patterns and dynamics of different generations of traders from Ghana to destinations in the Middle and Far East, and the transnational strategies adopted to aid the livelihoods of these traders.

## 1.2 Research Questions

Five key research questions were formulated to guide the study:

1. Who are the actors involved in transnational trading and what role do they play in the structure and process of long distance trade?
2. What have been the traditional patterns and routes of international traders in Ghana and how have the itineraries of traders changed over space, time, and generation?
3. What mobility strategies and social networks do they draw on and what transnational patterns and choices have such new movements occasioned?
4. What has been the impact on livelihoods and the social environment?
5. How might these short-term movements lead to more permanent migration and also to immobility?

## 1.3 Objectives of the Study

The study aimed to investigate 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. In specific terms, the objectives of the study were to:

1. Investigate the actors involved and the role they play in the structure and process of long-distance trade;
2. Ascertain the patterns and routes of international traders from Ghana;
3. Ascertain the mobility strategies employed by traders;
4. Analyse how the activities of these traders impact on livelihoods and the social environment and
5. Establish the link between short-term mobility and permanent migration.

## 1.4 Conceptual and Methodological Approaches

### 1.4.1 *Conceptualising Transnationalism and Livelihoods in Migration Research*

It can be argued that the concept of livelihoods is central to migration research. This is because of the basic assumption that the search for better livelihoods is the main cause of migratory movements. However, such a conception has resulted in the conceptualisation of livelihoods purely in economic terms (Sen, 1987). In a discussion of rural livelihoods diversification, Ellis (1998) argued that livelihoods encompass income (in both cash and kind), as well as the social institutions, gender relations and the property rights required to support and sustain a standard of living. Similarly, Long (2000) argues that the livelihood concept best expresses the idea of individuals and groups striving to make a living, attempting to meet their various consumption and economic necessities, coping with uncertainties, responding to new opportunities, and choosing between different value positions. Extending this to migration, Sørensen and Olwig (2002) contend that migration and mobility can be conceptualised using an analytical framework that relates the practice of particular livelihoods to its mobility patterns.

In an application of the livelihoods framework to Ghana, Darkwah (2007), focused on the Ghanaian urban female traders and examined the tenuous position the traders found themselves due to the need to integrate into the global economy. Their activities have involved competing for customers and also selling goods at competitive prices. Thus, in order to deal with the difficulties associated with survival and wealth accumulation, these traders developed a unique form of bargaining which has facilitated their survival in such a difficult environment (Darkwah, 2007). Smith (2007) has also argued that the economy of Accra is generally tied to the decisions and choices of migrants (as it also is to rural economies around Ghana). Thus, transnational networks of Ghanaian migrants influence the city's economy and therefore social and kinship networks become particularly important in facilitating and sustaining diversified livelihoods that involve a range of spatially-extended social and economic activities.

Hence, any study of livelihoods therefore requires an awareness of the wider spatial context of the unit of analysis at all levels. For this reason, the notion of livelihoods can be a useful concept in analysing the ways in which Ghanaian transnational traders deal with the varying and complex local and global interrelations involved in their trading activities. The extent to which these activities affect livelihood and whether these long distance trade leads to permanent migration is yet to be established and this forms the focus of the study. In this

study, we conceptualise mobility and livelihoods within a framework that takes into consideration all the key elements, including mobility decision-making processes that attempt to meet the livelihood needs of people, the nature of activities involved as well as the socio-economic characteristics of the traders and the relationships between these elements that cut across a range of social, economic and cultural boundaries.

The increasing focus on migration and mobility in recent times has brought the concept of transnationalism to centre stage has made some to question the usefulness of the concept and the usefulness of the traditional approaches to migration. Thus, in contrast to the traditional approach which views migration as a discrete process, scholars using transnational perspectives have viewed migration as a continuous flow of people, goods, money and ideas across the borders of more than one nation state, which also reconstitute people and their ideas and practices in the process (Glick Schiller et al, 1992; Vertovec, 2001).

Following on this our conceptual framework examines factors such as increased access to information and networks, exposure to different media, relative ease of travel and communications, improving economic and regulatory environments (including visa requirements), increasing globalisation and technological advances which have brought about a compression of “time and space” in relationships and how these have translated into a diversity of movements among Ghanaian traders as well as on the choices that the traders make as they attempt to meet their livelihood needs and to accumulate capital.

#### **1.4.2 Conceptualising the market in Ghana**

Traditionally, traders in Ghana operate out of markets which may be large or small open spaces with stalls or lock-up shops and stores, with different levels of infrastructural provisioning (Garlick 1971; Arhin 1979; Clark 1994; Robertson 1983). Indeed existing studies of traders have focused on a few of Ghana’s major markets such as Atebubu market (Arhin 1979); the Makola Market in Accra (Robertson 1983) and the Kumasi Central Market (Clark 1994) to trace the changing fortunes of traders in their encounters with the state and its policies, with municipal regulatory authorities, with other traders and importantly with consumers. These dense ethnographies have also brought out kinship and marital ties, gender relations and the accumulation strategies of traders.

In the current study, the focus is extended to encompass not only traders located in physically demarcated markets, but also to the hundreds of traders who operate out of the ever-expanding commercial areas in city spaces across Ghana. As industrialisation has stalled in Ghana and many countries around Africa and the formal sector represents a shrinking share of employment generation, the informal economy has grown, with 8 out of 10 employed persons in Ghana working in that sector (GSS, 2002). Participants in the informal economy include many with little formal education but also others with secondary or even tertiary education. Women are strongly represented in this sector, and many of the gender divisions in goods traded observed by Clark (1994) have begun to break down, with some women now trading in automobile spare parts and light machinery. Our conceptualisation of the market goes beyond the blocks of buildings and/or enclosed spaces where shops and stalls are located to include over-flowing areas around and beyond these places. Our conception of the market is based on the informality that characterises trading activities, and the “fluid space” connecting the different categories of traders - wholesale, retail and itinerant traders across the city spaces of Accra and Kumasi. Despite this informality, many large scale traders also operate within the formal sector with many having bank accounts, passports, acquiring visas etc.

## 1.5 The Development of Transnational Trade

Transnational trading activities in West Africa dates back to the period before the arrival of Europeans on the African continent. As argued by Clark (1994), inter-continental trading networks between the region and the rest of the world existed long before the Europeans visited West Africa. This view is well stated in relation to Ghana by the historian, Hymer who stated that *'indeed, it was precisely because Ghana had been integrated into the continental trading system that it was attractive to European traders'* (Hymer, 1970:39). In these trade activities, even the kings were involved. They had important roles to play, i.e. to organise trade with merchants of the Sahara and keep a good relationship with them (Davidson, 1998). Drawing on field work data, Clark (1994) argues that, the Akans of Ghana for instance traded in forest and coastal areas in Ghana and Cote d'Ivoire and were also involved in long-distance trade networks that crossed the Saharan desert.

Hopkins (1973) also argues that, through the caravan routes, various kinds of goods from West and North Africa were sent through Morocco and Algeria to the Mediterranean region before the Roman times. He further explains how the West African economy experienced major historical changes, adapted quickly to internal and external influences and was organised by a complex set of arrangements. He also demonstrates that the West African economy from the fifteenth to the twentieth century was an intricate one based on a variety of interconnected factors including trade. Hopkins' analysis of the domestic and external trade in West Africa shows the region's ability to constantly adapt to foreign influences. In the pre-colonial period, he dispels myths about a primitive and backward economy, and provided understanding of the indigenous structures of trade and production. He also presents pre-colonial West Africa as a society based on an intricate and flexible system of supply and demand. Arab merchants also dealt in various commodities such as gold, ivory, salt and kola (Clark, 1994; Mann, 1996). Curtin (1984) has also reported that, ethnic groups in West Africa like the Hausa, Dioula and Fulani have been migrating across the region for trading purposes.

European-West African trade has also existed for years (Harrop, 1964; McKissack and McKissack, 1994). When Europeans arrived in West Africa, trade activities were initially negotiated in the Portuguese language because West Africans already knew the language<sup>1</sup>. For this reason, traders from other countries had to learn the Portuguese language (Kea, 1982). European ship captains traded both independently and also on behalf of their investors. In each case, they faced the challenges of mobilising resources, acquiring the expertise to gather goods from inland, or distributing imported goods inland upon return from Europe (Clark, 1994). To deal with these challenges, trading magnates emerged and mediated between ship captains, inland traders and coastal people (De Marees, 1985 cited in Clark, 1994). These trade magnates implored local chiefs to offer better protection, captains to bring in better goods, and inland traders to conform to accepted commercial procedures. The magnates were wealthy and were also involved in buying goods from inland traders in preparation for sailing season and also stocked up European goods during the rest of the year. De Marees argues that, these trade magnates acted as landlords, credit guarantors and negotiators for inland traders because the inland traders preferred them to dealing directly with Europeans (ibid).

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<sup>1</sup> Portugal was the first to trade with the sub-region (Kea, 1982).

In addition to trading magnates, local chiefs or their representatives also held the balance of force, particularly on the coast. The chiefs or their representatives controlled access to African buyers and sellers. They also stipulated many regulations that ensured that Europeans did not dictate prices, commodities or conditions of trade. In recognition of the power of the local chiefs or their representatives, arriving captains opened negotiations with gifts or *customs* that established a host or landlord relationship with local officials (De Marees 1985 cited in Clark, 1994: 85).

In the early 1960s, nation states in West Africa assumed some discretion towards trade. In Ghana for example, state policy compared prices between imported goods and locally produced goods, and subject to the quality of locally manufactured goods, no import licenses were to be issued to permit the importation of commodities already being manufactured in Ghana<sup>2</sup>. The rationale was to use import license as restricting measure to conserve scarce foreign exchange. This was done by restricting issuance of license, and to encourage local production, protect local industries producing competing goods, and prevent dumping of inferior goods on the Ghanaian market (Ministry of Trade, 1985:31-32). The continued role of the state in retail and wholesale trade was sanctioned by succeeding governments until the liberalisation period. Since the period of trade liberalisation particularly from the mid-1980s and 1990s, there has been a relative increase in trade within West Africa of products grown or manufactured within the region (Salinger and Barry, 1996).

As observed by Morris and Saul (2000) women in West Africa have historically been more involved in informal regional trade than the formal intra-regional trade (see also Salinger and Barry, 1996). They argue that informal regional trade allowed women to trade across borders and to acquire trading experience by associating with female parent or companion who provided the woman with market and logistics information (p. 59). Women involved in cross-border trading have traditionally traded food products (both processed and unprocessed) (Ewusi, 1990). Asante women in central Ghana, Kumasi, have historically traded in various items including fish, salt and foodstuffs (Clark and Manuh, 1991) within Ghana and across West Africa. While generally women traders who marketed goods between two well-established markets made more profits than women who traded goods within one market or exchanged goods within a local area (Clark, 1994), those involved in trans-border trading earned higher incomes than women involved in only cross-border trading (Clark, 1994; Morris and Dadson, 2000). Women engaged in regional trade within West Africa have also encountered different constraints such as sexual harassment, marital and other social problems than men engaged in similar trade activities (Calavan et al., 1995). These constraints have impacted on the benefits and costs incurred by women involved in this type of economic activity (Salinger and Barry, 1996; Morris and Saul, 2000).

## 1.6 Transnational Trading in Ghana

Transnational trading activity in Ghana has undergone different phases in its development. It has also been subjected to different twists and turns emanating from changing government policies, from the pre-colonial and colonial periods, to the early post independence and to the present eras. In these periods, market trading activities were restricted and marginalised, particularly during the import and exchange rate control regimes where attempts were made

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<sup>2</sup> See Statement by Krobo Edusei, Minister for Industries, *26 Parliamentary Debates*, (16th January-16th February 1962), p. 200.

to protect local industries. Thus two notable phases can be identified, namely, the pre-colonial and post-independence era, which was itself restrictive in scope and the present post structural adjustment and liberalised market trading era.

### **1.6.1 Pre-Colonial Trade**

Migratory movements in Ghana and West Africa have historically been determined by among other factors, the availability of economic opportunities, with itinerant trading being an important feature of movements in West Africa (Anarfi et al., 1997). Several studies have indicated that Ghanaian transnational trading activities have had a long history (Clapperton, 1929; Wolfson, 1958; Boahen 1966; Bump, 2006; Awumbila et al, 2009). According to Bump (2006), intra-regional movements in Ghana before the colonial era were dominated by traders, fishermen and nomadic farmers. It was the trans-Saharan trade routes that linked the West African region, including Ghana to other parts of Africa and elsewhere, thereby allowing inter-regional movements not only of traders but also scholars, fisherman, nomadic farmers and religious clerics. The trans-Saharan trade entailed exchange of goods among Europeans as well as North and sub-Saharan Africans. Products of this early trading complex included gold, kola nuts, ivory, cattle, sheep, hides of wild animals and clothes among others (Wolfson, 1958). The Gold Coast (now Ghana) was an important participant in this trading activity as it served as a major source of gold (Ababio, 1999). Wolfson (1958) has argued in relation to the pre-colonial period that trading activities encouraged the flow of traders from adjoining territories who brought goods to Salaga market for sale. Wolfson (1958:183) describes trade between the Hausa people and the British as follows:

*“there are many who trade from their country to places such as Sansanne Mango, Safara, Hambori and Timbuktu, from where they bring to Salaga [in present day Ghana], cloths of various kinds differing from those of Hausa manufacture, ivory, cattle and sheep”.*

In addition, Clapperton (1929) provides evidence of the presence in the town of Kaiama of a caravan made up of 1000 men and women on many beasts of burden returning to Hausaland after a trading trip to Gonja and Ashanti.

### **1.6.2 Trade in Colonial Times**

The arrival of Europeans in Ghana in the 15<sup>th</sup> century however interrupted the pattern of pre-colonial trading activities (Boahen 1966). Initially, the slave trade came to replace trade in non human items and commodities. Following the slave trade was the formal incorporation of the country into the then British Empire in 1844. In 1853, nine years after the Gold Coast had come under the British Empire, Cruickshank observed that, “the whole population is traders to a certain extent” (Cruickshank, 1853 in Darkwah, 2007:65). During this period, trading activities were recognised and reorganised by the colonial government and growth-enhancing policies introduced. These policies however were to benefit British merchants much more than the local population as Clark (1994) observed.

One essential feature of both labour and commercial migration during this era according to Anarfi et al. (1997), was the absence of restrictions on the movement of people, because the trading activities of these migrants were mostly directed to those areas which benefited the colonial administrators. Thus, Darkwah (2007) observes that some of the women who in the early part of the twentieth century took to trading generated quite substantial sums of money for themselves. Later, Ghanaian traders were restricted in their trading activities with price

controls and import quotas particularly during World Wars I and II, in order to secure the financial position of the British and other overseas merchants (Clark 1994).

The development of gold mines and cocoa farms in the southern region of the Gold Coast (Ababio, 1999) eventually made the Gold Coast an attractive destination for migrants from other British colonies including the Gambia, Sierra Leone and Nigeria as well as the French colonies of Upper Volta (now Burkina Faso), Togo, Cote d'Ivoire, Mali and Benin (Peil, 1974; Ababio, 1999; Anarfi, et al., 2003; Awumbila et al., 2009). In the process, a number of other West Africans, particularly Nigerians, established supremacy in what Clark calls the Ghanaian 'market place system' in Accra, Kumasi, and Tamale as well as in other town and city market centres in the country (Gould, 1974; Peil, 1974; Skinner, 1963; Stapleton, 1979; Clark, 1994; Eades, 1994).

### **1.6.3 Market Trade Activities between 1957- 1983**

When the country attained independence in 1957, colonial priorities and favours for British and other foreign merchants were overturned. Large scale local merchants became the focus of policy direction. Policies introduced during this period were prohibitive for the growth of local market trade as well as local private industry as it was feared that the latter in particular might become a source of funding for anti-government elements. A series of policies including strict import licensing regimes, surcharges on imported goods and state enforced price controls were introduced (Rimmer, 1992 in Darkwah, 2007). These policies, like colonial priorities for foreign merchants, did not favour the women who dominated the retail trade (Clark and Manuh, 1991; Darkwah, 2002; 2007). According to Clark and Manuh (1991), trade in the first decade of Ghana as an independent state was regulated to favour large scale, formalised organisations and those with links to the state. Market place trade was limited, marginalised and subordinated, a situation which Darkwah (2002) explains, reinforced antagonistic relationships between traders and the state.

The situation of market traders in the country did not change as subsequent governments, both military and civilian, did little or nothing to improve the position of Ghanaian traders in the national trade and distribution system. When in the late 1969, domestic economic difficulties led the Busia government to promulgate the *Aliens Compliance Order* (ACO) it was partly in response to the increasing number of migrants in the country's market place at the expense of local traders. But according to Brydon (1985), the expulsion of aliens in 1969 hardly provided any economic advantage for the country. In fact, it has been claimed that the expulsion had adverse affects "since, when the aliens left, they took with them capital, and in addition, a large part of the Ghanaian trading nexus was destroyed" (Brydon, 1985:564). Thus in the final analysis, the *Aliens Compliance Order* did not appear to offer any respite for market traders in Ghana.

The two military regimes (SMC I and II) that followed the Busia administration in the 1970s also introduced import and foreign exchange licensing systems as a response to the deteriorating economic situation, and these continued to restrict market traders. Clark and Manuh have described this period as the worst for traders with a drop in business volumes and the outlawing of trading in consumer goods (Clark and Manuh, 1991: 225). Thus, the relationship between the state and market traders from 1957 to 1983 has been described as that of 'benign neglect' and a period of antagonism (Darkwah, 2002). These however were to take different turn in the 1980s. In the early 1980s, Ghana experienced severe economic and social challenges. The country encountered high level inflation, high unemployment and underemployment, and the devaluation of the national currency, in addition to severe

environmental degradation, including drought and bush fires (Baah, 2001; Awumbila et al., 2010).

#### **1.6.4 Market Trade Activities from 1983 till Present**

Governmental response to the economic collapse was the initiation of the economic recovery/structural adjustment programme as a measure to reverse the economic downturn (Baah, 2001). Thus in 1983, Ghana became the first African country to adopt structural adjustment in her economy (Darkwah, 2007). Grounded in neo-liberal economic ideology, one of the core tenets of the adjustment process was the liberalisation of the business environment (Baah, 2001; Darkwah, 2007). This policy had a huge impact on market trading activities as it removed the cumbersome processes that hitherto restricted importation of goods into the country, thereby allowing greater participation in trading activities. The privatisation or divestiture of state owned enterprises, as well as reductions in the size of the bureaucracy resulted in a large pool of redundancies. With few job openings in the formal private sector, many of those affected, particularly women, turned to local markets and to trading to be able to make an income and to ensure household survival (Ofei-Aboagye, 2001; Darkwah and Ackumey, 2003).

As argued by some studies, the growth of the distributive trade sector of the Ghanaian economy since 1985 has been tremendous (Aryeetey, 1994.). This growth has been most evident in the Makola Market which has become the largest consumer goods market in the country (Darkwah and Ackumey, 2003; Darkwah, 2007). Evidence of the growth of the distributive trade chain in Ghana can also be found in the Kumasi Central Market, the largest market in Ghana (King, 2001). The Makola and Kumasi Central markets together constitute major sources of imported goods for retail and wholesale shops in both rural and urban Ghana. Unlike the pre-colonial era transnational trading activities, post-structural adjustment trading activities involves an expanded range of goods, including hair care and beauty products, shoes, bags, kitchen equipment and electronics, many of which are imported from countries as diverse as USA, Thailand, Brazil, Germany, Mexico, China, Italy, France and Dubai (Darkwah, 2007). Post-structural adjustment trading activities in Ghana reflects the country's deeper insertion into the ever growing global economy (Darkwah, 2002).

Trade liberalisation thus opened the flood gate for the importation of goods into the country. It made the process less cumbersome and encouraged many Ghanaians, including those retrenched from the public sector, to begin trading. In addition, challenges in transportation were reduced as adjustment policies made it easier for car importers to bring cars into the country (Darkwah and Ackumey, 2003). Liberalisation policies also made it easier for Ghanaian women with the requisite capital to enter into import business. This led to the emergence of a new type of Ghanaian traders able to engage in new forms of economic enterprise as a result of the opportunities provided by globalisation and changing economic policies.

In Ghana, women form the majority of the market trading landscape or sector (Apt and Katila, 1994, cited in Grieco et al. 1995; King, 2001; Darkwah, 2007). King (2001) for instance observed that market trade in Ghana is considered a female activity and is often dominated by women (King, 2001). These women who are located at the apex of the indigenous trading hierarchy, are described as businesswomen of high social standing (Darkwah, 2007) and represent an extension of the female trader that is such a feature of West Africa and extend the tradition of regional trade (Accra-Lome; Kumasi-Monrovia; Bawku-Ouagadougou and Accra-Lagos) that Ghanaian women have long engaged in (Clark

1994) to places hitherto unknown in the trade distribution chain. Initially, travelling to western destinations such as Europe and the USA, many have turned in recent times to the Middle East, and East Asian countries such as the United Arab Emirates (Dubai), Thailand, China, and Hong Kong. Also involved in this trade are retail traders at various levels, who buy from these business women and retail the goods around Ghana.

## 1.7 Mobility and Trade: The Movements of Ghanaian Transnational Traders to Asian Countries for Trade Purposes

The rise of Asian countries in recent times (especially China and India) as Africa's leading external partners is altering the character of the continent's traditional international relationships with the US and Europe. Much of the analyses of Asian-African relations focus on the political-economic activities of government-supported multinational corporations, their interests in natural resources and their contacts with African governments (Liu, 2010). A key example of the political/economic level relations was the China-Africa Co-operation meeting, officially termed the China-Africa Summit in Beijing in 2006. Together with other initiatives involving specific Asian and African countries, there have been equally significant micro-level activities selling of textile products and other consumer goods. There has also been growing connectedness between the two continents, leading to a wave of economic migration between Africa and Asia. This wave of economic migration involves state-sanctioned construction teams, mining and oil workers from Asia, in particular China, as well as private transnational traders from Africa (Broadman, 2007). According to Li et al. (2007) African traders have been operating from Guangzhou for as long as a decade. They form part of quite a sizeable number of trading communities in Chinese cities and draw traders from about 52 African countries.

The increasing economic importance of China in Africa can be illustrated by the case of Ghana, as shown in Table 1. Ghana's imports from China which stood at US\$ 96.1 million in year 2000 had shot up to US\$ 502.8 million in 2006. The trade relations between the two countries have brought Ghana affordable manufactured imports, some investments, job creation and competition for local businesses. China is now the second largest source of imports for Ghana, and now accounts for 13% of Ghana's total imports (ACET, 2009).

Table 1. Ghana's imports from China: 2000-2006; Source: ACET(2009)

Year	Imports from China (\$ millions)	Exports to China (\$ millions)
2000	96.1	25.8
2001	122.2	22.7
2002	117.0	7.7
2003	179.6	32.3
2004	364.8	18.3
2005	417.8	31.5
2006	502.8	28.6

Alden (2007) has argued that the most significant impact of Chinese economic involvement in Africa is the availability of low-cost consumer goods to ordinary Africans. These low-cost consumer goods find their way onto African markets under the auspices of transnational traders, who are both African and Chinese. In 2007, China became the second most important trading partner of Africa, just behind the USA (Bertoncello and Bredeloup 2009 cited from Dirk, 2010). Available statistics indicate that Ghana is currently the second largest importer of Chinese goods in Africa (Jenkins & Edwards, 2006 cited from Liu, 2010).

As noted, Ghanaian markets like Makola and the Kumasi Central Market among others have been sites of previous research (Darkwah, 2002, Clark, 1994). Studies on Chinese traders in Ghana also exist (Ho, 2008), but no work has yet explored the mobility dynamics of transnational Ghanaian traders to China and the Far Eastern countries. While many of the transnational traders responsible for the presence of Asian goods on the Ghanaian markets are Asians (Chinese, Indians, Lebanese, etc), who import a variety of products (such as textiles, household items, cars, electronics and machinery) into Ghana, Ghanaian transnational traders are also acquiring a reputation in this trade and have been introduced to various trade fairs across Asia, particularly in Guangzhou, China. As entrepreneurs, they circumvent the Asian middlemen by travelling abroad to import goods themselves (Liu, 2010), and have been involved in introducing Chinese products onto the Ghanaian market (Ho, 2008).

## CHAPTER 2: METHODOLOGY OF THE STUDY

### 2.1 Introduction

The study was undertaken in the two largest markets 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.

In Accra, traders in such places as Dzorwulu, East and North Legon, Adenta, Spintex Road, UTC and Kinbu, as well as the main Makola market and the Opera Square area were drawn into the study. In Kumasi, traders were drawn from the main Central market, Adum area, Dicheonso, Bantama, Ahodwo and Pataasi among others.

### 2.2 Methods of the study

The study adopted both quantitative and qualitative approaches. Using survey questionnaires, we interviewed traders who travel to these new Middle Eastern and Asian destinations in selected markets and shops in Accra and Kumasi, to explore our research questions. In-depth interviews as well as focus group discussions were also conducted with the help of guides organised around the themes of the research.

As a first stage, two exploratory focus group discussions (FGDs), one each in Accra and Kumasi with traders were undertaken to provide an idea of the range of goods traded, sources of obtaining the goods, the routes and processes used to obtain goods, as well as the demographic profile of those involved in trading. Following these exploratory FGDs, a sample of 154 traders of various categories were purposively selected based on a variety of factors including type of trade (i.e. wholesale, retail trading), length or duration in trading activity, gender, age, educational level, places of destination, among others. Some of the older established and recognised merchants who used to travel to Europe, North America, and West Africa were also interviewed to ascertain their views on the past and current trends in mobility among international traders. Thirdly, thirty (30) case studies and in-depth interviews of different generations of traders (fifteen each from Accra and Kumasi) were undertaken to map the experiences of different generations of traders and their multiple migration destinations and trajectories and motivations over time. Finally, key informant interviews with some industry stakeholders were held to discuss changing trends in mobility, changing economic and regulatory environments, and policy issues arising from these. These industry stakeholders included officials of relevant Ministries, Departments and Agencies (MDAs) such as the Ministry of Trade, the Ministry of Foreign Affairs, Ministry of Interior, Ghana Immigration Service, Bank of Ghana, forex bureau operators and airline operators/travel agencies, visa officials of some relevant Embassies including the Chinese Embassy and the British High Commission among others.

The purposive sample used in the study was due to the kind of target groups involved. Traders by the nature of their jobs are suspicious of such studies with the fear that it may be a source of more tax revenue mobilisation from them. They are therefore not too open to give details of their operations to ‘total strangers’ (the research team). It was necessary to use the snowballing approach where one trader who has been interviewed went ahead to introduce us to another trader and also allayed whatever fears the latter might have about our study. The use of this approach had its challenges. The initial interviews conducted showed that traders interviewed had the tendency to introduce a colleague trader who was also into the same or similar products. Therefore conscious efforts were made to ensure the spread of a diverse group of traders who cut across sex, age, destinations and type of goods traded in among others.

The primary data was collected over a four-month period, from December 2009 to March 2010. In December 2009, the quantitative data (questionnaire administration) was collected in Accra. This was done a few days to the Christmas festivity. It involved six (6) research assistants<sup>3</sup> who had been trained for the purpose of this study. In January 2010, the rest of the quantitative data (Kumasi), and some in-depth interviews were conducted. Later in February and March, 2010, the in-depth and key informant interviews in Accra were undertaken. Given the nature of the study and the time the data was collected, the study encountered a number of problems. Transnational traders are generally a mobile and busy population. They are often on the move. For this reason, it was difficult to schedule appointments with many of them. In addition, many of them thought the data collection agents were national revenue or tax collection agents. The period for the data collection also made the process more difficult. Pre- and post- Christmas periods are generally busy times for these traders. These posed challenges as timing of interviews had to be re-scheduled several times and this lengthened the duration of field work.

## 2.3 Method of Analysis

As indicated earlier, both qualitative and quantitative data analysis were employed for the study. The individual trader was the focus of analysis and with the research questions as guiding framework, the views of 154 traders interviewed and who were involved in transnational trading in markets and shops found in Accra and Kumasi were processed using the Statistical Package for the Social Sciences version 11. The open-ended questions of the survey questionnaire administered to transnational traders were coded and in some cases re-coded due to the wide range of responses given by the traders, basically, the distributions and relationships observed from the data analysis were represented by frequencies and cross-tabulations in tables and charts. The variables of interest such as socio-demographic characteristics of traders, pattern of movement, level of trade involved in, goods traded in and challenges associated with transnational trading, just to mention a few, were analysed along spatial and gender lines. In some cases, the generational dimension was explored for insight and better understanding of any interesting observation made. Overall, the choice of variables to analyse was informed by the key objectives and research questions of the study.

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<sup>3</sup> Kobina Atta Dodoo, Eunice Maatso Kodi, Edgar Balinia Adda, Akosua Takyiwaa Manuh, Cynthia Addo, and Grace Gletsu.

The qualitative data gathered from the in-depth interviews conducted with individual traders in the various markets in Accra and Kumasi as well as the focus group discussions were analysed by themes. Even though the possibility of using the *Nvivo* software package to analyse the qualitative data was considered, the project team decided that the views and experiences of traders would be better articulated in their own words and therefore chose to analyse through the voices of the traders. The case studies cited in this study were selected to illustrate various migration trajectories and issues.

## 2.4 The Study Sites: The Makola and Kumasi Central Markets

Local lore has it that Makola market in Accra originally used to be a neighbourhood populated primarily by the Hausa of Northern Nigeria who made a living by selling char-grilled kebabs. *Ga* women, who are among the indigenes of the area, usually went to this neighbourhood to pick some of the burning charcoals from the fires (*Ma ko la*) of the Hausa kebab sellers, from which they could then start fires of their own for their evening meals. In 1924, a storey building was constructed by the town council at the site for a market, leading to the birth of Makola market. By the close of colonial rule, the Hausa men in the market had long been overtaken by *Ga* and *Akan* women who also traded in the market. Over time, the market has become the major market centre in Accra for wholesale and retail trade in locally manufactured goods and some imported consumer items. Situated in the heart of the central business district of Accra, Makola market is the largest of the markets in Accra and renowned as the site for wholesale and retail trade in global consumer items in the country (Robertson 1983, 1990; Clark and Manuh, 1991; Darkwah, 2002).

Makola market remained popular for a long time due to the competitive prices it offered, compared to prices prevailing in the supermarkets up until the late 1970s. Business was good and market women generally prospered. Their control of goods and services in the market and by extension, the country, led to persistent attacks on market women, especially during periods of shortages and high prices, particularly under military governments. Wholesalers in markets have been implicated in the fortunes of nearly all governments in Ghana and have been criticised for a host of social evils, including hoarding of goods and corruption, or its local equivalent, *kalabule*. The prosperity and fortunes of the very big wholesalers and the general aggressiveness of traders, particularly in Makola market, has led to their scape-goating by successive governments. Such antagonism against traders came to a head in 1979 when the Armed Forces Revolutionary Council (AFRC), the military junta that seized political power in 1979, had the market razed to the ground (Bentsi-Enchil, 1979; Robertson, 1983). The needless destruction of Makola market led to hardships for many traders and disruptions in their livelihoods and their ability to support their households, and some traders never recovered sufficiently to resume trade in the market.

Following the adoption of the structural adjustment programme (SAP) and the introduction of trade liberalisation, a new Makola market was opened in December 1986, and an annex was added in May 1987. Goods sold in the market consist of food items and textiles, both locally manufactured and imported (Darkwah, 2002).

The Kumasi Central Market, like Makola, was opened in 1925 by the British (Clark, 1994). The market was originally located in an unoccupied area next to the railway line near the old

downtown Adum district and Ashanti New Town. Clark (1994) has written extensively on the organisation of this market and the ethnic and gender composition of traders, a sizeable number of who originally came from neighbouring West African countries of Nigeria, Burkina Faso and Mali.

Trans-border traders in these markets have varied demographic characteristics. Although there is no comprehensive data on the demographic characteristics of traders in Ghana, a few sample surveys point to a common demographic profile. Most of the market women interviewed in two major markets in Accra and Kumasi were aged between 35–45 years, were married and lived with spouses/partners. Many had several young children and/or relatives living with them (Clark and Manuh, 1991; Clark, 1994; Darkwah, 2002).

In terms of ethnicity, studies in the Kumasi Central, Makola and Agbogbloshie markets showed that the majority of traders were Akans. The rest were Ga, Ewe and Hausa from Ghana, and Yoruba from Nigeria (Clark and Manuh, 1991; Clark, 1994; Darkwah, 2002, 2007). Clark (1994) found traders' choice of commodities to trade in reflected both local and ethnic variations in supply and demand. This tended to give sellers the advantage of a common language with consumers and familiarity with the goods sold. Similarly, long-distance trading in cattle, onions and cereals has long been common with Muslim men, similar to what prevails among their counterparts in the savannah north of Ghana. There was also a tradition of female traders in markets also travelling to Monrovia (a free port) in Liberia, and Abidjan in La Cote d'Ivoire, to bring in textiles, edible oils and other imported items. However, disruptions caused by frequent political changes and restrictions on movement in Ghana, the civil war in Liberia and later in Cote d'Ivoire, all contributed to the virtual cessation of such long-distance trade.

Several studies in the 1990s showed that several new entrants entered the markets as traders, following massive retrenchments in the civil and public services and the general freeze on employment that accompanied SAP. Some of these traders were relatively well educated, and had previously worked as teachers or nurses. Some were also tertiary level graduates, while an increasing number of men also opened shops and created new spaces in markets; in Kumasi a section of the Central market, popularly called 'Line 18', hosted highly mobile young men who travelled to Lome in Togo, and Lagos in Nigeria, to bring in supplies of goods that were in short supply in local markets. When the country experienced deteriorating economic fortune, and emigration took hold on the general population, the destinations of traders also expanded, travelling farther afield including in recent times to the Far East. Other traders who could not find shops in markets relocated to shops around the cities where they sell an increasing array of imported goods.

## CHAPTER 3: DATA AND ANALYSES

### 3.1 Introduction

The study sought to investigate transnational trading activities using data collected from transnational traders in Accra and Kumasi. Survey questionnaires were administered to these traders at the main central markets in Accra and Kumasi and their environs. The outlying areas included East Legon, Dzorwulu, Abeka-Lapaz, Tema, Mallam and Madina in Accra and Roman Hill in Kumasi.

The 154 traders in total were of different socio-demographic backgrounds and were trading in a variety of goods. Of this number, 67.5 per cent were traders in Accra with the rest in Kumasi. The following analysis provides an insight into the background of the traders interviewed, the type of trade they are involved in (i.e. wholesale, retail trading), and then discusses the issues related to transnational trading namely the decision to trade across borders, the destinations and products purchased, the processes and challenges involved, mobility and migration, gender and generational dimensions and the role of stakeholders in improving transnational trading. Additionally, in-depth interviews conducted with individual traders in the various markets in Accra and Kumasi were also analysed. This chapter will be in two parts with the first part focusing on the socio-demographic characteristics of the traders interviewed while the latter part focuses on the patterns and routes of Ghanaian Transnational Traders.

### 3.2 Socio-demographic Background of Traders

#### 3.2.1 *Sex, Age and Marital characteristics*

Although efforts were made to ensure a balance between male and female traders and among young and older traders to allow for gender and generational analysis, analysis of the data indicated that there were more women than men and fairly younger traders in the business. Table 2 gives details on the socio-demographic background of the actors in the trading business in the cities of Accra and Kumasi. Six in ten of the traders were females. Proportionately, there were a higher percentage of females in Kumasi (68%) than in Accra (56%). Thus as high as 40 per cent of the traders interviewed were men, which questions the general perception that the trading business particularly in West Africa, is dominated by women. It is therefore necessary to provide further insights into where these men are located within the trade system in terms of the level/scale of operation as well as the items traded.

Sixty (60) per cent of the traders were aged 30-39 years with 8 per cent and 18 per cent aged 20-29 years and 40-49 years respectively. In effect, more than eight in ten traders were younger than 50 years. This is to be expected because the trading business is demanding and the younger traders would be more physically fit for it than the older generations. Generally, however, women traders were older<sup>4</sup> than male traders. This observation was highlighted by

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<sup>4</sup> The term 'older' is used here to cover respondents aged 40 years and above with those below 40 years considered to be in the younger age group.

Yvonne<sup>5</sup> as follows: “*the women traders are more in number than men but there are young boys coming up. We also have elderly women and they are more than the men*”.

Table 2. Sex, Age and Marital Status of transnational traders interviewed; Source: Mobility Study (2010).

<i>Variable</i>	<i>City</i>		
	<i>Accra</i>	<i>Kumasi</i>	<i>Total %</i>
<b>Sex</b>			
<b>Male</b>	46	16	40.3
<b>Female</b>	58	34	59.7
<b>Total No./%</b>	104 (67.5)	50 (32.5)	100.0
<b>Age</b>			
<b>20-29</b>	13	0	8.0
<b>30-39</b>	42	50	60.0
<b>40-49</b>	28	0	18.0
<b>50-59</b>	15	0	10.0
<b>60 and above</b>	6	0	4.0
<b>Total No. / %</b>	104 (67.5)	50 (32.5)	100.0
<b>Marital Status</b>			
<b>Single</b>	18	0	11.8
<b>Married</b>	77	2	51.6
<b>Divorced</b>	6	13	12.4
<b>Separated</b>	2	24	17.0
<b>Widowed</b>	1	10	7.2
<b>Total No. / %</b>	104 (68.0)	49 (32.0)	100.0

In terms of marital status, a little over half of all the traders were married with almost 12 per cent not married. Twenty-nine per cent of traders were either separated or divorced. This figure is quite high when compared to the national figure of six per cent of Ghanaians being divorced or separated (GSS, 2002). In terms of gender, a higher proportion of females (32%) than males (26%) were divorced or separated. Eight out of ten divorced or separated traders were aged between 30-39 years while one in ten of them were aged 40-49 years. Additionally, majority of those who were separated or divorced were found in Kumasi. These observations require further analysis on the relationship between the trading business and marital status.

### 3.2.2 *Area of Origin of Traders*

Traders in transnational trading were from all the regions of the countries with a sharp division between regions of the north and the south. There were more traders from the Ashanti Region (47%), the Eastern Region (19%), Greater Accra Region (15%) and the Central Region (8.4%) as shown in Table 3. Together, however, the three northern regions and Brong Ahafo Region accounted for about six per cent of traders operating at the international level. Although at the national level, trading is a major activity for Ghanaians in all regions engaging 14.5% of the economically active population (GSS, 2002), international trading seems heavily tipped towards the southern regions. No male trader was interviewed

<sup>5</sup> All names in this write up have been changed to ensure anonymity of respondents. Yvonne operates in Accra, trades in products for interior decoration and has tertiary level education.

from the Upper East and Upper West Regions and male traders from the Eastern Region, Volta and Brong Ahafo Regions were more than their female counterparts.

Table 3. Regions of hometown of transnational traders by sex; Source: Mobility Study (2010).

<i>Variable</i>	<i>Sex</i>		<i>Total No.</i>
	<i>Male</i>	<i>Female</i>	
<b>Hometown Region</b>			
<b>Ashanti</b>	26	46	72
<b>Brong Ahafo</b>	3	1	
<b>Central</b>			
<b>Eastern</b>	4	9	13
<b>Greater Accra</b>	16	13	29
<b>Northern</b>	7	16	23
	1	1	2
<b>Volta</b>	0	2	2
<b>Total No.</b>	0	1	1
	5	3	8
	62	92	154

Northern regions consist of the Northern, Upper East and Upper West Regions and the Southern regions consist of the Ashanti, Central, Eastern, Greater Accra, Western and Volta and Brong Ahafo regions.

### 3.2.3 *Ethnic, Religious and Educational Characteristics of Traders*

Majority (80.5%) of the traders were Akan by ethnicity with more than half of them originating from the Ashanti Region followed by those from the Eastern and Central Regions. The Ga-dangme people who are the natives of Accra were 9.1 per cent of the traders interviewed and none was interviewed outside the Region (Table 4).

The traders were largely of the Christian faith with 89.5 per cent of the 152 traders who responded, indicating so (Table 4). This is followed by those of the Islamic religion. By location, there were more Moslem traders in Accra (11.7%) than in Kumasi (4%) while the proportion of Christian traders in Kumasi (94%) was higher than that of Accra (87%). A significantly higher proportion of the traders of the Islamic faith who were interviewed were female (85.7%) as against the proportion of 58 per cent female Christian traders— indicating that among the male traders interviewed, there were relatively more Christians than Moslems in the trading business at the international level.

The educational level of the traders was fairly high with 59 per cent of them having at least secondary education. Those with tertiary education constituted 16.5%. More than a third (34.2%) of the traders had Middle School Leaving Certificate (MSLC) /Vocational Training. Those who have never been to school formed just about three per cent (Table 4). Majority of traders with secondary education and above were found in Accra while majority (62%) of those in Kumasi had Middle School Leaving Certificates, Vocational or Basic Level Education. Of the traders who had never been to school however, all of them were in Accra. The involvement of people with higher educational levels or higher professional qualification in the trading business was typified in the case of John, a 36-year old trader who had university level education. John was engaged in trading activities before completing his university education and currently had, in addition to trading, a secondary job as an administrator in a private company. He had introduced a friend into the trading business, who was also a professional certified accountant.

Table 4. Ethnicity, Religion and Educational level of transnational traders; Source: Mobility Study (2010).

<i>Variable</i>	<i>City</i>		<i>Total %</i>
	<i>Accra</i>	<i>Kumasi</i>	
<b><i>Ethnic Group</i></b>			
<b>Akan</b>	77	47	80.5
<b>Ga-dangme</b>	14	0	9.1
<b>Ewe</b>	6	1	4.5
<b>Mole-dagbon</b>	4	0	2.6
<b>Gurma</b>	0	1	0.6
<b>Grusi</b>	2	0	1.3
<b>Other</b>	1	1	1.3
<b>Total No. (%)</b>	104 (67.5)	50 (32.5)	100.0
<b><i>Religion</i></b>			
<b>Islamic</b>	12	2	9.2
<b>Traditional</b>	1	1	1.3
<b>Christian</b>	90	46	89.5
<b>Total No. (%)</b>	103 (67.8)	49 (32.2)	100.0
<b><i>Educational Level</i></b>			
<b>Never been to School</b>	4	0	2.6
<b>Non-formal</b>	3	1	2.6
<b>Primary</b>	2	0	1.3
<b>MSLC/BECE/VOC<sup>6</sup></b>	21	31	34.2
<b>Secondary</b>	38	12	32.9
<b>Tertiary</b>	21	4	16.5
<b>Post-Sec</b>	4	1	3.3
<b>Other</b>	9	1	6.6
<b>Total No. (%)</b>	102 (67.1)	50 (32.9)	100.0

There were a significantly higher proportion of the male traders (67%) than female traders (54%) who had at least secondary education (Table 5). The reverse is the case with more female than male traders having education below the secondary level. Indeed, the proportion of those who had never gone to school also involved more women than men.

The majority of traders with tertiary education were aged within the 30-39 year group. The minimum level of education among the 50-59 year old traders was Middle School or Vocational Education whereas among the youth groups from 20-39 years, there were traders who had never gone to school. These formed about 75% of all traders who had never gone to school (Table 6). The fact that some traders had no or very little education highlights the ease of entry into the trading business.

<sup>6</sup> Middle School Leaving Certificate/Basic Entrance Certificate Examination/Vocational levels of education. The Middle School Leaving Certificate involves a period of 4 years of schooling while the Basic Education Certificate Examination (BECE) involves 6 years of primary school education followed by 3 years of junior secondary school education totaling 9 years of basic level education. The Vocational level involves a maximum of 3 years after the Middle School and Basic level education.

Table 5. Educational level of traders by sex; Source: Mobility Study (2010).

<i>Variable</i>	<i>Sex</i>		<i>Total No.</i>
	<i>Male</i>	<i>Female</i>	
<b>Educational Level</b>			
<b>Never Been to School</b>	1	3	4
<b>Non-formal</b>	2	2	4
<b>Primary</b>	0	2	2
<b>MSLC/BECE/VOC</b>	17	35	52
<b>Secondary</b>	22	28	50
<b>Tertiary</b>	16	9	25
<b>Post-Secondary</b>	1	4	5
<b>Other</b>	2	8	10
<b>Total No.</b>	61	91	152

Table 6. Educational level of traders by age; Source: Mobility Study (2010)

<i>Variable</i>	<i>Age</i>					<i>Total No.</i>
	<i>20-29</i>	<i>30-39</i>	<i>40-49</i>	<i>50-59</i>	<i>60+</i>	
<b>Educational Level</b>						
<b>Never Been to School</b>	1	2	0	0	1	4
<b>Non-formal</b>	0	1	3	0	0	4
<b>Primary</b>	0	1	1	0	0	2
<b>MSLC/BECE/VOC</b>	1	38	6	6	1	52
<b>Secondary</b>	3	30	11	5	1	50
<b>Tertiary</b>	7	14	2	0	2	25
<b>Post-Secondary</b>	0	2	3	0	0	5
<b>Other</b>	0	4	2	4	0	10
<b>Total No.</b>	12	92	28	15	5	152

### 3.2.4 Household and Family Issues

Concerning the number of children, apart from 12 per cent of the traders who did not have children, the rest of traders in both cities of Accra and Kumasi had at least a child and a maximum of seven children (Figure 2). A higher percentage of traders had two and three children accounting together for 48 per cent of traders. The average number of children per trader was two children however, 28.6 per cent of traders had 4 or more children. A significantly higher proportion of traders in Accra (65.4%) compared to those in Kumasi (48%) had one to three children while a higher proportion of traders in Kumasi (42%) than in Accra (22%) tended to have four or more children (Figure 1). Transnational traders in Accra therefore appear to have fewer children than those in Kumasi.

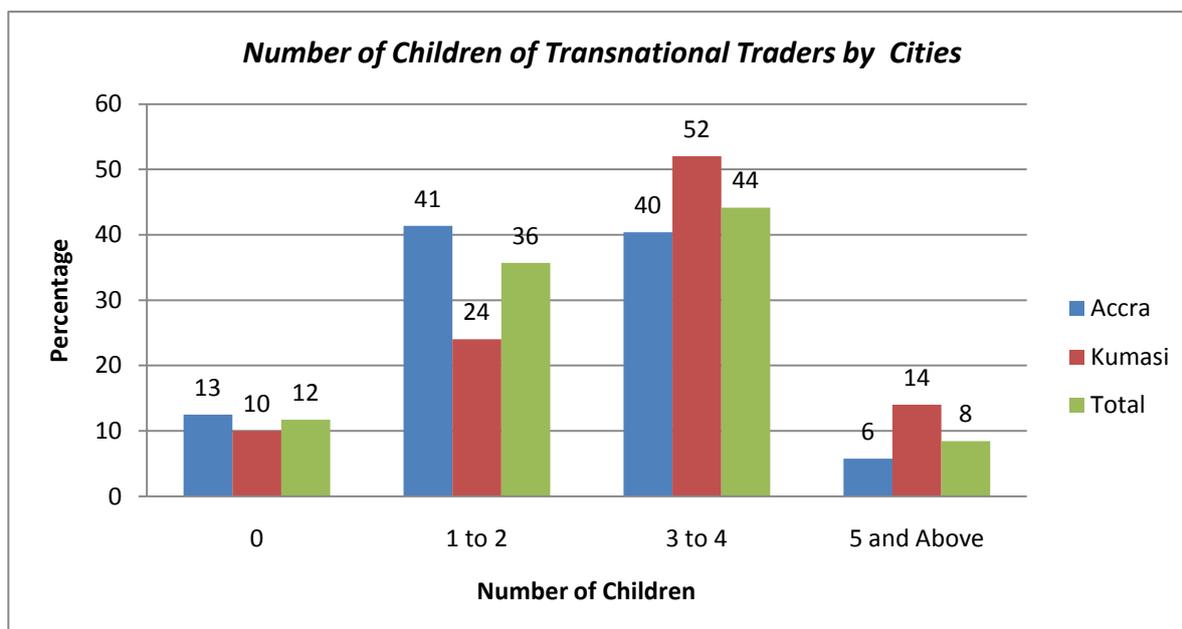


Figure 1. Number of children of transnational traders in Accra and Kumasi; Source: Mobility Study (2010)

More male traders (29%) compared to their female counterparts (21%) had three children. There were a slightly higher proportion of the men (13%) than women (11%) who were without children, or had one or two children. Apart from these groups, women dominated the group with four or more children. Twenty-four per cent (24%) of female traders had four children as against 15 per cent of male traders who had the same number of children. In effect, more male than female traders had less than four children while more female than male traders had four or more children.

Table 7. Number of children according to traders' educational level; Source: Mobility Study (2010).

Variable	No. of Children					Total %
	0	1-2	3-4	5-6	7	
<b>Never Been to School</b>	1	1	2	0	0	2.6
<b>Non-formal</b>	0	2	2	0	0	2.6
<b>Primary</b>	0	0	2	0	0	1.3
<b>MSLC/BECE/VOC</b>	3	16	26	6	1	34.2
<b>Secondary</b>	8	18	21	3	0	32.9
<b>Tertiary</b>	5	11	7	2	0	16.4
<b>Post-Secondary</b>	1	1	3	0	0	3.3
<b>Other</b>	0	6	3	1	0	6.6
<b>Total No.</b>	18	55	66	12	1	152
<b>Total %</b>	11.8	36.1	43.4	7.9	0.7	100.0

In terms of the educational level of traders and the number of children they had, there appeared to be no association between level of education and number of children born. Indeed those with secondary and higher education were also the group with 3 or more children, while those with no education, non-formal and primary education had four or fewer children (Table 7).

In terms of household size, traders had household sizes ranging from one to fourteen members. A significant proportion of both male and female traders had household sizes of six or more members. More than two-thirds of them were in this category and specifically, 67 per cent of male traders and 69 per cent of female traders respectively. However, there were more male than female traders with household size of 5 or less. About 12 per cent of male traders and 10 per cent of female traders were in one-member households. Female traders had relatively larger households than male traders. Analysed in terms of location, almost the same proportion of traders in Kumasi (69.4%) and Accra (68%) had household size of six or more members. In effect, traders in Accra had smaller households (five or less members) than those in Kumasi. One-member households were more among Accra traders (13%) than in Kumasi (6%) as presented in Figure 2.

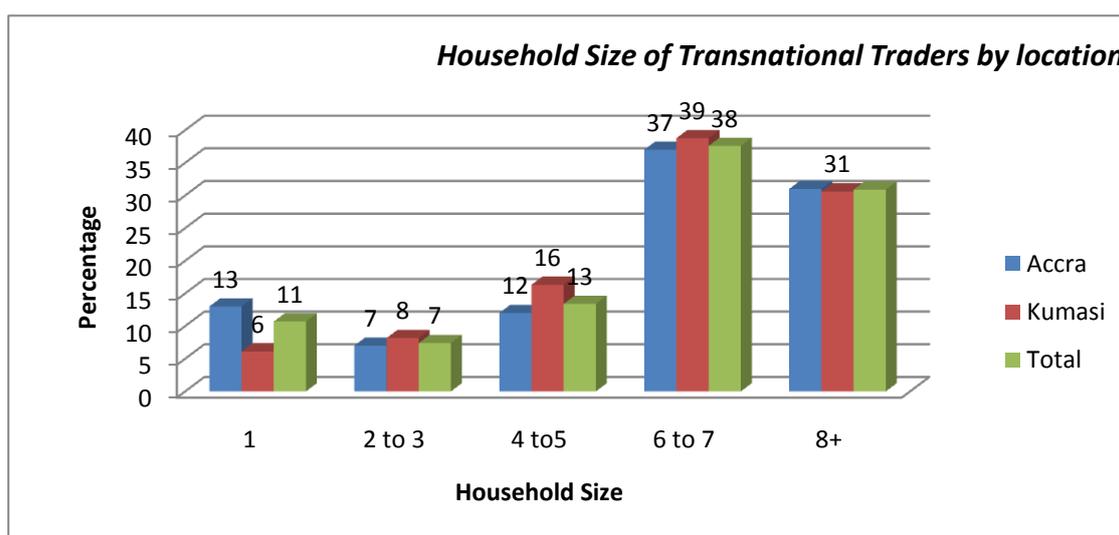


Figure 2. Household size of transnational traders according to location; Source: Mobility Study (2010)

Table 8. Household size of transnational traders by educational level; Source: Mobility Study (2010)

Variable	Household Size					Total %
	1	2-3	4-5	6-7	8+	
<b>Never Been to School</b>	1	0	0	3	0	2.7
<b>Non-formal</b>	0	0	1	2	1	2.7
<b>Primary</b>	0	0	0	0	2	1.4
<b>MSLC/BECE/VOC</b>	5	3	7	17	19	34.7
<b>Secondary</b>	7	3	4	19	15	32.7
<b>Tertiary</b>	2	2	7	8	4	15.6
<b>Post-Secondary</b>	0	0	1	2	2	3.4
<b>Other</b>	0	3	0	4	3	6.8
<b>Total No.</b>	15	11	20	55	46	147
<b>Total %</b>	10.2	7.5	13.6	37.5	30.3	100.0

There was no clear association between level of education and household size of transnational traders. Household sizes of six or more members were common among traders with no education, primary as well as secondary plus education, only differing in their proportions. The proportions range from 52 per cent among traders with tertiary education to 80 per cent among traders with post-secondary education. Seventy-five per cent (75%) of traders with no education and all traders with primary education had six or more members in their households (Table 8).

### 3.2.5 Occupation

An analysis of the occupations traders were involved in before they started trading made striking revelations; more than a quarter of the traders (26%) were unemployed prior to engaging in transnational trading. About 12 per cent of the traders had moved into transnational trading from other trading activities while twenty-one per cent (21%) of them also went into trading straight after their education. Meanwhile, there were others who were teachers, seamstresses or tailors and housewives. No trader in Kumasi moved from another trading business into transnational trading (Figure 3). Apart from traders in Accra who were previously engaged in other trading business, there were higher percentages of traders who had moved into trading from another occupation in Kumasi than in Accra. There were more traders in Kumasi who were unemployed (30%) or students (26%) before they went into transnational trading.

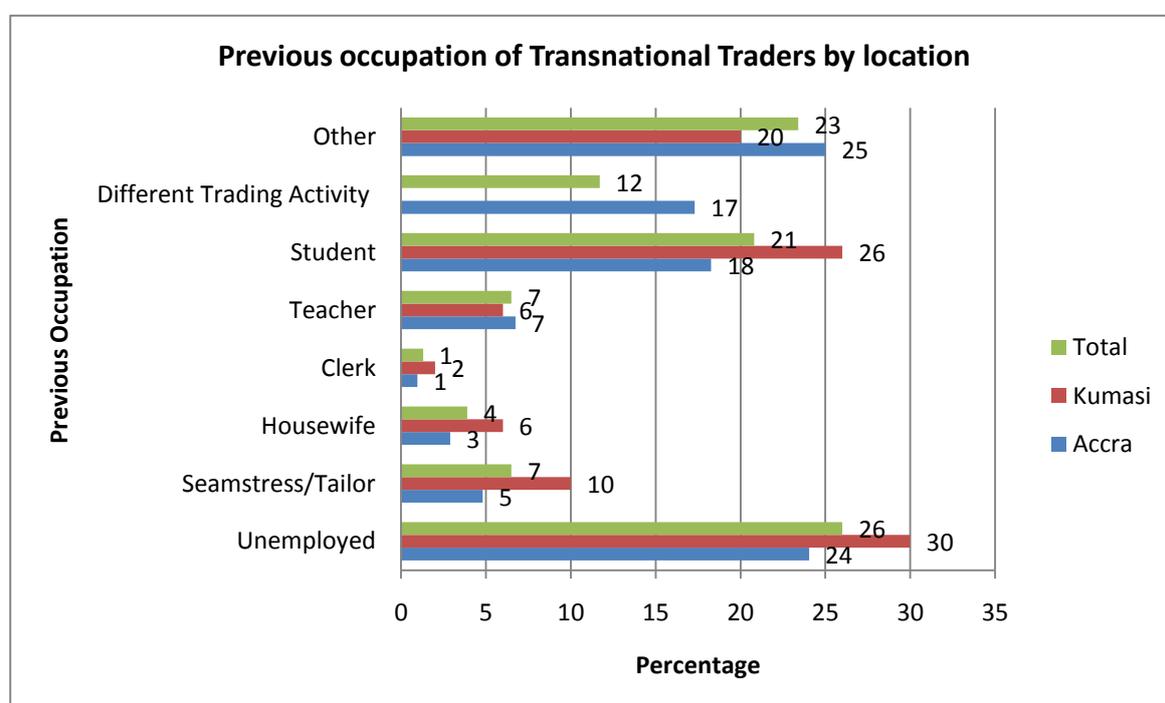


Figure 3. Previous occupation of transnational traders by location; Source: Mobility Study (2010)

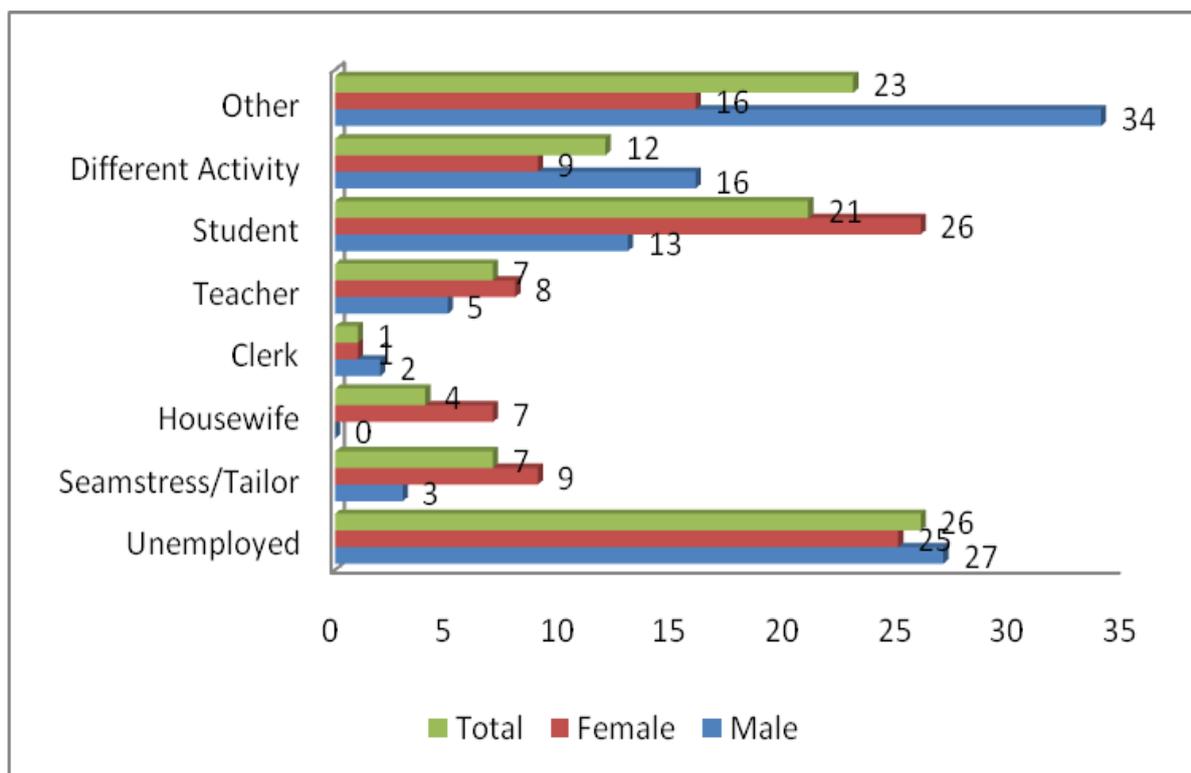


Figure 4. Previous occupation of transnational traders by sex; Source: Mobility Study (2010)

Among the male traders, 27 per cent of them were previously unemployed while 16 per cent of them also moved from other trading activities into transnational trading. Among their female counterparts, 25 per cent and about 9 per cent respectively were previously unemployed or had moved in from other trading activities. There were more female (7.6%) than male (4.8%) teachers who had taken to trading. More than a quarter of the female traders (26%) came into the business immediately after completing school compared to 13 per cent of their male counterparts (Figure 4). This might indicate the relative ease with which women can enter into transnational trade compared to men.

Traders who were previously unemployed included people with all the levels of education, ranging from the lowest to the highest, indicating perhaps the high unemployment levels in the country even among the educated. The minimum educational level of traders who were previously seamstresses or tailors is the basic level but this also includes four traders with secondary or higher educational levels. Interestingly, this same trend/observation was also the case with respect to traders who were previously teachers and students (Table 9). Three out of ten traders with basic (30.8%) and Secondary education (30%) were unemployed before they got into trading. Twice as many traders with secondary education were students as compared with those having tertiary education. This means that about 22% of traders with secondary education and 44 per cent of those with tertiary education, engaged in trading right after schooling.

Table 9. Previous occupation of transnational traders by educational level; Source: Mobility Study (2010)

Variable	Educational Level								Total %
	No School	Non-formal	Primary	MSLC/BECE/VOC	Sec.	Ter.	Post-Sec	Others	
Unemployed	2	1	1	16	15	2	1	2	26.3
Seamstress/Tailor	0	0	0	6	3	1	0	0	6.6
Housewife	1	0	0	2	2	1	0	0	3.9
Clerk	0	0	0	0	2	0	0	0	1.3
Teacher	0	0	0	5	2	2	1	0	6.6
Student	0	0	0	7	11	11	0	3	21.1
Dif. Trad. Activity	1	0	1	5	8	1	0	1	11.2
Other	0	3	0	11	7	7	3	4	23.0
Total No.	4	4	2	52	50	25	5	10	152
Total %	2.6	2.6	1.3	34.2	32.9	16.4	3.3	6.6	100.0

A majority of the traders were engaged in the trading business alone with 84 per cent of them indicating that they did not have any secondary occupation. Viewed in terms of location, a relatively higher percentage of traders in Kumasi (88%) than in Accra (81.7%) were engaged in trading only. The high percentages observed indicates that trading is a demanding job which leaves one with little time and space for other things as Dufu, one of the traders in Accra explained, “*I started farming but because of the nature of this business I couldn’t concentrate on the farming and I couldn’t get any one to take care of the farm also. In addition to the farming I was keeping poultry and had about three thousand birds. So, I have stopped farming for now*”. Between the men and women, 79 per cent and 87 per cent respectively were engaged in trading only meaning that more men than women traders had secondary occupations. For the 21 per cent of male traders and 13 per cent of female traders who had secondary occupations, these included farming, catering and sewing, teaching and information communication technology among others as shown in Figure 5. The qualitative data also supported this in the case of Auntie Selina<sup>7</sup> who owns cocoa and teak farms and has farmers working for her. She visits the farms occasionally to ensure that everything is moving on smoothly. In the case of Yvonne, she had to open a Business Centre to initially assist her primary business of interior decoration. This, she later found lucrative and finally opened up to the public and the Business Centre is currently operated on a commercial basis.

In most cases, these other jobs are done during weekends and could easily be handled alongside the trading business or required the engagement of other people and the supervision of the trader. As one woman<sup>8</sup> indicated, “*Catering is a seasonal job, so I decided to trade. But I have not given up catering for good. I take orders during weekends*”. Others were in the transport business where they have vehicles that have been given out to drivers to work with and make accounts to the owner. Some of them also drive their own commercial vehicles on weekends. In the case of those in academia, it is probably the flexibility that allows them to take on the teaching while someone oversees the trading business for the period of absence. It

<sup>7</sup> A 56-year old woman with Secondary ‘O’ Level Education and operates her shop in Accra.

<sup>8</sup> A trader in the focus group discussion held at the market.

would also be interesting to investigate what accounts for the higher proportion of males taking on secondary occupations than females.

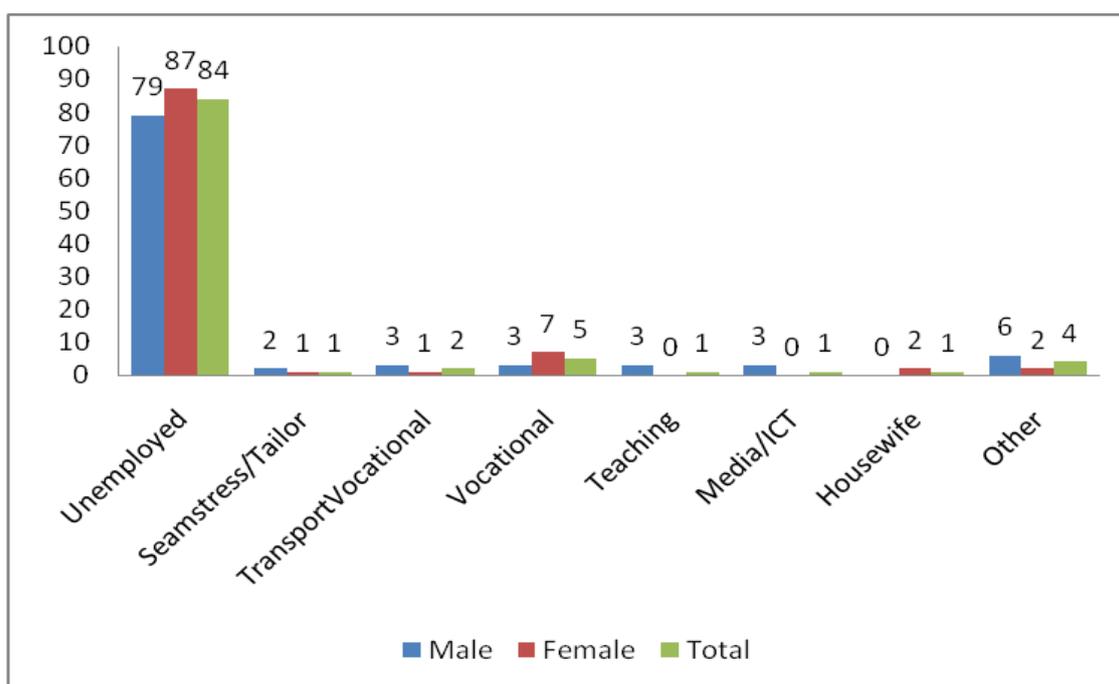


Figure 5. Secondary occupation of transnational traders by sex; Source: Mobility Study (2010)

Table 10 indicates that only traders with secondary education were involved in primary activities like farming while only those with tertiary education were involved in teaching. The high proportions of all educational categories who were involved in only trading, supports the earlier observations, and the point that trading is a demanding occupation and leaves one with little time for other things.

Table 10. Secondary occupation of transnational traders by educational level; Source: Mobility Study (2010)

Variable	Educational Level								Total %
	Never Been to School	Non-formal	Primary	MSLC/BE CE/VOC	Sec.	Tertiary	Post-Sec	Others	
None	3	3	2	48	43	18	4	7	83.8
Primary Activities	0	0	0	0	2	0	0	0	1.3
Transport Vocational	0	0	0	1	1	0	0	1	1.9
Teaching	0	0	0	0	0	2	0	0	1.3
Media/ICT	0	0	0	0	1	1	0	0	1.3
Housewife	0	0	0	1	1	0	0	0	1.3
Other	0	1	0	0	1	3	0	0	3.9
<b>Total No.</b>	4	4	2	52	50	25	5	10	152
<b>Total %</b>	2.6	2.6	1.3	34.2	32.9	16.5	3.3	6.6	100.0

### 3.2.6 Reasons for Trading

The reasons advanced for the decision to go into trading were varied as shown in figures 6 and 7. However, the most common reasons given for entering into trading included “the passion and interest in trading”, the profitability of the activity, personal and family-reasons. Others indicated that they decided to trade because of the family business which they naturally took over or participated in from an early age. Thirteen per cent (13%) took to trading upon being introduced to the business by friends and relatives.

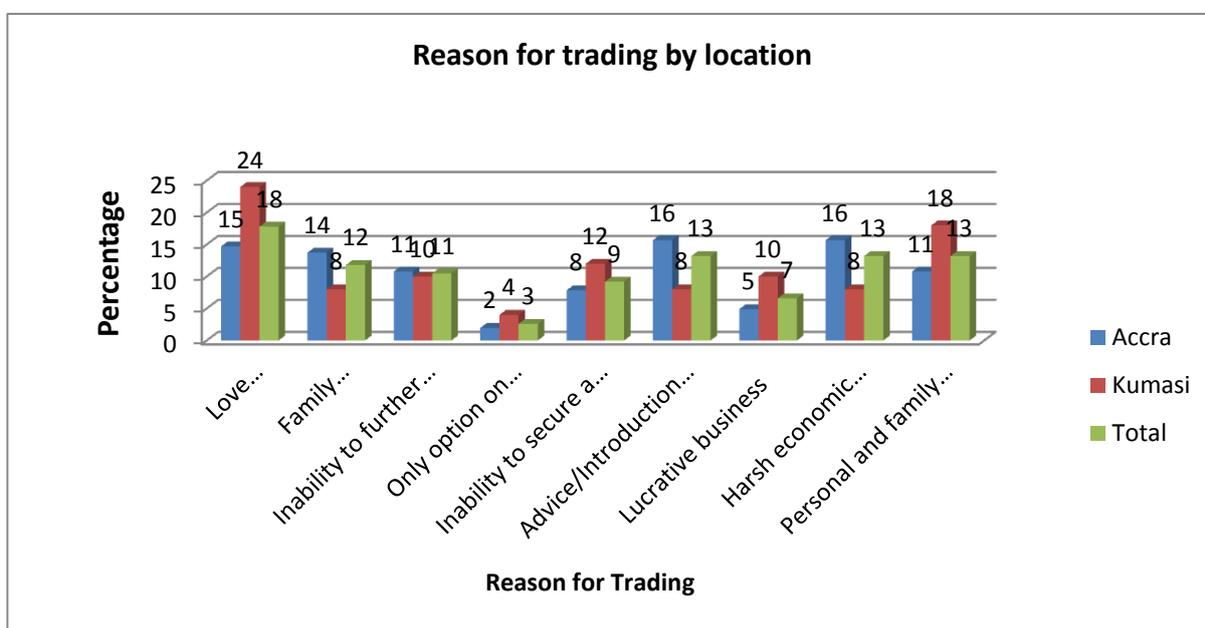


Figure 6. Reason for trading by location; Source: Mobility Study (2010)

Specifically, traders in Accra were engaged in trading more for the harsh economic conditions (16%), the family-business nature (13.7%) and because friends and relatives had introduced them to the business (15.7%). Traders in Kumasi however were more into the trading business for the love and passion for it (24%) and also for personal and family-related reasons (18%), and for profitability (lucrative) (See figure 6).

A higher proportion of female traders (22%) than male traders were engaged in trading for the passion and love for the business. Relatively, more males went into trading for the profitability of the business (16%) and the fact that it was a family business (15%). There was not much difference between the genders with respect to those who took to trading on the advice of friends or relatives or for personal and family reasons (See figure 7).

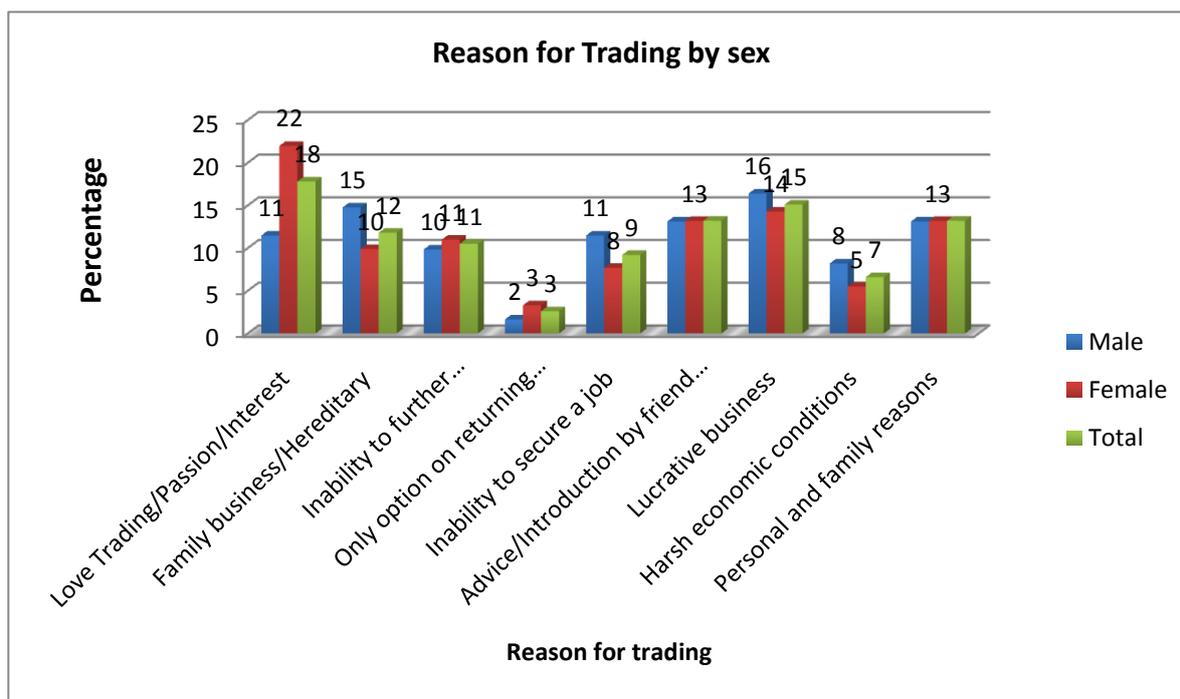


Figure 7. Reason for trading by sex; Source: Mobility Study (2010)

To some of these traders, the ability to trade seemed to be hereditary having been introduced to it by their parents or a family member or a friend. In the case of parents introducing respondents to trading, it was part of the socialisation process where children helped out in their parents’ businesses. This to some extent influenced their decision to take to trading as a profession. However, for a number of them, this was preceded and further enforced by the respondents’ inability to continue their education. So they took to trading as a last resort. Auntie Selina for instance, regretted the lack of opportunity to continue with her schooling. She lamented, *“I would have loved it but my mother had nobody to help her, so she asked me to stop schooling and help her in the trading.”* Other specific reasons given included the desire for higher salaries, the desire to be an entrepreneur and be one’s own boss. Explaining why he decided to trade, John had this to say, *“Actually I had intended setting up a group of companies in entrepreneurship within a specified time frame, so on completing my education, I decided to enter into trading to enable me reach my target.”*

Underlying all these reasons was the strong personal interest in or passion for the trading business. Bernard<sup>9</sup> had this to say,

*“I had always liked to trade since my infancy, what I did was buy and sell; I have sold provisions, second-hand clothes and other things. I was just trying a lot of things so when I went into provisions and saw that trading was good and that it will help me, I realised that trading is my heart’s desire so I stopped all the other trading and stuck to provisions and started real trading.”*

In-depth interviews further revealed that it was particularly female traders who engaged in trading for family-related reasons contrary to the finding from the survey which indicated

<sup>9</sup> 46-year old trader who has been trading in watches for more than 20 years. He was interviewed in Accra.

both sexes engaging in trading for the same reasons. According to Lydia, “*I joined when I got married, my husband was into trading*”. Sarah<sup>10</sup> who started the trading business nine years ago said “*I voluntarily retired from the formal sector, and was then pregnant with my second child. So I decided to do business in order not to waste my life.*”

For many of those with some level of education, trading was their option because of their inability to secure jobs. All the traders who went into trading because of the family business had some level of education from the primary to the tertiary – highlighting the importance attached to education for the successful running of a family business (Table 11).

Table 11. Transnational traders' reason for trading by educational level; Source: Mobility Study (2010)

Variable	Educational Level								Total
	Never Been to School	Non-formal	Primary	MSLC/BECE /VOC	Sec.	Ter.	Post-Sec	Others	
Love for Trading	1	0	0	12	6	4	2	2	18.0
Family business	0	0	1	3	8	4	1	1	12.0
Educational Limits	2	0	1	6	7	0	0	0	10.7
Option on return	0	0	0	2	1	0	1	0	2.7
Occupational Lim.	0	2	0	9	3	0	0	0	9.3
Advice	0	0	0	3	12	4	0	1	13.3
Lucrative business	1	0	0	5	7	5	1	2	14.0
Economic cond.	0	0	0	6	2	1	0	1	6.7
Personal or family	0	2	0	5	4	7	0	2	13.3
Total No.	4	4	2	51	50	25	5	9	150
Total %	2.7	2.7	1.3	34.0	33.3	16.7	3.3	6.0	100.0

### 3.2.7 Networks

Introduction to the trading business was made mainly through relatives and friends as indicated by 45.5% and 27.3% of traders respectively. Of those who were introduced to the business by relatives, seven out of 10 of them was through their parents.

More than a third of the traders (36%) in Accra got introduced to the business by friends while in Kumasi, traders got into the business on their own (34%). A higher proportion of the females (24%) than the males (12%) got into the trading business on their own initiative. Siblings and friends were instrumental in more males getting into trading whereas in the case of the females, the parents and friends were more instrumental (Table 12). Dufu, a male trader and Selina, a female trader elaborated further.

*“It’s my senior sister who introduced me to the business. She was doing business between Ghana and Togo. After my apprenticeship, I decided to join her in doing the business”.* – Dufu

*“I did not go far in school so I decided to enter into business. When I finished form 5, I went to stay with my mother and she thought I should start trading with her. She used to take goods from UAC to sell and all my siblings were in school. So I stopped schooling to help my mother with her trading”.* - Selina

<sup>10</sup> She is into high-class fashion and fabrics and based in Accra.

Table 12. Introduction to trading by sex; Source: Mobility Study (2010)

<i>Variable</i>	<i>City</i>		
	<i>Accra</i>	<i>Kumasi</i>	<i>Total %</i>
<b>Person who introduced</b>			
<b>Father/Mother</b>	32	17	31.8
<b>Uncle/Auntie</b>	3	2	3.2
<b>Grandfather/mother</b>	1	0	0.6
<b>Friends</b>	37	5	27.3
<b>Myself</b>	19	17	23.4
<b>Spouse</b>	1	2	1.9
<b>Brother/Sister</b>	9	3	7.8
<b>Other</b>	2	4	3.9
<b>Total No.</b>	104	50	154
<b>Total %</b>	67.5	32.5	100.0
	<i>Sex</i>		
<b>Person who introduced</b>	<i>Male</i>	<i>Female</i>	<i>Total %</i>
<b>Father/Mother</b>	15	34	31.8
<b>Uncle/Auntie</b>	1	4	3.2
<b>Grandfather/mother</b>	1	0	0.6
<b>Friends</b>	22	20	27.3
<b>Myself</b>	12	24	23.4
<b>Spouse</b>	0	3	1.9
<b>Brother/Sister</b>	8	4	7.8
<b>Other</b>	3	3	3.9
<b>Total No.</b>	62	92	154
<b>Total %</b>	40.3	59.7	100.0

The in-depth interviews and FGDs further supported the findings from Table 12. Many of the traders particularly the females started trading with an older relative, often a mother, grandmother, mothers' friend or other relative and gradually moved into trading independently. In this way, the presence of social networks at the onset of trading and indeed mobility decision-making was crucial. 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 the three also operated independently on a smaller scale. For example the grandson was also involved on his own in importing small medical equipment such as blood pressure monitoring equipment from China. Interestingly, 23.4% indicated having discovered the trading business on their own (Table 12). An important point to note from Table 12 is the influence of friends in the decision to go into trading. This is discussed further in section three on mobility strategies.

As to whether traders interviewed had any intention to hand down their business to their children, 51 per cent of them answered in the affirmative. More traders in Kumasi (56%) had the intention of handing over their businesses to their children compared to those in Accra (48%) (See Figure 8). Between the genders, there was no significant difference. Fifty-two per cent and 50 per cent of male traders and female traders respectively intended to give their businesses to their children. In response to whether Sarah had the intention to hand over her trading business to her children, she said, "Sure. All my children are girls and I will give it to them when they are older". In the case of Dufu who was a Middle School Leaving Certificate holder and regrets not having gone higher, his reply was, "Yes, but I tell them to go to school

and come to open their own business”, - and this highlights the importance these traders attach to the education of their children.

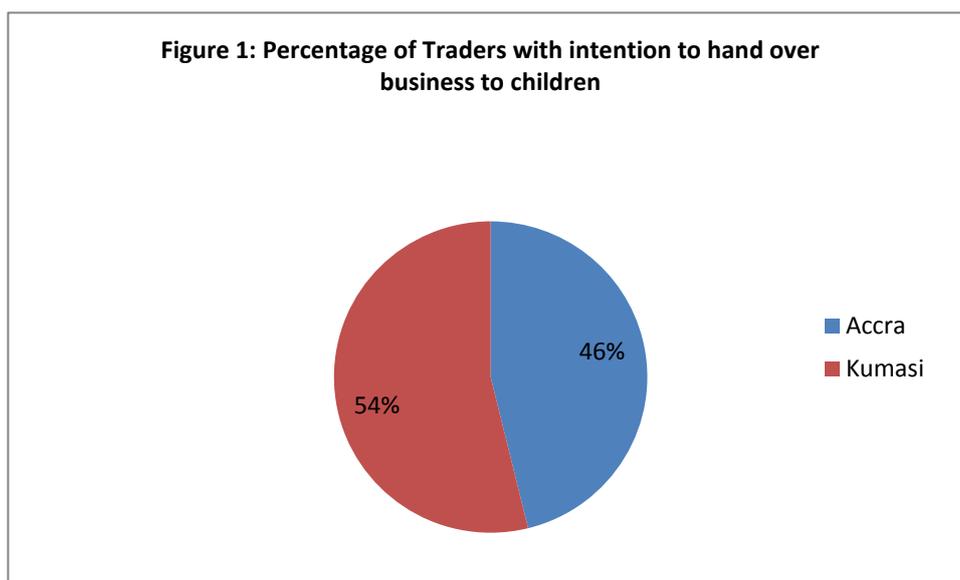


Figure 8. Intention of parents to hand over business to children; Source: Mobility Study (2010)

Interestingly, apart from those aged 30-39, traders in all other age groups had a higher proportion of those who intend to hand over their businesses to their children in the future. Their proportions ranged from 50 per cent among those aged 60 years and above to 64 per cent among those aged 40-49 years. Fifty-three percent of traders in the 30-39 year group had no intention of handing over their businesses to their children (Table 13).

Table 13. Traders' intention to hand over business to children by age; Source: Mobility Study (2010)

Variable	Age					Total %
	20-29	30-39	40-49	50-59	60+	
<b>Intention to hand over</b>						
<b>Yes</b>	4	42	18	9	3	50.7
<b>No</b>	7	48	10	6	3	47.3
<b>Total No.</b>	11	90	28	15	6	150
<b>Total %</b>	7.3	60.0	18.7	10.0	4.0	100.0

Analysis by educational level of traders indicated that those with no education as well as those with tertiary and post-secondary education largely had no intention of handing over their business to their children (Table 14). Ranging from 65 per cent among traders with tertiary education to 80 per cent among those with post secondary education, these traders' responses were not emphatic but conditional. There was the preference for these children to be educated first before going into trading if they so wished. Responses from the in-depth interviews such as the following support this view. One said, “if he is interested fine but I will not force him to do what I'm doing. I didn't get the chance to go to school so I will let him go

*to school and then he will decide on whatever he wants to do'. Another added, "I am a person who will not force my children to take after me. I will want them to explore what interests them. The most important thing is to give them education. And then if they want to take after me, fine".*

Table 14. Traders' intention to hand over business to children by educational level; Source: Mobility Study (2010)

Variable	Educational Level								Total
	Never Been to School	Non-formal	Pri-mary	MSLC/BE CE/VOC	Sec.	Ter-tiary	Post -Sec	Others	
<b>Yes</b>	1	2	1	28	29	8	1	5	50.7
<b>No</b>	3	2	1	23	20	15	4	5	49.3
<b>Total No.</b>	4	4	2	51	49	23	5	10	150
<b>Total %</b>	2.7	2.7	1.4	34.5	33.1	15.5	3.4	6.8	100.0

Though many traders indicated that they had introduced other people to the trading business and were still willing to do so, a few were hesitant and had this to say when asked whether they would introduce any more people to the business, *"Well as the days go by the business keeps changing. For the past 2 years, business has not been good so you cannot introduce somebody into the business"* - Auntie Abigail<sup>11</sup>. Sarah was more emphatic saying, *"No. How can someone introduce you to your passion? No. It may not be the person's passion and in this business you need to have the passion for it."*

For almost 69 per cent of traders, though capital for their trading was a challenge, they indicated their personal savings as their source of their start-up capital. Loans from banks were not options that many considered much because of the high interest rates that banks in Ghana charged. However almost one in five of them accessed bank loans to start their trading business. Family members were other sources as shown in Figures 9 and 10. The order of relying on personal resources first followed by friends and family before the banks, according to the Pecking order theory (Myers, 1984) is not the case here. The bank rather was the next point of call for traders after exhausting their personal resources. This may be linked to the local context in Ghana where banks charged interest rates of between 29% to 32% (as at 2010), making it difficult for small businesses to survive with such high interest rates.

<sup>11</sup> A 43-year old widow who sells dresses in Kumasi.

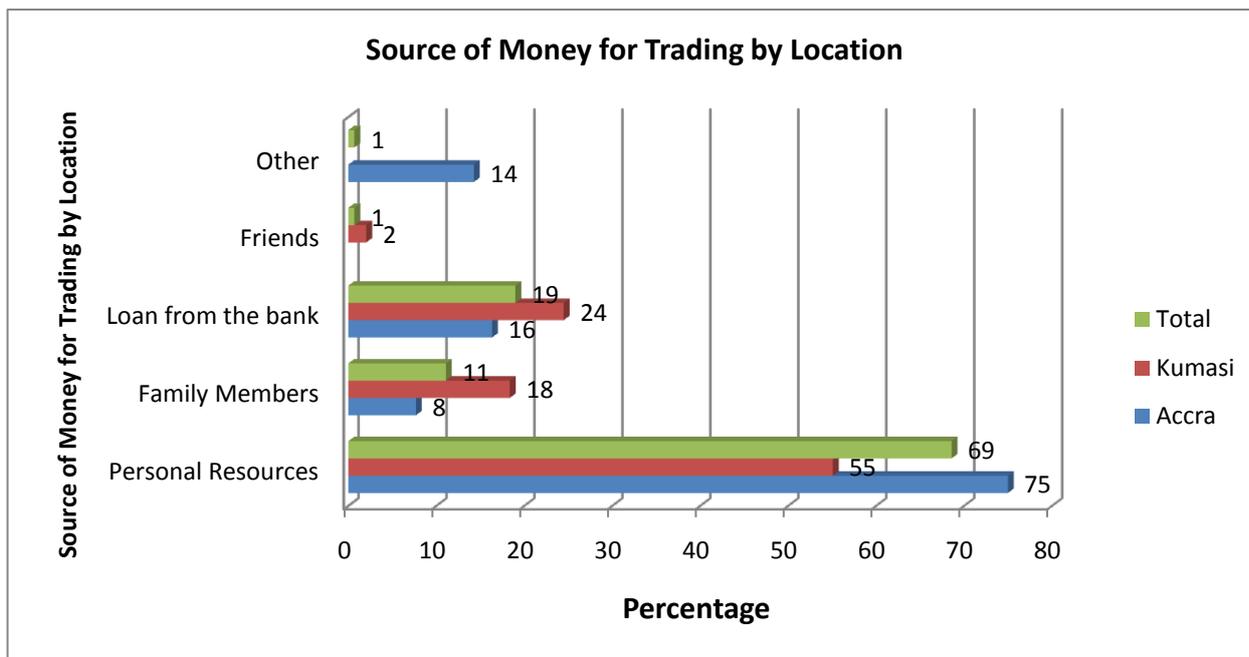


Figure 9. Sources of money for trading by location; Source: Mobility Study (2010)

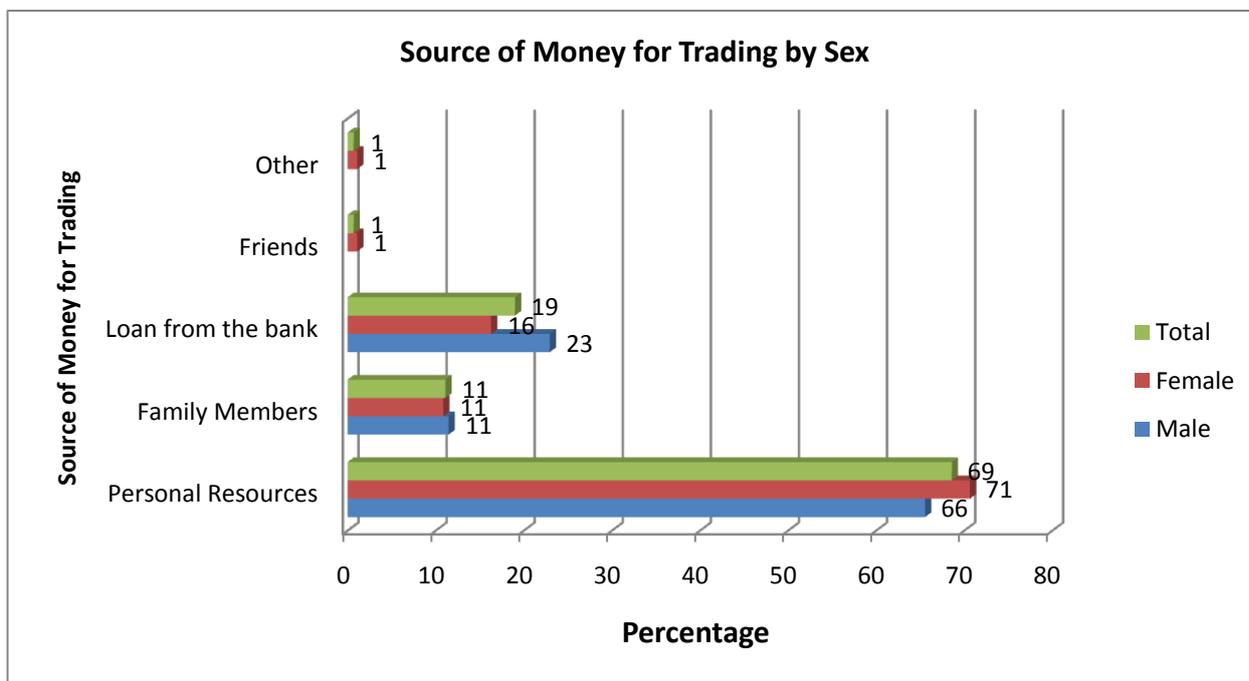


Figure 10. Sources of money for trading by sex; Source: Mobility Study (2010)

Traders in Accra however depended on their personal resources more than those in Kumasi while more traders in Kumasi relied on the banks and family members than those in Accra (Figure 9). Between the genders, there is not much difference in sources of funds for start-up capital for trading. However, slightly more female traders (71%) started their businesses from their own savings than their male counterparts (66%) while more male traders (23%)

used loans from banks for their businesses than their female counterparts (16%). There was no difference between male and female traders in terms of family members' assistance with their start-up capital (Figure 10).

Overall, the reasons for trading, introduction into the trading business, the desire of parents to hand down their businesses to their children and the role of family and friends as a source of start-up capital, as well for introducing relatives into trading, have highlighted the importance of family and friendship networks and trust in the trading business. Money may not necessary change hands immediately during a business transaction but rather, the importance of trust would enable credit facilities to be extended in some cases.

### 3.2.8 *Scale of Trading and Market Fluidity*

In terms of the type of trading engaged in, more than half (53%) of them were operating both wholesale and retail outlets (Table 15). 36% operated as retailers only, while 11% operated on wholesale basis only. There were more traders into both wholesaling and retailing in Kumasi (66%) than in Accra (47%). In the case of retailers only, there were more in Accra (43%) than in Kumasi (22%).

Table 15. Level of Trading in both cities; Source: Mobility Study (2010)

<i>Variable</i>	<i>City</i>		<i>Total %</i>
	<i>Accra</i>	<i>Kumasi</i>	
<b>Level of Trading</b>			
<b>Wholesale</b>	10	6	10.4
<b>Retail</b>	45	11	36.4
<b>Wholesale and Retail</b>	49	33	53.2
<b>Total No. (%)</b>	104 (67.5)	50 (32.5%)	154 (100.0)

There were more women (57%) than men (48%), trading at both the wholesale and retail levels while the reverse is the case when it came to only wholesaling. There were twice more men (14.5%) than women (7.6%) operating on wholesale only basis as shown in figure 11. Not much difference was observed between male and female traders with respect to those operating at the retail level (Figure 11). These findings show that more men are engaged in the more lucrative and capital intensive wholesale trade than retail trade, which is also dominated by women, thus supporting the literature (Clarke, 1994, Robertson, 1983).

Apart from the shops in which traders were interviewed and which they indicated that they owned, about 29 per cent of them indicated that they owned shops in other locations. Some had these shops in and around the central market area while the rest were in outlying areas (Table 15). In Kumasi, more of these shops were within the same central market area rather than in the outlying areas while the reverse was the case in Accra. More of the shops owned by traders in Accra were located in the outlying areas (60%) rather than within the central market area (36%). In Kumasi, 69 per cent of the traders had their shops within the central market area. The conceptualisation of the market as a fluid space is especially highlighted in the case of Accra, where the market space goes beyond the Makola market area. An in-depth interview with one respondent who had all three shops in Accra located outside the Central Market Area also provided evidence in this regard. One trader in Accra had another shop in Kumasi whereas of the traders interviewed in Kumasi, none had a shop in Accra – a possible

indication of the relatively higher cost involved in acquiring shops in Accra and the congestion in the central business district of Accra.

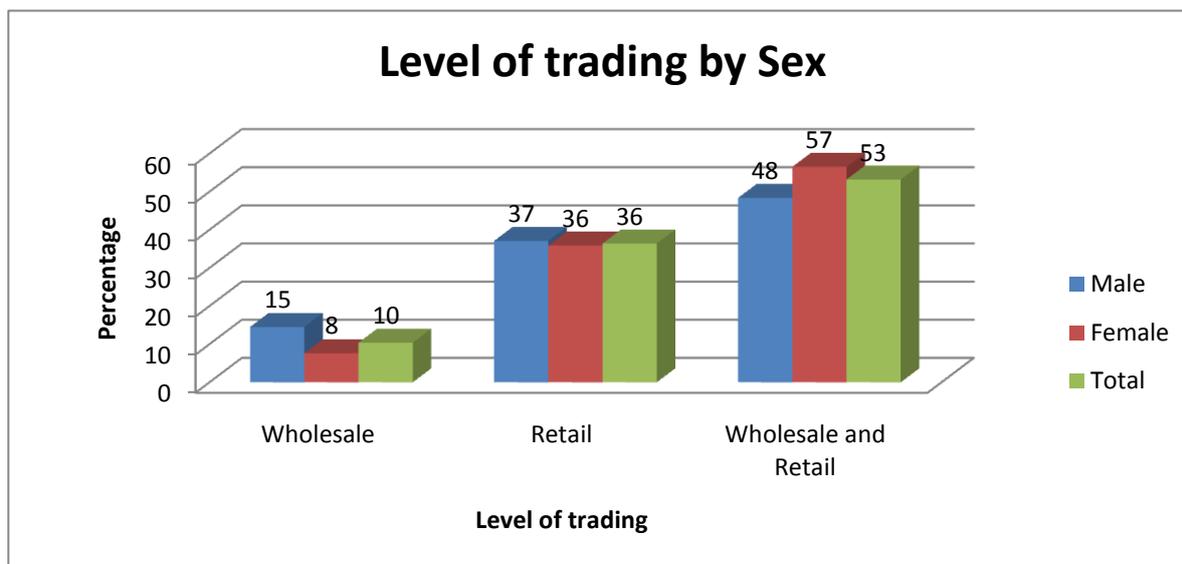


Figure 11. Level of trading by sex; Source: Mobility Study (2010)

Table 16. Location of other shops owned by traders in both cities and by sex; Source: Mobility Study (2010)

Variable	City		
	Accra	Kumasi	Total %
Accra Central	9	0	22.0
Outlying Areas in Accra	15	0	36.6
Kumasi Central	1	11	29.3
Outlying Areas in Kumasi	0	5	12.2
<b>Total No.</b>	25	16	41
<b>Total %</b>	61.0	39.0	100.0
	Sex		
Location	Male	Female	Total
Accra Central	4	5	22.0
Outlying Areas in Accra	8	7	36.6
Kumasi Central	6	6	29.3
Outlying Areas in Kumasi	1	4	12.2
<b>Total No./%</b>	19 (46.3)	22 (53.7)	41 (100.0)

A higher proportion of the male traders (42%) had other shops in outlying areas in Accra than the female traders (32%), while in Kumasi more female traders had their shops in outlying parts of Kumasi. There is not much difference between the genders with respect to the location of shops in central markets in Accra and Kumasi (Table 16).

Analysis of the location of these shops by the educational level of the traders showed that no trader with less than Middle School Leaving Certificate had other shops and more of those with tertiary education had shops outside the central market in Accra.

# CHAPTER 4: PATTERNS, ROUTES & OPERATIONAL ISSUES IN TRANSNATIONAL TRADE

## 4.1 Introduction

This section of the report examines the patterns and routes as well as the operational issues involved in the activities of transnational trade. It examines the destinations traders go to, the mode of travel, types of visa obtained, frequency of travel and duration of stay, goods traded in as well as handling of capital on business trips among others.

## 4.2 Patterns and Routes of Ghanaian Transnational Traders

Analysis of the destinations of Ghanaian transnational traders show that they mostly travel to Asia, Africa, Middle East, Europe and North America in that order of popularity as shown in Figure 12. An analysis by individual destination countries puts Dubai as the most popular destination in the Middle East, attracting more than 95% of traders to the region. This is followed by China and the UK in the Asian and European zones attracting 67% and 61% of traders respectively.



Figure 12. Popular global destinations traders go to for their goods; Source: Mobility Study (2010)

Specifically, two countries in each region apart from North America featured prominently as popular destinations. These included China and Thailand attracting 84 per cent of traders to Asia and Nigeria and Togo in West Africa accounting for 91 per cent. The United Arab Emirates in the Middle East stood out as a major trading destination attracting more than nine

of ten traders to the region. In Europe, the United Kingdom and Italy were popular destinations (Table 17).

Table 17. Popular global destinations of traders as source of goods by sex; Source: Mobility Study (2010)

<i>Variable</i>	<i>Sex</i>		<i>Total %</i>
	<i>Male</i>	<i>Female</i>	
<b><i>Destination (Asia)</i></b>			
<b>China</b>	37	45	67.2
<b>Thailand</b>	7	14	17.2
<b>India</b>	5	6	9.0
<b>Malaysia</b>	0	3	2.5
<b>Japan</b>	2	1	2.5
<b>Other</b>	1	1	1.6
<b>Total No. (%)</b>	52 (42.6)	70 (57.4)	122 (100.0)
<b><i>Destination (Africa)</i></b>			
<b>Nigeria</b>	9	23	47.8
<b>Togo</b>	9	20	43.3
<b>Ivory Coast</b>	1	1	3.0
<b>Other</b>	3	1	6.0
<b>Total No. (%)</b>	22 (32.8)	45 (67.2)	67 (100.0)
<b><i>Destination (Middle East)</i></b>			
<b>UAE (Dubai)</b>	26	34	95.2
<b>Saudi Arabia</b>	0	2	3.2
<b>Other</b>	1	0	1.6
<b>Total No. (%)</b>	27 (42.9)	36 (57.1)	63 (100.0)
<b><i>Destination (Europe)</i></b>			
<b>UK</b>	14	22	61.0
<b>Italy</b>	5	6	18.6
<b>Germany</b>	4	4	13.6
<b>France</b>	0	2	3.4
<b>Spain</b>	2	0	3.4
<b>Total No. (%)</b>	25 (42.4)	34 (57.6)	59 (100.0)
<b><i>Destination (N. America)</i></b>			
<b>Total No. (%)</b>	4 (16.7)	20 (83.3)	24 (100.0)

Within Asia, a higher proportion of the male traders than female traders went to China while the reverse was the case in Thailand with a higher proportion of female traders than male traders going there. In Africa, Nigeria and Togo were the popular destinations with more women than men going to these two countries. The trading destinations in the United Arab Emirates, particularly Dubai, attracted both male (96%) and female (94%) traders with little difference. A relatively higher proportion of female traders (65%) than male traders (56%) went to the United Kingdom while the rest of Europe was popular with more male (44%) than female (35%) traders. With respect to North America, more women than men found destinations within the region attractive for their trading business (Table 18).

Though the focus of this study is on the new frontiers of Ghanaian transnational trade with Asia, the Far and Middle Eastern countries, these traders did not start with these places. The findings suggest that Ghanaian transnational trading followed a step-wise process with most of the actors starting their trading activities within and across cities and towns in Ghana before moving into the ECOWAS sub-region (mainly Lome, Lagos and Abidjan) and then to

trading destinations outside of Africa to include Europe and North America and Asia. However currently, the movements are directly from Ghana to various destinations in Asia and the Middle East. Evidence provided through the in-depth interviews supported this assertion. Margaret, a 42 year old trader in Accra gave an insight into her trading experience and trajectory as follows:

*“I started my own business in 1987 and I was going to only Lome from where I was buying jeans, chains, watches and linen fabrics. I went to Lome for five years but right now, I am going to Dubai and China. I go to both places together.*

According to Ernestina<sup>12</sup>,

*“I started going to Lagos and Togo when we were ejected from the store in Accra and for eight years now, I have been going to China, Hong Kong, Thailand and Dubai”.*

One FGD discussant in Kumasi Central Market detailed her transition as follows:

*“I started internal trading buying from wholesalers 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”.*

More than seven in ten traders travelled by air to their various destinations with 73 per cent of traders in Accra and 88 per cent of those in Kumasi in this category (cf. Table 18). With a higher proportion of those in Accra travelling by road, it can be deduced that, their movements are to neighbouring countries of Togo, Ivory Coast and Nigeria as observed earlier. In effect, more traders in Accra go to other countries in the sub-region than traders in Kumasi. It was also observed that 82 per cent of the male traders went by air to their destinations as against 75 per cent of their female counterparts. By this observation, it can be deduced that more females than males go to neighbouring countries for their goods as highlighted from Table 18.

Table 18. Traders' mode of travel in Accra and Kumasi and by sex; Source: Mobility Study (2010)

<i>Variable</i>	<i>City</i>		<i>Total %</i>
	<i>Accra</i>	<i>Kumasi</i>	
<b>Mode of Travel</b>			
<b>By Air</b>	76	44	77.9
<b>By Road</b>	28	6	22.1
<b>Total No. (%)</b>	104 (67.5)	50 (32.5)	100.0
	<i>Sex</i>		
<b>Mode of Travel</b>	<i>Male</i>	<i>Female</i>	<i>Total</i>
<b>By Air</b>	51	69	77.9
<b>By Road</b>	11	23	22.1
<b>Total No. (%)</b>	62 (40.3)	92 (59.7)	100.0

<sup>12</sup> 43 years, located in Accra.

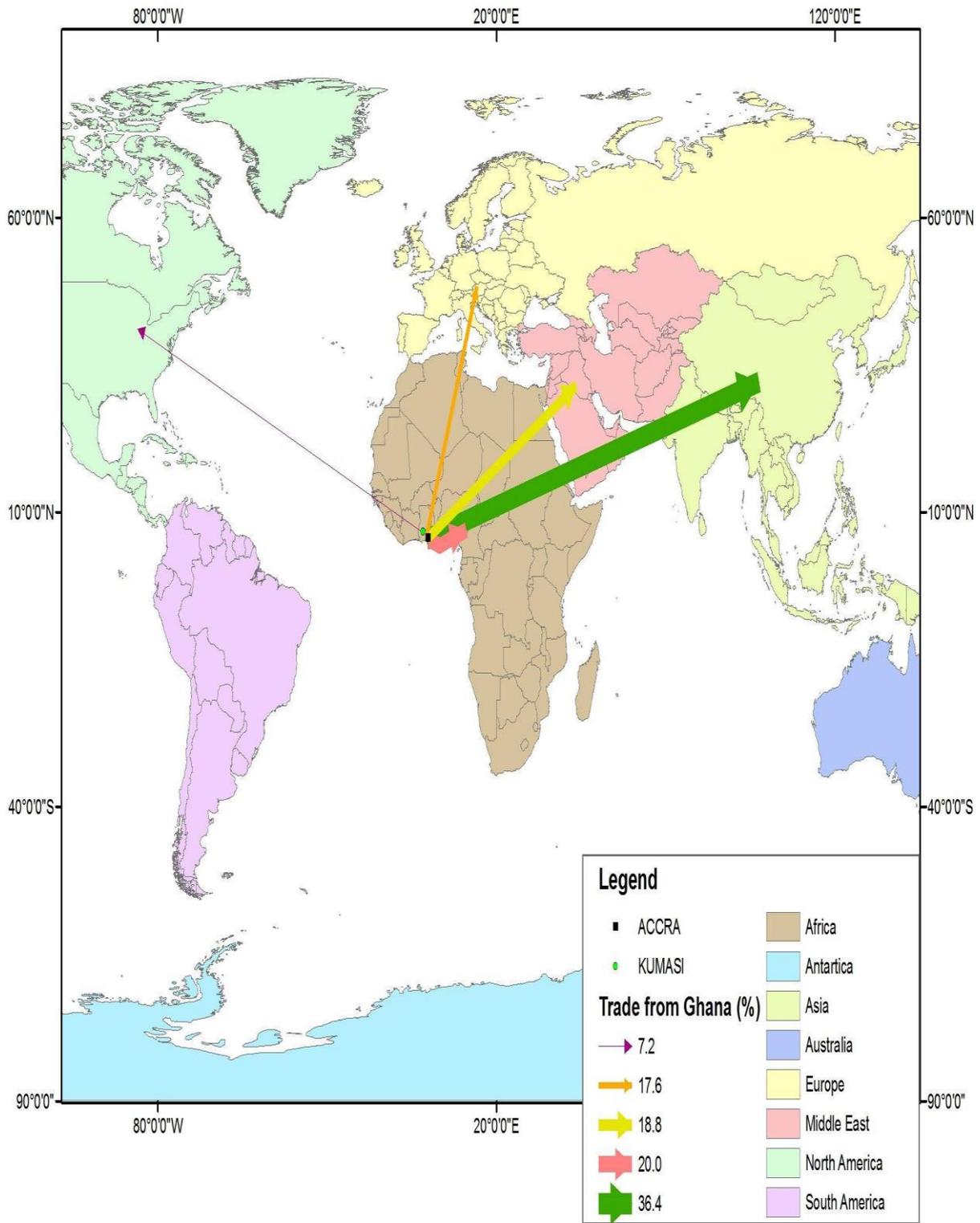


Figure 13. Destination of Ghanaian transnational traders; Source: Mobility Study (2010)

Table 19. Types of Visa obtained by traders by sex; Source: Mobility Study (2010)

<i>Variable</i>	<i>Sex</i>		
	<i>Male</i>	<i>Female</i>	<i>Total %</i>
<b>Type of Visa</b>			
<b>A short-stay (up to 3 months) visa</b>	32	48	54.4
<b>A long-stay (3 months+) visa</b>	21	24	30.6
<b>No visa required</b>	5	11	4.1
<b>Other</b>	3	3	10.9
<b>Total No. (%)</b>	61 (41.5)	86 (58.5)	147 (100.0)

More than half of the traders travel with short term visas of up to three months while about 31 per cent travel on visas with validity exceeding three months. About 11 per cent of traders also travel on visas with various duration of validity (Table 19). A small proportion, however, do not need visas to their various destinations. This group of traders could be those who ply their trade in the West African region and therefore will enjoy this right under the ECOWAS Protocol on Free Movement of persons. There was not much difference between the visas obtained by male or female traders, however, there are slightly more male traders who travel on long-term visas than females and the reverse is the case with respect to short-term visas.

On the frequency of trips to their various destinations, 96 per cent of traders interviewed indicated making these trips more than once a year. More than a quarter (26%) of traders made these trips twice in a year (Table 20). Almost 10 per cent of the traders made their business trips on a weekly basis, indicative of the closeness of the destination particularly in the West African sub-region. Three in ten traders embarked on their business trips four times in a year and these were in the majority. The association between the frequency of trip and level of trading, i.e. retailing or wholesaling or both is however not clear.

Table 20. Frequency of travel to destination countries by sex; Source: Mobility Study (2010)

<i>Variable</i>	<i>Sex</i>		
	<i>Male</i>	<i>Female</i>	<i>Total %</i>
<b>Frequency of Trips</b>			
<b>Weekly</b>	6	9	9.7
<b>Fortnightly</b>	2	4	3.9
<b>Monthly</b>	3	9	7.8
<b>Every three months</b>	23	26	31.8
<b>Every six months</b>	13	27	26.0
<b>Three times in a year</b>	4	2	3.9
<b>Every 2 months/5-6 times a year</b>	4	5	5.8
<b>Once a year</b>	2	4	3.9
<b>Other</b>	5	6	7.1
<b>Total No. (%)</b>	62 (40.3)	92 (59.7)	154 (100.0)

On each trip, traders indicated that they spent at least 2 days to a maximum of a month. There were few cases of those who spent more than a month. Table 21 shows the various periods spent by the traders on each trip. The majority (40.5%) of them spent two weeks followed by those who spent 3 days, a week and a month. However more male traders went on the two-week trips than the females. There was not much difference between male and female traders who spent a month on each trip. In sharing her experience, Sarah said, “*I go four times in a*

year and it is a round trip from Ghana to China to Hong Kong to Thailand to Dubai and back to Ghana. I go once every quarter so when it is time I just prepare and go. I spend in total about a month each time". Only female traders made return trips to neighbouring countries on the same day and also indicated that they spent 3 weeks (Table 21).

Evidence from the interviews with individual traders and key informants revealed that these trips were made usually when the stock is low and they are ready financially to undertake the trip. They also travel before Christmas and other festive occasions in Ghana when they are likely to sell more as sales are higher during these seasons.

Table 21. Duration of stay in destination countries by sex; Source: Mobility Study (2010)

<i>Variable</i>	<i>Sex</i>		
	<i>Male</i>	<i>Female</i>	<i>Total</i>
<b>Duration of Stay</b>			
<b>Up to 3 days</b>	10	17	17.6
<b>3 days to one week</b>	13	15	18.4
<b>Up to two weeks</b>	29	33	40.5
<b>Up to 3 weeks</b>	0	5	3.3
<b>Up to one month</b>	9	13	14.4
<b>More than one month</b>	1	2	2.0
<b>Return journey</b>	0	5	3.3
<b>Other</b>	0	1	0.7
<b>%</b>	40.5	59.5	100.0
<b>Total</b>	62	91	153

Many of them also tended to travel particularly to Asia during big fairs in the destination countries such as the Canto Fair in China where they are more likely to get a variety of goods at cheaper prices. The visa section of the Chinese Embassy confirmed this as reiterated below.

*"In November, the number of people who applied for visa was even greater because they go to the Canto fair, the most important trading fair which takes place in China. It starts from latter parts of April to May. After this in Autumn there is another one. A lot of people go to China at this time, the fair period, because during this period the products are cheaper and you have a lot of products to choose from."* - Consular Officer, Chinese Embassy in Ghana

Lydia, a 36 year old trader in Accra also stated thus:

*"At first I used to go three times in a year, but now I go twice a year. I go before Christmas in order to meet high demand of my goods."* - Lydia, 36 years, located in Accra

The availability of goods at affordable prices was a major determining factor for traders going to these destinations - accounting for 58 per cent of traders indicating so. Having a wide range of goods to choose from as well as the quality of the goods and the possibility of custom-made goods were other reasons cited (Table 22). An important reason also given for moving to their various destinations included the ease and cost of mobility not only of people but also of goods - making up 22 per cent of traders. These specifically were cited as ease of acquiring visa, low transport cost and quick arrival of goods.

Table 22. Reason for the chosen destination by sex; Source: Mobility Study (2010)

<i>Variable</i>	<i>Sex</i>		<i>Total %</i>
	<i>Male</i>	<i>Female</i>	
<b>Reason for destination</b>			
<b>Easy to acquire visa</b>	4	12	10.5
<b>Good Prices</b>	40	49	58.2
<b>Favourable Tax regime</b>	1	2	2.0
<b>Low transport cost</b>	6	9	9.8
<b>Quality Goods</b>	3	8	7.2
<b>Variety of Goods</b>	6	3	5.9
<b>Quick Arrival of Goods</b>	1	2	2.0
<b>Other</b>	1	6	4.6
<b>Total No. (%)</b>	62 (40.5)	91 (59.5)	153 (100.0)

#### 4.2.1 Goods Traded In

The informants trade in a variety of imported consumer goods including hair care and beauty products, baby wear and products, shoes, bags, lace and other fabrics, bags, kitchen equipment and electronics, as well as in household and cooking appliances. Other goods were electrical and hardware in the building and information, communication and technology sectors, including electrical cables for both domestic and industrial purposes, mobile phone and accessories, and computers. Although both men and women make these transnational trips, there appears to be gender differences in type of goods traded. Focus group discussions in Accra and Kumasi markets indicate that men mainly traded in hardware, car spare parts, mobile phones and health care equipment such as blood testing and monitoring equipment etc. Women tended to trade in a broader range of items as detailed above and as shown in Figure 14.

Figure 15 supports the above gender differences observed from the FGDs. It indicates that women tend to dominate in the sale of cosmetic and beauty products, footwear and handbags, babywear and household appliances. Men tend to dominate in the sale of electricals and industrial equipment and in agro chemicals where there was not even a single woman, and in electronics and communication and in building materials (Figure 15). Both male and female traders were engaged in trading of clothing and accessories for both men and women. These patterns seemed to conform to gender stereotypes with males tending to dominate in the electrical and hardware businesses widely seen as more masculine, while women dominate in the “softer” more feminine goods as also observed by Robertson (1983) and Clark (1994) in Ghanaian markets.

Goods that were purchased all year round by traders were mainly clothing and underwear for both men and women and textiles/fabrics. Other products which enjoy patronage are cosmetics and beauty products, shoes and bags and baby wear and products. Electrical hardware for domestic and industrial uses was brought into the country at most on a monthly basis and the same trend was observed for building materials and furnishing. Household appliances were recorded as being products that traders also purchase from their various destinations. Electronics and communication accessories including mobile phones and accessories and media players were also regularly purchased by traders on a quarterly basis.



Figure 14. Items traded in by transnational Ghanaian traders

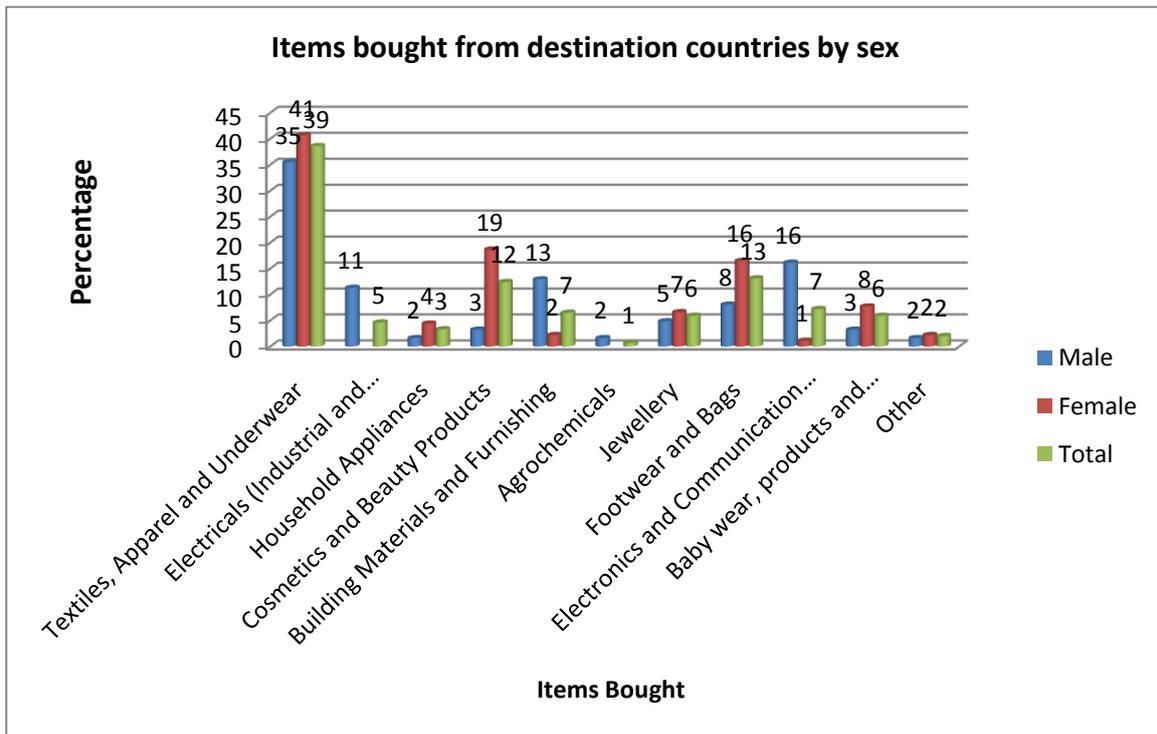


Figure 15. Items bought from destination countries by sex; Source: Mobility Study (2010)

Auntie Selina's life history and experience in transnational trading illustrated in Box 1 spans over four decades and authenticates the observations that more elderly women and particularly of the Akan ethnic group from the Ashanti Region dominate the transnational trading business. Her experience is indicative of the dynamics in transnational trading, the step-wise movement involved with initial destinations outside the country confined to the West African sub-region and later on, to traditional destinations in Europe and North America and the emerging destinations in recent times in the Middle and Far East. Other issues highlighted the role of family members in the trading business and some gender perspectives (See Box 1).

### **Box 1: Case study of Auntie Selina**

Auntie Selina is a 56-year old trader from Offinso in the Ashanti Region, who entered into the trading business at the instance of her mother. Coupled with her interest in trading as a young girl, Auntie Selina has never looked back since she started the trading business in 1970. She recounted,

*'I started trading with my mother in Kumasi and Accra, then went to Nigeria, Cote d'Ivoire, Liberia and Senegal. At that time, there were a lot of items there in Nigeria but I was buying clothing, children's clothing. I also bought cloths from Cote d'Ivoire. From Liberia, I bought the 'Briisi'<sup>1</sup> cloth. As for Senegal, I went there to buy fish – dried herrings. I have been to London and America where I bought fabric and materials for coffin decoration, the handles and the lining. Now I travel mostly to Dubai and China'.*

*'When I used to go to Abidjan, I would continue to Liberia and Nigeria before coming back home. For Senegal, it was a straight journey – Senegal and back - but I went there only on two occasions. At first the trading was good in London then it moved to the Far East - Thailand, Hong Kong and then to China and Dubai where I now go twice a year - the first trip is between January and March and the second trip is from September onwards. I spend one week sometimes. It is only when I combine China and Dubai that I spend about two weeks but if it is a single destination, in three or four days, I should be back'.*

*'As for my family, they have helped me in this business. My mother sold her old cloths and at the time, she got one hundred and twenty thousand cedis. So she used part to buy a plot of land for poultry farming and the rest I used to go to London to buy items for sale. It was only my mother's money that I used in starting my business. I also learnt trading from my mother. My husband and mother took care of the children when I travel abroad and my cousin here helps me out in the shop with lifting heavy things or reaching for items on the top shelves'.*

Auntie Selina gave some insight into why there are more women than men in the trading business and particularly in the clothing or fabric section with this explanation that *'women can woo people very well and they plead a lot because they have patience and this travelling business is very annoying and full of frustrations. So women are more able to cope with all these and be patient with everyone'*. She also added, *'you need patience which the men don't have and if you don't have patience, you cannot do this fabric work'*.

<sup>1</sup> Refers to a type of black cloth typically used by Asantes for funerals.

Source: Mobility Study, 2010

### 4.2.2 Handling Capital on Business Trips

With respect to how these traders handle their capital on their business trips, just a few of those interviewed admitted using official means of transferring the money for transaction. A little more than two-thirds (67.5%) of them indicated that they travelled with the money on them. And since embarking on such business trips may involve a lot of money and possibly exceed the currency restriction limit, the traders are more likely to under-declare the monies they take along on their trading trips or engage in "tipping" the officials to allow their passage with amounts above the limit. More female traders (72%) than male traders (61%) travelled with the money for their business transaction on their body while the reverse was the case among those who were using official bank transfers (Table 23).

Table 23. Mode of handling capital on business trips by sex; Source: Mobility Study (2010)

<i>Variable</i>	<i>Sex</i>		<i>Total %</i>
	<i>Male</i>	<i>Female</i>	
<b>Mode of Handling Capital</b>			
<b>Bank Transfer</b>	24	24	31.2
<b>On Self when travelling</b>	38	66	67.5
<b>Other</b>	0	2	1.3
<b>Total No. (%)</b>	62 (40.3)	92 (59.7)	153 (100.0)

The low preference for formal bank transfers was explained by the fact that the type of business that these traders were engaged in involved a lot of money and one needed to get enough money to make the trip worthwhile. – i.e. a trip which will cover the costs involved and allow for some amount of profit. Therefore, the threshold of \$10,000 as the transfer limit allowed by banks was considered too low by a majority of the traders. One commented,

*“As for the money issue, they check us. If you are caught it is bad but we still pass with it. When you have a lot of money on you, you will have to bribe. Whatever the case, you will have to give something before you pass.”*

Another respondent who had used both official and unofficial ways of carrying the money for business remarked,

*“Formerly, we carried the money with us there, but now, we do money transfer. It is very difficult. With some of the banks, it is disjointed, but with the new banks, if you keep your own money at the bank, then they will transfer it for you. There is also an agent there (at the destinations in the Middle East and Asia), so you can pay the money into his account and then when you get there, they will give it to you”.*

### 4.2.3 Information, Communication and Technology in Trade

Friends, business colleagues and relatives are the main sources of information about the destination countries forming 80 per cent of traders' sources of information. Most of the traders use the phone as their main means of communication with their business partners. About 74 per cent indicated that they communicated through the phone, with more women than men doing so. However, the internet (7.2%) and agents they do business with (15%) were also relevant means of communication as shown in Figure 16. A higher proportion of the men than women used the internet probably because of the type of goods they trade in as in the case of William who deals in electrical products (cables and items for domestic

lighting) he purchases from Dubai and uses the mobile phone and internet extensively. He explained how:

*“Now everything is on the net. You just go there and you get what you want. Before I travel, I send the manufacturers e-mails mostly besides calling and even right now I am importing some cables from India which I ordered through the internet. When I bring my goods, because people know what I sell, they call me asking me to bring them one thing or the other. So when I’m coming to town I bring the items to them.”*

The relatively limited use of the internet by female traders might be influenced not solely by their level of education but also by the type of products they trade in. Hence, among the females, those engaged in interior decoration tend to use the internet more than those who sell dresses.

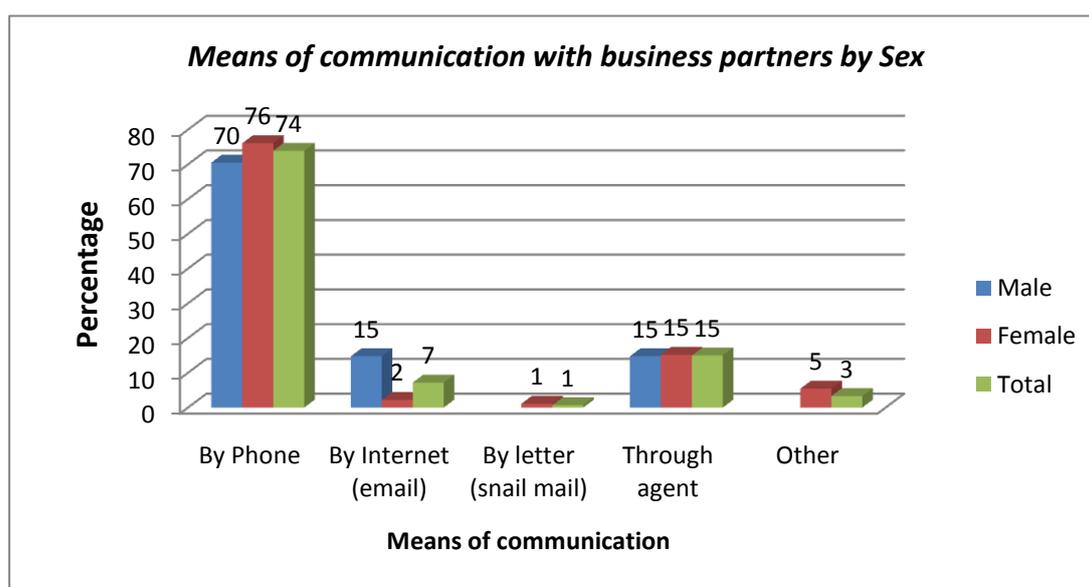


Figure 16. Means of communication with business partners by sex; Source: Mobility Study (2010)

#### 4.2.4 Challenges

In assessing the challenges that they faced, traders were asked to indicate these with respect to their visa acquisition, travel arrangements, accommodation at destination, transportation of money for business, communication, access to credit and the tax system. According to them accommodation at destination was the least of their worries with 94 per cent of traders indicating that they did not have any challenges with where to sleep on arrival. Relatively, their personal transport and ticketing as well as the transportation of the money for transaction did not offer much challenge. The common challenge had to do with the high cost involved in transnational trading (see Table 24).

Of much concern to the traders was the tax system and access to credit with 52 per cent and 36 per cent of traders respectively indicating that they had challenges in these areas. Table 24 gives a summary of the main challenges. Specifically these challenges include the high taxes, multiple taxes, the high interest rates on bank loans, the short duration of the visas for those destinations, the cumbersome process and delays and the currency restriction at the point of departure.

About the same proportions of both male and female traders did not have much challenge with the transportation of their money for transaction (79% in both cases) and visa acquisition (76% for males and 77% for females). More male traders had challenges with communication than female traders while the reverse was the case with respect to the tax system. More female traders had issues with the tax system including the high amounts involved and the multiplicity of the tax system (Table 24).

Table 24. Challenges of transnational trading by sex; Source: Mobility Study (2010)

<i>Variable</i>	<i>Sex</i>		<i>Total %</i>
	<i>Male</i>	<i>Female</i>	
<b>Challenge (Accommodation)</b>			
No challenge	57	88	94.2
Expensive rates	4	3	4.5
Other	1	1	1.3
Total No. (%)	62 (40.3)	92 (59.7)	154 (100.0)
<b>Challenge (Personal T and T)</b>			
No challenge	58	86	93.5
High ticket fares	3	5	5.2
Other	1	1	1.3
Total No. (%)	62 (40.3)	92 (59.7)	154 (100.0)
<b>Challenge (Transportation of Money)</b>			
No challenge	49	73	79.2
Harassment at Airport	5	5	6.5
Limited in amount carried	4	5	5.8
Other	4	9	8.4
Total No. (%)	62 (40.3)	92 (59.7)	154 (100.0)
<b>Challenge (Visa Acquisition)</b>			
No challenge	47	71	76.6
Cumbersome Process	8	5	8.4
Short validity of visa	2	7	5.8
Other	5	9	9.2
Total No. (%)	62 (40.3)	92 (59.7)	154 (100.0)
<b>Challenge (Communication)</b>			
No challenge	42	69	72.1
Language barrier	20	22	27.3
Other	0	1	0.6
Total No. (%)	62 (40.3)	92 (59.7)	154 (100.0)
<b>Challenge (Access to Credit)</b>			
No challenge	42	56	64.1
Don't Access Credit	6	15	13.7
Difficult Process	7	9	10.5
High Interest	3	9	7.8
Other	3	3	3.9
Total No. (%)	61 (39.9)	92 (60.1)	153 (100.0)
<b>Challenge (Tax System)</b>			
No challenges	20	22	27.8
Taxes are too high	21	40	40.4
Multiple taxes	8	10	11.9
I don't pay taxes	6	13	12.6
Other	5	6	7.3
Total No. (%)	60 (39.7)	91 (60.3)	151 (100.0)

## CHAPTER 5: MOBILITY STRATEGIES AND IMPACT OF TRANSNATIONAL TRADING

### 5.1 Mobility Strategies in Transnational Trading

#### 5.1.1 Mobility Decision-making Processes

The discussion above indicated a stepwise movement in the trading destinations of traders. The decision to move from trading destinations in the West African sub-region to the Middle East and China was attributed to the rising cost of items in West African cities, thereby lowering their profit margins, as well as the problems they encountered in West Africa trading especially as they moved their goods across national borders in West Africa. A number of the transnational traders indicated that the cost in their operation in the West African sub-region particularly in market destinations in Lome (Togo) and Lagos (Nigeria) had risen considerably in recent times. In addition, the cost in transporting these commodities to Ghana had also gone up, due mainly to financial demands made on them by border officials (police, Customs, etc). These costs ordinarily should have been transferred to the final consumer/customer. However, most transnational traders absorb these costs, thereby leading to reduced profit margins. Those who transfer these costs to consumers also complain that, they experience reduced sale, which also affects their profits. It is mainly as a result of these problems that most Ghanaian transnational traders started exploring opportunities outside of Africa – to Europe and USA initially, and in recent times to the Middle and Far East. The decision to move outside of Africa was often based on information received from friends and relatives who were also traders. This is, as illustrated by one discussant in a FGD in Accra Central Market below:

*“I started going to Lagos with my Aunt for seven years. 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 realised 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”*

There were other traders whose decision to move to places outside of Africa was to ensure that they obtained a variety of goods. Variety in goods helped to ensure that these traders gained competitive advantage over their colleagues. The case of Eben, a Kumasi-based transnational trader as shown in Box 2 suggests that, higher prices for the goods they obtained in West African destinations such as Togo and Nigeria compelled some traders to explore other market places outside of Africa. In addition, these markets provided a wider variety of goods for faster business turn over.

**Box 2: The decision to travel outside of Africa: Eben**

*Eben is a 33-year old married man with two children. He started his trading activities by first going to Togo, then to Nigeria, Dubai and China in that order. Currently, he goes to China and Dubai only. His decision to travel outside Africa was based on the fact that, prices of goods in Togo and Nigeria had become higher because those goods were first purchased in Dubai and then resold in Togo. His bankers were also supportive so he decided to go to Dubai himself. Before taking this decision he had enquired from the man who introduced him into trading and found out that with the capital he had, he could go there and still make more profit. In addition, there was a variety of goods available there and with the competition in the market, the ability of a trader to bring unique items ensures that one moves faster in the business, Eben explains.*

**5.1.2 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 Ghanaian transnational traders, travelling in groups, building up trust with traders, and using middle men (Figure 15) to overcome language barriers and security issues as well as moving money, are some of the major strategies used to facilitate mobility. The networks are used by the traders for smoothening and facilitating most of the activities involved in trading including visa acquisition process, ticketing, shipping of goods from their trade destinations, and clearing of goods from the Tema port or the Kotoka International Airport in Ghana.

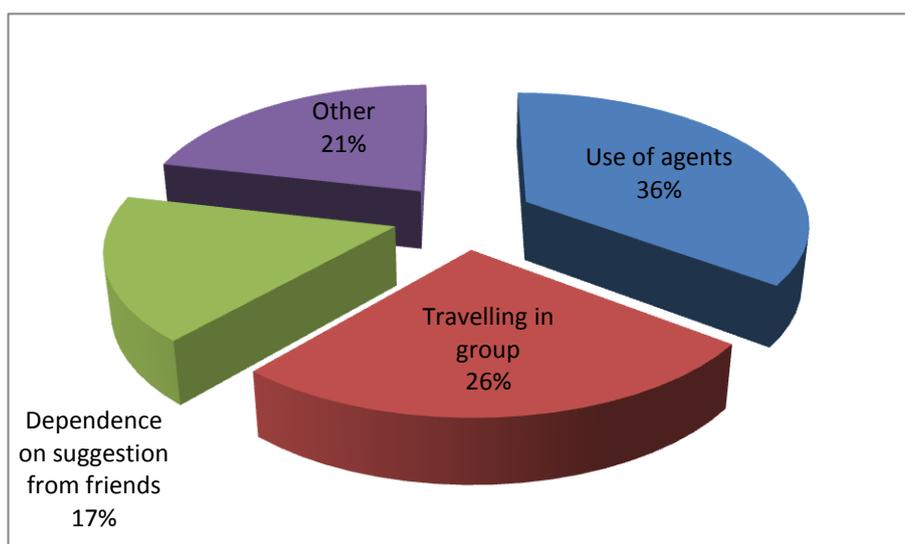


Figure 17. Networks in Ghanaian transnational trading; Source: Mobility Study (2010)

As in Lagos and other West African trade destinations, for example where the traders rely on middlemen for a variety of services, Ghanaian transnational traders who travel to the Middle East and the Far East including China, have built up camaraderie and trust with middlemen to facilitate their trade. They employ the assistance of middlemen, mainly Ghanaians who have settled in the trade destination countries for some length of time, to guide them around as well as to assist them in purchasing their goods. These middlemen also offer information on

informal banking services including currency exchanges. The whole operation is based on trust, though payment is involved. In China for instance, they use Ghanaians resident in China as middlemen who help in language translation as well as facilitating the procurement of accommodation and goods, and finding eating places. Some of the middlemen also facilitate the transport of the goods to Ghana, in particular, as shipping agents.

Colleague traders/friends are also helpful in getting information on favourable trading destinations and also facilitate the business transaction through their recommendations. Friendship networks were identified as especially important for new traders to China and other places, as several cities have to be visited depending on where trade fairs were being held. Confirming the importance of friendship networks in the operation of transnational trade, one trader observed: *“it is through conversation that some friends will let you know that this place is good.”* Shop owners also facilitate the trade process by employing sales persons who speak a bit of English, particularly in China. When the goods arrive in Ghana, the traders again rely on agents for the clearing and offloading of the goods from the port. These networks also extend to family members, church members as well as financial institutions [Table 25]. In some cases, children and spouses are involved in one way or the other. One male respondent observed as follows:

*“My wife is also involved in my business but she does not travel to bring the goods; she stays here and sells the items while I go to bring them.”*

For other traders, the role of family members is more elaborate. Family members are instrumental in the provision of startup capital for the trading business as well as facilitating the smooth running of the business in various forms as shown in Table 25. In addition, Figures 9 and 10 on the sources of money for trading and Table 12 on introduction to trading in Accra and Kumasi all show how family members are involved directly and indirectly in the trading activities of Ghanaian transnational traders. In the case of Auntie Selina, illustrated in Box 1, her mother, husband and male cousin have all been instrumental to the success of her business. Auntie Selina’s mother and husband take care of the children when she leaves the country for trading purposes. She also gets assistance from a male cousin to help her out in the shop with lifting heavy things or reaching out for items on top shelves.

Table 25. Degree of relevance of various relationships in transnational trade; Source: Mobility Study (2010)

<b>Significant ‘Others’ in Trading Activities</b>	<b>Very Relevant</b>	<b>Relevant</b>	<b>Not Relevant</b>	<b>Total</b>
<i>Family members</i>	87	19	47	153
<i>Colleague traders</i>	46	47	54	147
<i>Church members</i>	13	26	107	146
<i>Financial institutions</i>	48	24	78	150

One case study in Accra supported the relevance of family members, the opportunities in trading and the generational dynamics. In this case, a mother aged about 65 years, her daughter aged about 45 years and her grandson aged about 24 years were jointly operating a family trading business. They jointly purchased fabrics and other goods from China, Dubai as well as the UK. The daughter and grandson were more actively involved in the business in terms of physical movements but the grandmother was more the owner in charge of the

business. In addition, while the three were jointly operating the business they also each operated independently on a smaller scale. For instance, the grandson imported small-scale medical equipment such as blood pressure monitoring equipment from China which he sold in Accra.

Traders also used multiple routes and strategies for obtaining their goods. For example pending a trip to China, Dubai, Indonesia or other Far East countries when their stocks have gone down, quick trips are made to closer destinations such as Lome and Lagos to obtain same or similar goods to stock their shops to ensure that they kept their customers. As travel within the ECOWAS region is shorter and relatively less expensive, these kinds of quick trips occurred more frequently than trading expeditions to outside the continent including Asia, Europe and America.

Group travel (see Figure 15) is also used as a way to guard against difficulties in meeting quantity thresholds of some items in trade destinations. As observed by one trader in her account of what pertains in her trade destinations, particularly Hong Kong and China:

*“If you are going to order for some items, it has to be thousand pieces; but you cannot afford to buy the thousand pieces alone. So when we are in group, we order the goods together and share”.*

This observation was corroborated by other traders as in the extract below:

*“When I started at first I was doing it like that [i.e. travelling in a group] because there were some items that they wouldn’t sell even 20 pieces to you unless you buy like 100 pieces. So we were purchasing together as a group and sharing out at first, but now I do not do that”.*

Some of the traders also travel in groups as a way to reduce cost in their trading transactions. For instance because of high accommodation cost, some traders observed that they travel in groups of two or three because, *“nowadays the market is not good and so there is the need to reduce cost on travelling”*. To further facilitate their trading transactions and also reduce the cost of transactions, some traders also came together to sponsor one person to travel and do the purchases on behalf of the group they belonged to. One respondent for example observed as follows: *“I sometimes give money to some of my friends to buy goods for me. I know the prices already so I pay for my baggage and duties and they buy for me”*.

Dufu provides some more insights to group sponsorship:

*“It is possible when the person is your friend. If I am not able to go, I send my list of items through my friend. I don’t have to pay anything for him except the cost of my items because when I am going and he is not, I will do the same for him”.*

However, this practice is not so common among all the traders; fashion and jewelry traders for example do not engage in this practice. Other traders just refuse to engage in this kind of trading arrangement because of what they refer to as ‘the nature of the trade and the items they trade in’. *“Because this business involves picking<sup>13</sup> you cannot send one person to go*

<sup>13</sup> This refers to a situation in which traders select or pick items, in ones or twos etc depending on how many they want from different shops. It is in contrast to the purchase of items in bulk from just one or two shops.

*and buy for the rest*". One trader shares her views on why she does not engage in sponsoring one person to travel to do the purchases on behalf of the group she belongs to:

*"For me, I do not engage in sponsoring or sending one person to buy goods for me. I do the travelling myself. Because this business involves picking from different shops, and in the quantities you want, sometimes one, some other times two or more pieces. But those who do wholesaling can send one person to do the buying for them in a group."*

### **5.1.3 Transporting Goods to Ghana**

One important activity involved in transnational trading is the transport of goods from the trade destination to Ghana. As such, traders make all kinds of arrangements in their trading destinations to transport, ship, or fly their goods to Ghana. In examining the various strategies traders use in getting their goods to Ghana, over a quarter (27.3%) of the respondents observed that they ensure their goods are put into the cargo before they returned to Ghana. In addition, one-fifth of them (20.6%) left their goods in the care of agents. There were other traders who placed identification marks on their goods (16.7%) or shipped the goods themselves (14.6%). It also emerged that some traders returned to Ghana with their goods. Traders in this category were those who dealt in light and/or portable goods including jewelry, mobile phones, and often returned with their goods via air flights (Figure 16).

As in other activities involved in this business, traders depend on the trustworthiness of individuals before they decide to operate with them. In the case of agents, this point was constantly emphasised. Ghanaian transnational traders use agents to clear their goods from the Ghanaian ports. This is mostly done individually or in groups (network groups). Clearing goods follows from how goods are transported or shipped to Ghana. Individuals who decide to ship their goods together often clear the goods as a group. In this case, one person in the group clears all their goods and the cost is shared by the network group members. Some traders have also developed friendship networks with some port officials and these officials help them in clearing their goods from the port. And while some of the traders 'bribed their way through' the Ghanaian port clearing system, others just pay whatever costs there are and put them on the prices of their goods.

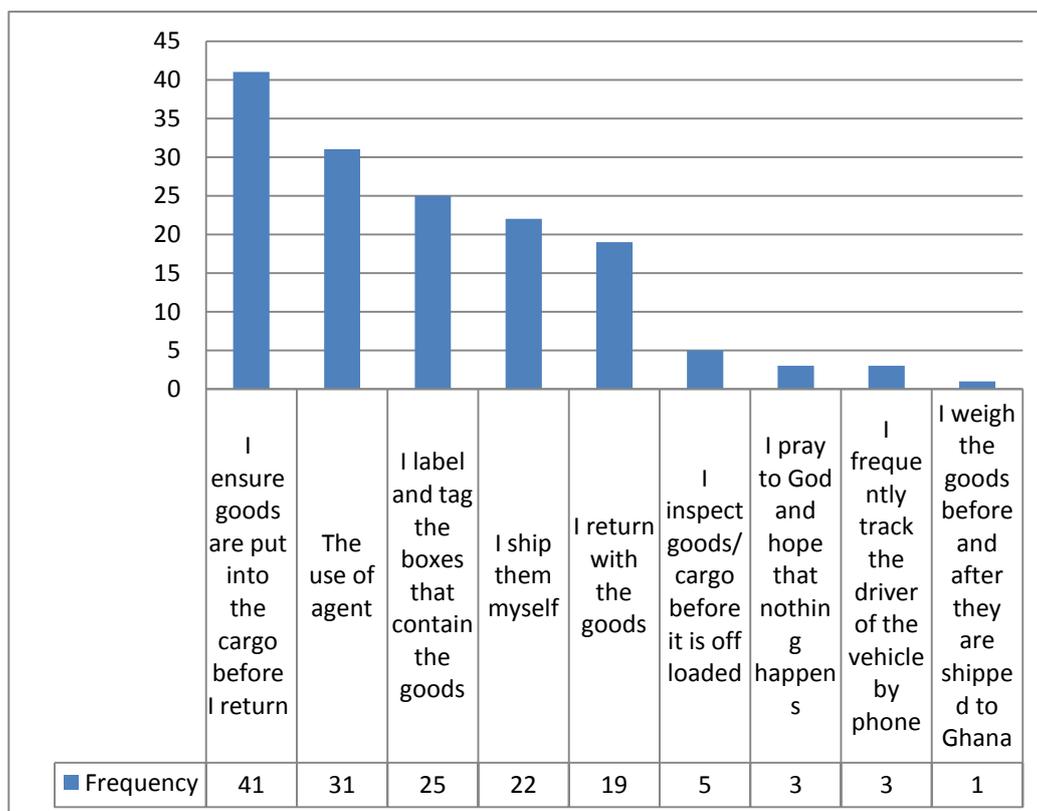


Figure 18. How respondents get their goods to Ghana; Source: Mobility Study (2010)

### 5.1.4 Strategies for Dealing with the Challenges in Transnational Trade

As indicated earlier in this study, Ghanaian transnational traders encounter a number of challenges in their operations. As they face these challenges, they devise measures to ensure that they remain in business. In this section, we examine the strategies employed by these traders to deal with the challenges they encounter.

#### 5.1.4.1 Visa Application Strategies

For most traders interviewed, the visa application process does not pose a challenge in their operations. They either have travelled extensively and therefore do not encounter any problem in applying for visas, or have secured a long duration visa, especially those who travel to the USA and the UK. For those who travel to the West African sub-region (Togo and Nigeria), the ECOWAS protocol on free movement of people and goods ensures that they do not require visas in their operations. In addition, Ghanaian transnational traders who sourced their goods from the United Arab Emirates (UAE) do not operate with visas. They are provided with documents at the point of entry into the country. In all, traders who do not use visas in their trading activities and those who use visas but did not have problems with acquiring visas or have secured long-term visas were in the majority. They accounted for more than 70% of the respondents of the study. For these traders therefore, they do not employ any strategies in dealing with visa application challenges.

There were other traders though who encountered challenges in their visa application process. The challenges include expensive visa fees, a cumbersome visa process or requirements and delays, difficulty in securing visas with first time applicants and short validity of visas. Being

aware of these challenges, the traders employ strategies to deal with them. For a number of these traders, one way of dealing with the challenge in applying for a visa is to apply well ahead of the date of travel. Visa agents and connection men also featured prominently in these strategies. Other traders apply for long-term visas and use them for multiple trips or they use various other strategies to cope with the problem [see Table 26]. In-depth interviews with some of the traders corroborated these strategies, in particular the use of visa agents and connection men. As observed by Ruby, “*We have agents who acquire the visa for us*”. This point is further emphasised by other traders stating, “*We use visa men to get our visas for us*”.

Table 26. Strategies for dealing with Visa application challenges; Source: Mobility Study (2010)

<b>Strategies</b>	<b>Frequency</b>	<b>Percent</b>
I apply well ahead of travel date	15	9.7
I rely on visa agents/connection men	12	7.8
I use a long term visa for multiple trips	5	3.2
I just try to cope with the problem	4	2.6
It's costly so I buy more goods to take care of it	2	1.3
Other	2	1.3
No challenges	24	15.6
I do not use visa	90	58.4
<b>Total</b>	<b>154</b>	<b>100.0</b>

#### 5.1.4.2 *Transportation, ticketing and accommodation strategies*

Ghanaian transnational traders also face some challenges in the transportation and ticketing and accommodation activities embedded in their trade. In the area of transportation and ticketing, the concern expressed relates to the cost of tickets. In the area of accommodation, expensive rates were the main challenge. Most traders we spoke to indicated that, they negotiated with travel agents who facilitated their ticketing process to enable them pay for the cost of ticketing in installments. While those who have been in the trade for long use discounted air fares when travelling to lower the cost of travelling, relatively new traders indicated that they go for cheaper tickets and compromise on travel comforts. Some traders also received support from their suppliers, while others still sponsor individuals to do the purchasing for them.

Conversations with traders also provide some insights on the strategies they use in dealing with the accommodation challenges in their trading destinations. In China and indeed many of the trade destinations, hotels and other guest houses are available for the traders. One respondent who travels to China intimated that:

*“... we do not have problems with accommodation because there are hotels around (in China) and also there are Ghanaians there who have decent and cheaper guest houses for rent. In these Ghanaian guest houses, one can cook Ghanaian foods and eat and also speak Ghanaian language”.*

In cases when accommodation becomes a problem in Ghanaian transnational trading activities, some traders share rooms with friends and colleague traders or look for cheaper options. In some cases, they seek the assistance of their agents who stay in their trade

destination country and therefore could help identify cheaper and better options. In the most extreme cases where nothing could be done about the problem, traders go in for whatever accommodation is available and make sure the cost is well integrated into the pricing of their goods on the Ghanaian market.

#### 5.1.4.3 *Strategies for Dealing with Challenges of Access to Credit*

Access to credit is also a problem faced by traders in their activities (see Table 24 above). They complained that financial institutions deny them credit because of their inability to provide collateral securities and proper documentation. In addition, some traders complained of high interest rates. These challenges have made some Ghanaian transnational traders desist from utilising formal credit facilities in their activities. They therefore avoid the financial institutions and operate their activities without their support (Table 27). Some traders have also strategised to apply for credit facilities at good business periods, i.e. during Christmas and Easter periods (periods when most trading trips are made). This strategy is directly in line with Darkwah's (2002) earlier study. In addition, some traders observed that they keep trying with other financial institutions or try to satisfy all the requirements for credit facilities. There are other traders who observed that they use proper documentation and also provide the requisite collateral securities. Other traders either rely on their friends, instead of financial institutions, for financial support, or accumulate more savings so as to avoid the financial institutions. It takes the most extreme cases for some traders to go in for credit facilities from financial institutions.

Table 27. Strategies for dealing with access to credit challenges; Source: Mobility Study (2010)

	Frequency	Percent
I rely on banks	8	5.2
I keep trying with other financial institutions	6	3.9
I apply at good business period	3	1.9
I present genuine documents/collateral to the banks	3	1.9
I try to satisfy all requirements demanded by the banks	2	1.3
I rely on friends for financial support	2	1.3
I try to work and save to make money so as to avoid banks	2	1.3
Go for loans only in extreme cases	4	2.6
I do not access loans/avoid banks	11	7.1
No problem	113	73.4
<b>Total</b>	<b>154</b>	<b>100.0</b>

#### 5.1.4.4 *Strategies for Dealing with Challenges in Transporting Money and the Tax System*

Ghanaian transnational traders face the challenge of transporting huge sums of money outside the country for business transactions. This challenge stems from the fact that, government policy options in this area is against capital flight from the country. For this reason, traders are restricted from carrying money beyond the threshold of \$10,000.00 outside the country. In addition, the traders complain of harassments at the airport, as well as fear of being attacked or robbed when carrying monies with them on trade trips. However, these traders need the money to do their transactions. As a result, they have adopted all manner of strategies to ensure that they are able to transport enough money for their business trips and also operate without threat of attacks etc. One strategy that most Ghanaian transnational

traders prefer is the transfer of money through their bankers. This strategy works with those who operate with international banks that have a presence in their trade destination countries. Other traders do their money transfers with non-banking money transfer institutions. For some other trades, they take the option of “greasing the palms” of Ghanaian officials working at border posts and airports. At some other times, some traders resort to giving part of their money to colleague traders/friends who do not have so much on them or hide money at safe places on their bodies. Understating monies on them also featured in the strategies for dealing with the problem of transporting money on trade trips.

A number of challenges also emerged from the study on the Ghanaian tax system. Traders complained about high and multiple taxes/duties, as well as bribe demands from tax officers. As in other challenges, traders employed measures to deal with these ones. They contended that they paid tips/bribes to tax agents and default in paying taxes/duties as shown in Box 3. A few of them however contended that, they pay the tax since in their opinion there is nothing they could do about it.

**Box 3: Issues on payment of duties on goods**

*“At the harbour and the airport the officials do not do the right thing - they harass you for money. The charge for clearance is too much. You know when the duties are very high the government loses but when you say this, they won’t agree. When the duty is big, I can get an agent who will work alongside the customs official and when it is for instance, 100 million cedis, I will pay fifty million cedis and go my way. So you are increasing to get more money but you lose in the end and they know it but they still increase it, thinking that people will pay. The government should reduce the duty.” [Dufu].*

#### 5.1.4.5 Strategies for Dealing with Communication Challenges

Another dimension of challenge faced by Ghanaian transnational traders is with communication in their trading business. How do the traders deal with these communication challenges? They often use interpreters or learn the language to overcome the language barrier they encountered. In Table 28, the strategies are outlined.

Table 28. Strategies for dealing with communication challenges; Source: Mobility Study (2010)

<b>Strategies</b>	<b>Frequency</b>	<b>Percent</b>
I use interpreter (agents, etc)	41	26.6
I use e-mails, phone calls ahead of time	12	7.8
I have learnt the basics of the language	5	3.2
I travel with friends who do the communication	1	.6
Sometimes we use signs and symbols	3	1.9
No challenges/problems	92	59.7
<b>Total</b>	<b>154</b>	<b>100.0</b>

## 5.2 Socio-economic Impacts of Trade for Ghanaian Transnational Traders

Transnational trading among Ghanaians has both positive and negative impacts on its actors. In Table 29, the field data on the economic and social impacts of transnational trading among Ghanaians is presented. It is apparent that, transnational trading is beneficial to the actors. This observation is borne out of the empirical data. Most of the traders consider savings in a bank, ability to meet household needs, improvement in their standards of living, and acquisition of vehicle(s) as the economic impacts their engagement in transnational trading has brought to them. On the social front, a better lifestyle, education of children in Ghana and abroad, acquisition of a higher status in society, among others, were the benefits trading has brought to the respondents.

Table 29. Socio-economic benefits of transnational trade; Source: Mobility Study (2010)

<b>Positive Impacts</b>	<b>Yes</b>	<b>Total No. of Respondents</b>
<i>Economic/Material</i>		
Saved in a bank	130 (86.1%)	151
Satisfaction of household needs	126 (82.1%)	153
Improved standard of living	122 (81.9%)	149
Acquired a vehicle	84 (57.9%)	145
<i>Social</i>		
Better lifestyle	111 (73.5%)	151
Educated my children in Ghana	81 (54.0%)	150
Purchased land	78 (53.4%)	146
Built a house	77 (53.8%)	143
Acquired higher status in society	75 (52.1%)	144
Educated my children abroad	67 (46.5%)	144

Respondents also identified some cultural benefits they have derived from transnational trading activities. As is evident in Table 30, transnational trade has broadened the outlook of the actors, and has enabled some of them to learn a different language.

Table 30. Cultural benefits in transnational trade; Source: Mobility Study (2010)

<b>Cultural benefits</b>	<b>Frequency</b>	<b>Percent</b>
Broadened outlook	141	91.6
Learnt a language	11	7.1
Independence	1	1.2
<b>Total</b>	<b>154</b>	<b>100.0</b>

Some social and economic impacts of transnational trade on the actors were also identified in qualitative terms. On one side, transnational trade helps both men and women to take care of basic domestic/household needs. As observed by some women traders, it is the proceeds from the trading activities that are used to take care of the household when the men have not

provided house-keeping money. Basic household needs like water, electricity, gas, food, among others are either financed fully or partly by proceeds from trade. In addition, transnational trading helps finance children's education. As observed by one respondent:

*“I have been able to take very good care of my children, in terms of their education; one has completed the university and he is even working now; some are still schooling at the university level. That is what I use to pay my children's school fees; trade helps!”*

These benefits notwithstanding, transnational trading activities also have some negative impacts especially on children. It separates the traders (as mothers/fathers and wives/husbands) from their children and spouses as well as their homes, at least for the periods they travel outside. This in turn creates problems for child upbringing and the development of some social vices among children, questions on marital faithfulness for both men and women, and other psychological discomforts in children (Table 31).

Table 31. Negative impact as a result of transnational trade; Source: Mobility Study (2010)

Negative Impacts	Frequency	Percent
Reduced marital bond	8	5.2
Questions on my marital faithfulness and fidelity	3	1.9
Problems in my children's upbringing	17	11.0
Others	87	56.5
Total	115	74.7
Missing System	39	25.3
<b>Total</b>	<b>154</b>	<b>100.0</b>

This is corroborated by one female respondent, who said,

*“My children miss me most of the times; and the older one also tries to be stubborn when I am not at home, so that is a problem especially for mothers like me who travel. It is not good for the mother to be away from home, because the children always need their mother home to train them.”*

Transnational trading also impacts on marriage. As shown in Table 31 and Box 4 transnational trade puts strain on the marriages of some respondents, and the families in general and leads to situations that could pose threats to marital stability. Cases of reduced marital bonds as well as issues concerning marital faithfulness and fidelity came out quite clearly, in this study. 7% of the traders indicating that, these issues constitute the negative impacts that transnational trade has on their lives. These negative impacts, strain on marriages and threats to marital stability, together lead to divorces and separation in marriages. They were corroborated by data on the marital status of the traders (table 2) which show that, 12.4% of the traders were divorced and together with those separated, made up as high as twenty-nine per cent of traders. This figure is higher than the national average of six per cent of Ghanaians divorced (GSS, 2002). Even though this is not a representative sample, it gives some indication of the relationship between trading and marital status which needs to be explored further.

**Box 4: Marital and family strains emanating from transnational trading**

*Rose is a 35-year old married woman and a mother of two children. She is one of the women traders who intimated that trading activities put strain on family and marriage. “When I leave the house”, she revealed, “I feel, the house becomes empty. Initially when I started, my husband did not understand the buying and selling business because he is not a business man. Sometimes he makes comments like ‘a woman who stays outside for long can break a home’. But I have made my life around him and the business. Sometimes during weekends, I stay at the shop for a long time, so when I come back and tell him I was at the shop, he begins to doubt me. But he has now realised that he can do nothing about it, so he has accepted my business. For now anytime he comes home I don’t go to the shop.”*

Is transnational trading activity worthwhile for the men and women who have taken it on as their livelihood activity? Most respondents (148/154) representing 96.1% think so with a similar number of respondents (143/92.9%) agreeing to recommend to interested friends to engage in transnational trading. A number of reasons were advanced for why respondents would recommend transnational trading to their friends. This included because it is a livelihood activity, with good income and social status, as well as an opportunity for people to own something for themselves (see Table 32).

Table 32. Why respondents will recommend transnational trading; Source: Mobility Study (2010)

Why Recommendation	Frequency	Percent
One can make a living with it	47	34.1
If the person is daring/willing/talented	24	17.4
There is money in it, also social status	17	12.3
It is good that one owns his/her own business	14	10.1
Everyone has their luck, the fellow can try and see	13	9.4
If the person has the capital	12	8.7
It is better to teach people how to fish <sup>14</sup>	8	5.8
It is better than some of the formal jobs in Ghana	3	2.2
<b>Total</b>	<b>138</b>	<b>100.0</b>

A few traders maintained that transnational trade is not worthwhile and would therefore not recommend it to their friends. For these traders, transnational trade has become less lucrative or slow these days. They also observed that, some traders resort to “spiritual attacks” in their business these days and would rather advise their friends to try something else.

### 5.3 Migration and Mobility in Transnational Trade

<sup>14</sup> ‘It’s better to teach people how to fish than give them fish’. This is a Ghanaian proverb which means, in relation to why the respondents would recommend transnational trade to friends, to help them make some money, no matter how small it is, rather than offering financial gifts to such friends.

How does the short term movements from Ghana to trade destinations and back lead to more permanent migration and also to immobility? Is there a link between the short term mobility of Ghanaian transnational traders and long term or permanent migration? We explore these questions with Ghanaian transnational traders in Accra and Kumasi. The findings of the study show that, most of the traders (94.8%) have never considered staying more permanently in their trading destinations despite the exposure that transnational trade has given them. Only eight respondents told our team they have considered staying more permanently in their trade destinations. Qualitative data gathered also supported this view that traders do not show interest in going to stay permanently in their trading destinations and it appears that doing so is not the norm. This view was expressed differently by a number of our respondents as follows: “*As for me I don’t think I will ever go and stay outside because of the pressure in it*”. Another respondent who had stayed in the UK for close to six (6) years before returning to Ghana to trade responded: “*Never because of what I have been through*”. These observations were supported by Auntie Selina, Dufu and William as shown in Box 5.

For these and other traders who shared these viewpoints, we probed into factors they think could influence them to stay more permanently in any of their trade destination areas. It emerged that, employment within the destination country with good salary, or the possibility of staying out there with all of their family members could influence them. Other traders maintained they would only consider staying more permanently in their trade destinations if their trade in Ghana collapses (Table 33). Only eight (8) respondents (5.2%) have actually thought of staying longer or permanently in their trading destinations. For these eight transnational Ghanaian traders, the United States and the United Kingdom were the preferred places.

And though only eight respondents affirmed they have actually thought of staying permanently in their trading destinations, twenty (20) respondents (13%) contended that they know friends who have gone to stay permanently outside (in the US, the UK, China, etc.) through the transnational trade they were engaged in (see Table 34). While some of them went to stay in their trade destination areas because of collapse of or losses in their trading business, others changed the focus of their business or found new business interests which required that they relocate to those countries. A few other traders indicated that they secured long-term visas and therefore decided to go and stay in those countries, or learnt the Chinese language and secured job in China. There were other people whose decision to stay more permanently in their trading destination areas was to further their education, or due to marriage (Figure 19).

Table 33. Influencing factors to stay in trade destinations; Source: Mobilty Study (2010)

<b>Factors</b>	<b>Frequency</b>	<b>Percent</b>
If I am employed in that country; well paying job	5	3.2
If I can go with my family	3	1.3
If my business collapses	3	1.9
If I were taking my goods from USA or UK	1	.6
No factor; I will never stay there for long	142	92.2
<b>Total</b>	<b>154</b>	<b>100.0</b>

**Box 5: Views of Traders on settling permanently in their trading destinations**

“Mekotena ho na madi den? Literally translated as follows: “As a trader, what money are you going to live on if you go and stay there permanently?” As for staying in Dubai or China permanently, it is out. I don’t know of anybody who settled there. People don’t like China and more so, their immigration rules are not as free as ours where people can easily come in and settle, so people don’t go there. If their immigration is a bit loose, maybe some (traders) will go there. But as for me, I can never stay there. What will I eat there? I will die of hunger. There is no food there, I can’t eat vegetables throughout. As for that (permanent stay) never.” [Auntie Selina]

“I have never thought of staying permanently in any of the places I go to (since I started this business). What am I going to do? There is no business over there to do. The trading business has helped me a lot. I have land, a house and I’m able to pay all the bills and my children’s school fees. I have a good standard of life. I have made it here by the Grace of God.” [Dufu]

“I have not even thought of leaving Ghana. Why should I? Apart from everything there is some kind of freedom in Ghana whereby you can walk about even in the night doing your own business but in some country you cannot go anywhere. I think it depends on individual differences but as for me I don’t know why I should leave my country. I don’t have a car but I have a piece of land in Dansoman and in East Legon<sup>15</sup>. The trading business has increased my capital. I have five separate accounts with five different banks. I have treasury bills. With my educational background I think I will give the credit to the trading business. Trading has improved my standard of living.” [William]

Table 34. Knowledge of friends who have stayed longer/permanently through trading activities; Source: Mobility Study (2010)

	Frequency	Percent
Yes	20	13.0
No	133	86.4
Total	153	99.4
Missing System	1	.6
<b>Total</b>	<b>154</b>	<b>100.0</b>

<sup>15</sup> This is a first class residential area in Accra.

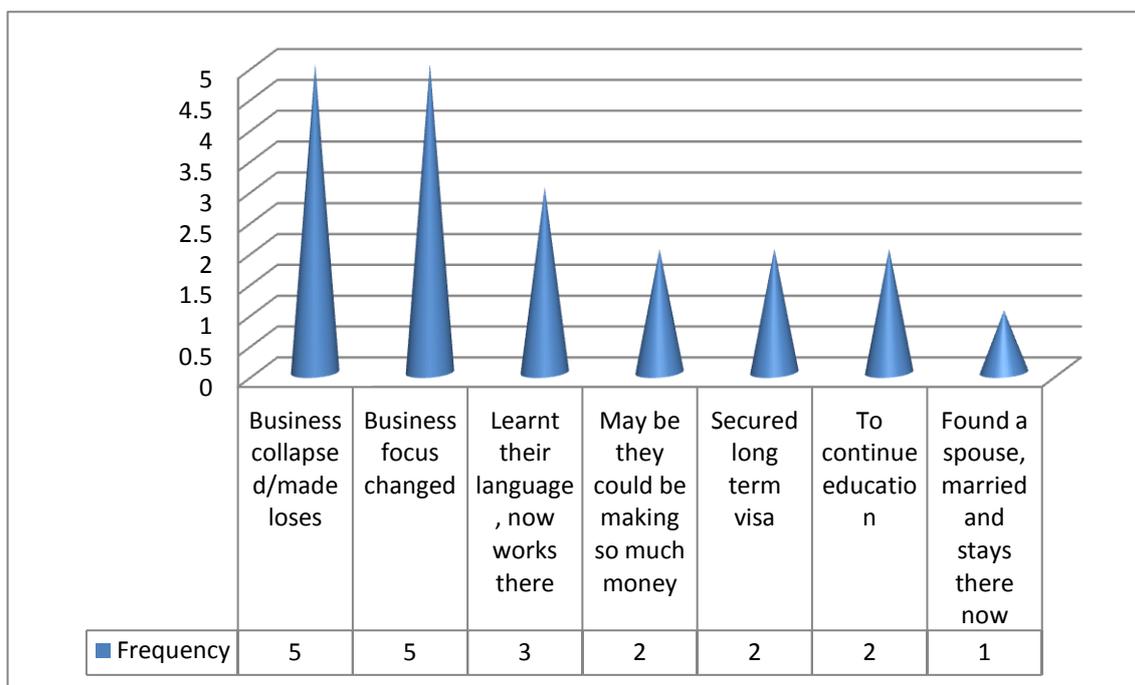


Figure 19. Influencing factors for friends; Source: Mobility Study (2010)

Reflecting on the data critically, it is clear that for most Ghanaian transnational traders, staying abroad for longer period/permanently is less of a priority. Not even the exposure created by transnational trade could compel/persuade them into staying permanently in their trading destinations. Part of the explanation for this state of affairs relates to the very notion of transnationalism which allows the traders to pursue their trading activities from multiple countries without creating much conflict. Transnationalism, by its nature, allows its actors to be involved with livelihood exchanges across national frontiers. The transnational practices/relationships of the Ghanaian transnational traders make it possible for them to spend substantial amounts of time in Ghana where their shops are located after all, and also outside of Ghana (in their trade destinations) on activities that form important aspect of their trading business. A typical view of transnational framing allows actors to be simultaneously engaged in two or more countries, for example live at one place, and have their businesses/families etc. also at different places, thereby living across a range of social, economic, cultural and political boundaries. Going by this, the activities of Ghanaian transnational traders can be said to be emblematic to transnationalism and should not appear as surprising that few of them have actually thought of staying or know friends who have gone to stay permanently at their trade destinations.

## CHAPTER 6: SUMMARY, CONCLUSION AND RECOMMENDATIONS

### 6.1 Summary and Conclusions

The study sought to investigate the mobility patterns and dynamics of traders from Ghana to destinations in the Middle and Far East, the transnational strategies adopted to aid the livelihoods of these traders and the extent to which such circulatory movements could lead to more permanent forms of migration. The study focused on traders in two major markets in Ghana, the Makola Market in Accra, Ghana's national capital and the Kumasi Central Market located in the second largest city, although the market was conceptualised as a fluid space and not limited to the spaces formally occupied by these two markets. Qualitative and quantitative approaches were used and an exploratory focus group discussion was initially undertaken. Thereafter, 157 traders of various categories were purposively selected. In addition, thirty case studies or in-depth interviews of different generations of traders as well as key informant interviews with industry operators were undertaken.

The study made very interesting findings which can be grouped into: (i) personal characteristics- sex, age, education, previous occupations; (ii) mobility strategies; and (iii) socio-economic impacts. First, both men and women are involved in transnational trading with more females than males, corroborating the findings of earlier studies (Apt and Katila, 1994, cited in Grieco et al 1995; King, 2001; Darkwah, 2007). However, a relatively high proportion of men were also found to be engaged in trading and this therefore runs counter to the perception that trading is the preserve of women. The majority of female traders were aged 30-39 years. The proportion of separated or divorced traders particularly in Kumasi was quite high. The level of education is comparatively high among traders, with two-thirds having completed secondary school education, although males were more educated than females. The average family size is three, but the more educated tended to have fewer children. The comparatively high numbers of educated traders, especially male traders, therefore debunks the perception that traders often have no or very low levels of education.

A quarter of traders sampled were unemployed prior to engaging in trading, with a similar number joining the profession immediately after completing school. Others were engaged in other kinds of trading or other professions. The majority of traders interviewed did not have a secondary economic activity aside trading, due to the demanding nature of the business, and those who did were engaged in jobs that could be delegated to others, or could be undertaken during weekends or those that did not require their frequent presence. The reason for engaging in trading included a passion for trading, profitability, continuity in family business, or being introduced by friends. Close to a third of traders particularly in Accra entered into the business because of harsh economic conditions and their inability to finance their education and therefore used this as a livelihood option. A greater proportion also indicated that they would like to hand over their business to their children. It was also observed that a greater number of traders particularly those in Accra are located outside the central business district, thus highlighting the fluidity of the market.

In terms of the destinations visited, new routes for Ghanaian transnational traders have emerged in the last few decades and include Dubai, China, Bangkok, India and more recently Vietnam in addition to the traditional destinations of Europe and the United States of America, though the attraction to the latter has decreased. Dubai is the popular destination visited in the Middle East, followed by China and the UK. Other destinations in West Africa such as Nigeria are also popular and trading is characterised by a step-wise process. Transnational trading often starts from inter and intra city trading within Ghana to ECOWAS countries, then to outside Africa and later to Europe and North America. Traders travel with short-term visas of up to three months and a greater proportion make the trip more than once a year. Product availability and affordability informs the choice of destination.

Both men and women trade in a variety of goods ranging from clothing, cosmetics, baby products, shoes, bags to hardware and communication technology. Gender differences in the type of goods traded was however observed with males trading mainly in hardware, mobile phones, household and building items, car spare parts, and health care equipment, while women traded in most things related to reproductive activities such as basic necessities for household welfare such as dresses, footwear, jewelry, children's wear and products, household utensils etc. Thus, gender ideologies appeared to be reproduced even in transnational trading. Very few traders use official means for transferring funds across borders for trading. Agents do assist with these transfers but many are those who carry large sums of money above the regulated amount. The telephone is the main means of communication and traders mentioned that high fares, accommodation as well as visa cost and procedures are the major challenges faced.

More than half of traders were operating on both wholesale and retail basis. However, more men operated as wholesale traders than women, again reproducing gender ideologies where women often were engaged in less capital intensive, but more demanding work. More of the traders in Accra were operating from outside the central market than those in Kumasi. Transnational trading business sometimes transcended generations and opened opportunities for social networks. Many traders entered into trading because their parents, especially their mothers, were also traders which therefore made their decision to enter into trade more of a matter of course. Family and friends were instrumental in the decision to enter into trading with women traders being influenced more by family while male traders were more influenced by friends.

The mobility strategies employed has been influenced by the high cost of items in West African cities due partly to exchange rate depreciations (makes imports expensive) which has lowered the profit margins. Multiple routes are used for obtaining goods and group travel is encouraged to minimise risk and reduce cost. Family and friendship networks and "building up trust" were also identified as major strategies employed for those who move to the Middle East and Far East. Visa requirements and processes, short validity of visas, delays in processing etc. are key challenges to mobility and middlemen called 'agents' have cashed in on this. Other visible challenges include ticket cost, lack of access to credit, and language challenges are other challenges associated with mobility.

Socio-economic impacts were also noted; positive and negative socioeconomic and cultural impacts such as increased savings, improved living conditions, education for own children, properties, problem with child upbringing, tensions in marital relations are some of the visible outcomes.

On how far these mobility patterns could lead to more permanent migration, the study observed that traders did not show much interest in staying permanently in the new destination areas such as China and Dubai, except 5.2% of the total sample. Permanent migration could only happen if they had employment with good salaries and if their families could also join them. A few of them however acknowledged that they have friends who had stayed permanently in the USA, UK, China etc. and this was mainly because their businesses in Ghana collapsed. However, it was pointed out that some Ghanaians who were not specifically traders were moving into China particularly to provide support services for traders such as translation, export-import, freight handling agents, wholesale distribution and sourcing, guides who could guide traders around the cities as well as make accommodation and other arrangements. Ghanaian restaurants were also springing up, especially in Guangzhou. Thus, although the traders themselves were not staying in China on a long term basis, other categories of Ghanaians were moving in to provide services. This is an area that requires further investigation.

## 6.2 Policy Implications and Recommendations

The study found that while mobility in pursuit of trade may not lead to permanent migration in many cases, this outcome may be peculiar to specific destination countries, in particular in the Middle East and China because of language and other cultural differences. Nevertheless, it is an important livelihood strategy. Thus, a number of policy options can be identified. These include the need for government to provide an effective regulatory environment for transnational trading to allow individual traders to operate in the country. The environment for transnational trade is not effectively regulated with clearly-defined requirements and criteria. Port charges and visa acquisition charges among others are subjected to all manner of subjective interpretation by officials. It is as a result of some intermediaries (also called 'agents') have emerged in the trade. If the environment is well-regulated, transnational traders themselves can operate without having to rely on all of these agents in the trade. A similar recommendation goes to all the government and non-governmental institutions that in one way or the other provide services to transnational traders. An alternative policy prescription is that government and other institutions in the business of transnational trade regularise the activities of the intermediary elements in the business so as to allow them to operate freely and legally. At the moment, transnational traders have to rely on these intermediaries in acquiring visas, in particular to enter China. Information gathered from the study suggests that some of these intermediaries are not officially sanctioned by the Chinese embassy in Accra. The cost in accessing the services of these middlemen makes the visa charges expensive for the traders which are eventually passed on to the final consumer.

Also, it appears most traders carry huge sums of money across borders to undertake trade. The risk and cost involved is high but certainly not high enough to outweigh the cost of transferring funds through the financial system. Thus, it is recommended that the regulatory agencies should ensure that the cost of transferring funds is significantly reduced to reduce informal transfer or handling of funds. In addition, language or cultural challenges exist between traders and their destination countries. It is therefore suggested that an evening or short-term language school similar to what pertains in institutions offering western languages could be put in place. Finally, intra-African trade should be promoted by providing the enabling infrastructure (financial, transport, communication etc) and also tax incentives to products from these countries. This will have a long-term effect of generating more jobs in the continent.

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## APPENDIX: Background Characteristics of 28 Traders interviewed in Accra and Kumasi

	Name	Sex	Age/Marital Status	Location	Main Goods traded from destination
1.	Auntie Selina	F	56; M	Accra	Clothing, accessories
2	Dufu	M	43; M	Accra	Electrical products
3	Sarah	F	38; M	Accra	Clothing, jewelry
4	Mercy	F	66; D	Accra	Clothing, jewelry
5.	William	M	38; Single	Accra	Electrical products
6.	Yvonne	F	45; M	Accra	Clothing and interior design accessories
7.	Margaret	F	42; M	Accra	Handkerchiefs
8.	Bernard	M	46; M	Accra	Watches
9.	Lydia	F	36; M	Accra	Household utensils
10.	John	M	37; M	Accra	Mobile phones
11.	Patience	F	37; M	Accra	Men's shirts
12.	Kwame	M	35; Separated	Accra	Door Locks
13.	Abigail	F	43; W	Accra	Men's wear
14.	Ernestina	F	43; M	Accra	Children's wear
15.	Paul	M	45; M	Kumasi	Children's wear
16.	Foster	M	50; M	Kumasi	Agrochemicals
17.	Eric	M	33; M	Kumasi	Lace Materials/Fabric
18.	Amanda	F	46; W	Kumasi	Assorted items – bedding, clothing, padlocks
19.	Rose	F	35; M	Kumasi	Hair products
20.	Abena	F	58; M	Kumasi	Children's wear
21.	Yvette	F	41; Single	Kumasi	Ladies' wear
22.	Mama Asantewaa	F	62; M	Kumasi	Headscarves
23.	Martha	F	47; M	Kumasi	Ladies' wear and shoes and purses
24.	Mami Kai	F	36; M	Kumasi	Children's wear
25.	Ruby	F	33; M	Kumasi	
26.	Cecilia	F	52; M	Kumasi	Cosmetics
27.	Kwasi	M	35; M	Kumasi	Shoes
28.	Marina	F	50; W	Kumasi	Umbrellas