



# Changing rural-urban linkages in Mali, Nigeria and Tanzania

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**SUMMARY:** *This paper compares and contrasts changing rural-urban linkages drawing on research in six case study areas in Mali, Nigeria and Tanzania. The aim of the research was to gain a better understanding of the ways in which the livelihoods of rural and urban households rely on both rural-based and urban-based resources, and on exchanges between urban and rural areas. The paper describes changes in farming systems under the impact of urban expansion, with special attention to access to land and other natural resources such as water, and also access to markets and the role of traders, especially small-scale operators. It also examines how changing rural and urban contexts, as well as wider national and regional contexts, affect patterns of income diversification and mobility, especially the differential impacts with regard to women and men and to young and older people. Finally, it analyzes the role of the case studies' urban centres in the economic and social development of their surrounding regions.*

## I. INTRODUCTION

IN THE PAST two decades, economic crisis and reform have affected both rural and urban African populations. Small farmers' production has been negatively affected by the cost of agricultural inputs and consumer goods rising faster than the prices of agricultural produce. This cost-price squeeze has created a high-risk environment which makes it difficult for small farmers to compete on domestic and international markets. Urban incomes have fallen following retrenchments of public sector workers and restrictions on wage levels, which have affected both formal sector workers and the informal sector activities which depend largely on their demand. Increases in food prices and service charges, cuts in public expenditure – especially health and education – and in infrastructure expenditure have been felt particularly by low-income groups. This has resulted in changes in livelihood strategies along two main lines: a widespread increase in mobility accompanied by strong social and economic links with home areas, which depend on migrants' remittances but also provide them with safety nets and social identity; and high levels of multi-activity, with most households and individuals combining farming with non-farm activities and, especially among younger generations in rural and peri-urban areas, a trend towards moving out of farming altogether in the long term.

This paper considers the nature and scope of rural-urban linkages and how they are affected by variations in socioeconomic, political, cultural,

**Box 1: The case studies**

The case study locations were:

- the town of Himo, in northern Tanzania, and two rural settlements in its proximity;
- the town of Lindi in southern Tanzania, again with two villages in the surrounding region;
- two peri-urban settlements around Bamako, Mali's capital city, and two similar settlements around Mopti, an important Malian secondary urban centre; and
- the intermediate urban centre of Aba, in southeastern Nigeria, and five smaller centres in its region ranging from medium-sized villages to small towns.

All the case studies used a combination of tools to explore how different groups of households and individuals rely on rural-urban linkages for their livelihoods, and the differences between them. Qualitative and participatory tools, including mapping, wealth ranking, seasonality and Venn diagrams were used in the first phase of each case study to map out the nature and scale of rural-urban interactions in the different locations. In the Tanzanian case study, the team also used intra-household matrices and mobility/migration matrices. After a first round of general meetings, some tools were used with homogenous focus groups based on the combination of gender, age and wealth. Interviews with key informants were also conducted to gather additional information. The second phase of the case studies consisted of commodity chain analyses for selected products and, in Mali and Tanzania, a small questionnaire survey. Review workshops were held throughout the duration of the projects to validate findings and develop key question for the following phase of fieldwork.

Detailed reports for each case study are available as working papers in the *Rural-Urban Interactions and Livelihood Strategies Series*, IIED, London, as follows:

- Diyamett, Bitrina, Mathew Diyamett, Jovita James and Richard Mabala (2001), "The case of Himo and its region, northern Tanzania", Working Paper 1.
- Kibadu, Anthony, Fred Lerise, Esther Mbutolwe and Nimrod Mushi (2001), "The case of Lindi and its region, southern Tanzania", Working Paper 2.
- Diyamett, Bitrina, Mathew Diyamett, Jovita James, Anthony Kibadu, Fred Lerise, Richard Mabala, Esther Mbutolwe and Nimrod Mushi (2001), "Exploring rural-urban interactions in Tanzania: a critical review of the methods and tools used", Working Paper 3.
- Okali, David, Enoch Okpara and Janice Olawoye (2001), "The case of Aba and its region, south-eastern Nigeria", Working Paper 4.
- Groupe Recherche/Actions pour le Développement (2001), "Potentialités et conflits dans les zones péri-urbaines: le cas de Bamako au Mali", Working Paper 5.
- Groupe Recherche/Actions pour le Développement (2001), "Potentialités et conflits dans les zones péri-urbaines: le cas de Mopti au Mali", Working Paper 6.
- Tacoli, Cecilia (2002), "Changing rural-urban interactions in sub-Saharan Africa and their impact on livelihoods: a summary", Working Paper 7.

All the working papers and related briefing papers can be downloaded from [http://www.iied.org/rural\\_urban/downloads.html#UPWPS](http://www.iied.org/rural_urban/downloads.html#UPWPS)

historical and geographical contexts, both between and within nations. It draws on case studies in central and northern Mali, southeastern Nigeria and southern and northern Tanzania (Box 1 includes a list of these studies). It is not intended as an account of rural-urban interactions in sub-Saharan Africa, but rather as a discussion of the main factors that underlie current transformations in rural-urban linkages in these five relatively different contexts.

The case studies focus on the ways in which rural-urban linkages underpin and affect livelihoods in the study locations. This involves attention to the changes in the livelihood strategies of different groups, and to the reasons underlying these changes. These, in turn, may vary depending on location, household wealth and status, and individuals' gender, age and ethnicity. These characteristics are likely to affect access to assets

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such as: land and water; education, skills and health; credit, transport and markets. Social assets are especially important, since they often mediate access to material assets. In the context of rural-urban linkages, they include migrant networks and social relations between rural producers and urban-based traders. It is also important to understand intra-household dynamics and the relations between genders and between generations, since these often reveal a great deal about processes of social and cultural transformation.

## II. FARMING SYSTEMS AND URBAN EXPANSION

FOR MUCH OF Africa's rural population, farming is still the primary activity. Changes in the scale and nature of rural-urban linkages and their relevance to the livelihoods of different groups are thus largely related to transformations in the agricultural sector. Farming is affected by access to natural resources, especially land and water, financial capital and information on market prices and fluctuations. Access is also mediated by a combination of factors, ranging from national policies (for example, land tenure systems and agricultural policies), village-level characteristics (such as population density and natural resource features), differences between households (for example wealthier and vulnerable, migrant and indigenous) and within households (on the basis of gender and generational status).

### a. Access to land and water

Mali, Nigeria and Tanzania have complex and evolving land tenure systems. The main characteristic is the co-existence of different types of rights. The state is the overall trustee of all land within the national boundaries and has absolute authority over its allocation. At the local level, there is often a mixture of customary and statutory rights. In broad terms, customary rights (land management and allocation by traditional authorities such as village chiefs and village councils) are more likely to apply to rural areas, whereas statutory rights (formalized land titling and registration) are more likely to dominate in urban centres. However, formal and informal market transactions are increasingly important under both systems,<sup>(1)</sup> especially in peri-urban areas where the two systems often overlap. Under customary tenure, non-landowners can access land through a variety of secondary rights arrangements, ranging from sharecropping to tenancy to borrowing of land. These arrangements are especially important for low-income farmers and for migrants, who are often excluded from land allocation under customary tenure, but are increasingly under strain as land becomes scarcer and its value increases.

Especially in peri-urban areas, small farmers' access to land is subject to a number of pressures. Even in areas under customary tenure, outright purchase rather than allocation is increasingly frequent and, in many cases, buyers are urban residents who invest in commercial farming and speculation. This is the case in the case study areas in southern Tanzania and in Mali, where middle- and higher-income urban residents tend to displace under-capitalized small farmers. Severely restricted access to credit following liberalization in Tanzania,<sup>(2)</sup> and credit recovery problems and mismanagement of parastatal institutions in Mali and Nigeria, increases small farmers' vulnerability and often their willingness to move out of farming (Box 2).

<b>Box 2:</b>	<b>The constraints and benefits of urban proximity: peri-urban farming in Mali</b>
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In northern Mali, urban residents have introduced modern farming equipment such as tractors and mills, which the villagers could not afford to purchase and which are no longer provided by agricultural extension services. Demand for waged agricultural labour by urban farmers with no time or family labour has also increased employment opportunities for small farmers, although this can be at the expense of their own farm work. Hence, whilst there are certain benefits in urban residents' entry into peri-urban farming, there is also a strong tendency for small farmers with limited access to credit and labour to move entirely out of farming their own land and become waged labourers, or migrate.

By contrast, in the village of Baguinéda in central Mali, secondary rights are still widely practised. This allows small-scale farmers to hire migrant labour in exchange for temporary rights to cultivate their own plots. The system is highly structured, with specific days of the week allocated to work as labourers and others to work on the borrowed land. Two aspects are central to the functioning of the system: first, land tenure in the village is almost exclusively customary and controlled by the village council, allowing for secondary rights allocation. Second, the strong demand from the nearby capital, Bamako, for horticultural produce in which the village specializes makes cultivation of even a small plot relatively profitable, and therefore attractive for migrants.

**b. Access to markets and the role of traders**

Poor physical infrastructure has far-reaching consequences for producer prices and, in the long run, affects production and activity patterns. Small producers and poor farmers are often much more affected than large farmers by this (Box 3) and may be forced to abandon farming their own land and turn to waged agricultural employment and migration.

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<b>Box 3:</b>	<b>The impact of poor infrastructure on farming</b>
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In Tanzania, collection, transport and sale of previously controlled cash crops has been liberalized since the mid-1980s. Cashew nuts from the southern region are primarily grown for export, and a small number of private companies control their purchase, collection and transport to the main shipping port of Mtwara. Road infrastructure in the area is extremely poor, making transport costs prohibitive. Although private companies are only allowed to buy the nuts from farmers' cooperatives in designated locations, in practice these are out of reach for small farmers, who can hardly afford transport costs. Smallholders tend to sell directly to traders, an arrangement which puts buyers in a strong bargaining position and weakens producers' ability to negotiate prices. It also makes it difficult for local government to maintain effective control of the quantities traded and collect taxes from traders, despite this being a major source of revenue.

In southeastern Nigeria, road and transport infrastructure is generally good, but some remote settlements, such as Ndi Ebe, can be cut off at certain times of the year, when soil erosion combined with heavy rains can wipe away feeder roads. Only larger-scale farmers have the means to hire tractors to transport produce to markets. Small farmers who cannot afford this expense often prefer to seek employment as wage labourers on large commercial farms or abandon their farms altogether and migrate to urban centres or to other rural settlements.

Where physical access to markets is not a problem, access to information can be equally important (Box 4). But as state extension services become increasingly underfunded and officers rarely visit the rural areas, informal networks spanning rural and urban settlements have become the most effective information channels used by producers. However, these generally benefit larger farmers who have good city connections, and disadvantage poor farmers with few such connections.

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1. Toulmin, Camilla and Julian Quan (editors) (2000), *Evolving Land Rights, Policy and Tenure in Africa*, DFID/IIED/NRI, London.
2. See Tacoli, Cecilia (2002), "Changing rural-urban interactions in sub-Saharan Africa and their impact on livelihoods: a summary", Working Paper 7 in the *Rural-Urban Interactions and Livelihood Strategies Series*, IIED, London, page 13; also Diyamett, Bitrina, Mathew Diyamett, Jovita James and Richard Mabala (2001), "The case of Himo and its region, northern Tanzania", Working Paper 1 in the *Rural-Urban Interactions and Livelihood Strategies Series*, IIED, London; and Kibadu, Anthony, Fred Lerise, Esther Mbutolwe and Nimrod Mushi (2001), "The case of Lindi and its region, southern Tanzania", Working Paper 2 in the *Rural-Urban Interactions and Livelihood Strategies Series*, IIED, London.
3. Pedersen, Poul Ove (2000), "Busy work or real business: revaluating the role of non-agricultural activities in African rural development", ASC Working Paper 46, Africa Studies Centre, Leiden.
4. Ellis, Frank (1998), "Household strategies and rural livelihood diversification", *Journal of Development Studies* Vol 35, No 1.
5. Bryceson, Deborah F (1999), "African rural labour, income diversification and livelihood approaches: a long-term development perspective", *Review of African Political Economy* No 80, pages 171-189; also Bryceson, Deborah F (1999), "Sub-Saharan Africa betwixt and between: rural livelihood practices and policies", ASC Working Paper 43, Africa Studies Centre, Leiden.

<b>Box 4:</b>	<b>How lack of market information affects producers in northern Tanzania</b>
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In the past few years, farmers in the plains around the town of Himo have increasingly invested in the production of tomatoes. Most farmers grow their crop after the rainy season, when production costs are lower; however, this results in a glut in both the local and national markets, and prices can be as much as ten times lower than during the rainy season, when production costs are higher but demand outstrips supply. The few farmers who grow tomatoes during the rainy season rely on a network of social relations, from local traders to relatives and petty traders based in a number of urban centres in Tanzania. The information they gather on prices allows them to negotiate with local traders.

Farmers' limited access to formal credit means that traders have an increasingly important role in this respect. However, with the exception of export crops, trade in agricultural produce is not usually controlled by large, well-capitalized traders. Especially for horticultural produce, the marketing system in much of sub-Saharan Africa is dominated by small-scale traders, even in the case of wholesale dealers. They provide a vital link to urban markets for small and diversified production flows that cannot be handled efficiently by large-scale trading organizations.<sup>(3)</sup> In West Africa, traders are often women who tend to establish personal relations with both producers and retailers. In this way, financial exchanges are embedded in wider social relations which provide the basic rules of trust needed for commercial transactions. The major problem confronting most of these traders is limited financial liquidity, which makes them and, as a result, those who depend on them for credit, vulnerable to market losses which, in turn, are compounded by poor infrastructure (Box 5).

<b>Box 5:</b>	<b>The role of traders in central Mali</b>
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In central Mali, traders are an important source of credit for horticultural producers. However, despite strong demand from the nearby capital, Bamako, this informal credit system is prone to a number of risks. The most important one, linked to the highly perishable nature of the produce, is loss due to the almost complete lack of processing and conservation facilities. Since wholesale traders often also sell to retailers on credit, they tend to absorb losses at both the transport and retail levels. This, in turn, affects their financial liquidity and their capacity to offer credit to producers. This vicious circle results in sharp decreases in horticultural production around Bamako, despite strong urban demand and increasing producer prices.

### III. OCCUPATIONAL DIVERSIFICATION AND MOBILITY

NON-FARM INCOME is increasingly important in the livelihoods of African rural households. Survey data on the proportion of income derived from non-agricultural sources give an average range of 30 to 40 per cent, excluding Southern Africa where it can be as high as 80 to 90 per cent,<sup>(4)</sup> to more recent findings of 60 to 80 per cent.<sup>(5)</sup> Occupational diversification is defined here broadly as non-agricultural income-generating activities undertaken by rural residents, and farming by urban residents.

There is a dynamic dimension to diversification, which is increasing in all the case study locations. This is reflected by higher levels of multi-activity among younger generations than among their parents.

The increase in non-farm rural employment can sometimes be triggered by agricultural growth and increasing demand for manufactured goods and services by wealthier populations. However, the case studies show a bleaker picture where, with the possible exception of Baguinéda in central Mali, the small-scale farming sector is negatively affected by severely limited access to credit, markets for agricultural produce show serious shortcomings and land shortages are a growing concern. Especially for younger people in the rural areas, farming is an increasingly unattractive option. At the same time, emerging opportunities facilitate income diversification. For example, domestic trade liberalization in Tanzania since 1984, has increased opportunities for small-scale trade; manufacturing industries have developed in peri-urban areas of south-eastern Nigeria; and there is urban growth and the related demand for service workers in northern Mali.

The nature, scale and scope of non-farm employment opportunities are heavily influenced by the local context. Population density, sectoral and spatial patterns of industrialization, access to affordable transport and demand for services by wealthier, and often urban-based, groups determine the nature and scale of opportunities. At the same time, their increase can result in potential conflict between farmers and enterprises over the use of natural resources (Box 6)

### **Box 6: Occupational diversification in southeastern Nigeria**

In densely populated southeastern Nigeria, commuting to the regional urban centres of Aba and Port Harcourt is encouraged by the efficient and cheap state-subsidized transport system. Low-income rural women commute to work as cleaners and gardeners, men as construction workers and in the oil industry. Peri-urban settlements have attracted small and medium-sized industries such as paper mills, creating opportunities for local salaried employment but also polluting the local river with industrial effluents and therefore increasing constraints on farming. As out-migrants invest in building homes for retirement, new opportunities in the construction sector have emerged in some rural settlements, displacing agriculture as the main activity and reducing the availability of farmland around the villages. At the same time, traditional rural non-farm activities such as cloth weaving are declining due to competition from cheaper imports, lack of investment in technological innovation, lack of inter-sectoral linkages, for example with yarn production, and inadequate infrastructure such as electricity supply, which affects most rural settlements.

The case studies also show that farming is an important activity for urban residents. In Tanzania's southern town of Lindi, farming is the main occupation for over half its inhabitants and is a second occupation for another quarter. In the northern, more dynamic town of Himo, farming is the main occupation for only 13.5 per cent of its inhabitants, but a second occupation for another 40 per cent. In both urban and rural settlements, it is mainly low-income groups who engage primarily in farming, often on a subsistence or mixed (subsistence and cash crops) basis, or as wage labourers. Wealthier households and individuals usually concentrate on commercial production, often in peri-urban areas that benefit from proximity to urban markets. The Malian case studies show a similar trend.

This suggests that, especially in peri-urban areas but not only there, the small-farm sector is undergoing major transformations, including a switch from mixed (subsistence and cash crops) to predominantly commercial

orientation, and from small-scale family farms to larger farms relying on wage labour. This has important repercussions for small peri-urban farmers with limited skills and education, who often have little alternative but to engage in low-income occupations such as seasonal agricultural wage labour, petty trade or portering in urban markets.

Within households, gender and generational differences in access to and control over resources can be an important reason for some groups diversifying their income-generating activities. Family farming is usually under the control of the household's older man, and younger generations may prefer the greater independence of non-farm activities. This is especially important for young women, who often are not even entitled to inherit the family land. An important consequence of these transformations is that the family as the traditional unit of production and consumption is replaced by more individual priorities and behaviours. In northern Tanzania, young people will no longer provide unpaid family labour on the farm. As a result, in the village of Lotima, for example, 46 per cent of households rely on wage labourers whose primary task is to take the cattle out to pasture, traditionally the sons' responsibility.

Traditional divisions of labour along gender lines also mean that there are differences in the ways in which women and men perceive new opportunities and constraints linked to urban expansion. In the peri-urban settlement of Dialakorodji, in central Mali, men complain of the loss of agricultural land to residential use and see no benefit in the proximity of the city of Bamako now that, under economic reform, many large employers such as peri-urban and urban factories have closed down or downsized their operations. Women, however, for whom access to land is traditionally limited and who have a long tradition of independent small-scale trade, see great opportunities in the ever-expanding urban demand for horticultural products and in their strategic location between rural producers and urban consumers.

By disaggregating income diversification patterns along gender and generational lines, a picture emerges of radical change in the structure and internal relations of rural households in the three countries. Migration trends also show high levels of transformation. This has important implications for policy formulation and implementation, as much analysis and practice, especially in sub-Saharan Africa, still relies on the view of rural households as homogenous, relatively stable units of production and consumption. The case studies show that, in many instances, this is no longer true.

#### **IV. MIGRATION, REMITTANCES AND SOCIAL NETWORKS ACROSS SPACE**

HISTORICALLY, MIGRATION HAS been a key factor in shaping Africa's settlement patterns and livelihoods. It is also a central interaction between urban and rural settlements, and between rural settlements, in the three countries. In the case study locations, between 50 and 80 per cent of households have at least one migrant member. This proportion is not affected by household wealth because, whilst economic motivations are the main reason for moving, they overlap with the desire to widen one's experience and, for younger generations, to escape from obligations and control from elders. In southeastern Nigeria, migration is considered essential to achieving economic and social success, and young men who

do not migrate or commute to town are often labelled as idle and may become the object of ridicule. At the same time, demands on young people's time for community works are perceived by the young men themselves as conflicting with their own pursuit of "making money". However, whilst rural-to-rural movement is widely practised by the poorest groups, often on a seasonal basis, large and small urban centres are important destinations for all migrants.

Although young men remain the bulk of migrants, the independent movement of young unmarried women has greatly increased in recent years. This is linked to employment opportunities as domestic workers in urban centres or in new international tourist resorts. Women's migration is also increasingly socially acceptable, provided they contribute to their parental household's finances through remittances.

Another noticeable trend is the increase in movement to distant destinations, often across national borders. In southeastern Nigeria, destinations include local urban centres such as Aba and Port Harcourt, but also Lagos, and Cotonou in neighbouring Benin; and migrants from Mali can move as far away as the main cities on the Atlantic coast of West Africa, as well as Libya and Saudi Arabia. More affordable transport, increasingly extensive migrant networks and demand in destination countries are some of the main factors for this expansion in the scope of movement. More distant destinations mean that migrants are away for longer periods of time (in Mali, this is often between 5 and 20 years) and, crucially, are unable to return home for the farming season, as is the case with intra-regional movement. In northern Mali, labour shortages are increasingly acute and, at the same time, households' dependence on remittances is growing.

Remittances are a crucial component of rural households' incomes and a key element of the continued links between migrants and their home areas, across all wealth groups. However, there is general consensus in all the case study locations that remittances have declined in the past 15 years or so, despite simultaneously becoming increasingly important for rural households. A common reason given for this is the increasing employment insecurity and cost of living in the urban centres; however, despite the decline in financial exchanges, social links between migrants, kin and the wider communities are as strong as ever. For many migrants, this is not only a part of their social identity but also a way of spreading their assets (and risk) across space and maintaining a safety net which helps in times of economic and social insecurity in the cities. This can also be done through migrant associations, which can serve the double purpose of assisting migrants while away and channelling resources to the wider community of origin. In southeastern Nigeria, it is estimated that the contribution of migrant associations to the construction of facilities such as schools, town halls and water points has, in some cases, outstripped public investment.

Successful migrants can invest in their home areas with a view to returning there upon retirement or earlier; in so doing, they may also inject financial resources and new skills into the local economy. However, not all migrants can develop their asset base in their home area, either because they have limited access to resources – for example, women are often traditionally excluded from inheriting their parental land – or because their limited skills enable them to find employment only in low-paid jobs while away and they cannot put aside savings to invest. Cases of migrants returning to start their own businesses and, in the process,

6. Toulmin, Camilla (2002), "Keeping an eye on decentralization", mimeo, IIED, London.

expanding local employment opportunities are relatively rare in the case study locations, and their success often depends on local availability of infrastructure, local institutions and governance contexts.

## V. THE ROLE OF URBAN CENTRES IN THE DEVELOPMENT OF THEIR SURROUNDING REGION

GOVERNANCE SYSTEMS AND the institutional set-up are important in defining the nature of the relationship between urban centres and their surrounding region, although this needs to be situated within the broader context of national and supra-national changes in social and economic structures. Like most countries throughout the region, Mali, Nigeria and Tanzania have been undertaking some form of decentralization or deconcentration of administrative and other government functions, although with some significant differences.

In Nigeria, the process of deconcentration started in the early 1960s, and was accompanied by the creation of new states and local government authorities (LGAs). This was largely the result of demands for greater administrative autonomy by different ethnic groups. The federal government retains decision-making powers on most matters, whilst state governments and LGAs are responsible for policy implementation. In Mali and Tanzania, the decentralization process started in the 1990s and more closely reflects the broader shift towards local participation. This is the result of a desire to create a more accountable system, better able to respond to local needs and priorities. It is also the consequence of cutbacks in national governments' budgets and the shifting of some responsibilities and costs away from central government. Some of the major challenges for local governments include: the limited support provided by central government; their limited capacity to carry out their responsibilities; the often conflictive relationship between elected local administration and traditional authorities; and the difficult relations between peri-urban administrations and urban municipalities.

In southern Tanzania, the limited provision and maintenance of essential transport infrastructure is a major bottleneck in the economic development of the region. However, in such under-resourced areas, it is unrealistic to expect local government to take full charge of basic infrastructure without significant support from central government. With decentralization, local government officials are responsible for a wide range of functions – in Tanzania, this includes needs identification, planning, budgeting and implementation jointly with other local institutions. Clearly, significant efforts are necessary to improve the capacity of local councils to fulfil their expanded duties.

The relationship between elected local government and traditional authorities is especially critical where there are tensions between the statutory rights system of land tenure and the customary system. In peri-urban areas, these are underpinned by informal land markets and the resulting conflict of interest between traditional chiefs who attempt to retain control, including over private sales of land under customary tenure, and elected governments whose responsibilities include the provision of infrastructure (roads, sanitation, etc.) for which access to land is essential. In Mali, the potential for conflict is much higher in communes with low levels of social and political cohesion among the population, showing that

in many cases the boundaries of the new units do not reflect social, economic and political realities<sup>(6)</sup> Tensions between rural and peri-urban communes and urban municipalities concern primarily changes in land use, and the management of water resources and of domestic and industrial waste from the urban centre. Increasing competition between agricultural and residential use of natural resources is at the heart of overt conflict around the town of Himo in northern Tanzania, whereas waste dumping from Bamako is a major problem in one of the city's peri-urban settlements. These issues are likely to become increasingly important in many locations, and call for the development of mechanisms for negotiation and collaboration between neighbouring local governments.

NGOs, local associations and private sector actors also play an important role in local development. They often contribute to the provision of services and of physical and social infrastructure, and influence the role of urban centres in regional development. Following economic reform in the 1980s, public funding for essential services such as health and education, and for basic infrastructure such as water and sanitation, have declined. In many African countries, international donor agencies, NGOs and churches have taken over service provision, often concentrating in the rural areas. The result in Tanzania is that in the two towns of Himo and Lindi, urban residents and especially low-income urban groups have less access to basic education and health facilities than do rural residents. Water availability is also better in rural settlements, thanks to the wells and water pump construction efforts of international agencies, whilst low-income urban residents rely on irregular and expensive provision from informal vendors. This is not to say that funds should be diverted from rural to urban settlements, but a broader approach encompassing both rural and urban areas would make the targeting of low-income groups more effective.

In southeastern Nigeria, civil society associations such as town development unions, age-grade groups (a traditional type of association based on age groups) and home-town-based migrant associations have a significant role in the funding and construction of public facilities such as water points and school halls. A better synergy with these actors and the public sector would improve infrastructure development in the urban centres and their surrounding regions. Finally, the private sector can also play an important role in the provision of services such as transport. However, the case of southern Tanzania shows that where there is inadequate provision and maintenance of the road system, operating costs for transporters are so high that they can hamper interest from competing enterprises and result in a monopoly of sorts, with resulting high prices and unreliability. In all three countries, transport is identified as a major bottleneck, along with insufficient processing and storage facilities, both of which affect local production and make it vulnerable to cheaper imports. Local governments' responsibilities increasingly include local economic development, and there is clear scope for the development of a regulatory framework and the provision of incentives to private investors in the areas of transport and processing of local produce. However, this requires improved capacity from local government as well as increased legitimacy.

## VI. CONCLUSIONS

IN THE "VIRTUOUS circle" model of regional development, it is usually assumed that urban centres, through the provision of markets and serv-

ices, can impart the impetus for agricultural growth in their surrounding regions. This will then translate into the expansion of non-farm employment and increased demand for both agricultural and manufactured goods and services. However, the case studies' findings show a more complex picture. Only two urban centres, Aba in southeastern Nigeria and Himo in northern Tanzania, seem to play a role in the economic development of their region. Both are regional market nodes and, perhaps more importantly, both are integrated into national and international trade networks. Both serve as markets for goods produced in the rural areas and as destinations for migrants and commuters engaged in non-agricultural employment. But this is not sufficient to overcome constraints in agricultural production and to make farming attractive to younger generations who are steadily moving out of it.

In the more "rural" settlements, agricultural production is constrained by limited physical access to markets and processing. The inability of the settlements to attract investment in transport and processing facilities stems largely from a lack of incentives and limited infrastructure. With decentralization, local governments will become increasingly responsible for creating enabling environments for private sector investment, but the capacity to do so will need to be developed. In contrast, farming in the peri-urban areas – where private sector investment is more likely to focus – shows clear trends towards polarization, with wealthier urban residents engaging in commercial farming and displacing under-capitalized small-scale family farmers who, in turn, switch to waged agricultural employment, non-farm employment or migration – and most often a combination of these.

Finally, macroeconomic policies such as the liberalization of international trade can have a considerable impact on local economies. For example, local vegetable oil production by women's groups in Tanzania and traditional cloth weaving in southeastern Nigeria were important income-generating activities, especially for women, but both have been undermined by cheaper imports. The potentials and limitations of regional economic development, and especially the potential role of local governments in providing an enabling environment for market-led economic growth, need to be understood within this wider context of changing global trade and production patterns.

