TRANSNATIONAL PRACTICES AND REMITTANCES: IMPACT ON ECONOMIC DEVELOPMENT AND SOCIAL WELFARE IN SUB-SAHARAN AFRICA

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ABSTRACT:

In an increasingly interconnected world, the study explores transnational practices and remittances, focusing on their impact on economic development and social welfare in Sub-Saharan Africa. The rationale for focusing on Sub-Saharan Africa lies in its unique socio-economic context, where remittances play a crucial role in supporting household incomes and driving economic activities. Despite the region's diversity, common challenges such as poverty, unemployment, and limited access to education and healthcare persist. Emphasizing investments in critical sectors like health, environment, and education, the research argues for their pivotal role in sustainable economic well-being. This study investigates the importance of social remittances—ideas, practices, and skills transferred from host countries—and their contribution to human capital and job creation in home countries. However, despite their potential benefits, these transnational practices pose complex challenges related to social inequality. The study critically examines the motivations and factors influencing these practices, offering valuable managerial and economic implications. Moreover, it assesses remittances as stable external financial sources, particularly in countries facing economic crises, while cautioning against overly optimistic views. Overall, the research advocates for a deeper understanding of the impact and limitations of remittances in the context of global development.

***Keywords**: Transnational Practices, Remittances, Economic Development, Social Welfare, Sub-Saharan Africa, Migration,*

1. INTRODUCTION

The 21st century has witnessed unprecedented levels of human mobility, driven by a myriad of economic, social, and political factors. In Sub-Saharan Africa, migration has emerged as a prominent feature of the regional landscape, with millions of individuals leaving their home countries in search of better opportunities abroad (Adepoju, 2010; De Haas, 2007). This mass exodus has led to the formation of transnational communities, characterized by fluid networks of migrants and their families spanning multiple countries and continents. At the heart of these transnational practices lies the phenomenon of remittances, whereby migrants send money, goods, and services back to their home countries to support their families and contribute to local development (Gupta, Pattillo, & Wagh, 2009)

This research is positioned at the junction of various disciplines, including economics, sociology, anthropology, and political science. From an economic perspective, migration is often viewed as a rational response to disparities in income and employment opportunities between sending and receiving countries. Remittances, in turn, serve as a vital source of income for millions of households in Sub-Saharan Africa, providing a lifeline to families struggling to make ends meet (Plaza & Ratha, 2011). However, the impact of remittances extends beyond the realm of economics, with profound social, cultural, and political implications for both migrants and their home countries.

Against this backdrop, this paper will explore the multifaceted nature of transnational practices and remittances in Sub-Saharan Africa, using understandings from a range of theoretical perspectives and empirical studies. By examining the economic, social, cultural, and political dimensions of migration and diaspora engagement, we intend to shed light on the opportunities and challenges associated with