

UTILIZATION PATTERNS OF REMITTANCE:  
THE CASE OF SELECTED HOUSEHOLDS IN ADDIS ABABA

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## DECLARATION

*I, the undersigned, declare that this thesis is my original work and has not been presented for a degree in any other University. All sources of materials used for the thesis have been duly acknowledged.*

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## ABBREVIATION

CSA	=	Central Statistics Authority
MOLSA	=	Ministry of Labor and Social Affairs
IOM	=	International Organization for Migration
UNPD	=	United Nations Population Division
UNDP	=	United Nations Development Program
UAE	=	United Arab Emirates

## ABSTRACT

Around one million Ethiopians have currently established their work place and temporary residence in foreign lands as international migrants (Birihanu, 2004:24). The ever increasing migration and huge remittance flows associated are important features of the globalizing world.

There are different and competing theoretical perspectives on the impacts of remittance on the economy of migrant sending countries. Contradictory findings with regard to the impact of remittance on individual remittance receiving households are common and have emerged out of cross-country empirical research.

Research findings and observation have shown that Ethiopia is acquiring huge sum of remittance and will probably benefit more if appropriate and concerned institutions work in coordination and effectively.

However, there are very few studies about the impact and utilization pattern of remittance in Ethiopia. The focus of this study is migration and remittance from Middle East and Gulf areas. Specifically, it is an attempt to empirically understand the utilization patterns of remittance at household level.

The study selected two localities in Addis Ababa: “Talian Sefer” and “American Gibi”. The two were purposely selected because they are, more or less, representative of localities with high level of urban poverty. They also have high number of migrants in the stated countries.

The major findings of this research share the conclusion of many other similar studies which found out that remittance, at house hold level, is mainly spent on basic consumption and durable goods with little investment and saving.

# **CHAPTER I : Background and Justification**

## ***1.1 Tuberculosis***

Tuberculosis (TB) is an infectious disease that is thought to have existed at least as long as mankind, but still remains a major global public health problem (Evans, 1998). TB is the most frequent cause of death from a single infectious disease in persons aged 15 - 49 years (Van Soolingen, 2001). It is the world's second commonest cause of death from infectious disease, after human immunodeficiency virus (HIV) / acquired immuno - deficiency syndrome (AIDS) (Frieden *et al.*, 2003)

## ***1.2 Global epidemiology of tuberculosis***

The recent report of World Health Organization (WHO) revealed that one third of the world population is thought to be infected with tubercle bacilli, eight to ten million people develop new active TB and two to three million deaths occur annually (WHO, 2005). Due to accelerating human immunodeficiency virus (HIV) pandemics and development of drug resistant strains, TB was declared as a global emergency in 1993 by WHO (WHO, 2004). Sub -Saharan Africa has the highest prevalence of TB. From sub - Saharan countries, Nigeria, Ethiopia, South Africa, Tanzania, Kenya, Democratic Republic of Congo, and Zimbabwe are among the 22 high TB burden countries worldwide (WHO, 2005). Twenty-two high TB burden countries in the developing world account for 6.9 million new TB cases, comprising over 80 % of the total global caseload. Of these, nine countries in sub - Saharan Africa account for 1.5 million of the cases with the incidence rates ranging between 305 and 525 per 100, 000 population (WHO, 2004).

A substantial rise in the number of TB cases reported from sub - Saharan Africa has been observed following an alarming increase in the HIV infection (Frieden *et al.*, 2003). It is believed that the clinical pattern of TB has demonstrated a dramatic change due to co-