University of Ghana http://ugspace.ug.edu.gh

UNIVERSITY OF GHANA

CENTRE FOR SOCIAL POLICY STUDIES

THE PREVALENCE AND BURDEN OF BLACK TAX IN GHANA

BY

GLORIA OWUSU MENSAH

(10011182)

THIS THESIS IS SUBMITTED TO THE UNIVERSITY OF GHANA, LEGON IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF A MASTER OF ARTS IN SOCIAL POLICY STUDIES DEGREE

JULY, 2022

University of Ghana http://ugspace.ug.edu.gh

DECLARATION

This thesis is the outcome of my original work completed under the guidance of my supervisor. This research has not been submitted for any other academic degree at this university or anywhere else. References to scholarly works have been properly acknowledged. I am solely responsible for the work's content.

Signature …… ……. Date 20th July, 2022
Gloria Owusu Mensah

(Student)

Signature ……..... Date: 20th July, 2022

Dr. Kwadwo Opoku

(Supervisor)

University of Ghana http://ugspace.ug.edu.gh

DEDICATION

I dedicate this thesis to Almighty God, and to the loving memory of my father, Robert K. Agyeman Duah, for giving me the first step in academic life.

University of Ghana http://ugspace.ug.edu.gh

ACKNOWLEDGEMENT

My first appreciation goes to God almighty for guiding my steps through life. I wish to express profound appreciation to my supervisor, Dr. Kwadwo Opoku whose direction, dedication, and patience were vital in the successful completion of this thesis. I owe him my gratitude which is beyond the expression of words. My special appreciation also goes to all the lecturers in the CSPS department as well as my colleagues.

To my dearest family for their patience, sacrifice and support.

In a special way, I wish to acknowledge my organisation, The Commission on Human Rights and Administrative Justice (CHRAJ), for entrusting me to undertake this programme.

I am also indebted to my high profiled research assistant team for their commitment and selfless support as well as respondents and participants, for sharing their stories.

The last appreciation goes to all Public and Civil Servants in Ghana who remit to their extended family members out of their monthly salaries.

University of Ghana http://ugspace.ug.edu.gh

ABSTRACT

This study aimed at ascertaining the prevalence and the burden of black tax in Ghana. The concept of black tax is associated with the South African economy to describe the practice where internal migrants, transfer money to their extended families to help cushion the situation of poverty and vulnerabilities among other difficulties. The practice is ubiquitous as remittances, yet, the extant literature is restricted on the characteristics of remittance senders in Ghana and more specifically, the assistance individuals provide to families, as understood in the South African context. This study situates this phenomenon within the Ghanaian social context, and as an exploratory study seeks to investigate the nature, the prevalence, and the burden of black tax and the motivating factors that shape it in Ghana. Questionnaires and interviews formed the sources of primary tools used in the data gathering. A mixed-method research design (quantitative and qualitative) was adopted. The population of the study was made up of all local government service employees (LGSEs) in Metropolitan, Municipal, and District Assemblies (MMDAs) in the Greater Accra Region of Ghana. With the help of a multi-stage sampling strategy including stratified and simple random sampling techniques, 190 employees were recruited to participate in the study, of which 25 participated in an in-depth interview. A semi-structured questionnaire, and an in-depth interview were used in collecting quantitative and qualitative data, respectively. The qualitative data were transcribed, summarized, and classified in relation to the study objectives. The quantitative data were analyzed using Descriptive statistics (frequency, mean, and standard deviation) and Inferential statistics (Exploratory Factor Analysis) and presented in tables, and pie charts with the aid of the SPSS-version16. The results generally, highlight a significant prevalence of black tax but, is burdensome on respondents. Findings from the study revealed that more than half of respondents (69.5%) had dependents outside their nuclear family. The intended purpose for sending black tax to respondents was mostly for consumption/upkeep, education, healthcare, funeral occasions/ceremonies, business, and for religious contributions. Results from the Exploratory Factor Analysis also revealed that unemployment, old age/retirement, an act of kindness/sense of obligation, a feeling of indebtedness to parents, financial constraint, socio-cultural/family values, being gainfully employed or having a regular/stable source of income, perception of being rich, and expectations due to professional career position were factors that contributed to the prevalence of black tax/local remittance among respondents. Likewise, stress, pressure, budget deficits, loss of focus, and less or no funds to save or invest, as well as inadequate maintenance of respondents' nuclear families were stated as the burden that black tax exerts on senders. Finally, the study recommends that government should review and expand its social protection programmes to reduce the burden on remitters and their households, as well as improve the salary structure of public servants.

University of Ghana http://ugspace.ug.edu.gh

TABLE OF CONTENT

DECLARATION ..... **i**
DEDICATION ..... **ii**
ACKNOWLEDGEMENT ..... **iii**
ABSTRACT ..... **iv**
TABLE OF CONTENT ..... **v**
LIST OF TABLES ..... **viii**
LIST OF FIGURES ..... **ix**
LIST OF ABBREVIATIONS ..... **x**
CHAPTER ONE **1**
INTRODUCTION **1**
1.0 Background of the Study 1
1.1 Statement of the Problem 4
1.2 Research Objectives 5
1.3 Research Questions 5
1.4 Significance of the Study 5
1.5 Scope of study /Study location 7
1.6 Limitation of the Study 7
1.7 Organization of Chapters 7
CHAPTER TWO **9**
LITERATURE REVIEW **9**
2.0 Introduction 9
2.1 Understanding Black Tax 9
2.1.1 Black Tax and Remittances 9
2.1.2 Various Forms of Black Tax 11
2.2 Local Government Service of Ghana 12
2.2.1 The Nuclear and the Extended Family 15
2.3 Historical background to black tax legacy of South Africa 15
2.4 Financial Burden or Responsibility of Black Tax 17
2.5 Theoretical Perspectives: Nature and Drivers of Remittances and Black Tax 17
2.5.1 Social Exchange Motive 17
2.5.2 Modernity Theory and Social Mobility 18
2.6 Conceptualising Black Tax as a form of Remittance 19
2.7 Empirical Review 20
2.7.1 Factors Influencing Black Tax 20

University of Ghana http://ugspace.ug.edu.gh

2.7.2 The Effects of Black Tax on family 22
CHAPTER THREE 23
METHODOLOGY 23
3.0 Introduction 23
3.1 Research Method 23
3.2 Research Design 23
3.3 Population 25
3.4 Sample and Sampling Techniques 25
3.5 Data Collection Tools and Instruments 27
3.5.1 Survey 27
3.5.1.1 Questionnaire 29
3.5.1.2 The Interview Guide 29
3.6. Validity and Reliability of Instruments 30
3.7 Data Collection and Data Handling 30
3.8 Data Organisation, Consolidation and Analysis 32
3.9 Ethical Consideration 33
3.10 Summary 33
CHAPTER FOUR 34
RESULTS, ANALYSIS AND DISCUSSIONS 34
4.0 Introduction 34
4.1 Sample and Demographic Characteristics of Survey Respondents 34
4.2 Nature and Prevalence of Black Tax 40
4.2.1 Regularity in Sending Local Remittance 45
4.2.2 Reasons of paying Black Tax 48
4.2.3 Demographic Characteristics and Local Remittance 53
4.3 Intended Purpose of Black Tax 58
4.4 Burden of Black Tax on Sender 64
4.5 Discussions 73
4.6 Summary 77
CHAPTER FIVE 78
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS 78
5.0 Introduction 78
5.1 Summary of Major Findings 78
5.1.1 Nature and Prevalence of Black Tax 79
5.1.2 Kind of Support Provided 80

University of Ghana http://ugspace.ug.edu.gh

5.1.3 Burden of Black Tax on Sender 81
5.1.4 Factors Influencing Black Tax 82
5.2 Conclusion.....82
5.3 Recommendation.....83
REFERENCES.....85
APPENDIX.....99

INTEGRI PROCEDAMUS

University of Ghana http://ugspace.ug.edu.gh

LIST OF TABLES

	Page
Table 4.1: Demographic Characteristic of the Respondent	36
Table 4. 2: Educational Background of Respondent	37
Table 4. 3: Monthly Salary of Respondents (in GHc)	38
Table 4.4: Gender and Household Head	39
Table 4.5: Gender and the Number of Dependents (children, spouse, other relatives)	39
Table 4.6: Number of Dependents Outside the Nuclear Family	41
Table 4.7: Regularity of Support Provided to Dependents	43
Table 4.8: Respondents' Relation with Dependents	44
Table 4.9: Regularity of Sending Remittances/Money	46
Table 4.10: Theme 1 Irregularity in sending local remittance	46
Table 4.11: Themes 2 Spread of black tax/local remittances	48
Table 4.12: Demographic Characteristic and Sending Black Tax	53
Table 4.13: Income groups and Black tax	55
Table 4.14: Gender and Amount (of Black tax) Remitted/Sent	56
Table 4.15: Non-Monetary Support Provided by Respondents	57
Table 4.16: Three Main Intended Purpose of Local Remittance	59
Table 4.17: Theme 3 Intended Purpose of Black Tax	59
Table 4.18: Theme 4 Black Tax Used for Intended Purpose	61
Table 4.19: Theme 5 Effect of Black Tax on Savings	67
Table 4.20:Theme 6 Effect of black tax on Investment	69
Table 4.21: Theme 7 Effect of black tax on Responsibility to family	71

INTEGRI PROCEDAMUS

University of Ghana http://ugspace.ug.edu.gh

LIST OF FIGURES

Page

Figure 4.1: Respondents with Dependents outside their Nuclear Family.....41
Figure 4.2: Number of Respondents Living with Dependents.....43
Figure 4.3: Respondents who send Local Remittances Outside Household.....44
Figure 4.4: Sent Remittances over the last 12 months.....45
Figure 4.5: Residential Area of Recipients of Remittances.....45
Figure 4.6 : Budgeting for Amount Spent on Dependents Non-Monetary Support.....57
Figure 4.7: Provision of Non-Monetary Support Outside the Household.....57
Figure 4.8: Ability to meet Demands from Dependents.....65
Figure 4. 9: Effect on Senders Feelings Upon Inability to Meet Demand.....65
Figure 4.10: Black Tax Affect Respondents' savings/investment plan.....66
Figure 4. 11 : Effect of black tax on Respondents' Responsibility to family.....70

INTEGRI PROCEDAMUS

University of Ghana http://ugspace.ug.edu.gh

LIST OF ABBREVIATIONS

CSOs	Civil Society Organizations
GSS	Ghana Statistical Service
GLSS	Ghana Living Standards Survey
LGS	Local Government Service
LGSEs	Local Government Service Employees
MMDAs	Metropolitan Municipal District Assemblies
SA	South Africa
USA	United States of America

University of Ghana http://ugspace.ug.edu.gh

CHAPTER ONE

INTRODUCTION

1.0 Background of the Study

In recent decades, numerous studies have examined the developing role of migrant remittances, with a focus on international remittances in specifically (Adams, Cuecuecha & Page, 2008). However, the extant literature has been scanty on internal remittances which is termed Black Tax. The term "black tax" refers to the social and financial support that employed black individuals provide to their families and extended relatives (Msibi, 2020). The use of the term is not common in many countries but associated more with the South African region, where it is acknowledged as a non-official, conversational term. In the United States for example, black tax is used to refers to the extra burden placed on African Americans, who have to put forth twice as much effort to show their worth (Stevens, 2014). The phenomenon, in the words of Ratlebjane (2015), is "the extra money that black professionals send home every month to assist their extended families."

Nonetheless, some recent authors have expanded the usage of the concept beyond the financial needs of extended family members, to friends and acquaintances. For instance, whilst Mangoma & Wilson-Prangley (2019) define black tax as "money transfers in the form of remittances from the emerging middle class to their direct or indirect families," Olatunji (2022) states that in Nigeria, the term black tax or commonly referred to as 2K includes financial obligations of the working class to families and friends. Meanwhile, Falco and Bulte (2011) refer to this financial obligation as a 'family tax.'

In Ghana, the use of the term is relatively new, although the practice is ubiquitous. Most of the people are rather familiar with the term remittance, but not so much with black tax. Black tax

University of Ghana http://ugspace.ug.edu.gh

mirrors the exact phenomenon in Ghana where families have shared responsibilities in the traditional setting, and it has always been the expectation of individuals working to financially care and support the extended family. According to Nukunya (2016), although the mutual assistance among family members is the most admirable quality of the extended family structure. However, one of the main arguments made against the extended family arrangement, is that it puts a burden on a person's financial resources. Literate salaried workers frequently voice this issue in reaction to the nonstop demands made on them by dependent family members.

Black tax and remittances have similar traits and practices but distinct in content and description. For example, both show the flow of finances between members of the family. Yet, while remittances are not age-restricted, black tax holds an assumption that once a person has completed their studies and found work, they would be able to afford to care for a loved one (Mtolo, 2018). Similarly, remittances, as defined by Boakye-Yiadom & Lambon-Quayefio (2018) refer to "transfers received in cash or kind from one household to another, and for which it is not compulsory to repay back." Nonetheless, Black tax according to Olatunji (2022) involves money transfers from professionals, which are mostly directed to the extended family as a form of obligation.

According to Falco and Bulte (2011), "Black tax is a sort of social capital where tradition and norms encourage sharing and redistribution, allowing kinship members to claim support from their relatives in dealing with hardships." The authors do, however, warns that this form of social capital inhibits saving and investing and could actually lead to a poverty trap. Due to this warning, it is critical for businesses and individuals to comprehend all the factors that have an impact on this sector of society and, in turn, have an impact on savings and investment.

University of Ghana http://ugspace.ug.edu.gh

Black tax has roots in internal migration in developing countries where professionals working in urban areas send remittances to rural areas, mostly to the extended families. Nevertheless, in Ghana, due to the different forms of internal migration, patterns of migrants' remittance transfers can flow according to Mazzucato et al. (2008), from the North to the South, from urban to rural, urban to urban, and rural to rural. In spite of this trend transfers are largely from urban to rural than rural to urban. It is worth acknowledging that though remittances are mostly from migrants, they may be received from individuals who are non-migrants.

There have been some scholarly studies that have studied the black tax phenomenon in the context of South Africa. Magubane (2017) carried out one of such, whilst Sibiya (2018) and Msibi (2020) carried out the others. Magubane (2017) concentrated on how black tax affected the middle-class black consumers' buying patterns. Thus, as stated by the author, black tax limits one's ability to save money and live a financially successful lifestyle. Sibiya (2018) investigated how the emerging middle class become vulneaable to Black tax. Msibi (2020) on the other hand sought to understand how the idea of the black tax affected young, employed black South Africans by examining how they perceived it.

In a study conducted in Ghana, Quartey (2006) discovered that remittances enhance the income of Ghanaian households who received them, particularly during economic downturns. Thus, remittance inflows to GDP (%) in Ghana was reported at 4.9267 % in 2020 (Trading Economics, 2022). Nonetheless, (Twum & Nabila; 1995; Mensah-Bonsu, 2004), intimate that the burden (financial, emotional etc.) that these remittances have on the working class who usually send home these monies, have several repercussions (consumption behaviour, savings and psychological issues etc.) on the sending communities and people but, have least been considered in the literature of remittances in Ghana. It is based on this knowledge, that the current study intended to investigate the nature and prevalence of black tax, and the extent of burden on internal migrant professionals.

University of Ghana http://ugspace.ug.edu.gh

1.1 Statement of the Problem

Studies show that internal remittances flow to a greater percentage of poorer, often rural households, which have the ability to reduce poverty and build human capital (Castaldo et al. 2012; Housen et al. 2013). Nonetheless, more than 6.8 million Ghanaians are still poor (Ghana Statistical Service, 2017). As a result, most people in the age of working class find every avenue of employment acceptable such that they would be able to support and resource the poor in their homes or villages.

According to estimates, "an average of GH₵9,466 per year, out of which GH₵5,793 is spent on non-food items whilst GH₵3,673 is allocated to food items) Similarly, with regards to Ghana's average annual per capita expenditure of GH₵3,117, it is shown that on average, an individual spends approximately GH₵8.85 per day" (Ghana Statistical Service, [GSS], (2014). This is on the low side considering the number of needs an individual has to fulfil on a daily basis. When an individual obtain gainful employment, especially in the government sector, it is presumed that the person has stumbled upon a 'gold mine', which to one's relatives is a privileged position and thus, there is a high expectation from ones extended family and loved ones to meet their needs. Local government workers take charge of service deliveries as well as ensure the provision of other expenses of their family to help augment their needs. The undue pressure from the extended family to send home money places a strain on their income which degenerates into socio-economic consequences for their immediate families (Planting, Phang, Raval & Brown, 2013). Besides, given the benefits of remittance receipts as described in the literature, it is presumed that remittances sent to recipient households should minimize the budgetary constraint on remitters. It is therefore important to distinguish the commonness of black tax from the usual internal remittance. This study seeks to achieve this by contributing to empirical works on migration and remittance receipt by providing more insight into how the phenomenon resonates within the Ghanaian context.

University of Ghana http://ugspace.ug.edu.gh

1.2 Research Objectives

This study seeks to investigate the nature, prevalence and the extent of burden of black tax and the factors that shape it in Ghana.

In pursuit of this, the study intends to achieve the following objectives;

1. To ascertain the nature, and level of prevalence of black tax among employees of MMDAs.
2. Investigate the intended purpose of black tax (local remittance) sent by local government service employees of MMDAs to their direct and indirect families.
3. To examine the extent of burden of black tax on the employees of MMDAs.

1.3 Research Questions

Consequently, the primary question the research seeks to address is "What is the nature, the prevalence and the extent of burden of black tax and the factors that shape it in Ghana?"

The following questions were given special attention in the study;

1. What is the nature and level of prevalence of black tax among employees of MMDAs?
2. What is the intended purpose of black tax (local remittance) sent by local government service employees of MMDAs to their direct and indirect families?
3. To what extent is black tax a burden on employees of MMDAs?

1.4 Significance of the Study

The current study seek to add to existing literature on migration and remittances by investigating the prevalence of the issue of black tax, the burden it imposes, and factors that shape its existence in Ghana. With remittances becoming an increasingly sustainable source of income, transfers can influence the level of savings and investments among public servants (remitters') households, where already employment income is woefully inadequate. It has been observed that certain people in this cstegory feel the pressure of expectations of remitting,

University of Ghana http://ugspace.ug.edu.gh

mounted by relatives in rural households, which end up forcing them to rely on private loans and other sources of income to survive.

Numerous researchers have examined the impact of remittances on household welfare, but Ghanaian remittance studies have focused more frequently on the evaluation of the impact of remittances on particular investment goods like education, poverty and inequality, wellbeing, and agricultural output (Adams & Page, 2005; Adams & Cuecuecha, 2013; Boakye-Yiadom, 2008; Lucas & Stark, 1985; Quartey, 2006). The researcher, on the other hand, was unable to locate any papers that explore the subject of black tax/local remittances and its impact on the sender's household in Ghana.

Literature is also limited in terms of the assistance that family members provide as understood in South African culture (Moore & Seekings, 2018). Studies conducted in South Africa, the United States, and Nigeria make up the majority of the black tax literature. The purpose of this study is to explore the South African conception of black tax in the context of Ghana.

In this study, the focus is on senior to management level Local Government Service employees (LGSE) in Metropolitan, Municipal, and District Assemblies (MMDAs). This is because they are a working class on government payroll and form part of the country's large number of internal migrants who often send money home to relatives, whom they left behind. Additionally, they play a critical role in government policy execution, revenue collection, and assessment at the district assembly level. Thus, considering the kind of burden that this compulsory family tax places on them as professionals, in terms of the deterioration of responsible moral behaviour and professional standards in service delivery are crucial matters that justifies the reason for targeting them as the research respondents in this case of black tax study.

University of Ghana http://ugspace.ug.edu.gh

Additionally, stakeholders, such as the government and Civil Society Organizations (CSOs), may capitalize on the findings for policy decisions and actions on migration and remittance flows. This makes the present unique problem of black tax on the households of local government employees in the Greater Accra region, a relevant study.

1.5 Scope of study /Study location

The study focused on local government service employees on Metropolitan, Municipal, and District Assemblies (MMDAs) in the Greater Accra region of Ghana. The expanse of the study matter covered the intended purposes of black tax (local remittance) sent by local government service employees in MMDAs to their extended family members and the effects on their household welfare. The qualitative approach took place only in six selected MMDAs. The study adopted a random sampling technique to select respondents. The researcher clustered the Assemblies into three groups (Metropolitan, Municipals, Districts Assemblies,). Subsequently, the paper used purposive sampling technique to select the participating respondents according to their three clusters.

1.6 Limitation of the Study

The data collection process had the following limitations: The study was practically constrained by having to deal with limited time slated for the study and financial constraints since the methodology employed relied on both secondary data but extensively on primary data necessitating for additional cost in covering the six widely dispersed assemblies chosen as the study's focus areas. This has however become an added quality for the study since the views of over 190 respondents as well as 25 interviews of those under study were solicited.

1.7 Organization of Chapters

In terms of chapter structure, the thesis is organized into five chapters. Chapter one, forms the introductory chapter of the entire study. It takes a crucial look at the general background of the

University of Ghana http://ugspace.ug.edu.gh

study area. The problem statement, research questions and the objectives, significance of the study as well as the scope and limitations of the study. Chapter two reviews relevant pieces of literature, related theories and concepts to the study. Chapter three describes the area of study, research design, research population, sampling and sample size determination, sampling technique, ethical considerations, data collecting, and data analysis methods. The presentation and analysis of the study's data are covered in Chapter four. Finally, chapter five of the study presents the summary of findings, conclusion and recommendations.

University of Ghana http://ugspace.ug.edu.gh

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The current study on black tax is a novelty in Ghana and thus, meant to fill the gap in literature on black tax in Ghanaian context. This chapter reviews relevant studies pertaining to the nature, prevalence and the burden of the black tax phenomena in order relate it to condition of local government service employees in Ghana. The chapter accomplishes this by providing a descriptive and historical overview of black tax, as a type of remittance flow to households. It discusses literature on the remitter, the uses of remittances, the factors that drives it, as well as the burden it poses on remitters' households. In essence, the chapter presents the conceptual framework, theoretical review, and empirical findings of related studies within which this study is premised.

2.1 Understanding Black Tax

2.1.1 Black Tax and Remittances

The term 'Black Tax,' "a non-official, conversational term used in the South Africa to refer to the social and financial support provided by employed black people to their families and extended families" (Msibi, 2020; Magubane, 2016). The phenomenon can be traced to a Kulu proverb that says "Izandla ziyagezana," which translate as, "one hand washes the other." figuratively meaning, one good turn deserves another. There is an assumption that once a person has completed their studies and found work, they would be able to afford to care for a loved one (Mtolo, 2018). Thus, according to Mangoma and Wilson-Prangley (2018), black tax is a type of intra-family financial support, while Ratlebjane (2015) "adds that the phenomena is the extra money that black professionals spend each month to maintain their non-nuclear families". Magubane (2016), on the other hand, believes that it is both the social and economic

University of Ghana http://ugspace.ug.edu.gh

help provided to families, “such as money, shelter, food, and clothing”. The International Monetary Fund (2020) in similar vein opined, “When migrants send home part of their earnings in the form of either cash or goods to support their families, these transfers are known as workers’ or migrant remittances”. Vuk'uzenzele (2018), establishes the historical background to the phenomena by describing it as "a colloquial term used to identify young Black people who divide their earnings with direct and extended relatives while attempting to manage their personal expenses." Mhlungu (2015) refered to black tax as “a shorthand used to articulate the financial support to the extended family as a result of difficulties faced by black people in a society that is characterised by persistent and institutionalized racism and white privilege.”

Nonetheless, some individuals view black tax as a burden, while others consider it as a responsibility. Working-class black people are not expected to help their extended families until they have a well-paying job (Cherlin, 2014). This gives rise to the notion of "Ubuntu," which is defined as "having humanity and realizing that who you are is a result of others," implying that your humanity is inextricably linked to theirs. Altruism, insurance, loan repayment, and investments have all been found as reasons for remittances. (Yang, 2011 in Sibiya, 2018; Lucas & Sark, 1985). Similarly, Magubane (2017) discovered that providing help to family members is both selfless and gratifying for the person providing it.

Whilst issues on remittance have been extensively discussed in both academic and policy circles, black tax is less known. Nonetheless, public debate on remittances and their effect have centred on international migrant remittances. This is partly, because remittances are widely perceived to be transfers from ‘migrants to their origin countries’, be it monetary or non-monetary items (Ambrosius & Cuecuecha, 2016; Yang, 2011). However, the internal flow of remittances has gradually crept into the discourse gaining ascendancy in the public debate (Jones & Jones, 2013). This source of remittance is very significant especially to low-income countries towards the alleviation of poverty and inequality (McLeod & Molina, 2015). Hence,

University of Ghana http://ugspace.ug.edu.gh

several studies have concluded that households, which receive remittances, experience improvement in welfare (Cuong & Linh, 2018; Adams & Cuecuecha, 2013).

In the sense of household livelihood accomplishments, remittances may be termed as "the monetary or in-kind transfer from one household to another and for which no direct or explicit repayment is needed" (Garcia, Kerekes & Archer, 2012; Brück, d'Errico & Pietrelli, 2019). When the transfers are made from the emerging middle class to their indirect families, the name for such phenomenon is known as "Black Tax" (Mangoma & Wilson-Prangley, 2019). Countries such as United States employ the term, but the concept of Black Tax is colloquially associated with the South African economy, and how their middle class contributes to their families' well-being (Mangoma & Wilson-Prangley, 2019). Black tax has roots in internal migration in developing countries where individuals working in urban areas send remittances to rural areas, most especially to the extended families. These individuals might not have the option of not assisting due to how family bonds and community relations are structured in Africa, hence they are bound to assist whether they would want to or otherwise (Magubane, 2017) in this case, local government employees.

2.1.2 Various Forms of Black Tax

Considering its motive, previous researchers such as Grimm, Hartwig and Lay (2017) viewed black tax as a compulsory obligation (Carpenter & Phaswana, 2021). Others reiterate this by viewing the mandatory black tax as a sort of family cohesion (Di Falco & Bulte, 2011; Grimm et al. 2017). Magubane (2016) claim that some black taxpayers are first-born children who are obligated to care for their younger siblings. Family-forced solidarity, according to Alby, Auriol and Nguimkeu (2013), hinders entrepreneurship. "People who have more than they obviously need are put under persistent pressure to share," Woodburn (1998), who based his conclusions on Hadza hunter-gatherers in Tanzania, writes. In reality, both show the existence of black

University of Ghana http://ugspace.ug.edu.gh

taxation and the pressures associated with such arrangements. most African social networks discourage wealth accumulation, and sharing is a moral imperative (Planting et al., 2013).

According to Alby et al. (2013), wealthy Africans have an obligation to their less fortunate relatives and extended family to share their resources. In the African context, becoming a formal-sector entrepreneur denotes economic success but it also entails significant family taxation (ibid). In most traditional African communities, individual wealth creation is seen as anti-social behavior (Barrett & McIntosh, 2015). This means that wealth acquisition is important to the public because it determines how much a person should contribute to the family network.

In contrast, Magubane (2016) proposed that a different sort of black tax is voluntary black tax. Individuals are deemed to be doing so if they help their siblings or family members without any repayment. Mkhonto and Hanssen (2018) stated that paying a black tax is not about supporting others' extravagant lifestyles; rather, it is about performing a responsibility: buying school supplies for a needy student. Other academics' have supported this argument as a sign of motivation for the help of their blood or family members (Alger & Weibull, 2010). Giving social, emotional, and practical support to other family members is regarded as the norm in certain civilizations (Shor, Roelfs & Yogev, 2013).

2.2 Local Government Service of Ghana

The public sector is responsible for offering the people of a nation with necessary services. Through a number of public institutions, the government offers services to the general public. In Ghana, local government officials play critical responsibilities in the management and development of the local areas. Decentralization and local government are provisions in the 1992 Republican Constitution of Ghana's which establishes a framework for citizen involvement in decision-making and local governance. Ghana's decentralization policy

University of Ghana http://ugspace.ug.edu.gh

transfers authority, duties, and financial and human resources from the central government to local districts. The partnership between the local and central governments is also established in key sectors.

Ghana is one of the few African countries with a strong history of democratic political life. Ghana's local government has a long history that reaches back before colonisation. Successive administrations have considered how to establish and develop a robust local government while maintaining a healthy central government as well from the times of colonization through the wars and struggles for independence to the present (Ayee, 2012).

Despite its lengthy history, the term "local government" has not been given a clear definition by academics. The concept of local government, like many other concepts it may be linked to, such as democracy, decentralization, and governance, has been described in divergent ways by different scholars. All scholars believe that the purpose of local government is to bring administration extremely near to the average person in a given locality. The problem of subsidiarity is primarily stressed and commonly recognized as the foundation and root for all local government concepts.

However, a broad definition of local government might be as “a public organization authorized to decide and administer a 172 limited range of public policies within a relatively small territory which is a sub-division of a regional or national government (Patrick, 2004). In general terms, local governments are public legal entities with special revenues, budgets and personnel who have duties and powers laid down by law, whose decision bodies are determined by the local people to meet the common needs of the local community living in a particular geographical area” (Özer & Akçakaya, 2014).

In order to promote a comprehensive approach to the decentralization process, District Assemblies, under the oversight responsibility of the Local Government Service are designated

University of Ghana http://ugspace.ug.edu.gh

as the highest political, legislation, budgeting, and planning authority at the local level in Ghana's Constitution. The Local Government Service was founded by the Local Government Act (Act 462) of 1993 in compliance with Article 190 of the Ghanaian Constitution, much like every other public sector organization in that country. The Service is made up of a few thousand Substructures made up of sub-metropolitans, Zonal, and town councils, as well as sixteen (16) Regional Co-coordinating Councils (RCCs), 260 Metropolitan, Municipal, and District Assemblies (MMDAs), and sixteen (16) RCCs.

The main objective of the Service is to successfully implement the decentralization strategy by bringing local governance to the people. To ensure that the Regional Coordinating Councils (RCCs) and Metropolitan, Municipal and District Assemblies (MMDAs)' activities are successful, it is the Service's responsibility to hire professionals and high-tech staff. Perhaps what gives the impression that thlocal government officials are well off to outsiders is the institutional power that they yield at the local level exhibit, hence anticipated to pay black tax.

Nonetheless, the issues of distortions, inequities, and low incomes have persisted within the public service (Government White Paper, 2009), with the Local Government Service (LGS), not an exception. The Local Government Service (LGS) is not an exception, but the problems of distortions, disparities, and low salaries have remained within the public service (Government White Paper, 2009). Numerous labour agitations have plagued Ghana's labour front (Yamoah, 2014). Sections of the public sector workforce, including the University Teachers Association of Ghana (UTAG), Polytechnic Teachers Association of Ghana (POTAG), Civil and Local Government Staff Association of Ghana (CLOGSAG), and National Association of Graduate Teachers, Ghana (NAGRAT), have protested all pay reforms, including the most recent Single Spine Pay Policy (SSPP). Considering the low remunerations offered to employees of public service institutions and the high expections from

University of Ghana http://ugspace.ug.edu.gh

society from them, makes the current issue of black tax a double burden on Local Government Service employees and thus, worth studying.

2.2.1 The Nuclear and the Extended Family

According to Nukunya (1992), the nuclear family, also known as the immediate family, consists of parents and children. Makiwane and others (2016) (p. 4) define the family as "A group of persons united by the ties of marriage, blood, adoption, or co-habitation, characterised by a common residence (household), interacting and communicating with one another in their respective family roles, upholding a common culture, and subject to family rules".

Nukunya (1992) opined that, whilst the extended family is made up of close, relatives that are descended from either a matrilineal or patrilineal line of descent make up the extended family. They can also be used to describe a socioeconomic framework in which individuals have specific tasks, obligations, and responsibilities that extend beyond those of their immediate family. According to Apt (1990), members of extended families often comprise siblings and their offspring, grandparents, cousins, nieces and nephews, and in-laws. Family membership has both express and implicit requirements in such a unit (Nobles, 1978; Scannapieco & Jackson, 1996; Sudarkasa, 1997; Stewart; 2015). A set of shared ideals, such as interdependence, mutual aid, resilience, communalism, and collective responsibility, keeps members united (Msengana, 2006; Stewart, 2015). As Africans, 'our culture is predicated on the idea that the more capable member of a family should help the less capable member, whether on an economic or social level'. Stewart (2015) argued that the types and degrees of sharing among family members vary and are purely dependent on their socioeconomic situation, which lends validity to this assumption.

University of Ghana http://ugspace.ug.edu.gh

2.3 Historical background to black tax legacy of South Africa

Contextualizing the emergence of what is now known as the "black tax" requires an understanding of South African history. The phrase first appeared in South Africa to describe the extra monthly income that Black (or other people of color) professionals give to their families, usually out of responsibility. According to Maitra and Ray (2003) in Carpenter & Phaswana (2021), the history of black South Africans is to be blamed for the long tradition of such private transfers. Families in black South African communities cared for each other prior to colonization. Families helped one another and had commitments to one another (Assim, 2013). Nonetheless, black South Africans were forcibly relocated to economically dormant "homelands" during the time of British colonization, particularly during apartheid (Beck 2013). In order to find work, many black South African men were compelled to move to the country's economic centers, like Johannesburg and Cape Town. Thus, rural households and homelands of these migrants eventually became dependent on the financial transfers of the migrants as a significant source of income (Maitra & Ray 2003).

According to other authors, the opportunity for black people to accumulate generational wealth was directly denied by the preferential treatment given to white people. White South Africans, who at the time did not have the same rights as black South Africans, were able to enter democracy with the proceeds of their wealth to pass on to their children, while black South Africans were permitted to enter the new dawn without any financial boost. Thus, according to Mangoma & Wilson-Prangley (2019), evidence suggests that 'black tax', could help lower inequality in South Africa. Nonetheless, whether paying black tax is a responsibility or a burden is the subject of current discussion among young black professionals in South Africa. because of the enormous expectations it carries.

University of Ghana http://ugspace.ug.edu.gh

2.4 Financial Burden or Responsibility of Black Tax

Some of the effects of the Black tax are obvious: you profit not just for yourself but also for your family (Ratlebjane, 2015). This implies that you have limited control over the investments you make, which may have a significant impact on your quality of life and ability to accumulate wealth over time. Roy, (2010) opined that this compelled many to go into debt in order to live the life they desired, which would ultimately be detrimental to them. Paying the black tax means having to work twice as hard to make ends meet (Mhlanga & Steyn, 2016).

According to Fongwa (2019) "Black/family tax is a notion that essentially refers to the financial constraints put on black professionals by their extended relatives." Furthermore, you will be unable to save or even save for the long term, perpetuating a cycle in which your offspring would be compelled to assist you in your old age, but if you are able to collect wealth, you will be able to leave a legacy for the following generation (Roy, 2015). Thus, the so-called "black tax," has a negative influence on the ability of many black professionals to invest and produce generational wealth (Alston & Reisch, 2019).

2.5 Theoretical Perspectives: Nature and Drivers of Remittances and Black Tax

The fundamental rationale for sending remittances is one of the theoretical questions addressed on the subject in the existing literature. The theory of social exchange motive, as well as theories of modernity and social mobility, influence this research, which are concerned with the beliefs, values, and standards that people are expected to follow. This section provides an overview of remittance decisions for a better comprehension.

2.5.1 Social Exchange Motive

The literature has proposed social exchange theory has been offered in to clarify the rationale that supports a migrant's decision to remit. Most models describe social exchange as "a chain of mutually dependent interactions that lead to social obligations" (Blau as cited in Cropanzano

University of Ghana http://ugspace.ug.edu.gh

& Mitchell, 2005). This is founded on the idea that we should get into connections that allow us to maximize our benefit while minimizing our costs. Values and standards that are ingrained in culturally mandated role expectations coming from the larger social context in which they live influence social exchange interactions. These associations are governed by ideals and customs, allowing transactions to take place within the larger social milieu in which they exist. Reciprocity and equity are the fundamental norms that govern these social interactions. People who have been helped feel bound to help others, according to proponents of reciprocity. As a result, those who see reciprocity are more likely to be content with maintaining associations. In life most societies prioritize nurturing children from an early age lays the groundwork for getting help from them later in life (Apt, 1993, Hashimoto & Kendig, 1992). Children who get childcare services from their parents are morally obligated to repay the favour by giving them, attention when they age (Cropanzano & Mitchell, 2005).

2.5.2 Modernity Theory and Social Mobility

The ideas and subjective experiences that frequently accompany structural change are referred to as modernity theory. Relationships are challenged and renegotiated as a result of modernity (Goransson, 2013). Based on his view on modernity, one can draw the conclusion that modernity may be influenced by the culture and values of the middle class. Stewart (2015), is however, of the view that the growing middle class prefers to embrace specific behaviours and attitudes that are essential for success while maintaining ties to family and community instead of entirely adopting middle-class lives and attitudes. Even when social mobility is associated with geographic movement, which leads to the establishment of nuclear families, these movements typically do not signal a loss of affiliation with deeply held beliefs or obligations but are frequently motivated by the need to avoid crime, obtain better housing, or provide better education for children.

University of Ghana http://ugspace.ug.edu.gh

Social mobility, according to Goransson (2013), is the movement of individuals between social strata. While Sturgis and Sullivan (2008) contend that social mobility is more than just a matter of people moving up the social ladder, it is also a visible manifestation of democracy that enables the most intelligent and devoted people to advance to the highest positions, regardless of their social background. In many nations, social mobility and the rise of the middle class are influenced by variables including education, decent governance, and degree of development (measured by average per capita GDP in PPP) (Shimeles & Ncube, 2015). A significant factor that could impact economic and social mobility is ethnic fractionalization, primarily because of inherited inequalities in educational performance or the difficulty of repayment (Shimeles & Ncube, 2015).

2.6 Conceptualising Black Tax as a form of Remittance

As stated by Miles and Huberman (1994) and cited in Latham (2017), conceptual framework either in narrative or graphic form explains the main variables and assume some relationship between them. The intergenerational perspective was used in the study to construct black tax. According to Whyte, Alber, and van der Geest (2008), there are three different ways to conceptualize generation. A generation is first thought of as a kinship relation that connects parents, children, and their children's offspring. Second, the concept of a generation is used to classify and organize society's members into age-related groups. The third definition of generation views generation as a cohort, which refers to people who were born in the same time period and who share comparable traits and behaviors (Whyte et al., 2008). This study used a genealogical perspective on generation, connecting parents, children, and their children's offspring through a family bond. Whyte et al. (2008) claim that an intergenerational contract is “the implicit expectation that parents will care for their children until they can care for themselves, and that children will support their parents when they can no longer support themselves”. The intergenerational contract's fundamental tenet is reciprocity, in which one

University of Ghana http://ugspace.ug.edu.gh

generation invests in the other in the expectation that the favour would be repaid (Weisner, Bradley, & Kilbride, 1997). An established relationship between family generations is the intergenerational contract. These are supported by cultural norms of decency and humanity in the setting of Africa (Evans, 2015). The intergenerational agreement is unlawful. Not everything in the intergenerational contract is negotiable, but some aspects of a legal contract would be (Whyte et al., 2008).

African industrialization, urbanization, and changes in home and family systems challenge generational relationships (Evans, 2015). According to Stroeken (2017), the intergenerational contract is a lifetime exchange relationship in African communities where children are expected to support, obey, and respect their parents for the remainder of their lives. It is further stated that the duty to care for one's parents does not cease with their old age. For instance, young children start to provide labor for the elderly by taking care of other young children or running errands (Stroeken, 2017).

2.7 Empirical Review

2.7.1 Factors Influencing Black Tax

The altruistic motive has been presented in the literature to explain the rationale that motivates a migrant's decision to remit. Individual remitters are performing an obligation, affection, and responsibility for one another, according to proponents, which explains migrants' remittance decisions (Becker 1981, 1991; Stark and Lucas 1988; Stark 1995; Rapport and Docquier, 2006). Furthermore, because of their love and concern for their relatives, migrants will be willing to send resources to compensate for the income deficit of family members for consumption or investment, and may be willing to sacrifice their own well-being or interests for the benefit of their relatives' welfare (Addison, 2004).

University of Ghana http://ugspace.ug.edu.gh

Nonetheless, Waibel, Floreano, and Keller (2011), assert that Hamilton's rule, a process of evolution, is responsible for the black tax's altruistic nature. Altruistic behavior, such as paying a private transfer (black tax), is beneficial if the costs to the individual outweigh the gains made for the beneficiaries, as determined by their knowledge with the situation (Okasha & Martens 2016).

According to Ingham, Chirijevskis and Carmichael (2009), "a high dependency ratio is supposedly indicative of the dependency burden on the working population, as it is assumed that the economically active proportion of the population will need to provide for the health, education, pension, and social security benefits of the non-working population, either directly through family support mechanisms or indirectly through taxation." The effects of rising dependency ratios on future growth, savings, consumption, taxation, and pensions will be negative (Ingham et al., 2009).

In examining how young, employed Black South Africans perceive black tax Msibi (2020), discovered that people pay black tax due to societal pressure or expectations on them. People may pay black taxes in order to avert their actions critically scrutinized by society. This may involve engaging in specific professions that society considers to be "prestigious" or it may be due to their social position. According to Chauke (2019), the research finding that held the opinion that people can feel obliged to pay black tax because they don't want to be harshly criticized by society was supported. "It is so painful when you struggle to contribute, because then you become one of those people who no longer support their parents". As a result, the degree of familiarity that Ghanaians have with their extended family forms a critical aspect in these transfers.

University of Ghana http://ugspace.ug.edu.gh

2.7.2 The Effects of Black Tax on family

Stewart (2015) investigated how changes in financial status influenced the desire or ability of more distant family members to adhere to family material in terms of relation and asset sharing in a sample. According to a study done in North Carolina, the anxiety that comes with knowing that everyone is counting on you is evident. These black taxpayers persuade themselves that the daily remittances they must send to their family are reasonable and necessary. Nonetheless, it is all fun and games until they discover that if they keep sending these remittances, they will not be able to accomplish their financial goals, trapping them in a vicious cycle in which they will not be able to support anyone, let alone help themselves with their daily financial necessities (Ratlebjane, 2015). In numerous black cultures, black tax has become the norm; yet, it is vital to examine it in order to discover strategies to overcome it and to provide support to those who are struggling with it (Ratlebjane, 2018).

Despite the fact that the definition is not a true tax, Mhlungu (2015) claims that individuals have a duty to financially help less fortunate family members due to the significant amount of social and generational inequality in the black community.

Notwithstanding the benefits of black tax (local remittances) to receiving households, no empirical research on its effect on remitters' household welfare has been conducted in Ghana. This study is thus, a grey area which offers a novel empirical assessment of the phenomenon of black tax to address the gap in literature and policy on migration and local remittances.

INTEGRI PROCEDAMUS

University of Ghana http://ugspace.ug.edu.gh

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This study sought to investigate how prevalent, and burdensome black tax is, among local government service employees **in Ghana**. As such, to ascertain the research objectives and provide related answers to the questions under investigations, the chapter specifically, discusses the research method and pays particular attention in detail, regarding the approach it adopts, the study area and population with key characteristics, sample size, and sampling technique. The chapter further describe the data collection instruments and procedure, and detail analysis of research data and ethical considerations that was employed.

3.1 Research Method

The study takes a mixed method approach, combining both quantitative and qualitative methodologies at the same time to best fit the type of analysis required. The study referenced Johnson, Onwuegbuzie, and Turner's (2007) definition of mixed methods research, which is "the type of research in which a researcher or team of researchers combines elements of qualitative and quantitative approaches" (e.g., use of qualitative and quantitative viewpoints, data collection, analysis, and inference techniques). Mixed-methods research makes it possible for studies to be made both generalizable and comparative (Hupe, Hill & Buffat, 2015).

3.2 Research Design

In any study, there is a need to have a design, which helps in contextualizing the research in perspective to guide data collection and analysis (Ronger, 2012). In essence, the design impact and determines the sampling, data gathering, and analytic procedures to be used. To address the study's research questions, a mixed method approach was used in a contemporaneous triangular research design. The design helped to incorporate a variety of methods, including

University of Ghana http://ugspace.ug.edu.gh

the use of both quantitative and qualitative methodologies in a single study (Brannen, 2017). This method's merit The advantage of this approach is that it helpsin the researcher's acquisition of a more comprehensive and contextual understanding of the topic being studied. It also ensures that approaches have no inherent bias. According to Teye (2012), mixed method strategy is advantageous in achieving excellent research since it ensures that both quantitative and qualitative methods yield a better result than either of them would have produced. While the quantitative aspect of this paper emphasizes the use of statistics for analytical purposes, generalization and prediction, the qualitative focus which engages exploratory qualitative research strategy, and was concerned with the evaluation of attitudes, views, and behaviors (Kothari, 2004). According to Ormston, Spencer, Barnard, and Snape (2014), qualitative research design is used to investigate the background of events and conditions surrounding the phenomenon under investigation in greater depth. Participants were able to express themselves, their feelings, and how they reacted or managed their resources and family life. Thus, through triangulation, both approaches complemented each other, allowing this study to use the mixed method strategy. Furthermore, the real-world nature of this unique problem needs a variety of interpretations in order to acquire a better understanding of the black tax issue and its consequences on local government employees' household disposable incomes.

Nonetheless, this technique has a problem in that it is difficult to incorporate study findings. Each sort of question may evoke distinct responses from respondents, which are difficult to combine into a well-integrated interpretation. Open-ended questions are used in qualitative research, whereas quantifiable replies are elicited in quantitative research. As a result, different types of questions may generate varied responses from respondents, They are challenging to combine into an accurate interpretation (Greene, Caracelli & Graham, 1989; Krahn, Hohn & Kime, 1995).

University of Ghana http://ugspace.ug.edu.gh

3.3 Population

A population, according to Mugo (2008), is defined as "a group of individuals, persons, objects, or items from which samples are obtained for measurement". The target population for this study is all local government service employees (LGSE) in Metropolitan, Municipal, District Assemblies (MMDAs) in the Greater Accra Region of Ghana. . In this study, the focus was on senior to management level staff. The total population for the study was 190 employees. The population falls within senior to management level category of workers who have attained a high level of education with formal job receiving monthly incomes and therefore, are likely to send black tax to their extended family members residing in either rural or urban centres in Ghana. The study used Greater Accra as the case study for a number of reasons: it is a cosmopolitan area which accommodates the administrative capital of Ghana. LGSEs are government officials/ public servants who are perceived to be well off with a secured job and renumeration and are thus, likely to remit their extended families. The Greater Accra region is also a heterogeneous society where a lot of tribes are resident and therefore they have a lot of dependents in the other regions where remittances are sent. Additionally, the service staff operate, and are stationed in districts or close to rural communities which according to the literature are recipients of remittances from migrants in urban areas. Thus, the choice of them as the target population for this study gives a fair representation of a covered area for the research.

3.4 Sample and Sampling Techniques

A sample, according to Sanders, Lewis, and Thornhill (2007), is "a representative of a sub-group of a larger population that is investigated in order to obtain statistical information about the population." It is made up of a small group of people or a subset of a bigger population. (Agarwal, Mozafari, Panda, Milner, Madden & Stoica, 2012). If significant traits such as age, gender, and status are distributed similarly in both groups, it is representative of the population.

University of Ghana http://ugspace.ug.edu.gh

Sampling, on the other hand, is usually done to allow for the extensive study of a subset of a population rather than the entire population (Denscombe, 2017).

To sample local government workers for the study, a multi-stage sampling strategy including stratified and basic random sampling methods were used. Stratified random sampling is a sampling method in which a population is divided into smaller groups known as strata. Stratification is done based on members' shared attributes or characteristics (Kothari, 2014). In this technique, the MMDAs were stratified into three groups: metropolitan, municipal, and districts. Greater Accra region hosts two (2) metropolitan assemblies, twenty-five (25) municipals and four (4) districts assemblies. Random sampling technique was used to select participating assemblies. To randomly select the assemblies, names of each group of assembly was written on pieces of paper and placed in three bowls (one for each group of assembly). The researcher randomly picked from the bowl one (1) metropolitan area, four (4) municipals and one (1) district. These are Accra Metropolitan, Adentan Municipal, Ga West Municipal, Kpone-Katamanso Municipal, Weija-Gbawe Municipal, and Ada East District Assemblies.

The sample size was determined by using Raosoft®[1] assuming a standard population size, 95% confidence interval and 10% margin of error. This method of picking and selecting the target population's sampling units resulted in a suitable sample size of 180 respondents, with about 30 respondents from each district and an additional 10 respondents to account for non-response.

The technique, gave equal chance for each assembly within metropolitan, municipal and district to be selected. Also, because the population is homogeneous, this technique is advantageous in providing an unbiased and better estimation of the parameters (Singh & Masuku, 2014).

[1] (www.raosoft.com/samplesize.html)

University of Ghana http://ugspace.ug.edu.gh

The purposive sampling technique was used to recruit respondents for answering the survey questionnaires. The researcher considered participants' who showed enthusiasm and keen interest whilst answering the questionnaire to partake in the face-to-face interview. In all 190 participants took part in the study.

3.5 Data Collection Tools and Instruments

3.5.1 Survey

The study combined survey (Quantitative) and in-depth interviews (Qualitative) to answer the research questions. The use of quantitative methods helped answer research questions relating to when, where, and how events occur. The use of this research approach helped the researcher obtain large data sets, which are easily analysed and presented in tables, graphs or charts (Creswell & Creswell, 2017). The use of qualitative research also helped the study, which relates to the use of open-ended interviews to investigate social actors/persons in their natural contexts with the goal of understanding the individuals' experiences and opinions on the subject at hand (Kaplan & Maxwell, 2005).

3.5.2 In-depth Interviews

The study used an in-depth interview to solicit for answers on the prevalence and the burden of black tax in Ghana. Interviews are better suited for gathering such data as they use open-ended questions to allow respondents respond to issues that best reflect the issues under study (Stewart & Shamdasani, 2014). In-depth interviews, according to Qu & Dumay (2011), "are an unstructured and direct method of gathering information in which a professional interviewer probes a single respondent to reveal underlying motivations, beliefs, attitudes, and feelings about the topic of inquiry." This method enables the researcher to obtain both attitudinal and behavioral data from the respondent over a wide range of time periods (past, present and future). The interviewer has enough opportunity to probe the respondent and collect in-depth data, which is a unique feature of this technique.

University of Ghana http://ugspace.ug.edu.gh

According to Ritchie, Lewis, and Elam, (2003), semi-structured interviews present a flexible method of collecting data and allows for interaction between interviewer and respondents. Semi-structured interviews allow the interviewee the flexibility of probing to explore for deep understanding of responses. Interview provides interviewers with the chance to explore in detail, respondent-based issues, such as reasons, opinions, perceptions, feelings and beliefs that underlie the responses they proffer.

Qualitative studies allow the researcher to explore the meaning from the perspective of their participants, in their natural settings. As McNabb (2015) points out, the greatest advantage of qualitative data is the richness of information it provides. As qualitative researchers also see understanding of various phenomenon or processes that shape meanings, they turn to employ different methods such as case studies, interviews and observations (Cunliffe, 2011). Qualitative studies allow participants own interpretation of the issue being studied to be captured (Queiros, Faria, & Almeida, 2017). It was reasonable to integrate both methodologies in the study due to the understudied issue of black tax and its influence on people's lives.

3.5.3 Data Collection Instruments

The interviews were carried out using a semi-structured interview guide. From A through E, the interview guide was divided into five sections. The demographic characteristics of the respondents were studied in part A, while the study's aims were addressed in sections B to E. Sections B to D were used for the in-depth interview, whereas sections E was structured to assess the factors that influence black tax. Both tools were pre-tested. This provided the opportunity to test the sensitivity of the questionnaire, wording, and accuracy completeness, skip patterns among others. The necessary revisions were made prior to data collection.

University of Ghana http://ugspace.ug.edu.gh

3.5.1.1 Questionnaire

The study questionnaire was designed to obtain information about the intended purpose of black tax (local remittance) sent by local government service employees of MMDAs to their direct and indirect families, to ascertain the prevalent nature of black tax among employees of MMDAs, and to examine the extent of burden of black tax on the employees of MMDAs. The questionnaire was aligned with the objectives of the study.

The researcher adopted both an open-ended and closed-ended questions to solicit responses from 190 respondents. In a closed-ended questionnaire, respondents are required to choose an answer from a set of responses provided by the researcher. Whilst the open-ended required the respondent to provide short answers. To the researcher, this type provides a greater uniformity of responses, which can easily be processed. To facilitate the data collection procedure, 44 questions had been planned and used to solicit responses from the employees of the targeted population, (MMDAs). Questionnaires are useful in research, because they are able to capture a wide range of issues, they are flexible, easy to administer and analyze, simple to anonymize, and easy to visualize the data provided as well as put less pressure on respondents. This, in a way, served as the primary source of data collection.

3.5.1.2 The Interview Guide

The qualitative data collection utilized an interview guide, which was aligned with the objectives of the study with relevant research questions set out of review of literature The questions employed were semi-structured to allow for more explanations and modifications of the wording in the interview guide that permitted the respondents to express the understanding feeling and belief on the study area. The interviews were conducted during the participants' normal working hours, at their convenience, to ensure that the respondent was at ease and that maximal permission was obtained. In situations where the responses from respondents were not clear, follow up questions were asked to broaden the discussion and allowed for a more

University of Ghana http://ugspace.ug.edu.gh

appropriate response. Secondary data from reports especially (GLSS 7), published literature and documents obtained from research, and policy agencies were used.

Respondents were asked to offer brief responses to questions on their marital status, education background, employment status, the number of children they had living with them, and their sexes, among other things, on a closed-ended questionnaire. Respondents were able to submit rapid and time-saving responses as a result of this. This process was utilized to get responses from the six responding Assemblies' senior officers.

3.6. Validity and Reliability of Instruments

The questionnaire and interview guide were presented to the researcher's supervisor for review in order to confirm the validity of the study. Bell (1999) defines dependability as the situation in which a text or technique consistently yields results that are similar. The interviewees were each given a one-on-one interview by the researcher in order to assure reliability. To assure accuracy, the proceedings were recorded and played again in front of the interviewers to ensure authenticity of the data collected.

3.7 Data Collection and Data Handling

The researcher pilot tested both the questionnaire and interview guide. This exercise allowed the researcher to determine whether participants comprehended the ideas utilized in the questionnaire, as well as the logical sequencing and flow of the questions and the average length of time taken to complete each questionnaire. Based on the pilot participants' feedbacks, the questionnaire was slightly modified before the main data collection commenced. For data collection, three enumerators and one supervisor were trained and assigned. One enumerator for two district, and the supervisor did the overall supervision.

Prior to deployment of the enumerators, official letters introducing the researcher and the purpose for the field research was submitted for approval from the six assemblies. The

University of Ghana http://ugspace.ug.edu.gh

participants' consent was obtained before the interviews were audio recorded. This aided the analytic process and made it possible for the researcher to include every interview-related detail. The interviewer listened, paid attention and observed while guiding the respondents through a conversation until all of the critical topics in the interview guide were examined, as advised by Turner (2010). The researcher's thoughts, ideas, and interpretations about what would be observed during the interviews were written in the field notes. According to Creswell et al., (2007), field notes helped the researcher to make sense of the data and added context and depth to the study findings during the data analysis. In all, one hundred and ninety (190) questionnaires were administered in this research. Teye (2012) remarks that a large sample size is deemed important in quantification and representativeness in quantitative studies because it advances a fair representation of populations for a thorough analysis and interpretation.

The numerators synchronized their data after each day of the work, and this was crosschecked daily for completeness. Incomplete questionnaires were not included in the analysis. Data was converted into Excel and SPSS, and cleaned before analysis and results interpretation. Duplication of data was checked and regularized.

The qualitative data was audio recorded, and each session lasted about 45 minutes on average. The voice tape was transcribed verbatim into MS Word, ensuring accuracy while also allowing familiarization with the data and improving data thematic analysis. Each qualitative interview received a unique string identification consisting of the IDI (In-depth interview) and a serial number starting at 1. This was done to safeguard the respondents' identities even more. The unique identifier was used throughout the data analysis. A total of 25 in-depth interviews were conducted face-to-face.

University of Ghana http://ugspace.ug.edu.gh

3.8 Data Organisation, Consolidation and Analysis

A review of accessible secondary data sources was conducted in order to gather insights and better comprehend the important topics. The analysis took into account completed surveys that were retrieved. With the quantitative technique, data was consolidated for each question and captured in a Microsoft Excel spreadsheet before being imported into SPSS, a Statistical Package for Social Scientists, utilized for computation after the questionnaires were computed. The information was then visualized in percentages, tables, and frequency distribution using simple descriptive statistical techniques. Comparative tables, pie charts, and graphs were also created and used to display and explain the results.

In-depth interviews were transcribed, summarized, and classified according to the study objectives' numerous topic categories. After returning from the field, the coding began right away. Themes that surfaced throughout the data analysis were compared to earlier studies. Following that, data was applied to quantitative findings in various portions of the study, either to explain or to corroborate the findings. Thematic analysis, according to Braun and Clarke (2006), is effective for acquiring a thorough grasp of the social phenomenon under consideration. This analytic approach also allows the researcher to critically review latent themes as well as analyze logic and comprehension as expressed by the participants. As a result, the analyst was able to dig beyond the surface readings of stories to find patterns, differences, and connections to theory in order to gain a better understanding of the occurrences in question. This method of analysis was based on open coding, which entails dissecting, analyzing, comparing, conceiving, and categorizing data (Corbin & Strauss, 1990). This coding technique will lay out the path for the analysis, capturing all of the key parts of the research issue.

Themes and sub-themes were organized around information patterns that allowed for the organization, description, and explanation of the data so that interpretations could be made, as described by Boyatzis (1998). To protect confidentiality and anonymity, all of the respondents'

University of Ghana http://ugspace.ug.edu.gh

personal information, including their names, contact information, and titles, was excluded during the coding process. Instead, the description was given to each interviewee individually.

3.9 Ethical Consideration

Ethical considerations in social science research are crucial as they ensure the rights and welfare of respondents. This study gave priority to ethical issues likely to emerge in conducting the research. All protocols in research were adhered to. Approval was sought from the three MMDAs and consent form explained to all respondents. Also, signatures were appended before formal interviews were conducted. In relation to analysis, the research paid maximum attention to data by thoroughly assessing responses in order to prevent falsification of data. Sources and methods used in obtaining and analysing data were clearly stated in the study. In addition, a reflection on positionality was made by the researcher so as to prevent any form of biases especially in interpreting results and discussing findings. All secondary data used in the study were duly acknowledged.

3.10 Summary

The data gathering technique and data analysis method were discussed in this chapter. It explained the various processes that were followed, from the preparation of data gathering equipment through the methods for data processing. A full overview of the qualitative and quantitative methodologies used to acquire the data, as well as the preparation of tools, was also provided. The chapter ended with a description of the data consolidation procedure as well as the data analysis methodologies employed in the study.

INTEGRI PROCEDAMUS

University of Ghana http://ugspace.ug.edu.gh

CHAPTER FOUR

RESULTS, ANALYSIS AND DISCUSSIONS

4.0 Introduction

The chapter details the demographic characteristics of respondents and discusses the extent to which black tax is prevalent. It uses summary statistics, tables, charts, and thematic techniques to provide empirical data and findings from both field surveys and in-depth interviews in order to better understand the experienced realities of local government personnel to the black tax phenomena. Factors that might influence black tax were explored through Exploratory Factor Analysis. Some factors were identified from 26 variables to influence/ shape local remittances.

4.1 Sample and Demographic Characteristics of Survey Respondents

The study incorporated both quantitative and qualitative methods through mixed method research design. For the structured questionnaire survey, out of the 215 questionnaires administered, 190 local government service employees responded from the six (6) districts within the Greater Accra region. These comprised 41(21.6%) from Accra Metropolitan (AMA), 26 (13.7%) from Adentan Municipal Assembly (AdMA), 44 (23.2%) from Ga West Municipal Assembly (GWMA), 28(14.7%) from Kpone-Katamanso Municipal Assembly (KKMA), 24(12.6%) from Weija-Gbawe Municipal Assembly (WGMA), and 27(14.2%) from Ada East District Assembly (AEDA).

In-depth interviews were conducted for purposively selected senior staff (including top management staff) under the cluster groupings of the six district assemblies. The findings are presented and discussed together with the survey results.

The demographic features of the respondents interviewed are also presented in this part, as these qualities have an impact on the respondents' financial situation, dependents, and ability

University of Ghana http://ugspace.ug.edu.gh

to send remittances. These included personal information on respondents' Assembly, age, gender, religion, race, and marital status as given in Table 4.1.

As shown in Table 4.1, ninety-nine (99) of the total number of respondents for the structural questionnaire survey were females (52.1%), whereas ninety-one (91) were males (47.9%).

Ages of Respondents

Due to the reason that a person's vulnerability to paying black tax rises as they get older, it was critical to assess the age range of remitters in the research districts. The survey found that 181 (95.3 percent) of the 189 respondents were between the ages of 18 and 50, i.e., between youth and middle-aged people, with the majority (18-35 years) falling into the young category. However, nine (4.7%) of them were approaching the formal retirement age (above 50 years).

Marital Status of Respondents

Results of the study showed on the marital status that more than half, 98 (51.6%) of the respondents were single, whilst 85 (44.7%) were married, with only a few either co-habiting 4 (2.1%) or divorced 3 (1.6%). This indicates that quite a number of respondents (either married or single) may likely send remittances their external family members. The study which makes reference to Pickbourn (2016) takes a theoretical approach to conjugal contracts and remitting behaviour, suggesting that, while the conjugal contract creates responsibilities for spouses, men and women are also active agents who determine whether or not to remit or how to spend remittances based on home structure, employment status, income levels, and experience. Adult children's contributions to the extended family in the form of remittance transfers are also significant as a result of their single status.

Ethnic Background and Religious Affiliation of Respondents

Regarding the results on respondents' ethnic background and religious affiliation as presented in Table 4.1, overall, 54.2% of respondents were Akans, 17% Ewes, 17% Ga-Adangbes and

University of Ghana http://ugspace.ug.edu.gh

11.1% and Northerners. Together, these four ethnic groups constituted nearly 100% of respondents. This is consistent with findings by Ghana Statistical Service (GSS) that in Greater Accra region, 34.7% of households are Akan, 32.8% Ga-Adangbes, and 18.6% Ewes (GSS, 2015).

Regarding religious affiliation of the respondents, majority (92.6%) were Christians, with Muslims constituting 6.8% and one respondent (0.5%) indicating as a traditionalist. This corresponds with results of Ghana Statistical Service (GSS, 2015) which estimates 75.8% Christian population in Ghana. As evident in Kelly and Solomon (2009), religion has an immense effect on remittances sent to relatives and friends back home. Hence, there is a likelihood of respondents to remit based on their religious values on giving.

Table 4.1: Demographic Characteristic of the Respondent

Variable	Characteristics	Frequency	Percent
MMDA	Accra Metropolitan	41	21.6
	Ada East District	27	14.2
	Adentan Municipal	26	13.7
	Ga West Municipal	44	23.2
	Kpone-Katamanso Municipal	28	14.7
	Weija-Gbawe Municipal	24	12.6
Age	18 – 25	52	27.4
	26 – 30	40	21.1
	31 – 35	37	19.5
	36 – 40	21	11.1
	41 – 45	19	10.0
	46 – 50	12	6.3
	51 – 55	6	3.2
	56 – 60	3	1.6
Gender	Male	91	47.9
	Female	99	52.1
Religion	Christians	176	92.6
	Muslims	13	6.8
	Traditionalist	1	0.5

University of Ghana http://ugspace.ug.edu.gh

Ethnicity	Akan	103	54.2
	Ewe	33	17.4
	Ga-Adangbe	33	17.4
	Northerner	21	11.1
Marital Status	Single	98	51.6
	Married	85	44.7
	Co-habiting	4	2.1
	Divorced	3	1.6

Source: Field Survey (November 2021)

Educational Background of Respondents

Educational attainment is an important determinant that most local government employees possess; this perhaps, is what enhancing their reputation as public servants. In addition, according to Magubane (2016), these qualifications show respondents' capability of being gainfully employed as well as providing both social and economic support to their loved ones. Results of respondents' highest educational attainment projected a typical picture of the public service trend for qualification towards a senior officer level grade as illustrated in Table 4.2. A large proportion of respondents reported they had tertiary level, at 152 (80%). Of this, half 114 (60.0%) of the respondents polled indicated they had First Degree, 36 (18.9%) had Masters' Degree, whilst 2 (1.1%) had PhD. The rest had either professional certificate 14 (7.2), other diplomas 12 (6.3%), or secondary 12 (6.3%) levels of education.

Table 4. 2: Educational Background of Respondent

Level	Frequency	Percent
PhD	2	1.1
Master's Degree	36	18.9
First Degree	114	60.0
Professional Certificate (Nursing, teaching, Diploma or Certificate)	14	7.4
Other Diplomas (HND, DBS, etc.)	12	6.3

University of Ghana http://ugspace.ug.edu.gh

	Secondary (A-Levels, O-Levels, SHS, Technical/ Vocational)	12	6.3

Source: Field Survey (November 2021)

The salaries of the respondents ranged between GHc750.00 and a little over GHc5250.00. Most of them had a monthly salary below or up to GHc2750.00 where 52(30.8%) received between GHc750.00 – GHc1250.0, 50(29.6%) between GHc1751.00 – GHc2250.00, and 28(16.6%) between 2251.00 – GHc2750.00. However, 3(1.8%) received a monthly salary of more than GHc5250.00 (Table 4.3).

Table 4. 3: Monthly Salary of Respondents (in GHc)[2]

Amount (GHc)	Frequency	Percent
750.00 - 1250.00	52	30.8
1251.00 - 1750.00	13	7.7
1751.00 - 2250.00	50	29.6
2251.00 - 2750.00	28	16.6
2751.00 - 3250.00	11	6.5
3251.00 - 3750.00	5	3.0
3751.00 - 4250.00	3	1.8
4251.00 - 4750.00	3	1.8
4751.00 - 5250.00	1	0.6
Above 5250.00	3	1.8

Source: Field Survey (November 2021)

The gender of the respondents' household heads was investigated further, and the results are presented in Table 4.4. To see if there was a link between the gender of the respondent and the household head, a chi-square test with a 5% level of significance was used.

[2] 1 USD was equivalent to GHS6.1422 (Ghanaian Cedis) as of 30th November, 2021.

University of Ghana http://ugspace.ug.edu.gh

Table 4.4: Gender and Household Head

Household Head	Males		Female		Total		p-value
	N	%	N	%	N	%	
Father	25	27.5	35	35.4	60	31.6	***0.000***
Friend	0	0.0	1	1.0	1	0.5	***0.000***
Husband	0	0.0	33	33.3	33	17.4	***0.000***
Mother	6	6.6	7	7.1	13	6.8	***0.000***
Self	58	63.7	23	23.2	81	42.6	***0.000***
Sibling	2	2.2	0	0.0	2	1.1	***0.000***
Total	**91**	**100.0**	**99**	**100.0**	**190**	**100.0**	***0.000***

Author's computation using field data, November 2021

From Table 4.4, majority 81 (42.6%) of the respondents were the head of their households, of which majority 58 (71.6%) were males. Also, 60 (31.6%) of the respondents had their father (majority, 35, were females) as household head, whereas for 13 (6.8%), it was their mother (majority, 7, were females). Furthermore, all the married females (33) had their husbands as the head of household.

It was also discovered that there is a link between gender and the head of the home (p-value of 0.000 is less than 5 percent level of significance considered). As a result, one's gender determines his or her status in the family in relation to the family head. This is to be anticipated, given patriarchal norms that place men in charge of the household. Similarly, males lead a bigger proportion of households in Ghana (GLSS, 2015).

The number of dependents (including children, spouse, and other relatives) was further explored with respect to gender. Again, chi-square test with 5% level of significance was performed to ascertain if there is an association between the gender of respondent and the number of dependents. This is discussed in Table 4.5.

Table 4.5: Gender and the Number of Dependents (children, spouse, other relatives)

Dependents	Males		Female		Total		p-value
	N	%	N	%	N	%	

University of Ghana http://ugspace.ug.edu.gh

1 – 2	14	27.5	18	35.3	32	31.4	***0.495***
3 – 4	24	47.1	20	39.2	44	43.1	**0.495**
5 – 6	7	13.7	10	19.6	17	16.7	**0.495**
Above 6	6	11.8	3	5.9	9	8.8	**0.495**
Total	**51**	**100.0**	**51**	**100.0**	**102**	**100.0**	**0.495**

Author's computation using field data, November 2021

According to Table 4.5, 102 (51 men and 51 females) of the respondents said they had 1 to 6 or more dependents. The majority of those polled had one to four dependents. Nonetheless, the proportion of dependents between 1 – 4 for males (74.5%) is the same for females, though there was a slight difference in the number of dependents between 1–2 and 3–4. This is an indication that the gender of an individual is independent of the number of dependents. This was confirmed by the chi-square test (p-value of ***0.495*** is greater than the 5% significance level). Therefore, one's gender may not likely influence the number of dependents. Interestingly, results on the demographic information of respondents from qualitative interview were no different from that of the quantitative. Thus, the merit of corroboration in mixed methods research is evinced (Du Plessis & Majam, 2010).

4.2 Nature and Prevalence of Black Tax

This section of the study presents results from exploration of the widespread nature of black tax among local government service employees. That is, examined respondents' dependents outside the nuclear family, regularity of provision of support and reasons for their dependency. This study aimed at finding out how pervasive black tax is among local government employees. Which Ratlebjane (2015) defined as the extra money spent each month by black professionals to support their non-nuclear families. Similar trends may be seen among local government personnel who live and work in the six districts that make up the Greater Accra region, as seen below.

University of Ghana http://ugspace.ug.edu.gh

4.2.1 Prevalence of Black Tax

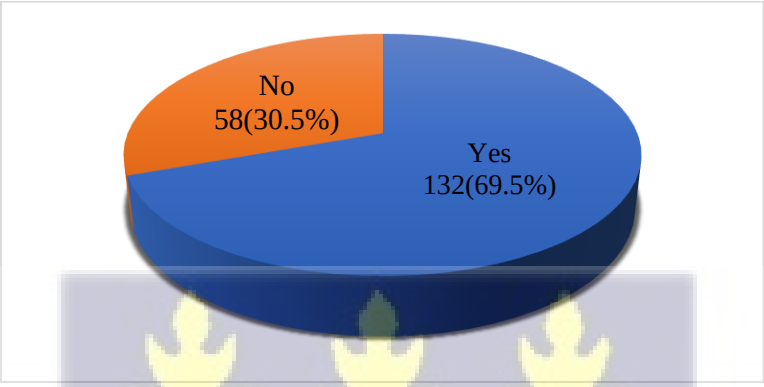

Figure 4.1: Respondents with Dependents outside their Nuclear Family

It was noted that the majority 132 (69.5%) of the respondents had dependents outside their nuclear family and the relations with the dependents' included parents, siblings, cousins, nephews, nieces, grandparents, other extended family members, in-laws (father, mother, brother, sister in-laws), and friends (Figure 4.1).

The number of dependents was further explored and is presented in Table 4.6.

Table 4.6: Number of Dependents Outside the Nuclear Family

Dependents	Frequency	Percent
One	19	20.9
Two	27	29.7
Three	25	27.5
Four	8	8.8
Five	12	13.2
Total	**91**	**100.0**

Author's computation using field data, November 2021

University of Ghana http://ugspace.ug.edu.gh

Results from the survey, as indicated in Table 4.6 shows that, the number of dependents of the respondents outside their nuclear family ranged from one to five, with most 78.0% (20.9% have one, 29.7% have two, and 27.5% have three) having dependents between 1 – 3. However, 20 (22.0%) have between 4 – 5 dependents, with 8 (8.8%) having four, and 12 (13.2%) having five. The study further revealed that the majority 114 (60.3%) of the respondents sent black tax to people outside their household of which majority budgeted for. Interestingly, majority 65 (57.0%) of the recipients of the local remittance/black tax reside in urban areas. This is line with the finding that migrants transfers can flow in both ways, but it is largely from urban to rural than rural to urban (Greiner, & Sakdapolrak, 2013).

As a follow-up, the residential status of the dependents was also explored with the results as detailed in Figure 4.2. Forty-three (representing 32.6% of respondents with dependents outside their nuclear family) indicated that these dependents reside with them. Thus, while these respondents may not provide formal transfer or black tax, they still spend resources on other family members and other relations who live within their household. This arrangement is not different from Ghana Statistical Service definition of a household as "a person or group of related or unrelated persons who live together in the same housing unit, sharing the same housekeeping and cooking arrangements and are considered as one unit" and hence, cannot be considered as a form of black tax. Nonetheless, a young male senior officer aged between 36-40 stated that:

> "… It's better if my niece lives with me so that whatever we eat, she also eats instead of sending a separate money for her upkeep" (Participant, 2021).

Similar comments were made by other respondents, emphasising the importance of allowing extended family members to live with you than sending them extra money elsewhere.

University of Ghana http://ugspace.ug.edu.gh

"In order to minimise cost, I had both my niece and nephew from my deceased young sister, living with me", as stated by a top management female officer. Despite the recognition of respondents to the importance and significance of allowing their dependants to live with them, some of the respondents were however of the view that the challenges associated with managing the behaviour of such relations was something to reckon with.

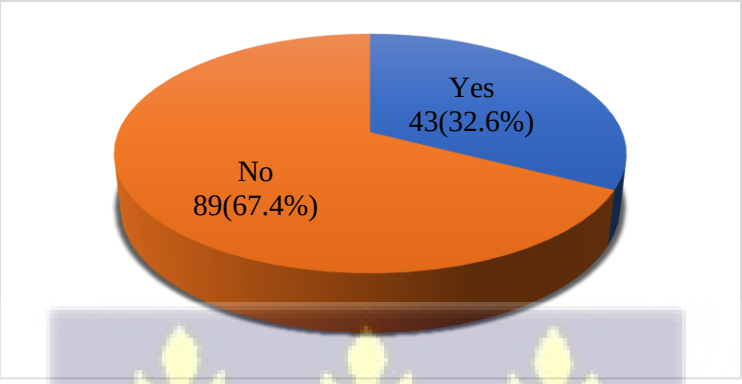

Figure 4.2: Number of Respondents Living with Dependents

The study also explored the regularity with which respondents provide support to dependents and this is discussed in Table 4.7.

Table 4.7: Regularity of Support Provided to Dependents

Regularity	Frequency	Percent
As and when needed	33	25.0
Daily	32	24.2
Monthly	55	41.7
Quarterly	6	4.5
Weekly	6	4.5

Author's computation using field data, November 2021

From Table 4.7, majority 55 (41.7%) of the respondents provided support on monthly basis to dependents outside their nuclear family, whereas 32 (24.2%) provided the support daily. However, 33 (25.0%) of the respondents provided support as and when the need arose.

University of Ghana http://ugspace.ug.edu.gh

The relations with the dependents included parents 25 (16.8%), siblings 20 (13.4%), cousins 19 (12.8%), nephews 16 (10.7%), nieces 16 (10.7%), grandparents 4 (2.7%), and other extended family members 37 (24.8%). Seven of the respondents provided support for their in-laws (father, mother, brother, sister in-laws), whereas 4 (2.7%) provided support to the friends (***see Table 4.8***).

Table 4.8: Respondents' Relation with Dependents

Relation	Frequency	Percent
Extended families	37	24.8
Parents (Mother/Father)	25	16.8
Sibling (brother / sister)	20	13.4
Cousins	19	12.8
Nephews	16	10.7
Nieces	16	10.7
In-laws (Mother, Father, Sister, Brother in-laws)	7	4.7
Grand Parents (Grandmother/ Grandfather)	4	2.7
Friends in social circles	4	2.7
House help	1	0.7

Author's computation using field data, November 2021

The study explores the amount of local remittance/black tax. Figure 4.3 presents the number of people who sends local remittance/black tax to people outside their household.

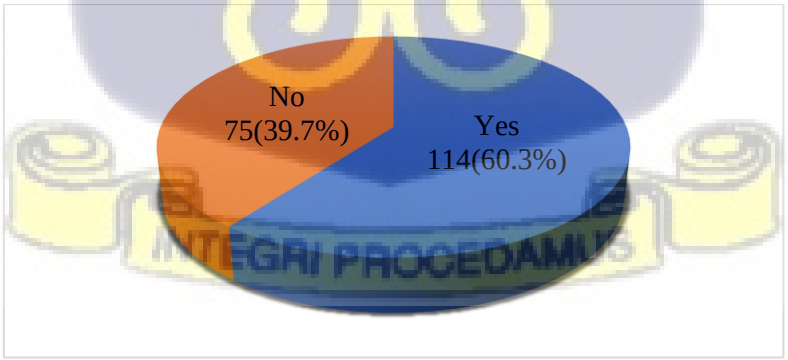

Figure 4.3: Respondents who send Local Remittances Outside Household

University of Ghana http://ugspace.ug.edu.gh

From Figure 4.3, majority 114 (60.3%) of the respondents indicated they send local remittance/black tax to people outside their household, whereas 75 (39.7%) do not send monies. Furthermore, most 90 (78.9%) of those who send monies indicated they had sent local remittance/black tax over the last 12 months (***see Figure 4.4***).

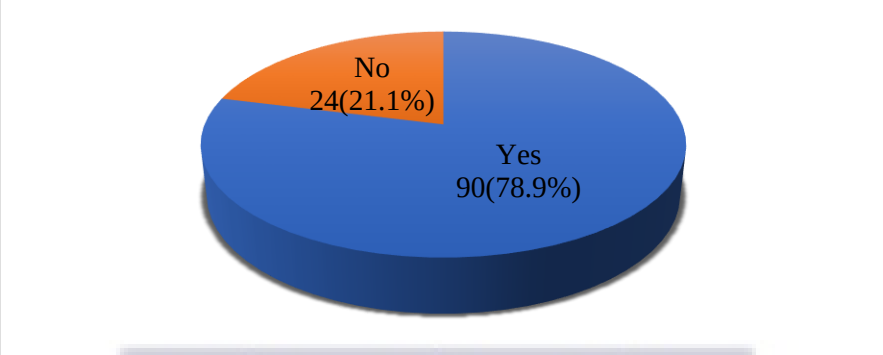

Figure 4.4: Sent Remittances over the last 12 months

Interestingly, the majority 65 (57.0%) of the recipients of the local remittance/black tax resides in urban areas, whereas 49 (43.0%) indicated their recipients reside in the rural areas (Figure 4.5).

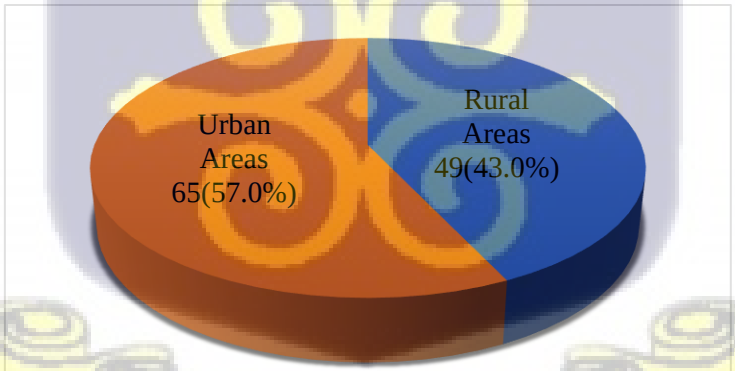

Figure 4.5: Residential Area of Recipients of Remittances

4.2.1 Regularity in Sending Local Remittance

The regularity with which local remittances was sent to dependents was further explored and is presented in Table 4.9.

University of Ghana http://ugspace.ug.edu.gh

Majority 67 (58.8%) of the respondents sent local remittance monthly, whereas 26 (22.8%) sent it when needed. Some of the respondents also sent the local remittance daily 2 (1.8%), weekly 12 (10.5%), and annually 1(0.9%).

Table 4.9: Regularity of Sending Remittances/Money

Regularity	Frequency	Percent
As and when needed	26	22.8
Daily	2	1.8
Monthly	67	58.8
Quarterly	6	5.3
Weekly	12	10.5
Annually	1	0.9
Total	**114**	**100.0**

Source: Field data, November 2021

Reasons for irregularity in sending of local remittance was also explored. To have an in-depth understanding of the social phenomenon under investigation, a thematic analysis approach was employed here as suggested by Braun and Clarke (2006). This analytic approach also enabled not only the analysis of reasoning and understanding as described by the participants but also the critical assessment of latent themes by the researcher.

Table 4.10: Theme 1 Irregularity in sending local remittance

Theme	Description/ Explanation	Subtheme	Response
Irregularity in sending local remittance	Reasons for irregularity in sending local remittance	When needed	"As and when requested/support is required" "Most of the demands are not predictable so as and when it happens"
		Budget constraint/ Financial constraint	"Sometimes budget overrun" "Because sometimes the expenses in some months go above the salary" "Sometimes when my source of income is exhausted before the month ends". "I have mostly given to my relatives without consulting my wife and this always creates tension between us".
		Living on monthly Income	"Because I receive salary monthly". "As a result of monthly wages". "Late payment of salaries".

University of Ghana http://ugspace.ug.edu.gh

		Other commitments	"Sometimes I am also in need". "Because I have other commitments". "Because I have other things to take care of" "I live on loans in order to make it to the next month"
		Receive from others	"They receive similar from others". "Because they solve it sometimes".

Source: Field data, November 2021

The study further revealed five factors that influence the irregularity in sending local remittance. These included budget/financial constraints, living on monthly income, other commitments, sent when needed, and other source of support.

Ten out of 25 of the participants indicated that local remittance is sent when a demand is made. These demands, they mentioned are usually unpredictable and impromptu. One of them expressed:

> "Most of the demands are not predictable so as and when it happens" (Participants, 2021).

Another major contributory factor is budget/financial constraint as indicated by six of the respondents. Most of the respondents personal expenses exceeded their monthly salaries, which made it overwhelmingly difficult for them to send some to others. Three of the participants expressed:

> "Because sometimes the expenses in some months go above the salary", and "sometimes my source of income is exhausted even before the month ends" and in addition, "I am surrounded by loans and so the money even gets finished before it hits my account" (Participants, 2021).

Also, most of the respondents had their monthly salary as their only source of livelihood. They only support others when they receive their monthly income. So, until they receive their salary,

University of Ghana http://ugspace.ug.edu.gh

or when it delays, their dependants also suffer. In addition, they have other commitments, and this may affect their responsibility towards their dependants. Nonetheless, one of the primary findings revealed that majority of respondents have retained a very strong commitment to sending remittances to their extended relatives, despite their challenging personal circumstances and often very precarious economic position.

4.2.2 Reasons of paying Black Tax

Reasons for the widespread nature of black tax/local remittance among public servants was further explored. Again, the thematic approach was employed to help better understand the phenomenon.

Table 4.11: Themes 2 Spread of black tax/local remittances

Theme	Description/ Explanation	Subtheme	Response
Spread of black tax	Why is local remittance/black tax widely spread among public servants	Unemployment	"Because of unemployment".
		Socio-cultural/Religious and Family values	"Personally, it's a family value to help those in need". "Some family or people think once the person is working or receiving salary, he or she is responsible for those who do not have". "It is considered a Service according to our faith, to support church growth through your contributions such as tithes, seeds, sacrifices, donations and offerings etc." "It is part of Ghanaian culture or customs that those who are working earning incomes should support others in need". "You know it's a Ghanaian thing. A sort of social obligation; and interestingly it is so subtle we don't complain about".
		Perception of being rich	"Because society and our relatives perceive that we are wealthy due to the reason that we work in a government job. Meanwhile the salary is nothing to write home about". "The perception that government employees are rich and receive stable assured salaries on monthly basis".
		Expectations due to position	"It is expectations of relatives that you are in a good position to provide all their needs". "It is believed that public servants are in the right position to provide all their needs".

University of Ghana http://ugspace.ug.edu.gh

		Employed/ regular/stable source of income	"It's because family members think that public servants have reliable source of income. That is monthly salary". "Because public servants have a sustained source of income and it is perceived its regular and easily accessible. They mostly call at the end of the month to access their remittances". "Public servants are perceived as well to do bureaucrats whose salary never fails in coming. So are stable and dependant".

Author's computation using field data, November 2021

The study revealed 13 reasons for the dependency of the dependants' that accounts for the prevalence of black tax/local remittance among public servants. These included unemployment, old age/retirement, an obligation, feeling of indebtedness to parents, financial constraint/no one to depend on, education/healthcare support, deceased parents/relatives, socio-cultural/family values, single parent, being employed or having regular/stable source of income, perception of being rich, and expectations due to position.

One major contributory factor to the prevalence of black tax among employees of MMDAs is the fact that they receive a regular source of income. Thus, the perception is that, being government workers, their source of income is stable and is constant that they will receive salary at the end of the month. This places high expectations on them. Mtolo (2018) states, "There is an assumption that once a person has completed their studies and found work, they would be able to afford to care for a loved one". The local government workers augmented status among the Ghanaian society was reflected in several of the interviews. Some of the participants expressed the following:

> "…it is because government is the largest employer of employees with stable jobs. Thus, society perceives us as well to do and stable because we are always paid monthly. They sometimes wait towards the end of the month and starts calling demanding money. Also, it is because we ourselves assure them when they make such demands that we will help at the end of the month during payday which

University of Ghana http://ugspace.ug.edu.gh

encourages them to still demand from us" - a top management female planning officer, aged between 41-45 years.

"Because public servants have sustained source of income and it is perceived as regular and easily accessible, they mostly wait and call towards the end of the month to access their remittances", as stated by a young female budget officer

There is also the perception that public servants are rich. This perception of being wealthy places more demand on them. The following were expressed:

"it is because society and our relatives perceive that we are wealthy due to the reason that we work in a government job. Meanwhile the salary is nothing to write home about or do anything with it" (Participants, 2021).

"The perception that government employees are rich and receive stable assured salaries on monthly basis" (Participants, 2021).

"You can't say you don't have enough to spare, once you receive salary monthly you are perceived as financially stable", a male senior revenue collector, aged between 36-40 years.

He further mentioned that, "this makes us easy targets; and from my experience, they mostly target a week to the month and start calling and putting in their request so you don't forget".

Socio-cultural or family values are another major contributory factor to the widespread nature of black tax among public servants as indicated by three of the participants. The Ghanaian society is such that once you rise to a certain status in life, you are expected to help others, especially relatives. They are usually revered as important members of the society and could be called upon whenever there is a challenge or a need to address. The following were views expressed:

University of Ghana http://ugspace.ug.edu.gh

"As a public servant, you are seen as a star of the family and in the community you reside. You are a bureaucrat who plans and implement national policies and programmes. As a government official, you are revered and some people even use your life as a role model to their children. This reminds me of an interview I attended in one of country embassies to acquire a visa and the type of honorary treatment I received which made her realise how relevant we were as public officials. It is not anybody who gets the opportunity to work in the government sector, she mentioned. You need to have certain credentials and certain character to be working there, and that is how society perceives us"- A young female top management staff.

"Some family members or people think once the person is working or receives salary, he or she is responsible for those who do not have" as stated by a senior female budget officer, aged between 41-45 years.

"It is part of Ghanaian culture or customs that those who are working earning incomes should support others in need. Its s kind of family value". As reiterated by a senior male social welfare officer.

"by our culture, when they ask you for anything and you are not able to provide and later you fall into a difficult situation yourself, for example you lose your job or become incapacitated due to an accident, it is perceived that because you didn't help that is why a misfortune has befallen you". As lamented a male deputy human resource officer aged between 46-50 years.

"Personally, in my church, someone up to now is not on speaking terms with me because in one of her several requests for financial assistance I couldn't help out due to my financial strength". A female director, aged between 40-50 shared a personal experience on same.

University of Ghana http://ugspace.ug.edu.gh

"As I speak to you now Madam, a childhood friend of mine who is illegally resident in the US has asked me to fund, and organise her aunt's burial in Tarkoradi next month, for her to pay me later. Although her other siblings are resident and working in Ghana, she always had a funny way of teasing me that I am a big boss in the government sector. Perhaps accounting for the reason she has tasked me with such big favour. I could not refuse her because of our old relationship.". A female senior planning officer aged between 36-40 years lamented.

"Our Ghanaian society is heavily influenced by family, societal and religious expectations. Once you are born into our society, you become a hypocrite because the expectation from society on you is unrealistically massive. You are expected to help address every need to the extent that you are forced to keep up appearances before them so as to live up to societal expectations". A female senior planning officer aged between 36-40 years stated, and continued,

"By their standard, you are expected to build, own a car, and live a good life and legacy behind upon passing. Society expects so much from us but these same people turn round to accuse us as being corrupt public servants but how can we live a moral and ethical life if we are under such undue pressure"; furthermore,

"…it even gets worse, that after living by societal expectations, during your pension you are not able to enjoy because the doctor diagnosis you with life style diseases meanwhile you know very well that you never lived a luxurious life during your working years due to your extra responsibilities you carry on your shoulders for extended family members", as stated by the female deputy planning officer.

University of Ghana http://ugspace.ug.edu.gh

"A lot is expected of you, even though the salary is not good, so some people prefer dying on the job to going on pension with no reasonable returns. Thus, they will rather go to SSNIT to massage their date of birth, embarrassing themselves later upon discovery", As emotionally stated by a male senior social welfare officer aged 46-50.

"I thought I was too young to be expected to contribute towards taking care of my younger siblings but my parents told me I have to assist since I am now gainfully employed and not married yet". A young female freshly recruited senior officer lamented.

4.2.3 Demographic Characteristics and Local Remittance

The propensity and intensity of black tax phenomenon may be associated socio-economic characteristics of the 'black tax' payer. The role of demographic characteristics such as gender, marital status, religion, ethnicity, and amount of salary of the respondents on their chances of sending local remittance/black tax to people outside their household was further explored and is discussed in Table 4.12. The chi-square test with 5% level of significance employed.

Table 4.12: Demographic Characteristic and Sending Black Tax

Demographic	**Yes N(%)**	**No N(%)**	***p-value***
Gender			***0.058***
Male	61(67.0)	30(33.0)	
Female	53(53.5)	46(46.5)	
Marital Status			***0.000***
Single	41(41.8)	57(58.2)	
Married	67(78.8)	18(21.2)	
Co-habiting	4(100.0)	0(0.0)	
Divorced	2(66.7)	1(33.3)	
Religion			***0.305***
Christian	103(58.5)	73(41.5)	

University of Ghana http://ugspace.ug.edu.gh

Muslim	10(76.9)	3(23.1)	
Traditionalist	1(100.0)	0(0.0)	
Ethnicity			***0.590***
Akan	58(56.3)	45(43.7)	
Ewe	20(60.6)	13(39.4)	
Ga-Adangbe	23(69.7)	10(30.3)	
Northerner	13(61.9)	8(38.1)	

Source: Field data, November 2021

Gender and Local Remittance

The results show that 61 (53.5%) of the respondents who are likely to send monies outside their household were males, whereas 53 (46.5%) were females. In addition, the majority of both males and females sent local remittance/black tax to people outside their household. Although, majority of males tend to send monies as compared to females, there was no significant difference (p-value of ***0.058*** was greater than 5% significant level). This is an indication that both males and females are equally and likely to send monies outside their household.

Marital Status and Local Remittance

It was observed that most 67 (78.8%) of the married respondents sent local remittance as compared to 41 (41.8%) of those who are single. Also, all those co-habiting as well as most of those divorced sent local remittance. There is clear indication that the marital status of an individual is likely to influence local remittance/black tax. This was confirmed by the chi-square test where a p-value of ***0.000***, which is less than 5% level of significance, was observed. Therefore, married people are more likely to send local remittance as compared to the unmarried.

Religion and Local Remittance

University of Ghana http://ugspace.ug.edu.gh

It was observed that most of the respondents from all the three religions (Christianity, Islamic, and Traditionalist) engage in local remittance. Sending local remittance is not influenced by one's religion (p-value of ***0.305*** is greater than 5% level of significance).

Ethnicity and Local Remittance

The majority of respondents from their respective ethnic groups (Akan, Ewe, Ga-Adangbe, and Northerner) sent local remittance to people outside their household. This is an indication that sending local remittance is not influenced by the ethnicity of the individual and this was confirmed by the chi-square test (p-value of ***0.590*** is greater than 5% level of significance).

Monthly Salary and Local Remittance

It was observed that as the amount of monthly salary received increased, the number of respondents who sent local remittance increased. For instance, 42.3% of respondents who received salary between GHc750.00 – GHc1250.00 sent local remittance as compared to 53.8%, 76.0%, and 71.4% who received salaries between GHc1251.00 – GHc1750.00, GHc1751.00 – GHc2250.00, and GHc2251.00 – GHc2750 respectively. This percentage increased as the salary received increased. This is an indication that the amount of salary received is likely to influence local remittance. This was confirmed by the chi-square test (p-value of ***0.002*** is less than 5% level of significance).

Table 4.13: Income groups and Black tax

Monthly Salary	**Yes N (%)**	**No N (%)**	***p-value***
750.00 - 1250.00	22(42.3)	30(57.7)	0.002
1251.00 - 1750.00	7(53.8)	6(46.2)	
1751.00 - 2250.00	38(76.0)	12(24.0)	
2251.00 - 2750.00	20(71.4)	8(28.6)	
2751.00 - 3250.00	9(81.8)	2(18.2)	
3251.00 - 3750.00	4(80.0)	1(20.0)	
3751.00 - 4250.00	2(66.7)	1(33.3)	
4251.00 - 4750.00	3(100.0)	0(0.0)	
4751.00 - 5250.00	0(0.0)	1(100.0)	

University of Ghana http://ugspace.ug.edu.gh

Above 5250.00	2(66.7)	1(33.3)

Source: Field data, November 2021

The study further explored the amount sent by respondents monthly with respect to their gender to ascertain if there is any significant difference or influence. This is discussed in Table 4.14.

Table 4.14: Gender and Amount (of Black tax) Remitted/Sent

Amount Remitted (in Ghana Cedis)	**Gender**		***p-value***
	Male	Female	
1 – 100	7	7	*0.496*
101 – 200	15	19	*0.496*
201 – 300	11	4	*0.496*
301 – 400	4	4	*0.496*
401 – 500	11	8	*0.496*
501 – 600	4	1	*0.496*
Above 600	2	1	*0.496*
Total	54	44	

Author's computation using field data, November 2021

The amount sent by respondents monthly ranged between GHc1.00 to GHc600.00 and above. Most of the respondents sent between GHc100.00 – GHc500.00 to dependents monthly and males mostly dominated this. However, the gender of the individual does not influence the amount sent monthly to dependents (p-value of 0.496 is greater than 5% level of significance).

Interestingly, majority 76 (66.7%) of the respondents who send local remittance/black tax budget for the amount to be spent. Nonetheless, 38 (33.3%) did not budget the amount they spent on their dependents (Figure 4.6).

INTEGRI PROCEDAMUS

University of Ghana http://ugspace.ug.edu.gh

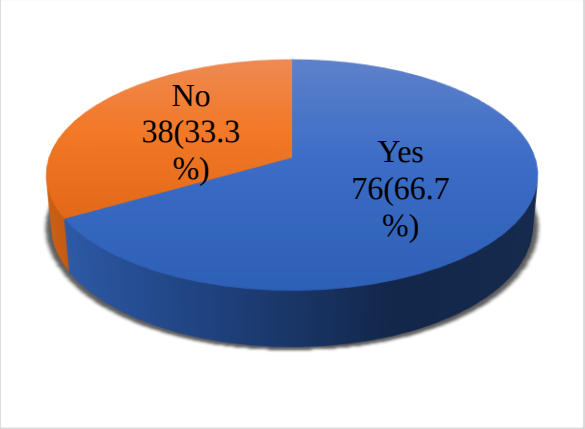

Figure 4.6 : Budgeting for Amount Spent on Dependents Non-Monetary Support

Provisions other than monetary were also explored. Few 66 (34.7%) of the respondents do send other non-monetary support to dependents. However, the majority 124 (65.3%) do not send non-monetary support (Figure 4.7).

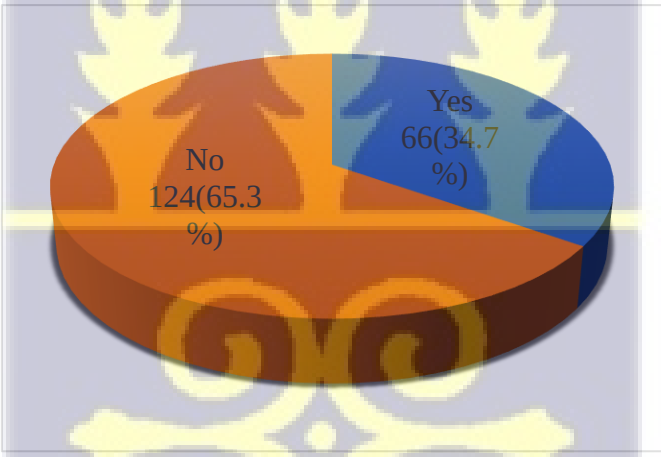

Figure 4.7: Provision of Non-Monetary Support Outside the Household

The non-monetary support provided to dependants included foodstuffs, clothing, toiletries, counselling, and visits (Table 4.15).

Table 4.15: Non-Monetary Support Provided by Respondents

Support	Frequency	Percent
Counselling/Advice	4	7.4
Foodstuffs	25	46.3
Clothing	20	37.0

University of Ghana http://ugspace.ug.edu.gh

Toiletries	2	3.7
Visits	2	3.7
Shelter	1	1.9
Total	54	100.0

Author's computation using field data, November 2021

Some of the views of the participants are as follows:

- Provide food items and other things in kind (bags of rice, water, drinks/beverages, provisions, etc.
- I normally donate my used clothing and some products from farm to needy people in my hometown where my farm is.
- Give out some of my used clothes to people in my vicinity who wear them to their farms and provide foodstuffs to those relatives if the need arises.

  As a Moslem, who believes in giving, at times I cook and give to children in my vicinity, and also give out my clothing to people.

4.3 Intended Purpose of Black Tax

The intended purpose of local remittance/black tax and the ability to track its use was further explored. We try to understand the intended purpose, and how it is ensured that monies sent are used for the intended purpose. Here, the section considers the question on *the intended purpose of black tax (local remittance) sent by local government service employees on MMDAs to their direct and indirect families*.

Table 4.16 presents the purpose for which respondents pay black taxes. The results reveal key intended purpose of black tax: consumption, education, health, accommodation, funeral and other ceremony contributions.

University of Ghana http://ugspace.ug.edu.gh

Table 4.16: Three Main Intended Purpose of Local Remittance

Three Main Uses Remittances	Frequency	Percent
Consumption, Education, and Health	33	28.9
Consumption, Accommodation, and Business	18	15.8
Consumption, Accommodation, and Education	12	10.5
Consumption, Health, Other ceremonies	9	7.9
Consumption, Health, and Funerals	6	5.3
Consumption, Business, and Education	6	5.3
Business, Education, and Health	5	4.4
Consumption, Accommodation, and Health	4	3.5
Consumption, Health, and Farming Activities	4	3.5
Health, Funerals, and Other ceremonies	4	3.5
Consumption, Business, and Health	3	2.6
Consumption, Education, and Funerals	2	1.8
Consumption, Education, and Farming Activities	2	1.8
Consumption, Education, and Other ceremonies	2	1.8
Consumption, Health, and Utilities	2	1.8
Education, Health, and Farming Activities	2	1.8

Source: Author's computation using field data, November 2021

The in-depth study also reveals similar patterns for the intended purpose of black tax.

Table 4.17: Theme 3 Intended Purpose of Black Tax

Theme	Description/ Explanation	Subtheme	Response
Intended Purpose of Black Tack	What is the intended purpose of monies sent	Upkeep/ Maintenance/ Consumption	"To alleviate the plight of relatives, such as poverty to support the living standards of these people". "For payment of fees and maintenance of the house" "Relief from problems, monthly allowance for parents".

University of Ghana http://ugspace.ug.edu.gh

			"To support families living especially in the rural areas".
		Education	"To help with education of my children and also help with the health issues of some older folks within the family". "Sometimes to settle school fees and utility bills" "To ssupport my younger brother pay for his tertiary level fees, hostel fees and general upkeep". Since I don't have children of my own, I support selected children in my community, whose parents cannot afford to pay their schools fees or provide for their uniforms. I also give out my used clothing to some community members.
		Healthcare	"To pay for medical bills and to support my niece's tuition". "I pay for the routine check-ups of my grandmother". "I mostly pay for healthcare but on few occasions I am asked to support pay a niece or a nephew's school fees".
		Occasions/ Ceremonies	"To support funerals and other ceremonies". "Family contribution during occasions (funeral, celebration)".
		Business	"Economic start up business". "Assisting agriculture ventures- paying for seedlings, insecticides and weedicides, and maintenance of farm spraying machine".
		Religious contribution	"Sending pledges, tithes, etc." "Towards church responsibilities including harvest contributions.

In assessing the intended purpose of local remittance/black tax, it was observed that black tax/local remittances are for upkeep/maintenance/consumption, education, healthcare, occasions/ceremonies, business, and religious contribution. This could be supported with the claim that "black tax" refers to the social and financial support that the middle class gives to their extended family in the form of cash, housing, food, and clothing (Magubane, 2017).

University of Ghana http://ugspace.ug.edu.gh

Most of the local remittances sent were for the purpose of maintenance. Participants normally sent local remittance as a form of monthly allowance to parents or family members. These monies are usually for upkeep:

"*to alleviate the plight of relatives, to support the living standards of these people*", as expressed by a male senior revenue collector.

In addition, some of the participants help others with their education through payment of school fees as well as hostels fees. Some also attend to the health care needs including routine check-ups of their dependents, most especially, the elderly:

"*To help with education of my children and also help with the health issues of some older folks within the family*", a male senior administrative officer expressed.

The study also assessed how respondents ensure local remittances are used for their intended purposes. Again, the thematic analysis was employed.

Table 4.18: Theme 4 Black Tax Used for Intended Purpose

Theme	**Description/ Explanation**	**Sub-Theme**	**Response**
Black Tax used for intended purpose	How do you ensure black tax/local remittance sent is used for intended purpose	No tracking/ Control	"No tracking, when available money as given as support" "No tracking, but the situation is known and support is given to that effect" "Have no control over that".
		Direct payment/ Personal visits	"By paying for the bills and informing them of the payment made with respect to the need of the cash/money". "At times the monies meant for food stuffs may be sent, whilst the one meant for healthcare I assist to send him personally to the health facility". "Visiting and paying some bills myself".
		Receipts	"Check receipts from payments made at school and other indicators like visiting". "Where necessary receipts are shown". "I demand the receipt for payment of hostel and school fees".

University of Ghana http://ugspace.ug.edu.gh

			"I do ask my uncle for receipts of payment of funeral donations".
		Follow-up calls/ Random checks	"Checking up through calls" "I sometimes follow up to ensure the money was used for intended purpose"
		Feedback/ Account	"Gets feedback on the usage". "We usually discuss and agree on how they will give me feedback".
		Absence of complaints/calls	"Not complaining or not calling".
		Expect/Assume	"I don't check I only rely on the reason that they will use the money judiciously". "I assume they have used it for its intended purpose". "I don't demand such. I assume it will be used for its intended purpose".
		Trust	"Trust they will do the needful" "I do trust my parents that their routine check-ups will be carried out with monies I send them". "I trust that they will do as they say. Eg. My mum, I trust will go to hospital for check-up and use the money for eg. funeral donations requested". "I trust they will use it the purpose to which they asked for the money. They do show me receipt for payment of school fees"

Author's computation using field data, November 2021

While some of the respondents (75 remitters) indicated they do not track or have control over the monies sent to dependents, they try to ascertain the situation and send the money to that effect without tracking. Some also expected, assumed, or trusted that the monies sent would be used for the intended purpose. For those who tracked monies sent to dependents, the majority of them did follow-up calls or random checks. Other measures included requests for feedback or an account on how the local remittance was used, request for receipts where necessary, and direct payment or personal visits to assess the situation as indicated:

> "no tracking, but the situation is known and support is given to that effect" - A male deputy human reso"urce officer between the ages of 36-40.

University of Ghana http://ugspace.ug.edu.gh

> "I am assuming that if I sent you money because you said it was for a hospital check-up that is it, but if it is not true, then I leave you to God to judge", a senior female planning officer, aged between 41-45 indicated.

For those who are able to track monies sent to dependents, majority of them do follow-up calls or random checks to ascertain if it is used for intended purpose. Fourteen of the participants expressed the view that they usually request feedback or an account on how the local remittance was used. Others also request receipts where necessary, as indicated by 11 of the participants. Two participants revealed:

> "I check receipts from payments made at school and other indicators like visiting" and "I demand the receipt for payment of hostel and school fees".

For the benefit of the doubt, seven of the participants indicated they do direct payment or personal visits to assess the situation. The following were expressed.

> By directly, settling all bills and informing them of the payment made with respect to the need of the cash/money.

> At times the monies meant for foodstuff may be sent, whilst the one meant for healthcare, I insist to send him personally to access the health facility, as stated by a young male audit officer.

Interestingly, seven of the participants either expected, assumed, or trusted that the monies sent would be used for the intended purpose. The following were expressed:

> "I don't demand such I assume it will be used for its intended purpose", as stated by a female deputy human resource officer.

University of Ghana http://ugspace.ug.edu.gh

"I trust that they will do as they say. E.g., My mum I trust will go to hospital for check-up and use the money for example funeral donations requested", as revealed by the female senior planning officer.

"I trust they will use it for it for the purpose to which they asked the money. They do show me receipts for payment of school fees", a female senior social welfare officer aged between 46-50 stated.

4.4 Burden of Black Tax on Sender

The burden or effect of black tax on the sender was explored in this section of the study. The third study question, *what effect does the burden of black tax have on employees of MMDAs?* was addressed. The section examines the effect of local remittance on the savings or investment plan of the household, and the responsibility of the sender towards his/her family. It was found that a significant majority of respondents have no alternative source of income to their salary. One of the primary findings of the research however is that the majority of these local government migrants have retained a very strong commitment to sending remittances to their extended relatives, despite their challenging personal circumstance and often very precarious economic position.

Meeting Demands of Dependents

The ability of respondents to meet demands from dependents was further explored. This is shown in Figures 4.8 and 4.9.

INTEGRI PROCEDAMUS

University of Ghana http://ugspace.ug.edu.gh

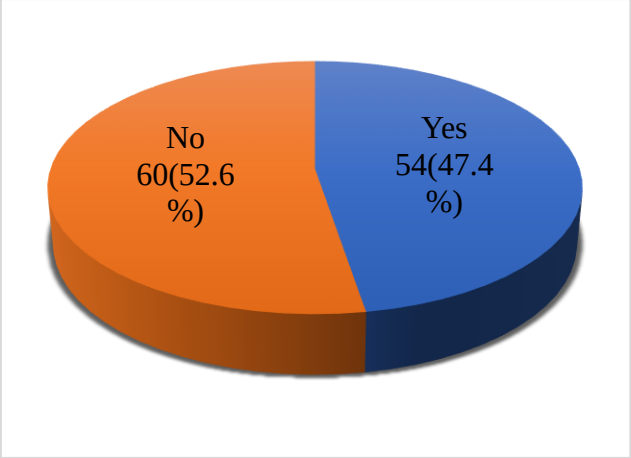

Figure 4.8: Ability to meet Demands from Dependents

From Figure 4.8, majority 60 (52.6%) of the respondents indicated, they are not able to meet the demands of their dependents. However, 54 (47.4%) are able to meet their demands. In the situation where they are unable to meet demands, 42 (70.0%) of participants indicated that they normally feel bad.

Figure 4. 9: Effect on Senders Feelings Upon Inability to Meet Demand

The top management female Planning officer described her experience, as though she does assist when necessary, she does not get too many of relations coming to her for money. It was rather her mother, who mostly remits her relatives, perhaps on their behalf. She said she uses her own discretion based on her own conviction to help once in awhile. She stated:

University of Ghana http://ugspace.ug.edu.gh

"Therefore, I cannot account for how much I have given so far because I do not allow myself to be put under pressure or stressed", she continued, but nevertheless,

"Among my siblings and I, we have however agreed that we each contribute our quota by taking care of whatever the extended family need is without you asking for a refund for example to attending funerals no matter the distance and giving donations, or to special occasions. We share this responsibility by assessing the proximity to these activities to each other's geographical location. The closer you are to the activity; you take up full responsibility".

Black tax and Savings/Investment

The effect of local remittances on the saving/investment plan of the participants was further explored. Sixty-two (44.0% of those who send remittances) indicated that their savings/investment plans were affected by local remittances. However, majority 79 (56.0%) were not influenced in that direction (Figure 4.10). According to Carpenter and Phaswana (2021), "Once qualified and employed, the beneficiary is obligated to help the next person in line. This may be a transitory burden, that lasts only a few years, but it still inhibits the person's ability to further their education and save money".

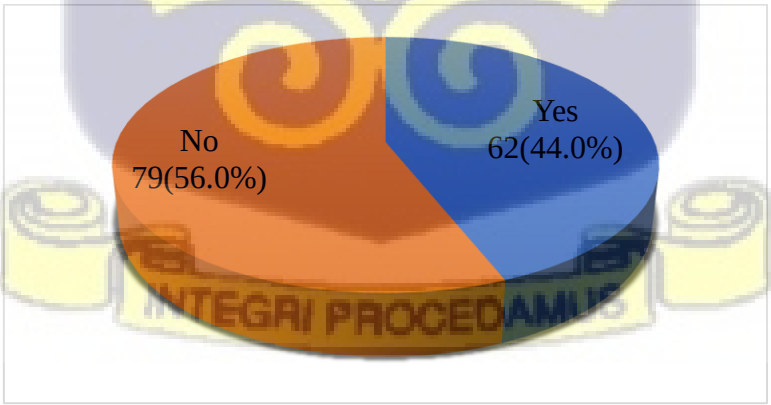

Figure 4.10: Black Tax Affect Respondents' savings/investment plan

University of Ghana http://ugspace.ug.edu.gh

To better understand the effect of local remittances on the savings of the individuals, the thematic analysis approach was once again employed as suggested by Braun and Clarke (2006).

Table 4.19: Theme 5 Effect of Black Tax on Savings

Theme	Description/ Explanation	Subtheme	Response
Effect of Black Tax on Savings	How does black tax/local remittance affect your savings	Unable to save	"I'm not able to save due to the support I have to provide for my dependents". "I wish I could save some money monthly for my own needs but I'm not able to".
		Unable to save much	"Reduce amount saved for some months". "I'm not able to save much for unforeseen circumstances as I want to due to the pressure from relatives". "I'm not able to save any extras for my own personal needs. All goes into taking care of others not even my own children".
		Irregularity in savings	"As it is an additional burden, it makes me not to do the savings regularly". "It adversely affects my savings patterns. I am not able to be consistent with my savings. I always have to withdraw monies from my investment". "At certain times, I spend all my money without saving any".
		Unexpected expenses	"I have to withdraw when there is emergency, hence the account becomes blank". "Sometimes impromptu expenses come up".

Field data, November 2021

These assertions showed in the analysis, as the study revealed four major effects of local remittance on the saving plans of senders. They are inability to save, inability to save much, irregularity in savings and unexpected expenses. In addition, three main effects of local

University of Ghana http://ugspace.ug.edu.gh

remittance on the sender were identified. They are inability to invest, inability to invest much, and partial withdrawal from investment.

About half of the respondents were of the view that demands from dependents affect their ability to save. They wish they could save but these demands leave them with nothing to save. Two of them expressed:

> "I'm not able to save due to the support I have to provide for my dependents" and
>
> "I wish I could save some money monthly for my own needs but I'm not able to" (Participants, 2021).

Another major challenge is that they are not able to save much for unforeseen occurrences or future project as indicated by 10 of the respondents. The following were some of the views:

> "I'm not able save much for unforeseen circumstances as I want to due to the pressure from relatives", (Participants, 2021).
>
> "I'm not able to save any extras for my own personal needs. All goes into taking care of others not even my own children", as stated by a male senior officer aged 31-35 years.

Furthermore, black tax affects the regularity or consistency with which savings are done by participants, especially when there are unexpected expenses. In some cases, they are not able to save at all, or make withdrawal when there is an emergency, which affects what has been saved. Two of the participants expressed:

> "It adversely affects my savings patterns. I am not able to be consistent with my savings. I always have to withdraw monies from my investment", (Participants, 2021).
>
> "I have to withdraw whenever there is emergency, hence my bank account becomes blank", (Participants, 2021).

University of Ghana http://ugspace.ug.edu.gh

The effect of black tax is also discussed as follows.

Table 4.20:Theme 6 Effect of black tax on Investment

Theme	Description/ Explanation	Subtheme	Response
Effect of Black Tax on Investment	How does black tax/local remittance affect your investment	Unable to invest	"I am not able to invest".
		Unable to invest much	"Reduction in investment of money to my other business". "It is deducted from source and that saves me from spending but I wish I could invest more".
		Partial withdrawal from investment	"It adversely affects my savings patterns. I am not able to be consistent with my savings. I always have to withdraw monies from my investment". "My investment is lifelong when I'm hard up, I go for part of the money" "Cuts down on my investment base. I can't even allow the money to grow I am always going for part payment" from my insurance when I am hard up.
		Reliance on financial loans	"I take loans from different banks in order to survive"

Field data, November 2021

Three main effects of local remittance on the sender were identified through the analysis of the interview. They are inability to invest, inability to invest much, and partial withdrawal from investment.

Thirteen out of 15 of the participants expressed the view that, local remittance affects their ability to invest much. They are either not able to invest much in their business or invest more in their investment plan. Two of respondents indicated that:

> "reduction in investment of money to my other business" and "it is deducted from source and that saves me from spending but I wish I could invest more", (Participant, 2021).

University of Ghana http://ugspace.ug.edu.gh

There are instances where participants do partial withdrawals from their investment due to the burden of local remittance. The following were some of the concerns:

> "It adversely affects my savings patterns. I am not able to be consistent with my savings. I always have to withdraw monies from my investment", as stated by a female senior social welfare officer aged between 41-45.

> "It cut down on my investment base. I can't even allow the money to grow I am always going for part payment from my insurance when I'm hard up", a male senior officer aged 36-40, said,

> "At a point in my life, it seems my whole life depends on financial loans from various banks in order to survive the next month", as lamented by a male senior registrar.

Effect of black tax on responsibility towards family

In this subsection, the effect of black tax on respondents' responsibility towards his/her family was explored. From Figure 4.21, 45 (32.6%) of the respondents indicated that black tax payments influence their responsibility towards their family.

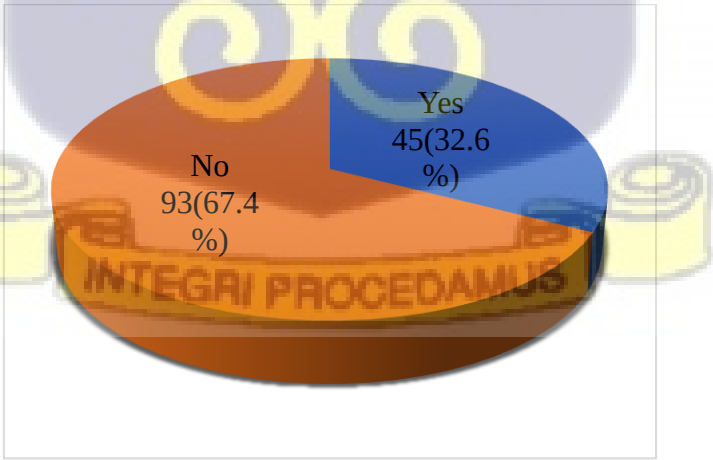

Figure 4. 11 : Effect of black tax on Respondents' Responsibility to family

University of Ghana http://ugspace.ug.edu.gh

The effect of local remittance on the respondents' responsibility towards his family is discussed as follows.

Table 4.21: Theme 7 Effect of black tax on Responsibility to family

Theme	Description/ Explanation	Subtheme	Response
Effect of Black Tax on responsibility to family	How does black tax/local remittance affect your responsibility to family	Adjust budget/ spending plan	"Sometimes I see it to be out of plan yet I need to do it". "Sometimes it makes me so tight that it puts limits on my spending on my nuclear family. This sometimes brings conflict between my spouse and me". "The monies I budget for to take care of my own household is sometimes channelled to take care of other dependents due to their pressure which makes me lose focus and stranded, leaving me helpless to fulfil my promise to my family".
		Inadequate maintenance/ unable to meet needs	"Maintenance of nuclear family becomes inadequate". "I am not able to meet all the needs of the family (sometimes I sacrifice their needs to meet some remittance)". "What I plan to do for my son and woman, I'm not able to do because my income is not adequate, and I still have to take of my brothers' needs".
		Budget deficit/ Lack of funds	"It takes a good chunk of my income making me have budget deficits".
		Suspend some needs	"Sometimes we sacrifice and deny ourselves some things so we can send the monies out to whoever needs it". "Sometimes one has to leave the issue of the family and help others because there are times you realize the outsiders need that help more than your family".
		No/less recreation activities	"There is not enough left for leisure and recreational activities for the family". "It limits the support I have for my child e.g. paying of school fees, having fun with my family".
		Stress/pressure	"It does not give me peace of mind because I'm always trying to make or get money to support them". "At the end, there is not enough funds. The pressure can be unbearable sometimes". "I am unable to do what I wish I could do for my immediate family which creates a lot of tension in my marriage. Making me unstable and stressed to look for alternative source of income".
		Project	"It makes it very difficult to save for the year in terms of working on a project like a house or buying a car which I very much would want to". "Reduces the amount of money that can be used for other purposes".

Source: Field data, November 2021

It was observed that black tax affects one's responsibility towards his/her family in seven ways. First of all, one has to always adjust the family budget or spending plan. They normally channel

University of Ghana http://ugspace.ug.edu.gh

budget meant for their families into other expenses, which in most cases are not planned for. Therefore, an adjustment has to be made to cater for such unforeseen expense.

> "The monies I budget for to take care of my own household are sometimes channelled to take care of other dependents due to their pressure which makes me lose focus and stranded, leaving me helpless to fulfil my promise to my family", a male senior revenue collector lamented.

> "Sometimes it makes me so tight that it puts limits on my spending on my nuclear family. This sometimes brings conflict between my spouse and me", as said by a male senior social welfare officer.

Secondly, participants ran out of funds or experience budget deficit. This mostly affect their ability to meet their family needs. Their resources become inadequate to maintain their homes. In some cases, they had to suspend some needs in order to make up for the needs of their dependents.

> "I am not able to meet all the needs of the family (sometimes I sacrifice their needs to meet some remittance)", as stated by the revenue collector.

> He continued, "What I plan to do for my son and woman, I am not able to do because my income is not adequate, and I still have to take care of my brothers' needs.
>
> And sometimes one has to leave the issue of the family and help others because there are times you realize the outsiders need that help more than your family".

Another major effect of local remittance in the area of family responsibility is stress or pressure. Inability to meet family needs can be very frustrating sometimes. It can sometimes bring about conflicts in the family.

University of Ghana http://ugspace.ug.edu.gh

> "I am not able to provide adequately for my immediate family as I want to and this creates a lot of stress for me", as expressed by a female deputy human resource director.

> "I am always hard up due to the reason that my salary is not enough, I have dependents, and I have taken a bank loan, which makes life a bit difficult for me and my nuclear family", a male senior budget officer mentioned.

Additionally, it was observed that the responsibility for service delivery, entrusted to respondents as public servants may be affected by black tax. Absenteeism, lateness and moonlighting are some of the major setbacks in combating corruption among government workers. "Ghana's corruption problem has deep roots in the society and our political culture," according to the Global Integrity Report on Ghana (2004), "where societal expectations of largesse and patronage from holders of public office combine with a culture of official impunity, low remuneration, opacity, and unregulated discretion with the use of public authority to produce a system that is hospitable to corruption...", as mentioned,

> "I am unable to do what I wish I could do for my immediate family, which creates a lot of tension in my marriage thereby making me unstable and always stressed out and looking out for alternative sources of income which sometimes affects my productivity at work", as stated by the female deputy director.

4.5 Discussions

In assessing the widespread nature of black tax among local government service employees, it was observed that more than half 132(69.5%) of respondents had dependents outside their nuclear family, ranging from one to five. This tells that aside of the nuclear family, respondents are as well responsible for other persons within and outside their extended families. This could be as a result of the social and generational inadequacies in the family setting of the respondents

University of Ghana http://ugspace.ug.edu.gh

in the majority. This finding validates that of Mhlungu (2015) conducted in South Africa, that reveals there is widespread black tax in Africa, since individuals have some responsibility to assist less fortunate family members who are not financially sound, due to the substantial degree of social and generational inadequacies in the black community of South Africa.

Again, black tax is prevalent because more than half (67.4%) of the respondents are not residing with their dependents even though most respondents believed it would be more economical to live with their dependents. The relations with the dependents included parents, siblings, cousins, nephews, nieces, grandparents, other extended family members, in-laws (father, mother, brother, sister in-laws), and friends who largely live away from the respondents and their nuclear families. The above findings could be backed with the submission that families in most African countries, including Ghana, have mutual obligations and help one another irrespective of the dependent's location (Assim, 2013). This can further be backed with Nukunya's (1992) assertion of the composition of the extended family and its associated arrangements in terms of the individual's duty, obligations and responsibilities, which extend outside the nuclear family. From his study, black tax has become prevalent because individuals by responsibility, provide financial support to the less fortunate members of their extended family or dependents who do not live with them most of the time.

In addition, this study confirms that there is the prevalence of black tax because aside family members, the majority 114(60.3%) of the respondents confirm sending black tax/local remittance to people outside their household for which they budgeted. And so while the group of dependents increases from not just extended family members but to friends, community and religious affiliated people, as well as well-wishers, the black tax bracket increases and thus, making it prevalent. This finding validates the suggestion made by Mangoma et al. (2019) regarding how wide a person's dependants can get by capturing both extended family members

University of Ghana http://ugspace.ug.edu.gh

and people from the religious and social communities they belong to. Thus, in the African setting, family does not only include blood relations, but non-blood relations as well.

The findings confirm the assumption of the "Social Exchange Motive" which comprises the sequence of interdependent interactions that lead to social obligation and explains the rationale that supports a migrant's decision to remit (Cropanzano & Mitchell, 2005). These interactions or social interactions are regulated by values and norms and integrated within culturally mandated role expectations that originate from broader social environment (community, church, social group and many others) which exist.

In investigating the intended purpose of the black tax or local remittances, the study revealed about thirteen purposes as cited by the respondents such as: unemployment, old age/retirement, obligation, feeling of indebtedness to parents, financial constraint/no one to depend on, education/healthcare support, deceased parents/relatives, relation/relatives, socio-cultural/family values, single parent, being employed or having regular/stable source of income, perception of being rich, and expectations due to position. These are all expectations of dependents that confirm the assertion of Msibi (2020) that, the motive for paying black tax is the expectation from either family of participants directly. Thus, the idea that once a person starts work, he or she is expected to support the family.

This study's findings also corroborate with that of Ingham et al. (2009) which contend that, "the economically active proportion of the population will need to provide for the economically inactive or non-working population's health, education, pension, and social security benefits, and general needs either directly through family support mechanisms or indirectly through taxation". For instance, when a person is unemployed, he or she does not have the financial power to cater for his or her needs like food, shelter, clothing, health and in some cases of the

University of Ghana http://ugspace.ug.edu.gh

young-aged, education. It is therefore the responsibility of another member of the family who is economically active to provide some support in the form of black tax or local remittances.

The study further revealed five factors that influence the regularity in sending local remittance. These included budget/financial constraints, living on monthly income, other commitments, sent when needed, and other sources of support. In assessing the intended purpose of local remittance/black tax, it was observed that black tax/local remittances are for upkeep/maintenance/consumption, education, healthcare, occasions/ceremonies, business, and religious contribution. This could be supported with the claim that "black tax" refers to both the social and financial support provided by employed black people to their families and extended families (Msibi, 2020; Magubane, 2016).

In examining the extent of burden black tax has on sender (respondents), the majority of the respondents revealed that even though the act is seen as a responsibility it has a toll on their finances, investments, and savings. As an extra or additional expense, respondents suggested that, black tax deprives them of recreational activities to release stress and pressure, and derails members of the nuclear family from having their needs met. Being unable to adequately maintain the nuclear family and providing the needs of all members because black tax sometimes result in husband-wife conflicts that could even affect the marriage.

From the findings therefore, black tax is accompanied by the following burden on respondents (employees); stress and pressure, budget deficits, loss of focus, less or no funds to save, invest, recreation activities, and inadequate maintenance of the nuclear family. The findings confirm the suggestion made by Ratlebjane (2015), people enjoy paying black tax till such a time they realize they have not been able to meet their financial goals due to these remittances. Thus, at the initial stages of being employed, the black taxpayers convince themselves that the daily transfers they must send to their relatives are fair and appropriate. Nonetheless, it is all fun and

University of Ghana http://ugspace.ug.edu.gh

games until they realize that if they keep paying these remittances, they will not be able to meet their financial goals, which will send them into a vicious cycle in which they will not be able to support anyone, let alone help themselves with their day-to-day financial needs (Ratlebjane, 2015).

4.6 Summary

This chapter has presented the results and discussions of the study. The analysis of the data was based on responses of officers from six MMDAs in Greater Accra region. The analysis started with the information on the analytical sample and demographic information of the respondents' followed discussions of the findings on the nature and prevalence of black tax, the intended purpose of black tax, and the burden of black tax on the sender.

University of Ghana http://ugspace.ug.edu.gh

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents a summary of key findings of the study's conclusions, recommendations, and baseline for future research. The implications of the study's findings for developing policies are the chapter's central topic. On the basis of the study's main conclusions and major findings, recommendations are made.

5.1 Summary of Major Findings

The purpose of this study was to explore the nature and the prevalence of black tax and factors that shape it in Ghana. The study was purely based on primary data with the target population being senior or middle level local government service employees of MMDAs. The study considered 190 respondents clustered under six (6) local government service districts within the Greater Accra region comprising one Metropolitan Assembly, four Municipal Assemblies and one District Assembly in the final analysis.

The study reveals that most, 181 (95.3%) of the total respondents (190) were in their youth and middle ages (between 18 and 50 years) with majority being between the youth (18-35). However, 9 (4.7%) were near the official retirement age of 60 years (above 50 years). Also, majority 98 (51.6%) of the respondents were single, whereas 85 (44.7%), 4 (2.1%) and 3 (1.6%) were married, co-habiting, and divorced respectively. Furthermore, the salaries of the

University of Ghana http://ugspace.ug.edu.gh

respondents ranged between GHc750.00 and a little over GHc5250.00, where most (84.6%) of them had a monthly salary below or up to GHc2750.00.

It was observed that the same number of males and females (51 males and 51 females) respondents had dependents ranging from 1 to 6 and more. The proportion of dependents between 1 – 4 for males was the same for females, though there was a slight difference in the number of dependents between 1 – 2 and 3 – 4. This an indication that the gender of an individual is independent of the number of dependents. This was confirmed by the chi-square test (p-value of ***0.495*** is greater than the 5% significance level). Therefore, one's gender may not likely influence the number of dependents.

5.1.1 Nature and Prevalence of Black Tax

When examining the prevalence of black taxation among local government employees, it was discovered that the majority of the respondents (132, or 69.5 percent) had dependents outside their nuclear family, ranging from one to five. The majority of these respondents (67.4%) did not live with their respondents. Parents, siblings, cousins, nephews, nieces, grandparents, other extended family members, in-laws (father, mother, brother, sister in-laws), and acquaintances were among the dependents' relatives.

The study revealed 13 reasons contribute to participants decision to send black tax and these factors accounted for the prevalence of black tax/local remittance among public servants. These included unemployment, old age/retirement, obligation, feeling of indebtedness to parents, financial constraint/no one to depend on, education/healthcare support, deceased parents/relatives, relation/relatives, socio-cultural/family values, single parent, being employed or having regular/stable source of income, perception of being rich, and expectations due to position.

University of Ghana http://ugspace.ug.edu.gh

5.1.2 Kind of Support Provided

The study further revealed that the majority 114 (60.3%) of the respondents sent local remittance/black tax to people outside their household of which the majority budgeted for. Interestingly, a majority 65 (57.0%) of the recipients of the local remittance/black tax resides in urban areas.

In assessing the effect of demographic characteristics such as gender, marital status, religion, ethnicity, and amount of salary of the respondents on their chances of sending local remittance/black tax to people outside their household, it was observed that gender, marital status, and amount of monthly salary of an individual are likely to influence local remittance/black tax. The study further revealed five factors that influence the regularity in sending local remittance. These included budget/financial constraints, living on monthly income, other commitments, sent when needed, and other sources of support.

In assessing the intended purpose of local remittance/black tax, it was observed that black tax/local remittances are for upkeep/maintenance/consumption, education, healthcare, occasions/ceremonies, business, and religious contribution.

While some of the respondents do not track or have control over the monies sent to dependents, they try to ascertain the situation and send the money to that effect without tracking. Some also expected, assumed, or trusted that the monies sent would be used for the intended purpose. For those who tracked monies sent to dependents, a majority of them did follow-up calls or random checks. Other measures included requests for feedback or an account on how the local remittance was used, request for receipts where necessary, and direct payment or personal visits to assess the situation.

University of Ghana http://ugspace.ug.edu.gh

5.1.3 Burden of Black Tax on Sender

It was observed that most of both males 67 (73.6%) and females 74 (74.7%), irrespective of their marital status, put their monies in some form of savings/investment. The form of savings by respondents included savings/current account with banks, saving with credit unions, and susu operators, whilst forms of investment included, treasury bill, fixed deposit, insurance, mutual fund, and building project.

The study revealed four major effects of local remittance on the saving plans of senders. They are inability to save, inability to save much, irregularity in savings and unexpected expenses. Also, three main effects of local remittance on the sender were identified. They are inability to invest, inability to invest much, and partial withdrawal from investment. Thus, the study reveals that, black tax is accompanied by some burden on the sender (respondent), such as stress and pressure, budget deficits, loss of focus, less or no funds to save, invest, recreation activities, and inadequate maintenance of the nuclear family.

It was further observed that, local remittance affects one's responsibility towards his/her family in several ways. First, one has to always adjust his or her nuclear family budget or spending plan to be able to pay black tax. Secondly, sender or black tax payer may at a point run out of funds or experience budget deficit. Other effects included inadequate resources to maintain homes/meet family needs, suspending some needs in order to make up for the needs of dependents, frustrations/stress/pressure, conflict due to inability to meet family needs, and inability to attend to projects. All such burdens largely go against the nuclear family of the sender or black tax payer whose needs may either be met half-way or not met at all. This is likely to breed several instances of familial conflict especially between husband and wife and could have very dire future consequences on the marriage and the family as a whole.

University of Ghana http://ugspace.ug.edu.gh

5.1.4 Factors Influencing Black Tax

Factors that might influence black tax were explored through Exploratory Factor Analysis. Some factors were identified from 26 variables to influence/ shape local remittances. These were ability to/being the only source, act of kindness/feeling obligated, benefaction, feeling of indebtedness/returning a favour, socio-cultural, financial constraints. These factors are mostly derived from the perceived expectations of dependents that confirm the assertion of Msibi (2020) that, the motive for paying black tax is the expectation from either family of participants directly.

5.2 Conclusion

The main purpose of this current study is to investigate the nature and the prevalence of black tax and the factors that shape it in Ghana. Based on the Social Exchange Theory, the Modernity Theory and Social Mobility, the study discussed the nature and level of prevalence, the intended purposes of black tax (local remittance) and the effect of black tax (local remittance) on the employees of MMDAs in Ghana.

The study employed a mixed method research design (quantitative and qualitative). The population of the study was made up of all local government service employees (LGDE) in Metropolitan, Municipal, and District Assemblies (MMDAs) in the Greater Accra Region of Ghana. With the help of a multi-stage sampling strategy including stratified and simple random sampling techniques, 190 employees were recruited to participate in the study. Of which 25 participated in the in-depth interview. A semi-structured questionnaire and an in-depth interview were used in collecting quantitative and qualitative data, respectively. The qualitative data were transcribed, summarized, and classified in relation to the study objectives. The quantitative data were analyzed using Descriptive statistics (frequency, mean, and standard deviation) and Inferential statistics (Exploratory Factor Analysis) and presented in tables, and pie charts and this was achieved with the help of SPSS-version16.

University of Ghana http://ugspace.ug.edu.gh

Finally, the study mentioned that the intended purpose of black tax (local remittance) was for upkeep/maintenance/consumption, education, healthcare, occasions/ceremonies, business, and a religious contribution whereas, stress, pressure, budget deficits, loss of focus, and less or no funds to save, and invest, for recreational activities, as well as inadequate maintenance of the nuclear family were stated as the effect of black tax on the sender.

5.3 Recommendation

The following recommendations were made as a result of the study's findings:

1. **Review salary structure of public servants:** The findings of the study showed that most of the respondents had their monthly salary as their main source of income. Also, most of these public servants have dependents, being either their nuclear or extended family. Furthermore, the amount of monthly salary of an individual is likely to influence local remittance/black tax. There is therefore the need to review the salary structure of public servants to ease the burden of black tax on them. Government can increase the salary of public servants through allowances or an improved tax relief system based on the number of dependents.
2. **Expand poverty alleviation and social protection programmes:** The findings of the study showed that there is prevalence of black tax among public servants and this is owed to a number of factors, key among which are unemployment, financial constraint/no one to depend on, old age/retirement, deceased parents/relatives, and single parenting. In order to lessen the burden of poverty on families as well as the burden of black tax on senders, Government must review and expand its social protection programmes such as Social Security and National Insurance Trust (SSNIT), the National Health Insurance Scheme (NHIS), the Ghana School Feeding Programme (GSFP) and the Livelihood Empowerment Against Poverty (LEAP), among others.

University of Ghana http://ugspace.ug.edu.gh

3. **Create more job opportunities or empowerment programmes:** Unemployment, one of the leading factors of black tax, is a major contributory factor to most of the factors that influence dependency. Government must create more job opportunities for the citizenry or empower them to start up their own business. While commending Government for its training programmes over the years, I will recommend that these training programmes should be expanded, more specific and must come with financial support for start-ups.
4. **Counselling services for staff:** Sending black tax/local remittance is inevitable. There is therefore the need to manage the phenomenon. The findings of the study showed that the inability to meet family needs could be very frustrating sometimes. It could sometimes bring about conflicts in the family. Management must counsel staff on how to manage their finances in order to manage their home successfully while making room for black tax/local remittance.
5. **The Remitter's Recommendation:** Understanding the various facets of black tax such as the different types, the drivers for paying, and what is considered black tax or not. This will allow the individual to understand his or her individual context and the appreciate the need to engage with family members in order to set boundaries in terms of what and how much family can be assisted with.

University of Ghana http://ugspace.ug.edu.gh

REFERENCES

Aboderin, I. (2017). *Intergenerational support and old age in Africa*. New York, NY: Routledge.

Ackah, C., & Medvedev, D., (2010). Internal Migration in Ghana: Determinants and Welfare Impacts. The World Bank.

Adaawen, S. A., & Owusu, B. (2013). North-South Migration and Remittances in Ghana. African Review of Economics and Finance, Vol. 5, No.1, 29-45. Retrieved from http://www.africaneview.com/Vol.%205%20%281%29/Adaawen%20and%20Owusu.pdf.

Adams Jr, R. H., & Cuecuecha, A. (2013). The impact of remittances on investment and poverty in Ghana. *World Development*, *50*, 24-40.

Adams R.H. Jr (2006a), 'International Remittances and the Household: Analysis and Review of Global Evidence', Journal of African Economies, Vol. 15, AERC Supplement 2, pp. 396–425.

Adams, S. L. (2008). *Wisdom in transition: Act and consequence in second temple instructions* (Vol. 125). Brill.

Ahinful, G., Boateng, F., & Oppong-Boakye, P. (2013). Remittances from abroad: The Ghanaian household perspective. *International Journal of Business and Social Science*, *4*(1).

Alston, P., & Reisch, N. (Eds.). (2019). *Tax, inequality, and human rights*. Oxford University Press.

Alber, F., Förster, F., Korkin, D., Topf, M., & Sali, A. (2008). Integrating diverse data for structure determination of macromolecular assemblies. *Annu. Rev. Biochem.*, *77*, 443-477.

University of Ghana http://ugspace.ug.edu.gh

Alby, P., Auriol, E. & Nguimkeu, P. (2013) Social barriers to entrepreneurship in Africa: the forced mutual help hypothesis, mimeo, *Toulouse School of Economics, Toulouse.*

Alger, I. & Weibull, J.W. (2010). Kinship, incentives, and evolution. *American Economic Review*, *100*(4): 1725-58.

Agarwal, S., Mozafari, B., Panda, A., Milner, H., Madden, S., & Stoica, I. (2013, April). BlinkDB: queries with bounded errors and bounded response times on very large data. In *Proceedings of the 8th ACM European Conference on Computer Systems* (pp. 29-42).

Ambrosius, C., & Cuecuecha, A. (2016). Remittances and the use of formal and informal financial services. *World development*, *77*, 80-98.

Amega, K., (2018). Remittances, education, and health in sub-saharan Africa: Cogent Economics and Finance.

Amuedo-Durantes, C., & Pozo, S., (2006). Remittances as Insurance: Evidence from Mexican emigrants. Journal of Population Economics.

Andersson, L. (2012). Migration, remittances and household welfare in Ethiopia. *Migration*, *4*, 1-40.

Anamoa-Pokoo, S. (2016). *Remittances and social expenditures of migrant households in the Ekumfi District* (Doctoral dissertation, University of Cape Coast).

Apergis, N., Cooray, A., & Rehman, M. U. (2018). Do energy prices affect US investor sentiment?. *Journal of Behavioral Finance*, *19*(2), 125-140.

Arinao Mangoma & Anthony Wilson-Prangley (2019) Black Tax: Understanding the financial transfers of the emerging black middle class, Development Southern Africa, 36:4,443-460, DOI: https://doi.org/10.1080/0376835X.2018.1516545

Asogwa, U. G. (2017). *Effects of Remittances on the Livelihood of Farm Households in Enugu State, Nigeria* (Doctoral dissertation).

University of Ghana http://ugspace.ug.edu.gh

Assim, U. M. (2013). *Understanding kinship care of children in Africa: A family environment or an alternative care option?* (Doctoral thesis). Retrieved from http://etd.uwc.ac.za/xmlui/handle/11394/3476

Ayee, J. R. (2013). The political economy of the creation of districts in Ghana. *Journal of Asian and African Studies*, *48*(5), 623-645.

Azzellini, D. (Ed.). (2015). *An alternative labour history: Worker control and workplace democracy*. Zed Books Ltd..

Battle, M. (2009). *Ubuntu: I in you and you in me*. New York, NY: Church Publishing, Inc.

Boakye-Yiadom, L., & Lambon-Quayefio, M. (2018). Remittance receipts by Ghana's households: Understanding their distribution and the impact on investment in basic education. 23.

Bhatta, G. D., Aggarwal, P. K., Poudel, S., & Belgrave, D. A. (2015). Climate-induced migration in South Asia: Migration decisions and the gender dimensions of adverse climatic events. *Journal of Rural and Community Development*, *10*(4).

Barrett, M., & McIntosh, M. (2015). *The anti-social family*. Verso Trade.

Boakye-Yiadom, L. (2008). *Rural-urban Linkages and Welfare: The Case of Ghana S Migration and Remittance Flows* (Doctoral dissertation, University of Bath).

Booker, S. Q. (2015). Lessons learned about ageing and gerontological nursing in South Africa. *Curationis*, *38*(1), 1–5. Doi: 10.4102/ curationis.v38i1.1216.

Billson, J. M., & Fluehr-Lobban, C. (2005). *Female well-being: Towards a global theory of social change*. London, United Kingdom: Zed Books.

Borden, K. S. & Abbott, B. B. (2002). Research design and methods: a process approach, 5th ed. New York: McGraw-Hill.

University of Ghana http://ugspace.ug.edu.gh

Boyatzis, R. E. (1998). Transforming qualitative information: Thematic analysis and code development. CA: Sage.Brannen, J. (Ed.). (2017). Mixing methods: Qualitative and quantitative research. Routledge.

Braun, V. & Clarke, V. (2006). Using thematic analysis in psychology. Qualitative Research in Psychology, 3(2), 77–101. https://doi.org/10.1191/ 1478088706qp063oa

Brück, T., d'Errico, M., & Pietrelli, R. (2019). The effects of violent conflict on household resilience and food security: Evidence from the 2014 Gaza conflict. *World Development*, *119*, 203-223.

Birnbaum, S. 2015. In South Africa, It's Called Black Tax. [Online] Available at: https://www.pn.org.ac.za [Accessed: 21 March 2019]

Braun, V. & Clarke, V. (2006). Using thematic analysis psychology. Qualitative research in psychology, 3, 77-101.

Castaldo, A., Deshingkar, P., & McKay, A. (2012). Internal migration, remittances and poverty: evidence from Ghana and India.

Carnelley, K. B., Hepper, E. G., Hicks, C., & Turner, W. (2011). Perceived parental reactions to coming out, attachment, and romantic relationship views. *Attachment & Human Development*, *13*(3), 217-236.

Carpenter, R., & Phaswana, M. (2021). Black tax: An international exploratory study in the South African context. *Journal of Economic and Financial Sciences*, *14*(1), 612.

Chauke, C. (2019). Taking the sting out of black tax. In N. Mhlongo (Ed.), *Black tax: Burden or Ubuntu*, pp. 196–201. Johannesburg, South Africa: Jonathan Ball.

Cherlin, A. J. (2014). *Labor's love lost: The rise and fall of the working-class family in America*. Russell Sage Foundation.

Coetzee, I.2018. Understanding Black Tax. [Online] Available at https://www.justmoney.ac.za/news/2018/03/01 [Accessed: 21 March 2019]

University of Ghana http://ugspace.ug.edu.gh

Creswell, J. W., & Creswell, J. D. (2017). *Research design: Qualitative, Quantitative, and Mixed Methods Approaches*. 4th Edition, Sage, Newbury Park.

Creswell, J. W., & Tashakkori, A. (2007). Differing perspectives on mixed methods research.

Cuong, N. V., & Linh, V. H. (2018). The impact of migration and remittances on household welfare: Evidence from Vietnam. *Journal of International Migration and Integration*, *19*(4), 945-963.

Cunliffe, A. L. (2011). Crafting qualitative research: Morgan and Smircich 30 years on. *Organizational research methods*, *14*(4), 647-673.

Dahl, G. B., & Lochner, L. (2012). The impact of family income on child achievement: Evidence from the earned income tax credit. *American Economic Review*, *102*(5), 1927-56.

Di Falco, S., & Bulte, E. (2011). A dark side of social capital? Kinship, consumption, and savings. *Journal of Development Studies*, *47*(8), 1128-1151.

Denscombe, M. (2017). *EBOOK: The Good Research Guide: For Small-Scale Social Research Projects*. McGraw-Hill Education (UK).

Dilip Ratha (2020). Remittances: Funds for the Folks. Finance & Development. The International Monetary Fund (IMF).

Doelle, M. (2016). The Paris Agreement: historic breakthrough or high stakes experiment? *Climate Law*, *6*(1-2), 1-20.

Dreyer, J.S. (2015). Ubuntu: A practical theological perspective. International journal of practical theology. Unisa, Pretoria. SA. Keith Barney (2012). *LAND, LIVELIHOODS, AND REMITTANCES*, Critical Asian Studies, 44:1, 57-83, DO: 10.1080/14672715.2012.644887

University of Ghana http://ugspace.ug.edu.gh

Dreyer, S. B., Chang, D. K., Bailey, P., & Biankin, A. V. (2017). Pancreatic cancer genomes: implications for clinical management and therapeutic development. Clinical Cancer Research, 23(7), 1638-1646.

Etieyibo, E. (2020). Justice, the "African Family" and Obligations. In *Family Demography and Post-2015 Development Agenda in Africa* (pp. 57-74). Springer, Cham.

Evans, R. (2015). Negotiating intergenerational relations and care in diverse African contexts. In *Intergenerational space* (pp. 199-213). Routledge.

Fisher, S. (2019). As we tithe. In N. Mhlongo (Ed.), Black tax: Burden or Ubuntu, pp. 189–195, Johannesburg, South Africa: Jonathan Ball Publishers.

Foster, A. D., & Rosenzweig, M. R. (2001). Imperfect commitment, altruism, and the family: Evidence from transfer behaviour in low-income rural areas. *Review of Economics and Statistics*, *83*(3), 389-407.

Fongwa, S. N. (2019). Interrogating the public good versus private good dichotomy: 'black tax 'as a higher education public good. *Compare: A Journal of Comparative and International Education*, 1-16.

Garcia, D., Kerekes, N., & Archer, T. (2012). A will and a proper way leading to happiness: self-directedness mediates the effect of persistence on positive affectivity. *Personality and Individual Differences*, *53*(8), 1034-1038.

Ghana Statistical Service Report (2017). Ghana Living Standard Survey 7. Ghana Statistical Service, Accra.

Greiner, C., & Sakdapolrak, P. (2013). Rural–urban migration, agrarian change, and the environment in Kenya: a critical review of the literature. *Population and Environment*, *34*(4), 524-553.

Global Integrity/Centre for Public Integrity Report (2004). Global Integrity Report on Ghana.

University of Ghana http://ugspace.ug.edu.gh

Grimm, M., Hartwig, R., & Lay, J. (2017). Does forced solidarity hamper investment in small and micro enterprises? *Journal of Comparative Economics*, *45*(4), 827-846.

Greene, J. C., Caracelli, V. J., & Graham, W. F. (1989). Toward a conceptual framework for mixed-method evaluation designs. *Educational evaluation and policy analysis*, *11*(3), 255-274.

Haryani, S., & Motwani, B. (2015). Discriminant model for online viral marketing influencing consumers behavioural intention. *Pacific science review B: Humanities and social sciences*, *1*(1), 49-56.

Hildebrandt, G. C., Olkiewicz, K. M., Choi, S., Corrion, L. A., Liu, C., McKenzie, A. N., & Cooke, K. R. (2004). IL-13-Predictor of or Protector from Acute Graft Versus Host Disease?.

Hostetter, C., Sullenberger, S. W., & Wood, L. (2015). "All These People Who Can Do Things That I Can't": Adolescents' Reflections on Class, Poverty, and the American Dream. *Journal of Poverty*, *19*(2), 133-152.

Housen, T., Hopkins, S., & Earnest, J. (2013). A systematic review on the impact of internal remittances on poverty and consumption in developing countries: Implications for policy. *Population, Space and Place*, *19*(5), 610-632.

Idang, G. E. (2015). African culture and values. *Phronimon*, *16*(2), 97-111

Ingham, B., Chirijevskis, A., & Carmichael, F. (2009). Implications of an increasing old-age dependency ratio: The UK and Latvian experiences compared. *Pensions: An International Journal*, *14*(4), 221-230.

Iqani, M. (2015). Agency and affordability: being black and 'middle class' in South Africa in 1989. *Critical Arts*, *29*(2), 126-145.

Johnson, R. B., Onwuegbuzie, A. J., & Turner, L. A. (2007). Toward a definition of mixed methods research. *Journal of mixed methods research*, *1*(2), 112-133.

University of Ghana http://ugspace.ug.edu.gh

Kabeer, N. (2016). Gender equality, economic growth, and women's agency: the "endless variety" and "monotonous similarity" of patriarchal constraints. *Feminist Economics*, *22*(1), 295-321.

Kaplan, B., & Maxwell, J. A. (2005). Qualitative research methods for evaluating computer information systems. In *Evaluating the organizational impact of healthcare information systems* (pp. 30-55). Springer, New York, NY.

Krahn, G. L., Hohn, M. F., & Kime, C. (1995). Incorporating qualitative approaches into clinical child psychology research. *Journal of Clinical Child Psychology*, *24*(2), 204-213.

Kravets, O., & Sandikci, O. (2014). Competently ordinary: New middle class consumers in the emerging markets. *Journal of Marketing*, *78*(4), 125-140.

Lucas, R. E., & Stark, O. (1985). Motivations to remit: Evidence from Botswana. *Journal of political Economy*, *93*(5), 901-918.

López-Calva, L. F., & Ortiz-Juarez, E. (2014). A vulnerability approach to the definition of the middle class. *The Journal of Economic Inequality*, *12*(1), 23-47.

Louis Boakye-Yiadom and Monica Lambon-Quayefio **(**2019). Remittance Receipts by Ghana's Households: Understanding Their Distribution and the Impact on Investment in Basic Education. Department of Economics, University of Ghana.

Lokshin, M., Bontch-Osmolovski, M., & Glinskaya, E. (2010). Work-related migration and poverty reduction in Nepal. *Review of Development Economics*, *14*(2), 323-332.

Jones, G. R., & Jones, G. R. (2013). *Organizational theory, design, and change* (pp. 31-33). Upper Saddle River, NJ: Pearson.

Maguire, M. & Delahunt, B. (2017). Doing a thematic analysis: A practical, step-by- step guide for learning and teaching scholars.

University of Ghana http://ugspace.ug.edu.gh

Magubane, L. (2016). *Evaluating the socio-economic impact of relocating residents from informal settlements with the purpose of creating sustainable human settlements. Case Study of Philani Valley, uMlazi* (Doctoral dissertation).

Makiwane, M. B. (2010). The changing patterns of intergenerational relations in South Africa. In Expert Group Meeting, "Dialogue and Mutual Understanding across Generations", convened in observance of the International Year of Youth (Vol. 2011). Retrieved from https://www.un.org/esa/socdev/family/docs/egm11/EGM_Expert_Paper_Monde_Makiwane .pdf

Magubane, N. N. (2017). *Black tax: the emerging middle class reality* (Doctoral dissertation, University of Pretoria).

McNabb, D. E. (2015). *Research methods for political science: Quantitative and qualitative methods*. Routledge.

Mkhize, Msizi Vitalis. "Mathematics anxiety among pre-service accounting teachers." *South African Journal of Education* 39, no. 3 (2019): 1-14.

Migheli, M. (2017). Ubuntu and social capital: a strong relationship and a possible instrument of socio-economic development. *Cambridge Journal of Economics*, *41*(4), 1213-1235.

Mugo, G. M. (2008). *Influence of maternal nutrition knowledge on infant: feeding practices among the Maasai community in Narok District, Kenya* (Doctoral dissertation).

Msila, V. (2015). Teacher readiness and information and communications technology (ICT) use in classrooms: A South African case study. *Creative Education*, *6*(18), 1973.

Mkhonto, F., & Hanssen, I. (2018). When people with dementia are perceived as witches. Consequences for patients and nurse education in South Africa. *Journal of clinical nursing*, *27*(1-2), e169-e176.

University of Ghana http://ugspace.ug.edu.gh

Mangoma, A., & Wilson-Prangley, A. (2019). Black Tax: Understanding the financial transfers of the emerging black middle class. *Development Southern Africa*, *36*(4), 443-460.

Mensah-Bonsu, A. 2004 Migration and Environmental Pressure in Northern Ghana. Ph.D. Dissertation, Tinbergen Institute, Vrije Universiteit, Amsterdam. Nimako, K.

Mtshali, M. N. G. (2015). The relationship between grandparents and their grandchildren in the black families in South Africa. *Journal of Comparative Family Studies*, *46*(1), 75-83.

Msibi, M. (2020). *Causal Inference: controlling for bias in observational studies using propensity score methods* (Doctoral dissertation, University of Pretoria).

Msibi, A. N. (2020). *Exploring the perceptions of black tax among young employed black South Africans* (Doctoral dissertation, North-West University (South Africa)).

Mhlungu, G. (2015). Black Tax is not real. Retrieved from City Press: http://citypress.news24.com/Voices/Black-tax-is-not-real-20150508

Mhlanga, O., & Steyn, J. N. (2016). The aviation industry in South Africa: A historical overview.

Mtolo, V. (2018). Living with black tax. The Witness. 19 March. [Online] Available at: https://m.news24.com/SouthAfrica/News/living-with-black-tax-20180316 [Accessed: 21 April 2019]

Mkhonto, F., & Hanssen, I. (2018). When people with dementia are perceived as witches. Consequences for patients and nurse education in South Africa. *Journal of clinical nursing*, *27*(1-2), e169-e176.

Ngwandla, N. 2018. The burden of black tax. Drum. 9 March. [Online] Available at https://www.Fin24.ac.za [Accessed 20 April].

University of Ghana http://ugspace.ug.edu.gh

Nonhlanhla N. Magubane (2017). *Black tax: the emerging middle class reality* (Doctoral dissertation, University of Pretoria).

Okasha, S., & Martens, J. (2016). The causal meaning of Hamilton's rule. *Royal Society Open Science*, *3*(3), 160037.

Olatunji. E. (2022). Black tax: Your disposable income is under attack from 'urgent 2k'. https://businessday.ng/news/article/black-tax-your-disposable-income-is-under-attack-from-urgent-2k/

Patrick, I. M. (2004). *Devolution and empowerment through the local government system in Uganda: a case study of Hoima District local Government* (Doctoral dissertation).

Planting, A., Phang, P. T., Raval, M. J., & Brown, C. J. (2013). Transanal endoscopic microsurgery: impact on fecal incontinence and quality of life. *Canadian journal of Surgery*, *56*(4), 243.

Platteau, J. P. (2006). Solidarity norms and institutions in village societies: Static and dynamic considerations. *Handbook of the economics of giving, altruism and reciprocity*, *1*, 819-886.

Pickbourn, L. (2015). "Remittances and Household Expenditures on Education in Ghana's Northern Region: Why Gender Matters", Feminist Economics, Vol. 22, Issue 3.

Quartey, P. (2006). The impact of migrant remittances on household welfare in Ghana.

Ratha, D. (2013). Leveraging migration and remittances for development. *UN Chronicle*, *50*(3), 26-29.

Ratlebjane, M. (2015). How 'black tax 'ripples our youth's aspirations. *Mail & Guardian*, *30*.

Randazzo, T., & Piracha, M. (2014). Remittances and household expenditure behaviour in Senegal.

Rempel, H., & Lobdell, R. A. (1978). The role of urban-to-rural remittances in rural development. *The Journal of Development Studies*, *14*(3), 324-341.

University of Ghana http://ugspace.ug.edu.gh

Riley Carpenter, Malilimalo Phaswana (2021). Black Tax: An international exploratory study in the South African context. *Journal of Economic and Financial Sciences*, *14*(1), 612.

Roy, A. (2010). *The cost of living*. Vintage Canada.

Rogers, M. (2012). Contextualizing theories and practices of bricolage research. *Qualitative Report*, *17*, 7.

Ritchie, J., Lewis, J., Nicholls, C. M., & Ormston, R. (Eds.). (2013). *Qualitative research practice: A guide for social science students and researchers*. sage.

Sanders, M., Lewis, P., & Thornhill, A. (2007). Research Method for Business Studies, London.

Shor, E., Roelfs, D. J., & Yogev, T. (2013). The strength of family ties: A meta-analysis and meta-regression of self-reported social support and mortality. *Social Networks*, *35*(4), 626-638.

Sibiya, B. (2018). *Black tax and the vulnerability of the emerging middle class* (Doctoral dissertation, University of Pretoria).

Singh, A. S., & Masuku, M. B. (2014). Sampling techniques & determination of sample size in applied statistics research: An overview. *International Journal of economics, commerce and management*, *2*(11), 1-22.

Sloane-White, P. (2008). The Ethnography of failure: Middle-class Malays producing capitalism in an 'Asian miracle' economy. *Journal of Southeast Asian Studies*, *39*(3), 455-482.

Stewart, D. W., & Shamdasani, P. N. (2014). *Focus groups: Theory and practice* (Vol. 20). Sage publications.

Strauss, A., & Corbin, J. (1990). *Basics of qualitative research*. Sage publications.

University of Ghana http://ugspace.ug.edu.gh

Stroeken, K. (2017). *Ageing in Africa: Sociolinguistic and anthropological approaches*. Routledge.

Qu, S. Q., & Dumay, J. (2011). The qualitative research interviews. *Qualitative research in accounting & management*.

Queirós, A., Faria, D., & Almeida, F. (2017). Strengths and limitations of qualitative and quantitative research methods. *European Journal of Education Studies*.

Ratlebjane, M. (2015). How "Black Tax" Cripples Our Youth's Aspirations. Mail & Guardian.

Twum-Baah, K. A., & Nabila, J. S. (Eds.). (1995). *Migration research study in Ghana*. Ghana Statistical Service.

Teye, J. K. (2012). Benefits, challenges, and dynamism of positionalities associated with mixed methods research in developing countries: Evidence from Ghana. *Journal of Mixed Methods Research*, *6*(4), 379-391.

Turner III, D. W. (2010). Qualitative interview design: A practical guide for novice investigators. *The qualitative report*, *15*(3), 754.

Taylor, M. E., Stone, P., & Liu, Y. (2007). Transfer Learning via Inter-Task Mappings for Temporal Difference Learning. *Journal of Machine Learning Research*, *8*(9).

Vedeld, P., Jumane, A., Wapalila, G., & Songorwa, A. (2012). Protected areas, poverty and conflicts: A livelihood case study of Mikumi National Park, Tanzania. *Forest policy and economics*, *21*, 20-31.

Walsh, F. (2015). *Strengthening family resilience*. Guilford publications.

Waibel, M., Floreano, D., & Keller, L. (2011). A quantitative test of Hamilton's rule for the evolution of altruism. PLoS biology, 9(5), e1000615.

Wagner, C., Kawulich, B., & Garner, M. (2012). *EBOOK: Doing Social Research: A Global Context*. McGraw Hill.

University of Ghana http://ugspace.ug.edu.gh

Weisner, T. S., Bradley, C., Kilbride, P. L., & Kilbride, P. L. (Eds.). (1997). *African families and the crisis of social change*. Greenwood Publishing Group.

Woodburn, J. (1998). Sharing is not a form of exchange: An analysis of property-sharing in immediate-return hunter-gatherer societies. *Property relations: renewing the anthropological tradition*, 48-63.

WouTerSe, F. (2010). Remittances, poverty, inequality and welfare: Evidence from the Central Plateau of Burkina Faso. *The Journal of Development Studies*, *46*(4), 771-789.

Yang, D. (2011). Migrant remittances. *Journal of Economic perspectives*, *25*(3), 129-52.

Yin, R. K. (2009). Case study research: Design and methods (Vol. 5). Sage.

INTEGRI PROCEDAMUS

University of Ghana http://ugspace.ug.edu.gh

APPENDIX

BLACK TAX / LOCAL REMITTANCES QUESTIONNAIRE

UNIVERSITY OF GHANA, LEGON

CENTRE FOR SOCIAL POLICY STUDIES

INTRODUCTION

The aim of this survey is to investigate your motivation, behaviour as well as your opinion regarding the prevalence and burden of Black Tax (Local Remittances) on your household welfare. This questionnaire is designed to solicit information from you and other local government workers. The study is primarily for academic purposes. The findings of the study will contribute to knowledge of the prevalence and the burden of black tax in Ghana. Please note that there no correct or incorrect answers to this survey. It is therefore important that you honestly respond to all the questions. Any information you provide would be treated with the utmost confidentiality.

SECTION A: GENERAL INFORMATION

District: _____

Name of Location: _____

Date of Interview: _____

SECTION B: SOCIO-DEMOGRAPHIC CHARACTERISTIC OF RESPONDENTS

1. Age (years):

18 – 25	[ ]	39 – 46	[ ]	60 and above	[ ]
25 – 32	[ ]	46 – 53	[ ]		
32 – 39	[ ]	53 – 60	[ ]		

2. Gender:

Male	[ ]	Female	[ ]

3. Religion:

Christian	[ ]
Muslim	[ ]
Traditionalist	[ ]

Other (please specify): _____

University of Ghana http://ugspace.ug.edu.gh

4. Which Ethnicity group do you belong?

   Akan [ ]

   Ewe [ ]

   Ga-Adangbe [ ]

   Northerner [ ]

   Other (please specify) _____

5. Marital Status:

   Single [ ]

   Co-habiting [ ]

   Married [ ]

   Divorced [ ]

   Others (please specify) _____

6. Educational Background (highest educational attainment):

   Basic (Primary/JHS) [ ]

   Secondary (A-Levels, O- Levels, SHS, Technical/ Vocational) [ ]

   Professional Certificate (Nursing, teaching Diploma or Certificate) [ ]

   Other Diplomas [ ]

   First Degree [ ]

   Master's Degree [ ]

   PhD [ ]

   Professional [ ]

   Others (please specify) _____

7. If married, what is the highest educational level of your spouse completed?

   Basic (Primary/JHS) [ ]

   Secondary (A-Levels, O- Levels, SHS, Technical/ Vocational) [ ]

   Professional Certificate (Nursing, teaching Diploma or Certificate) [ ]

   Other Diplomas [ ]

   First Degree [ ]

   Master's Degree [ ]

   PhD [ ]

   Professional [ ]

   Others (please specify) ……..

University of Ghana http://ugspace.ug.edu.gh

8. If married, what work does your spouse do? (***Please specify***)

   _____

9. Pension status of spouse if retired:

   Retired [ ]

   Not retired [ ]

10. How many dependants do you have? (***Your Nuclear family***)

Children	
Spouse	
Others	

11. Who is the head of your household?

    Self [ ]

    Mother [ ]

    Father [ ]

    Wife [ ]

    Husband [ ]

    Sibling [ ]

    Friend [ ]

    Others (please specify)_____

12. What is the highest educational level of your parents?

    Mother ……..

    Father ……

13. Employment status of your parents:

    Mother ……..

    Father ……

14. Pension status of your parents if retired

    Retired [ ]

    Not retired [ ]

15. If married,

    a) What is the highest educational level of parents of spouse?

    Mother ……

    Father ……

University of Ghana http://ugspace.ug.edu.gh

b) Employment status of parents of spouse:

Mother ……

Father ……

c) Pension status of parents of spouse if retired

Please specify retired or /not retired

16. What is your monthly salary in Cedis:

Less than 750.00	[ ]
750 – 1250	[ ]
1251 – 1750	[ ]
1751 – 2250	[ ]
2251 – 2750	[ ]
2751 – 3250	[ ]
3251 – 3750	[ ]
3751 – 4000	[ ]
4001 – 5000	[ ]
5001– 6000	[ ]
Above 6000	[ ]

b) Kindly indicate your other source of income (if any):

_____

_____

17. If married, what is the monthly salary of your spouse in Cedis:

Less than 750.00	[ ]
750 – 1250	[ ]
1251 – 1750	[ ]
1751 – 2250	[ ]
2251 – 2750	[ ]
2751 – 3250	[ ]
3251 – 3750	[ ]
3751 – 4000	[ ]
4001 – 5000	[ ]
5001– 6000	[ ]
Above 6000	[ ]

INTEGRI PROCEDAMUS

University of Ghana http://ugspace.ug.edu.gh

SECTION C: NATURE AND PREVALENCE/WIDESPREAD OF BLACK TAX

1. a) Do you have people who depend on your household for their livelihood (aside your nuclear family if married, or have a child)?

   Yes [ ] No [ ]

   b) If yes to 1(a), how many

   _____

2. Does your dependent(s)—in (1)—live with you?

   Yes [ ] No [ ]

3. How regular do you provide support to these dependent(s)?

   Daily [ ]

   Weekly [ ]

   Monthly [ ]

   Quarterly [ ]

   Annually [ ]

   As and when needed [ ]

4. What is your relation with the dependents? _____

5. Why do they depend on you? _____

SECTION D: KIND OF SUPPORT PROVIDED

1. Do you send remittance/money support to anyone outside your household?

   Yes [ ] No [ ]

2. If yes, has this household sent any money to dependents over the last 12 months?

   Yes [ ] No [ ]

3. Where does this recipient live? Please specify the area

   Urban Areas [ ]

   Rural Areas [ ]

4. On average, how much of cash do you send/support dependents per month/ per year?

University of Ghana http://ugspace.ug.edu.gh

Provide details: _____

5. How regular were these remittances made to these dependent(s)?

   Daily [ ]

   Weekly [ ]

   Monthly [ ]

   Quarterly [ ]

   Annually [ ]

   As and when needed [ ]

6. If remittances made to these dependent(s) is not regular, kindly indicate why?

   _____

7. Do you budget for the amount spent on dependants?

   Yes [ ] No [ ]

8. a) What is the intended purpose of monies sent to these dependents?

   _____

   b) What were the 3 main uses of cash sent/given?

Uses	√
Consumption	[ ]
Accommodation	[ ]
Business	[ ]
Education	[ ]
Health	[ ]
Farming activities	[ ]
Funerals	[ ]
Other ceremonies	[ ]
Other (please specify): ……..	

9. How do you ensure money sent is used for the intended purpose?

   _____

University of Ghana http://ugspace.ug.edu.gh

10. a) Are you able to meet their needs/demands?

    Yes [ ] No [ ]

    b) If no, how does it affect you as a sender (how do you feel)?

    I feel Good [ ]

    I feel Bad [ ]

    I feel Alright [ ]

    I feel Normal [ ]

11. Do you provide non-monetary support to anyone outside your household?

    Yes [ ] No [ ]

    b) If yes, kindly specify:

    _____

SECTION E: BURDEN OF BLACK TAX ON SENDER

1. a) Do you put your money in any form of savings/investment?

   Yes [ ] No [ ]

   b) If yes, what form of Savings/investment is it?

   Saving: _____

   Investment: _____

   c) If no, kindly indicate why

   _____

2. If yes to 1(a), how much do you save out of your monthly income[3] on the average? (**Percentage saved**)

   _____

[3] **Salary is the money you are paid from an employer. Income is money from any and all sources. If you sold your old bicycle, that money is income. Salary from your job is also income.**

University of Ghana http://ugspace.ug.edu.gh

3. If yes to 1(a), how much to you invest out of your monthly income on the average? (**Percentage invested**)

   _____

4. a) Does local remittance/black tax affect your savings/investment plan?

   Yes [ ] No [ ]

   b) If yes, kindly explain:

   Savings: _____

   Investment: _____

5. a) Does local remittance/black tax affect your responsibility to your family?

   Yes [ ] No [ ]

   b) If yes, kindly explain:

   _____

SECTION F: FACTORS INFLUENCING BLACK TAX

The following is an inventory of possible factors, which may influence you to provide for local remittance. Please read and in each case indicate the degree to which you agree or disagree with these factors.

KEY: SD = Strongly Disagree, D =Disagree, U=Uncertain, A=Agree & SA= Strongly Agree

How do you see the need for local remittance?

No.	Statement	SD	D	U	A	SA
a.	It is a token of appreciation					
b.	I feel obligated					
c.	I do it out of love and care					
d.	I feel like I owe them so much					
e.	Because I have more than enough					
f.	I don't feel the weight					
g.	Someone once looked after me					
h.	It gives me a self-worth / fulfilment					
i.	I am the only one working in the family					
j.	There is no one else to turn to					
k.	My parents are not working					
l.	My parents do not earn enough					
m.	I am an only child of my aged parents					
n.	My father is deceased					
o.	Both of our parents are deceased					
p.	I and my siblings were raised by a single parent					
q.	They also need a future					
r.	I am only contributing to their needs					

University of Ghana http://ugspace.ug.edu.gh

s.	I may also be in need one day					
t.	Someone once supported me					
u.	The family sent me to school in order to help my siblings					
v.	All the family resources was spent on my education					
w.	Our culture demands we do so					
x.	My religious belief expects it					
y.	I feel guilty if I do not support					
z.	Society places demand on the one who is successful					

University of Ghana http://ugspace.ug.edu.gh

APPENDIX 2: IN-DEPTH INTERVIEW GUIDE

Dear Respondent,

This interview guide is designed to solicit information regarding the prevalence and burden of Black tax (Local remittances) and the factors that shape it in Ghana. The study is primarily for academic purposes, any information you provide would be handled with the utmost confidentiality. I would be grateful if you honestly respond to all the questions. However, the choice to answer any question is yours.

Respondent:

Name of Assembly: _____

District/Location: _____

1. What is/are in your opinion, the reason(s) for sending local remittance/black tax?

   _____

2. What do you think is the intended purpose of black tax (local remittance) sent?

   _____

3. How do you ensure money sent is used for the intended purpose?

   _____

4. How does local remittance/black tax affect your responsibility to your nuclear family?

   _____

5. In your opinion, why is local remittance/black tax widely spread among public servants?

   _____

6. What social intervention will you recommend for government to help augment the needs of your dependents?

THANK YOU