

Developing a Road Map for Engaging Diasporas in Development

**A HANDBOOK FOR POLICYMAKERS AND
PRACTITIONERS IN HOME AND HOST COUNTRIES**

Dovelyn Rannveig Agunias and Kathleen Newland



International Organization for Migration (IOM)





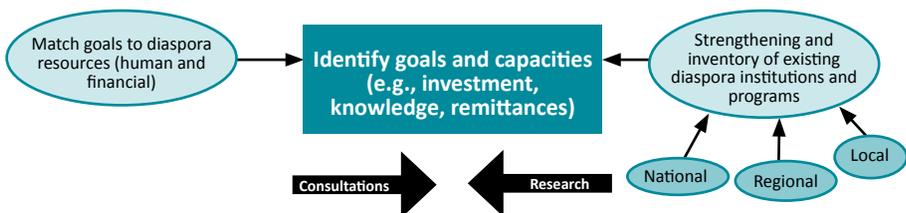
Chapter 1: The Elements of a Road Map for Diaspora Engagement

No road map can be a “one-size-fits-all” model for governments working to engage their diasporas more effectively. Each diaspora has a unique set of needs and capabilities based on its historical experience and the present realities of its countries of origin and destination — and government approaches must reflect these complexities. Nonetheless, a strategy for diaspora engagement will almost always include certain fundamental elements, which are reviewed in this chapter.

Many of the process and action elements related to the four stages of the road map are relevant to governments of both origin and destination countries. Most of them are suitable for bilateral or multilateral partnerships and some, such as twinning arrangements, require partnership.

1 Identify Goals and Capacities

The first step for any government in devising a strategy to facilitate stronger diaspora involvement in development is to identify its own goals in undertaking this pursuit and to define the internal tools and mechanisms (administrative, financial, etc.) required for the task. For countries of destination, the strategy may differ according to the characteristics and origins of the diasporas engaged.



Governments can then ascertain how far their own capacities will go toward reaching their goals, which capacities reside within the targeted diasporas, and which must be created or sought from other actors. If, for

example, a country of origin's goal is to reduce poverty or support the national balance of payments, its diaspora policy (in terms of both content and instruments) will likely focus on remittances, business investments, and, perhaps, capital markets. If, however, its goal is to improve the country's competitiveness in economic terms, its diaspora policy is more likely to emphasize the knowledge and skills that members of the diaspora can channel to their countries of origin. The country of origin may, for example, facilitate diaspora members' personal efforts to transfer skills to the homeland, or work to connect home-country institutions of learning and enterprise to advanced institutions in countries of destination in which diaspora members have ties.

The government of the Philippines, for example, pursues a strategy of large-scale contract labor deployment overseas to reduce unemployment and maintain a stream of remittance income. India and China, by contrast, have in recent years given priority to encouraging diaspora entrepreneurs and highly skilled professionals to develop activities in their countries of origin.

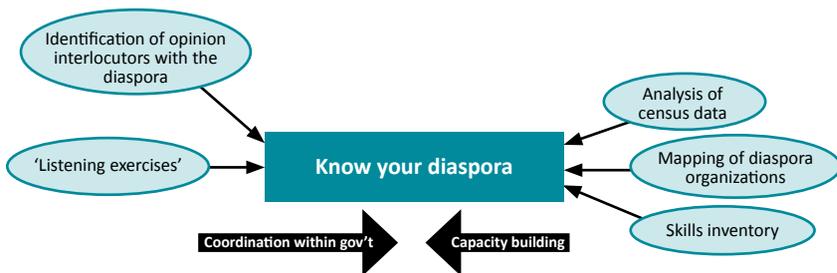
Beyond domestic policy considerations, goals may also be identified as a result of dialogue between the governments of countries of origin and destination. For a country of origin, partnership with a country of destination could facilitate the involvement of the diaspora in spreading information in diaspora communities about opportunities and programs that enable greater mobility for diaspora members, or provide financial support for joint projects involving the diaspora. For a country of destination that has decided to work with a specific diaspora, it is important to ascertain that the corresponding country of origin is willing to involve its diaspora in development activities, and that the goals defined by the destination country are consistent with the development priorities of the country of origin.

The goals of diaspora engagement cannot be set in a vacuum. They should be seen as an integral part of development planning, not as a side-line or add-on. Diasporas can bring important financial, intellectual, and social capital to the development process, but they cannot substitute for the cultivation of domestic resources — although they can contribute to this cultivation. Similarly, diaspora efforts cannot succeed when the basic elements of good governance are not integrated into development planning. The past success of governments such as the Republic of Korea and Taiwan Province of China in bringing diaspora talent and treasure to the table were in large part possible because both governments had sound development strategies in place to invest in education, promote science and technology, build infrastructure, and foster entrepreneurship.

Governments are also more likely to succeed in setting realistic but ambitious goals for diaspora engagement if they consult with diaspora members when setting these goals. Mexico, for example, has established the Consultative Council of the Institute for Mexicans Abroad (CCIME), composed mostly of leaders elected by diaspora communities. The council makes recommendations to the government about its diaspora policies, and engages in wide-ranging discussions about Institute for Mexicans Abroad (known by its Spanish acronym IME, for Instituto de los Mexicanos en el Exterior) programs. Meanwhile, the government of Switzerland has supported a “structured dialogue” between Kosovars resident in Switzerland and their municipalities of origin in UNSC resolution 1244-administered Kosovo, which has yielded ideas about the topics of greatest interest to the diaspora that are also relevant for development.¹¹

2 Know Your Diaspora

With reasonably clear goals articulated, the second crucial step for a government is to know the diaspora that it hopes to engage. This involves serious, comprehensive data collection (through a migrant/diaspora census, for example); mapping the location of the diaspora; compiling inventories of diaspora skills and experience; and engaging a wide range of diaspora members in listening exercises to understand what the diaspora has to offer, what it is willing to offer, and what it expects from the government in turn. It is crucial to acknowledge the diversity of diaspora agendas, interests, and strategies. Through the establishment of a continuous dialogue with diasporas, government policies should try to reconcile — or at least understand — differing and often diverging views. Successful government interventions are the result of years of continuous, open engagement.



The Indian government, for example, tasked a High-Level Committee on the Indian Diaspora to analyze the location, situation, and potential development role of the estimated 20 million nonresident Indians (NRIs) and persons of Indian origin (PIOs). The information resulting from this two-year exercise led to a new direction in diaspora policy, including the creation of a Ministry of Overseas Indian Affairs (MOIA) in 2004.

For countries of destination, a “know-your-diaspora” exercise will involve the collection of data in national censuses and surveys to reveal the birthplace and ancestry of residents in the aggregate, while protecting the identity of subgroups and individuals. With this aggregate information, countries of destination can judge where best to invest their efforts to create partnerships with countries of origin. More detailed information about diaspora populations can be gathered by both origin and destination countries through cooperation with diaspora organizations such as professional associations, hometown clubs, and alumni associations. Embassies and consular offices can also play an important role in gathering information about diaspora capacities and interests. The government of Ghana, for example, is among those directing resources to the management of migration data — and to creating profiles of diaspora members in particular.

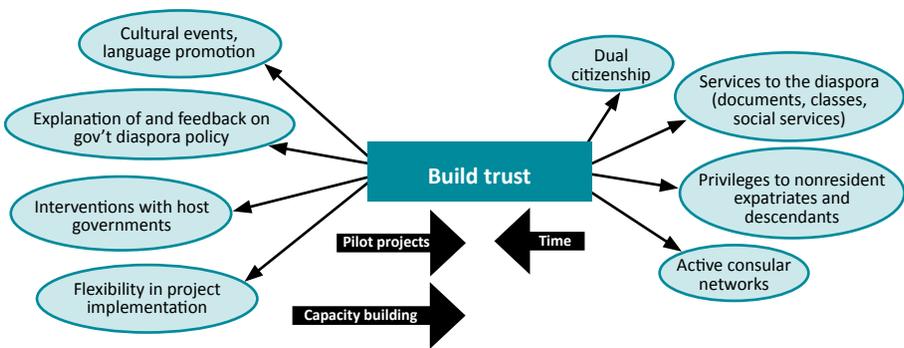
The lack of reliable data on diasporas is frequently identified by governments as an obstacle to developing effective diaspora policies and programs. Census data do not usually capture out-migration very well, as they offer only a snapshot of people residing in a country at the time of the census. So governments must rely on destination countries to collect data on the place of birth and ancestry of residents. Several destination countries have conducted special studies of their resident diaspora populations, such as the German Agency for Development’s (GIZ, the German abbreviation for Deutsche Gesellschaft für Internationale Zusammenarbeit)¹² ten-country series on diasporas resident in Germany.¹³ Consular estimates are often based on analysis of destination-country data and surveys, but are of variable quality and, often, are limited in scope; conducting large-scale, detailed surveys is also expensive. Colombia, for example, conducted a pilot exercise in London to map the characteristics of Colombians living there, but has so far been unable to extend this exercise to other locations where its diaspora is concentrated.¹⁴

The numbers, distribution, skills, prosperity, and level of integration of diaspora groups, along with their history, will define the universe of possibilities for diaspora partnerships. The institutional framework of a country of origin’s diaspora policy will be quite different, for example, if

it has a large diaspora concentrated in one or a few countries (Mexico) versus a small and highly dispersed diaspora (Ghana). Similarly, a country of destination's policy will differ depending on its historical relationships with its diasporas' countries of origin, on how successfully its diaspora communities are integrated into the destination-country's society, and of course on its foreign policy priorities. The US government, for example, has encouraged the formation of several diaspora foundations to encourage unified action on the part of diverse immigrant communities: these include the American Irish Foundation (now merged into The Ireland Funds), American India Foundation, US-Mexico Foundation, and American Pakistan Foundation. Such bodies help articulate the goals of diaspora communities both to the governments of their countries of origin and to the governments of the countries where they have settled.

3 Build Trust

The long-term project of building partnerships between governments and diasporas is much more likely to succeed if it has a strong foundation of good communication and mutual trust. Partnership is a two-way street. Too often, diasporas have felt that country-of-origin governments see them simply as cash cows, while some country-of-destination governments see diaspora groups demanding support on the basis of weak capabilities to deliver on mutual objectives. All parties must feel that they are deriving value from the relationship. Building trust is therefore a necessary third element of the diaspora engagement strategy.



For the country-of-origin governments, building trust with diaspora populations may also involve creating a welcoming environment for diaspora engagement in development activities. This would include steps

to improve the domestic business climate, such as greater transparency in regulations and licensing requirements and more consistent application of property law. Other elements of good governance and rule of law are also important in attracting diaspora engagement. Countries of destination, collectively or individually, can support such efforts. The European Commission (EC), for example, has funded projects in a number of migrant-origin countries to help their governments develop sound legal, regulatory, and/or institutional frameworks that promise to encourage increased diaspora investment.

Few governments have taken the task of gaining the trust of a diaspora as seriously as the government of Mexico. From the late 1990s, the government has invested in communication with and service to its diaspora.¹⁵ The creation of IME in the Ministry of Foreign Affairs in 2002 brought coherence to these efforts through a dense network of over 56 consular offices in North America. IME works with organized diaspora groups on the well-known *Tres por Uno* (3x1) program, through which three levels of government match the contributions of migrant organizations to infrastructure projects in their communities of origin. Thousands of projects have been financed — 1,613 in 2007 alone, in 443 municipalities.¹⁶ A key trust-building element of Mexico's diaspora engagement strategy is CCIME, the consultative council mentioned above. The council freely criticizes and disagrees with government positions when it feels called upon to do so, which — paradoxically perhaps — consolidates the confidence of both parties that disagreement does not mean alienation.

As Mexico's example shows, the establishment of joint diaspora-government decisionmaking is extremely important to building trust. At the institutional level, Israel and its diaspora have taken this process a step further through the development of an increasingly autonomous, quasi-governmental Jewish Agency for Israel. Its institutions and programs are governed jointly by government and diaspora representatives. At a more local level, Israel's Partnership 2000 is a prime example of building trust through twinning between Israeli municipalities and Jewish diaspora communities around the world. Such programs ideally have organizational structures that feature representation from both sides, whether on governing boards or professional committees consulting on program development and implementation. This allows for the voice and influence of both diasporas and government representatives in key efforts such as identifying needs, setting priorities, and allocating resources.

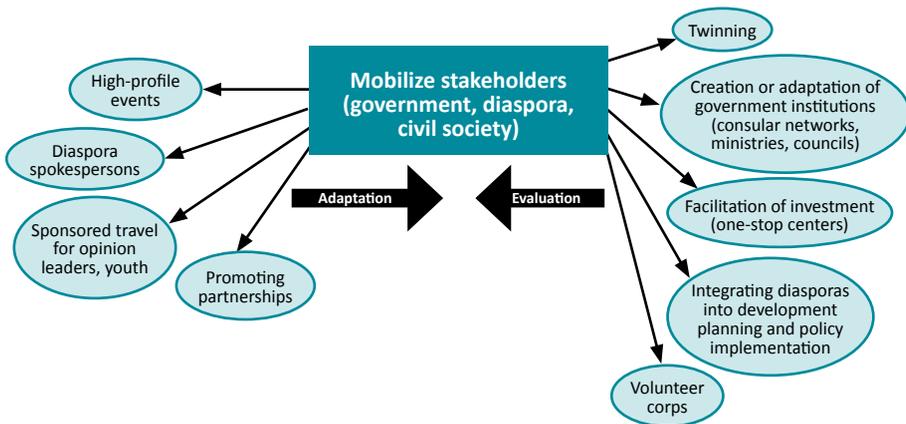
Partnerships of trust with diasporas can be built on many different kinds of programs. In addition to the kinds of services provided by IME, which include facilitating access to health care and education, many governments offer privileges to nonresident citizens (and, in some cases, their descendants) such as duty-free imports of goods, tax-free repatriation of foreign-currency income, and the ability to buy assets or hold jobs normally reserved for resident citizens. Successful diaspora initiatives, as identified by the EC-United Nations (UN) Joint Migration and Development Initiative (JMDI), confirm the positive link between privileges for diasporas (such as a special fiscal regime, or streamlined processes to set up businesses) and the impact of their engagement.¹⁷

Many governments sponsor cultural events in countries that have a diaspora presence; some, including China, also promote learning the “mother tongue” by subsidizing lessons and providing teachers. Political rights are often a high priority for diasporas; governments can both demonstrate and earn trust by facilitating overseas voting and other forms of political participation for expatriates. Ghana, for example, passed a law permitting dual citizenship in 2000 and one giving voting rights to Ghanaians abroad in 2006. Such actions are designed to instill a sense of belonging to and engagement with the country of origin.

For the governments of destination countries, building trust with engaged diaspora populations involves acknowledging that their dual sense of belonging and their commitment to their homelands is compatible with thorough integration in the adopted country. Dual citizenship is one signal that a government can send that it trusts people who have multiple commitments to meet all the obligations of full citizenship.

Destination-country governments can take the message of trust to a deeper level, and one more specific to development, by accepting that diasporas have expertise that may be an important input for the development policies of their countries of origin. The country offices of the United Kingdom’s Department for International Development (DFID) are encouraged to consult diaspora groups in formulating DFID country assistance plans, for example. Furthermore, the United Kingdom supports a Senior Executive Service drawn from diaspora members to fill senior positions in governments of postconflict countries.

With trust established between governments and diasporas, the characteristics of diasporas well understood, and the objectives of diaspora engagement clearly articulated, partnerships for development involving diasporas can be more successfully mobilized. This may require the creation of new government institutions or the revitalization of existing ones.¹⁸ Senegal was one of the first countries to pioneer this kind of arrangement, in 1993, with a landmark initiative that overhauled the Ministry of Foreign Affairs to include oversight for Senegalese abroad. As we will see in Chapter 4, ever-increasing numbers of migrant-origin countries are creating ministries dedicated to diaspora issues, such as India's MOIA, Mali's Ministry of Malians Abroad and African Integration, Armenia's Ministry of the Diaspora, and Haiti's Ministry of Haitians Living Abroad. Still more have offices at the subministerial level or special institutions elsewhere in government. Delegates at the 2007 Global Forum on Migration and Development (GFMD) diaspora roundtable (Roundtable 1.2) repeatedly made the point that countries of origin need an institutional framework at the national level to communicate with their diasporas, coordinate policies, and provide support for and follow-up on engagement.



Yet even if it succeeds in building trust, a governmental institution is not necessarily the most suitable channel for the mobilization of financial resources from the diaspora. Israel's experience has demonstrated the advantages of an independent and accountable mechanism for the transfer of philanthropic funds from the diaspora to the homeland — in Israel's case, the American Jewish Joint Distribution Committee is

governed solely by diaspora members. Diaspora Jews and overseas Israelis raise well over \$1 billion in philanthropic contributions every year,¹⁹ which suggests that formal institutions for diaspora engagement can usefully be augmented by initiatives from civil society. It is also worth noting that in a framework of origin-destination country cooperation, a nongovernmental mechanism for the transfer of funds might enjoy tax benefits or incentives in some host countries.

Strategies for diaspora mobilization may include high-profile events, such as India's annual Pravasi Bharatiya Divas ("nonresident Indian day"), the first of which brought together more than 2,000 high-profile Indian diaspora members for a conference attended by most of India's senior politicians, alongside Nobel Prize winners of Indian nationality or descent. Jamaica, too, holds an annual celebratory gathering of expatriates and descendants of emigrants. In connection with these events or independent of them, several countries recognize diaspora members who have made special contributions to their countries of origin, fostered better understanding between origin and destination countries, or demonstrated outstanding merit in their professional lives. Among the many awards given to diaspora members are the Presidential Awards for Filipino Individuals and Organizations Overseas, India's Pravasi Bharatiya Samman, the World Class New Zealand Awards, and the Governor-General's Jamaican Diaspora Award for Excellence.

Governments of origin countries also may appoint well-known members of the diaspora as spokespersons on diaspora issues, sponsor travel to the country of origin for opinion leaders and youth, or establish diaspora volunteer programs. One striking example of this kind of interface is the Taglit-Birthright Israel program, initiated in 2001, which provides free educational trips to Israel for young diaspora adults aged 18 to 26. Since its inception, over 260,000 diaspora youth from 52 countries have participated in the program.²⁰ Origin-country governments may also establish centers or programs to facilitate financial flows from the diaspora, such as India's "one-stop shop" for diaspora investors.

Country-of-destination governments, acting alone or in regional organizations, may partner with country-of-origin governments in development initiatives, particularly those that would benefit from technical assistance or financial support. In 2003-05 the European Commission supported the Return of Qualified Afghans (RQA) program for Afghan nationals living in EU member states. In cooperation with the government of Afghanistan, and employing the International Organization for Migration (IOM) as implementing partner, the program identified

Afghans with relevant qualifications and experience and assisted their return to Afghanistan for assignments of 6–12 months in both the public and private sectors. The program was small and relatively high-cost, but an evaluation found that the participating Afghans provided needed skills that were appropriately used.²¹ The Netherlands is implementing a similar program (Temporary Return of Qualified Nationals, TRQN) in Afghanistan, Georgia, Ethiopia, Bosnia and Herzegovina, Sudan, and Sierra Leone. It also cooperates with the IOM Migration for Development in Africa (MIDA) program in Ghana to support the temporary return of diaspora medical doctors to Ghana.

The Canadian International Development Agency (CIDA) uses a number of techniques to mobilize diaspora groups for development in their countries of origin. It directly funds development projects executed by diaspora groups with experience in implementing development projects, such as the Association of Haitian-Canadian Engineers and Scientists. For diaspora groups without such experience, CIDA has created tripartite partnerships among diaspora organizations, Canadian development nongovernmental organizations (NGOs), and NGOs in the countries of origin. (Such partnerships have the added advantage of avoiding the impression that a government’s diaspora policy is supporting an organized political opposition in exile.) Linking diaspora organizations with Canadian NGOs with solid experience in developing countries has enabled diaspora organizations to gain the knowledge and expertise needed to seek donor funds and to work independently. Many Haitian diaspora organizations, after working with Canadian civil society organizations (CSOs) for several years, now approach CIDA for separate funding to execute development projects in Haiti on their own.

Several governments that are donors of official development assistance (ODA, commonly known as foreign assistance) have found it useful to create and/or support platforms to facilitate diaspora involvement in development, such as Diasporas for Development in the Netherlands, the Regroupement des Organismes Canado-Haïtiens pour le Développement in Canada, and Connections for Development in the United Kingdom. Such institutions encourage the systematic sharing of ideas and information while also serving as vehicles for capacity building. In some cases, they may also evolve into operational partners for national development agencies.

In working with diaspora partners, a number of donor governments and consortia have found that the most successful projects and programs are those that build on existing diaspora initiatives rather than those

started anew at the initiative of governments. The EC-UN JMDI observes that “policies too strongly driven by governments can act as a deterrent for diaspora engagement.”²²

Government partners in diaspora engagement, whether of destination or origin countries, are by no means confined to the national level. Of particular importance is establishing links between diasporas and local levels of government, given that diasporas’ contributions tend to be geared toward their places of origin. State/provincial or municipal governments may establish partnerships with diaspora populations to assist in development of the countries of origin.

What is novel, however, is local governments’ interest in twinning with municipalities that are large and/or recent sources of newcomers to their communities. Dutch municipalities have established relations with local governments in source countries such as Turkey, Suriname, and Morocco. At present, there are some 39 diaspora-focused municipal twinning initiatives in the Netherlands, and their number is increasing.²³ City-to-city partnership projects often focus on strengthening local governance. For instance, the Dutch municipality of Zeist advises its partner municipality in Berkane, Morocco, on how to improve waste management.