Policies Engaging Diasporas for Development

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1. Diasporas as development actors
   - Definition of diasporas as the first step for policy making
   - Home countries and host countries options
   - Human capital
   - Social capital
   - Financial and entrepreneurial capital

2. What role for public policy?
   - Lessons learnt from policy practice
   - Incentives: what works, what does not?
   - Policy options
Diasporas as development partners
DEFINITIONS

• No one common definition: from Diaspora” to “diasporas”
• Transnational individuals and communities
• Parameters: time/birth/citizenship/belonging
• Contextual definitions and examples (UK, India, African Union)
• Data on diasporas: individual and collective, quantitative and qualitative

The definition influences the shape and direction of policy
HOME COUNTRY

• **Institutions dedicated to diasporas:**
  Armenia, Azerbaijan, Benin, Brazil, Burkina Faso, Chile, Ethiopia, Guatemala, Lithuania, Mali, Mexico, Romania, Senegal, Syria, Tunisia, Turkey, Uruguay, Peru

• **Diversity of approaches:**
  State Agency for Bulgarians Abroad, Presidential Office for Mexicans Abroad, Ministry for Senegalese Abroad, General Directorate for Ethiopian Expatriates, Peruvian Consular services

• **Programmes & Events:**
  Colombia, El Salvador, Tunisia, Algeria, Benin, India, Syria, Armenia
  Legitimacy, resources, dialogue, registration
• National programmes (UK)
• Co-development (France)
• Migration partnerships (Switzerland)
• Integration and diasporas (Germany)
• Cultural and ethnic diversity (Australia, New Zealand)
HUMAN CAPITAL

Promote skills circulation, address brain drain

Initiatives

- Skills databanks: Nigeria, Ghana, Benin, Colombia, Philippines, Bulgaria, Azerbaijan, Pakistan, Mexico, Portugal, Kenya, Argentina, Senegal, South Africa
- E-learning: Rwanda, Sweden
- Temporary returns: Tunisia, Sri Lanka, Bulgaria
- Permanent returns: Tunisia, Sri Lanka, IOM-RQAN
- Matching initiatives: Africa Recruit, IOM-MIDA, UNDP-TOKTEN

Lessons learnt

- De-skilling and de-qualification
- Attracting the right human resources?
- Targeting specific sectors (medical, education, IT)
- Return programmes: cost effective provided they offer targeted assistance packages
SOCIAL CAPITAL

Social networks together with shared values and trust are articulated in the expression “social capital”

Programmes

• “Community” capital and “local” capital
• “Emotional” and “affective” capital
• Build trust in home and host countries

Lessons learnt

• Positive inclusion: exchanges, innovation, enterprise building, financial support, trust in institutions, simplified trade relations, reduced transaction costs

• Negative exclusion: mistrust in governments, in banking systems, in and among diasporas …
Foreign direct investment, trade, business creation and remittances

Programmes

- Bonds for expatriates: India, Israel
- Tax breaks: India, Philippines, Ethiopia
- Special saving accounts: Banques Populaires Morocco, Banco Solidario Equator, Banque de l’Habitat Senegal
- Remittances for productive and social use, reducing transaction costs
- Promote change in the banking infrastructures and saving culture
- Investment Fairs: Africa Recruit, Africa Axis
- Diasporas Entrepreneurship: MIDA

Lessons learnt

- Diasporas as « Middle persons »
- Key role of Chambers of Commerce
What role for public policy?
OBSTACLES

As identified by governments:

- **Assessing** the diasporas’ development potential
- **Mobilising finance for** governmental work with diasporas
- **Collecting** data on diasporas
- **Overcoming competition** among diaspora groups
- **Building partnerships** with home or host countries
- **Lack of communication** among departments, community representatives and corporate actors

**Problem of capacities, structures and ownership in country of origin**

*Source: IOM Survey 2006 (49 countries)*
INCENTIVES

• Relate diasporas policies to diasporas rights
• Dual citizenship
• Consular support
• Voting rights
• Property rights
• Transferability of pension rights and social benefits
• Simplification of bureaucratic procedures
• Reduced transportation costs

Match diasporas resources with real development needs
Key lessons learnt (1)

• Address heterogeneity of interests
• Who are your partners?
• What is on diasporas’ agenda?
• What is on your development agenda?
• Support trans-nationalism and mobility
Key lessons learnt (2)

- **Timeline**: build communication and collaboration
- **Gender specific responses**
- Importance of “soft” factors: trust, perceptions
- Identify obstacles: legislative, institutional, bureaucratic…
- Favour « local to local » responses
- **Home and host countries** interests should not be divorced
- Estimate the offsetting potential of macro-economic and political settings
POLICY ROLES

- “Enabling” role
- “Inclusionary” role
- “Partnership” role
- “Catalytic” role

Diasporas can make a difference in the right policy context
Selected IOM Publications

- Engaging diasporas as partners for the development of the host and home country, MRS 26, 2006
- Diaspora across worlds, Collection under the direction of Nyberg Sorensen N., 2007
- Remittances in the Great Lakes Region, MRS 25, 2006
- Migration for Development, Across and Within Borders, 2006
- Migrants’ Remittances and Development: Myths Rhetoric and Realities, 2006
- Mainstreaming Migration into Development Agendas, IDM n°8, 2006
- Migration and Development: Opportunities and Challenges for Policy Makers, MRS 22, 2005
- Migration and Development: the Cases of Angola and Zambia, MRS 21, 2005
- The development Potential of Zimbabweans in the diasporas, MRS 17, IOM, 2005
- Institutionalizing Diasporas Linkages: the Emigrants Bangladeshi in the UK and USA, 2005