di-as-po-ra

noun \dī-ˈas-pə-rə, dē-\n
the movement, migration, or scattering of a people away from an established or ancestral homeland
Key Messages

1. Diaspora contributions are more than remittances.
2. There are significant untapped economic benefits.
3. Governments need to do more.
Outline

1. Mapping of the diaspora

2. Benefits of the diaspora:
   A. Remittance inflow, support for poverty alleviation & philanthropic donations
   B. Support for trade, technology and knowledge transfer
   C. Investment by the diaspora

3. Governments’ programs for engaging diaspora in sending and receiving countries

4. Policy recommendations
African Union Definition of Diaspora:

"consisting of people of African citizenship and nationality and who are willing to contribute to the development of the continent and the building of the African Union"
Diaspora Size: 2010

Millions

Diaspora Size: 261 million
(first and second generation in OECD Europe, USA, Australia)

Migrant Stock: 214 million
Ancestry in the USA: 2010

Million

- German: 48
- Irish: 35
- English: 26
- American: 20
- Italian: 17
- Polish: 10
- French (except Canadian): 9
- Scottish: 5
- Dutch: 5
- Norwegian: 4
- Swedish: 4
- European: 4
- Scotch-Irish: 3
- Russian: 3
- West Indian: 3
- Welsh: 2
- African: 2
- Arab: 2
- Czech: 2
- Hungarian: 2
- Portuguese: 2
- Danish: 1
- Greek: 1
- British: 1
Overseas Indians Living Abroad 2012

Overseas Indians: 21,909,875
NRI: 10,037,761
PIO: 11,872,114
Benefits of engaging with the diaspora

A. Support for poverty alleviation and philanthropy
B. Support for trade, technology, and knowledge transfer
C. Investment by the diaspora
D. Potential for return
Philanthropic Activities by the African diaspora associations: Denmark case study

- Collective remittances: 27 (22%)
- Larger programs: 4 (3%)
- Sending used equipment: 41 (34%)
- Sending new or larger equipment (e.g. machines): 6 (5%)
- Donations / collective remittances: 27 (22%)
- Education / capacity building / informational campaigns: 13 (11%)
- School projects / orphanages / activity centers: 3 (2%)
- Health clinics / hospital projects: 3 (2%)
- Other small-scale projects (wells / farming / micro-credit etc.): 9 (7%)
- Larger programs (education / environment / infrastructure): 4 (3%)
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- Information / education: 20 (16%)
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<table>
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<th>Legal Identity</th>
<th>Objectives</th>
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<td>Non-profit</td>
<td>Promote education</td>
<td>Fund raising, donations</td>
<td>Security during disaster relief, restrictions on imports</td>
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<td>Wegene Ethiopia Foundation, VA</td>
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<td>Coalition for Ethiopia women for mutual support, NY</td>
<td>Non-profit</td>
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<td>Membership, donations, New York assoc. for New Americans</td>
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Main findings of diaspora assoc.

• In USA, associations still are self financed while in Denmark, external funding plays an important role

• Opportunities in host country are important

• Difficult for associations to access funds (e.g., SBA, or other European Funds)

• Strong participation of diaspora for rebuilding post conflict and fragile states independently of place (within Africa or outside Africa)
Main findings of diaspora assoc.

- Level of contact with government varies by country:
  - Liberia: strong connections with the associations
  - Little contact or nil contact with governmental institutions (Nigeria, Kenya, Ethiopia). They work directly with schools and hospitals

- Dual citizenship does not affect contributions
Support for Trade, technology and knowledge transfer

- Source of demand for home country’s exports and linkages
- A source and facilitator of research and innovation
- Due to their cultural and linguistic abilities, they are better able to adapt, establish connections and reduce asymmetric information
Migration and Trade Go Hand in Hand: African and OECD Countries

Bilateral trade (2007) and migrant population (2010) between OECD and Africa. Each dot represents a migrant corridor (Kenya-UK, Morocco-France, etc.)
Technology and knowledge transfers

- Licensing agreements
- Direct investment in local firms as a joint venture
- Knowledge spillovers (managerial positions)
- Networks of scientists and professionals
- Virtual return, extended visits or electronic communications
- Return to permanent employment
Using the Diaspora to Supplement Local Capacity

- Global exchange of knowledge

Networks provide:
- A critical mass of professional peer review not available at the national level
- An effective mechanism for keeping in touch with the frontier of knowledge
- A cost effective means for specialized training and skills formation
  - Mentoring, internships, etc
Lessons from successful diaspora networks

- Networks bring together people with strong motivation

- Member play both roles:
  - Implementing projects in the home country; and
  - Serving as bridges and antennae for the development of projects in the home country
ChileGlobal

Fundación Chile

ChileGlobal

Public Innovation Entities
- CORFO
  Business World
- CONICYT
  S&T and Academia

Chilean Ministry of Foreign Affairs
- ProChile
  Export Promotion
- DICOEX
  Chileans abroad
China: How to foster innovation?

Research collaborations

• Provide scientific input, key techniques, reagents to facilitate research projects, etc;

• Help establishing research institute, centers, & laboratories that meet the US standards;

• Joint laboratories with joint grants;

• Joint biotech companies and joint fund raising activities
The Latin Scientific Diaspora

- Not interested in “moving back” to their countries of origin
- Most countries have failed in attracting them back
- Not well organized
- Very interested in helping their country of origin and or other Latin countries
- LatIPnet has created own network of diaspora individuals
- Scientists, directors, professionals, investors, lawyers
LatIPNet Mission and Charter

– To build value from knowledge in Latin countries by
  • Helping to build new global businesses using technology developed in Latin America and Spain
  • Helping to globalize tech business from Latin countries by bringing them into the US market
  • Enhancing the collaboration university-industry & building partnerships global players to bring value from R&D

– To educate Latin innovation agents on the value of IP stressing commercialization and new venture generation
Examples of LatImPetu Companies

**The Problem:**
- Boom of tequila industry triggered overgrowth of agave plants through Mexico
- Agave grown outside the zones under “Designation of Origin” by the tequila industry could not be sold
- Price of agave plummeted
- Hundreds of agave farmers are going bankrupt while their agave plants are waisting in the fields. Losses are in the billions of dollars

**The Solution:**
Production of new, valuable, and global products (other than tequila) from the agave (i.e. natural sweeteners and food additives)
Brain Drain, Brain Gain or Brain Circulation?

- The dilemma of highly skilled migration
- The special case of education and health professionals
- Canada: Mitigate the brain drain by investing in diaspora-led development projects
High-skilled migration is larger in low-income countries

Migration rate among tertiary educated

Solution: train more people; leverage the diasporas
High-skilled emigration (of tertiary educated) from Small States

Emigration rate of tertiary-educated population

- Guyana: 89.0
- Grenada: 85.1
- Jamaica: 85.1
- St. Vincent and the...: 84.5
- Trinidad and Tobago: 79.3
- St. Kitts and Nevis: 78.5
- Samoa: 76.4
- Tonga: 75.2

But migration can augment skill levels in developing countries through brain gain, skill and technology transfers, and return migration.

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Virtual return and short term return

• Virtual participation distance teaching, e-learning, joint research projects, peer reviewer

• Remote resource mobilization (donation of books, sending computer, providing medical equipment)

• Examples of facilitating conditions for returnees to the Universities (flexibility in appointments, recognition of degrees, etc)

• Information and identification of short-term return assignments

• Access and acquisition of bandwidth for education and research purposes.
Investments in business and housing

Percent of total remittances

- Senegal Within Africa
- Senegal Outside Africa
- Burkina Faso Within Africa
- Burkina Faso Outside Africa
- Uganda Within Africa
- Uganda Outside Africa
- Kenya Within Africa
- Kenya Outside Africa
- Nigeria Within Africa
- Nigeria Outside Africa

Business and other investments
Housing
The diaspora is more willing to take risks in its own country but...

They will need:

- Conducive business environment
- Sound and transparent financial sector
- Rapid and efficient court systems
- Safe working environment
Diaspora has savings that can be mobilized

- Diaspora resources are determined by the net wealth of members.

- Types
  - Diaspora bonds (India, Israel, Kenya, Ethiopia)
  - Diaspora funds (Liberia is considering it)

- Several countries show that diasporas do invest (e.g., China, Ethiopia, Kenya, India, Israel, Ireland)
An important step is to know the profile of the diaspora

- Mapping diaspora Profile
- Mapping diaspora organizations and networks
- Mapping existing obstacles to diaspora Investments (e.g. dual citizenship, cost of visa, etc)
Government policies to maximize the benefits of the diaspora

• Policies in sending countries
  • Dual/Multiple citizenship/Voting rights
  • Conducive business environment/trade/tec
  • Measures to quantify their diaspora
  • Develop financial instruments to tap to the diaspora
  • Portability of pension funds
  • Management of Migration

• Policies in receiving countries
  • Acceptance of dual citizenship
  • Agreement with other countries (social security portability, labor, taxation)
  • Protection of immigrants
Examples of Initiatives in Africa (World Bank)

- Regional Initiative in Science and Education (RISE) – Carnegie-IAS
  - Origin: Vice Chancellors at Leaders’ Forum in 2006 concurred that staff development was their greatest need
  - Objective: Prepare PhD-Level scientists and engineers in SSA through university research and training networks
  - Diaspora role: giving short courses, hosting RISE students at labs abroad, engaging in collaborative research
World Bank Initiatives

• Program of engagement with the Africa Diaspora
  – University of Ghana, Faculty of Social Science
  – Ethiopia, Scholl of Medicine,
    • Telemedicine Unit, Connectivity
    • Develop joint curriculum
    • Thesis supervision, Mayo Clinic
  – Support for diaspora initiatives (Kenya, Ethiopia, Uganda, Mali, Tanzania, Liberia)

• Focus groups and diaspora surveys
  • Jamaica
  • Comoros
  • MENA

• Diaspora Bonds
AAU

- Issues of Accreditation
- ICT (bandwith)
- Sensitizing faculty that it will be mutual collaboration (opportunities for joint research)
- Institutional Affiliation
- Providing back home opportunities
Governments have set up diverse initiatives to improve the image and knowledge of the diaspora by the members of the diaspora themselves as well as the general public.

**Results:**
- Most embassies communicate via email notifications, websites, and through diaspora organizations.
- All embassies have a website, but some have more detailed information.
Challenges

- No government has complete mapping of diaspora; data mainly based on those who register with embassy.

- Very little involvement with investment, trade & technology transfer, few embassy staff dedicated to this: At most, facilitate forums, or provide matching.

- Little coordination at the embassy/consular level when dealing with diaspora.

- Some instances of government mistrust by diaspora.
Policy recommendations for governments

- **Data**
  - Improve data collection on diaspora

- **Improving diaspora outreach**
  - Embassies/foreign service departments need to provide more investment, trade, skills & technology transfer services, as well as more staff training in these areas
  - Better coordination among different departments within the embassies and governments

- **Stimulating Investment**
  - Innovative ways of developing financing instruments, harnessing diaspora resources, etc
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Thank you

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www.knomad.org

www.worldbank.org/migration