Creating an Enabling Environment for Diasporas’ Participation in Homeland Development

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Abstract

Diasporas contribute to their homeland’s development through remittances, philanthropy, skills transfer, business investment, and advocacy. This paper focuses on actions homeland governments can take to institute an enabling environment for diasporas’ contributions. Part I addresses the diaspora phenomenon and the homeland government-diaspora relationship. Part II develops a framework for characterizing government’s role in an enabling environment specific to diasporas’ development contributions. Part III considers how to put the framework into practice, identifying important caveats and discussing several implementation issues, including the potential role of donors. The framework is also a tool for diasporans to strategically advocate for improved enabling environments.

Key words: Diaspora, governance, enabling environment, advocacy

What will it take for diasporas to meaningfully contribute to the development of their homelands? This question is beginning to surface and is receiving increasing attention from home country governments, international bodies (such as the African Union, and the United Nations), members of diasporas, and international donor agencies. Among the prescriptions for capitalizing on this resource for development is the need to create an enabling environment to put in place the conditions that will create incentives and facilitate the efforts of diasporans.

1 Forthcoming in International Migration.

2 By development, I refer to processes and capacities that improve people’s and communities’ assets and quality of life. This may mean contributing to economic (material assets), political (good governance), or social development (e.g., health, education, and civic values).
Actions at all levels, from the global to the local, are called for; and the recommendations for what needs to be done are numerous. The role of host societies and international policy regimes hold significant sway.

This paper takes as its particular focus the actions that homeland governments can take to institute an enabling environment for diasporas’ contribution to the country’s development. It seeks to clarify what the homeland government can and should do to support and encourage diasporas to pursue actions related to development in the homeland. The proposed framework is also intended as a tool for diasporans in strategically advocating for improved enabling environments for their homeland development efforts. Finally, in addition to providing a road map for donor interventions, more specific potential roles for donors are discussed.

Part I addresses the diaspora phenomenon, briefly reviewing diasporas’ varied potential contributions to development, potential incentives to provide them, and the ways a homeland government may relate to its diasporas. Part II turns to the enabling environment for diasporas’ contributions to development and develops a framework for more precisely characterizing government’s role in an enabling environment specific to diasporas’ contributions. Part III considers how to put the framework into practice, identifying important caveats and discussing several implementation issues, including the potential role of donors.

PART I: DIASPORAS AND DEVELOPMENT

Diasporas are “ethnic minority groups of migrant origins residing and acting in host countries but maintaining strong sentimental and material links with their countries of origin—their homelands” (Sheffer, 1986, p. 3). Diaspora members share a self-awareness or diasporic consciousness: they identify with each other as members of a dispersed identity group with continuing common ties to the homeland. This often leads to networks that link diaspora groups
between host countries. Whether together or independently, diaspora individuals (diasporans) and diaspora organizations (DOs) have the potential to make a range of contributions to their homelands’ socio-economic and political development. A variety of motivations and incentives may inspire these contributions, which are also greatly influenced by the relationship between the diaspora and its homeland government.

A. Types of contributions

Diaspora contributions include economic remittances, homeland economic investment, skills transfer, diaspora philanthropy, and political influence. Since many of these contributions are made through diaspora organizations, which are by definition non-governmental, the literature on NGO-government relations and development applies. As members of an extended civil society, in the home country diasporans have the potential to perform those roles typical of civil society and NGO actors more generally: service provision, interest aggregation and representation (whether their own or in conjunction with selected elements of the homeland society), and policy advocacy and monitoring. More specifically, diasporas potentially make transnational contributions of financial, human, social, and political capital.

The most commonly recognized contributions of diasporas to their homelands are remittances. In several countries, diasporas contribute significant portions of their homeland’s GDPs (IFAD, 2007). Globally, economic remittance estimates now outpace official development assistance: $70 billion per year in 2004; and estimated at $125 billion in 2005, and $167 billion in 2006 (World Bank, 2004, 2005, 2006). Other estimates place 2006 global remittances at $300 billion, with most going to Asia (over $113 billion), followed by Latin America and the
Caribbean (over $68 billion), Europe (over $50 billion), Africa (over $38 billion), and the Near East (over $29 billion) (IFAD, 2007).³

In addition to a few wealthy millionaires—such as Kirk Kirkorian of the Armenian diaspora, who founded the Lincy Foundation—many individual diaspora members donate regularly on small scales that add up. For example, according to Opiniano and Castro (2006), Filipino diaspora remittances of approximately $218 million were sent through the formal banking system as gifts and donations (not including remittances to families) in 2003 (Association of Foundations, 2005), a 5-year high, according to data from the balance of payments of the Bangko Sentral ng Pilipinas.

Diasporas also organize philanthropic activities targeted to the homeland, either through diaspora organizations, faith communities/organizations, or less formally and individually. Some diaspora organizations have evolved into professional nonprofits and international development NGOs, competing alongside more traditional development actors and participating in the international development industry (e.g., Coptic Orphans, Afghan-American Reconstruction Council). Diaspora philanthropy organizations can act as important intermediaries between these formal development actors, and diasporas and local communities, for example, identifying and communicating needs and priorities of local communities and communicating those to donor organizations, NGOs, and diaspora members to solicit funding and expertise. Diaspora philanthropy organizations may also demonstrate innovative programs and approaches that can

³ Data on remittances is notoriously difficult to verify. On the one hand, informal and south-to-south transfers are rarely counted; on the other, even with formal transfer records, data may not be reliable, nor the source of transfer verifiable.
be replicated and/or used to advocate for development administrative and programmatic reforms. These contributions are especially salient to countries emerging from conflict, for example in Afghanistan (Brinkerhoff, 2004) and Liberia (Lubkemann, 2008).

Developing countries can benefit from diasporans’ skills transfer, and cultural and civic awareness/experience (Nyberg-Sorensen, 2004). These contributions are particularly relevant in countries suffering from brain drain in specific technical sectors, but also in countries seeking to advance their development more generally (see Wescott and Brinkerhoff, 2006). Individual diasporans may repatriate for the purpose of capacity building, whether permanently or for short-term assignments. Experimentation with virtual return is also on the rise, whereby diasporans can contribute knowledge and expertise and/or transfer knowledge through IT technologies and video-conferencing. Examples include Dutch-Ghanaian doctors providing patient diagnosis to hospitals in Accra, and diasporan delivery of health policy analysis training through video-conference in Ethiopia. Diasporans may also contribute to homeland development through employment in the development industry (see, for example, Brinkerhoff and Taddesse, 2008).

Diaspora homeland investment may be crucial to resource-strapped developing countries; their relatively weak institutions, political risks, or lower incomes may discourage the typical, non-diaspora foreign investor (Riddle, Brinkerhoff, & Nielsen, 2008). First, diasporans (members of diasporas) may be more likely to invest in economies that others would consider high-risk, simply because they have knowledge and relationship opportunities that other investors lack (see Gillespie, Sayre, & Riddle, 2001; Gillespie et al., 1999). Second, they can combine this knowledge with the skills, knowledge, and networks they have cultivated abroad, yielding important synergistic advantages (Ibid.). In India’s IT industry, diaspora members played a significant role not only as direct investors (approximately 16% of FDI to the sector)
but as brokers of investment relationships, leading to the much-lauded success of India’s IT industry (Saxenian, 2002a). Part of this success is attributed to the Indian diaspora’s role in proposing and promoting necessary changes to the legal framework in order to improve the investment climate (Saxenian, 2002b).

On the political front, diasporas have become important constituents and advocates for homeland governments (although some also seek regime change and promote instability). Diasporas’ political activities are likely to grow as they both benefit from and contribute to democratization and a more general enabling environment for development. Democracy affords both a more conducive environment for diaspora political engagement from the hostland and more opportunities for influence in the homeland (Koslowski, 2005). Policy influence in the homeland may support improved enabling environments for socio-economic development, as in the Indian IT sector, and/or it can be used to promote partisan platforms with arguable public benefit. Rather than alternatives, exit may be necessary for the exercise of voice (Koslowski, 2005). In other words, diasporans may have an advantage to being outside of their homelands for more effectively promoting their policy agendas. Diasporas may have influence disproportionate to their numbers owing to knowledge, skills, and financial capital acquired in the host society, and through their influence on the host country’s foreign policy vis-à-vis their homelands (Koslowski, 2005).

The activities of the US Copts Association (see Brinkerhoff, 2005), which advocates for improved quality of life and human rights protection for Coptic Christians in Egypt, has been characterized as “four guys and a fax machine” (Rowe, 2001). Its networks are larger than this headline suggests, but the Association is largely the full-time mission of one individual, with financial and informational support from others in diaspora (and sometimes in Egypt).
Nevertheless, the founder claims his actions were instrumental to the US foreign policies that pressured the Government of Egypt to release Saad Eddin Ibrahim. Ibrahim had been imprisoned in Egypt on alleged corruption charges. His case sparked an international advocacy effort, which argued that he was being harassed due to his work on human rights. US Copts Association is also exploring taking cases before the International Criminal Court.

Diaspora support to homeland political campaigns may disproportionately influence outcomes due to relative currency exchange rates. In some instances, this leads political candidates to campaign in diasporas’ countries of residence even when those diasporans cannot vote or tend not to vote in large numbers, for example, soliciting campaign contributions in the United States from Dominican, Mexican, and Salvadoran diasporans (see Spiro, 2006). A presidential candidate in Ghana also recently toured the Netherlands—where Ghanaian diasporans with Dutch citizenship cannot vote—in search of political endorsement and campaign contributions.

B. Diaspora motivations and incentives

The motivation for diasporans to mobilize is likely to be for the expression of their identity, for maintaining or acquiring power or other resources, or both. For some, the expression of homeland identity is based solely on a sense of belonging, in response to feelings of marginalization in their adopted societies. Cultural obligations and expected behavior vis-à-vis

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4 The Ibn Khaldun Center for Development Studies focuses on human rights in Egypt generally but, as a consequence, publishes reports that are specific to the Egyptian Copts. In December 2002, a retrial was ordered and Dr. Ibrahim was released; he was acquitted of all charges in March 2003.
both the homeland and the hostland also influence motivation. These are first and foremost rooted in family relations and responsibilities, but also become shaped through identity formation and the context in which that occurs. Mobilization may be for the expression of a hybrid identity (a sense of self that is neither wholly of the homeland nor exclusively reflective of the hostland), which may encompass liberal values. The felt need to actively express identity may derive from various forms of marginalization (social, economic, political, or psychic), confusion and a sense that the homeland identity will be lost without proactive expression (e.g., when overwhelmed by pluralism), or simply in response to social reinforcement and perhaps pride (Brinkerhoff, 2008b).

Diaspora contributions are facilitated when diaspora members have access to five types of power resources (Uphoff, 2005): economic, social (social status based on social roles or on complying with socially valued criteria), political (ability to influence the exercise of authority), moral (perceived legitimacy of actions), and informational. These are largely present when the homeland (and host country) is democratic and economically productive. These characteristics are typically rare or at least mixed in most developing countries, constituting push factors for migrating in the first place.

In fact, these power resources may be accessible despite these constraints, and the degree of democracy and development in the homeland has mixed impacts on diasporas’ propensity to

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5 While Uphoff (2005) includes physical power (i.e., coercion or violence, depending on perceived legitimacy of applied physical force), this study presupposes the legitimacy and sovereignty of home governments, making diaspora access to physical power irrelevant to the productive contributions discussed here and sought by these governments.
contribute to the homeland. When the features of democracy and development are absent from
the homeland, diasporas may find themselves powerless, and the likelihood of their contributions
to the homeland may be lessened. In a study of skilled diaspora contributions to Afghanistan,
China, and the Philippines, diasporans from all three countries indicated that democracy and
development in the homeland are key influences on their inclination to not only return but also
the continuing performance of the Philippine economy and consequent poor quality of life as
additional incentives to migrate, and disincentives for return, skills transfer, and investment. As
for Afghanistan, few surveyed diasporans expressed interest in repatriating due to a perceived
absence of supportive legal frameworks and their enforcement.

On the other hand, the absence of different characteristics related to democracy and
development does not prevent all diaspora members from contributing, nor does it prevent all
types of potential contributions. In the case of China, Biao (2006) cites evidence that the 1989
Tian’anmen Square movement impacted overseas Chinese professionals’ incentives to return, at
least in the immediate following years. In subsequent years, concerns turned more towards
quality of life and professional opportunities. Diasporans are sometimes inspired to contribute
precisely because their homeland families and/or communities rely on them for their sustenance,
especially during conflict (see Lubkemann, 2008). Homeland crisis—whether natural disasters or
conflict—may also inspire renewed interest among later diaspora generations.

Nevertheless, there is no doubt that corruption inhibits potentially lucrative and
sustainable contributions, much as it does any type of foreign investment. At a recent focus
group of DO leaders in the Netherlands, the idea of creating a Diaspora Forum for Good
Governance was discussed and it was decided that the focus on good governance in the
homeland should be integrated into the nascent Diaspora Forum for Development (Focus Group, 2007).

C. Homeland government relations with their diaspora

Home government perspectives on diaspora activities differ. In some cases, governments consider them an interference with state sovereignty. In other cases, governments see them as important contributors to social, political, and economic development. Accordingly, some states (e.g., India, Mexico, and the Dominican Republic) actively court the participation of their diasporas while others (e.g., Cuba) ignore or view them as enemies. Still others have more complex relations, ignoring and discouraging diasporans’ actions in some arenas, while courting them in others (e.g., Ethiopia).

The stance of national governments with regard to their diaspora communities varies according to a range of factors, including the national ethos of the country of origin, the make-up of the community (e.g., refugees versus economically motivated emigrants), the importance of economic remittances to national development, and citizenship laws (Shain, 1999). States are increasingly challenged by the tension between preventing brain drain and controlling the activities of diaspora communities on the one hand, and not limiting their potential economic contributions on the other.

Many governments seem to prioritize remittances and the direct transactions that come with them over brain drain. Home governments are increasingly soliciting remittances and offering policy incentives and investment options to encourage diaspora contributions (see, for example, Orozco with Lapointe, 2004; Lowell & De la Garza, 2000). Gamlen (2005) labels this a remittance capture engagement strategy. For example, through hometown associations (HTAs), resources can be channeled to specific development projects, sometimes identified by the
targeted communities themselves, and/or coordinated with government funds and expertise (see Orozco with Lapointe, 2004; Shain, 1999). Remittance capture can also be achieved by offering various investment options and supporting incentives, including remittance-backed bonds, foreign currency accounts, investment tax breaks, exemption from import tariffs on capital goods, duty-free shopping bonuses, and free passport insurance (Gamlen, 2005, p. 20).

Remittance capture entails not only increasing the volume and productivity of remittances, but also policies that seek specifically to encourage diaspora “foreign” direct investment. China’s support for industrial parks to nurture and host overseas Chinese professionals business ventures is one example (Biao, 2006).

Through these policies, diasporans may expand their access to economic power through the reduction in remittance transfer fees and through potential gains through investment opportunities. Their social power might also be enhanced among recipients of remittances, especially when this occurs at community levels and with government matching. Outcomes for moral power might be mixed depending on the design and control of productive programs.

Remittance capture is an application of the “diaspora option” (originally proposed by Meyer et al., 1997; see also Lowell & Gerova, 2004), which conceives the diaspora as an asset to be captured. The diaspora option was originally applied to recapturing the contributions of the skilled diaspora, but it can now be cast in a broader context encompassing the full range of diasporas’ potential contributions. Gamlen (2005) distinguishes three types of related diaspora engagement strategies: remittance capture (discussed above), diaspora networking, and diaspora integration.

Diaspora networking refers to networking that links the homeland to the diaspora. The diaspora networking strategy encompasses program activities that provide intermediary functions
in addition to programs and policies that incentivize and facilitate knowledge exchange, business/investment, and diaspora philanthropy. For example, many homeland governments maintain websites and/or produce newsletters for their diasporas (for a discussion of China’s efforts, see Biao, 2006).

Diasporans may benefit from networking strategies through greater potential access to economic opportunities, political contributions, and informational resources deriving from intermediary activities. Depending on the components of specific policies, they may benefit economically through enhanced quality of life and career opportunities during short term knowledge transfer/exchange activities; socially/morally, such as through recognition programs; and informationally, as they gain access, for example, to information related to investment opportunities.

The diaspora integration strategy recognizes the diaspora as a constituency that is marginalized from the homeland. Related policies include, for example, the extension of citizen rights such as voting, and the organization of diaspora summits and diplomatic visits to diaspora organizations in their host countries. More than other resources, these policies extend moral resources to the diaspora by legitimizing them as homeland contributors and influencers. Diaspora integration policies confer social status, political influence, and legitimacy to the diaspora and its potential efforts to contribute to the homeland. Approximately 89 countries allow for dual citizenship or include migrants as official members of their political communities (Renshon, 2000).

The Government of Mexico is a leader in terms of incorporating and seeking political support from its diaspora. Elected diasporans can serve in state parliaments. The Institute of Mexicans Abroad, housed in the Federal Secretariat of Foreign Relations, provides advocacy
training to Mexican diaspora organizations and includes a Consultative Council of 105 elected representatives of immigrant groups in the US and Canada (see Ayón, 2006). According to Carlos Gonzalez-Gutierrez, Executive Director, organized diaspora visits include presentations on the Government’s policy agenda vis-à-vis the United States and training on how to lobby the US Government (personal communication). Zambia’s president, Levy Mwanawasa, provides an example that combines remittance capture with diaspora integration strategies. In a recent address to the Zambian community in the US he stated: “I know you expect me to say come home. I am not going to do that. I have no jobs to give you. Work here and send money home” (qtd. in Manda, 2005, p. 74).

Diaspora outreach has yielded a plethora of agencies and initiatives. Some countries appear to have learned from others. For example, Chile’s DICOEX (Dirección para la Comunidad de Chilenos en el Exterior) in its Ministry of Foreign Affairs is modeling activities based on Mexico’s Institute for Mexicans in the Exterior. However, most government structures and initiatives emerge haphazardly with a range of results. The types of government agencies that interface with diasporas include: ministries of diaspora affairs, special offices in ministries of foreign affairs, and initiatives and special offices in embassies, president’s offices, and technical ministries (e.g., health, microenterprise); and other specialized agencies, such as Export Promotion and Investment Promotion agencies. New organizations are also arising or new functions of existing organizations are emerging to mediate between diasporas and their home governments. These include, for example, NGOs such as Netherlands-based IntEnt (see Riddle, Brinkerhoff, & Nielsen, 2008), and chambers of commerce, such as the Afghan International Chamber of Commerce.
PART II. ENABLING ENVIRONMENT FOR DIASPORAS AND DEVELOPMENT

Generally, to achieve an enabling environment for development and non-governmental actors’ participation in its achievement, government needs to: a) improve policy, legal, and regulatory frameworks; b) build institutional capacity across sectors and at various levels; c) seek out and respond to citizens’ needs and preferences; d) establish and maintain a range of oversight, accountability, and feedback mechanisms; and e) mobilize and allocate public resources and investments (D. Brinkerhoff, 2007). As diasporans and DOs are non-governmental actors, these actions apply, and more targeted interventions for diaspora engagement can be identified.

The focus here turns toward a more specific framework for examining government’s role in an enabling environment for diaspora participation in development. The framework is intended for: 1) governments desiring to attract development contributions from their diasporas—as described above, not all governments are interested in so engaging their diasporas; others may be interested in soliciting only specific kinds of diaspora contributions (e.g., economic and social, as opposed to political); 2) diasporans and DOs seeking to advocate for a more enabling environment for their development initiatives and contributions; and 3) donors looking for ways to facilitate diaspora-country linkages for effective development.

Government-diaspora relations are both complex and diverse. Drawing from the NGO literature, Najam (2000), for example, identifies four types of relationships: cooperation, where government and diasporans share similar ends and means; confrontation, where the ends and means of both actors differ; complementarity, where the ends are similar, but the means differ; and co-optation, where the means are similar, but the actors have different ends in mind. Given
this diversity and complexity, any effort to characterize an enabling environment will necessarily be oversimplified. The intent here is to develop a broad-brush picture. The particulars of any one initiative will need to be informed by the nature of government-diaspora relations a priori and the intentions of the specific parties to that initiative. That said, concluding that “it depends” is not helpful for pursuing a more generally constructive relationship more conducive to diaspora homeland development contributions.

Since diaspora contributions are facilitated when diaspora members have access to power resources (Uphoff, 2005), related questions for assessing an enabling environment for diaspora contributions include:

- Does the regulatory environment support economic opportunities?
- Do diaspora members have access to positions of authority and respect within society, both for influence and for obtaining these positions for themselves?
- Do they have access to and the ability to influence decision makers?
- Do they have access to the information necessary or supportive of their effectiveness for a particular agenda?
- Is their cause perceived to be legitimate?
- Do they have access to physical resources?

In exploring the role of the public sector in fostering corporate social responsibility, Fox Ward, and Howard (2002) identify four principal public sector roles. Brinkerhoff (2007) adapted this framework, adding a role and specifying government actions for creating an enabling environment for NGOs in achieving the Millennium Development Goals. Here, I adapt Brinkerhoff’s work, applying it to diasporas and their potential development contributions. The
role of government in fostering an enabling environment can be categorized as consisting of the following actions: mandating, facilitating, resourcing, partnering, and endorsing (Fox, Ward, & Howard, 2002; Brinkerhoff D., 2007). Table 1 combines these roles with the specific power resources, policy, strategy, locus of initiative, and general enabling roles and illustrative actions. Table 2 identifies more specific illustrative actions government can take to enable diaspora contributions through remittances, diaspora philanthropy, knowledge transfer, investment/business development, and policy influence.
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<td>Participation in international agreements regulating immigration</td>
<td>-Host country diplomacy to ensure diasporans’ security of residence &amp; recognition of homeland credentials</td>
<td>-Taxation policies</td>
<td>-Matching diasporans/DOs to identified homeland needs &amp; potential partners</td>
<td>-Diaspora summits and diplomatic delegations that recognize and praise diasporans &amp; their contributions</td>
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<td>Citizenship rights (recognizing diasporans as valuable constituents)</td>
<td>-Maintaining databases of diasporans/DOs</td>
<td>-Investments in labor export</td>
<td>-Engaging diaspora in development/policy planning (e.g., Dominica)</td>
<td>-Awards, competitions, and other recognition</td>
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<td>-Providing diasporans the right to organize in the homeland, register their organizations, and operate legally</td>
<td>-Diaspora-oriented websites &amp; newsletters</td>
<td>-Remittance backed bonds</td>
<td>-Joint philanthropic and investment ventures</td>
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<td>-DO accountability &amp; reporting requirements</td>
<td>-Diplomatic visits with diasporans</td>
<td>-Matching grants &amp; other philanthropic project support (e.g., in-kind, personnel)</td>
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<td>-Ensure diasporans have ease of entry and exit from the homeland</td>
<td>-Organizing diaspora summits</td>
<td>-Investment incentives</td>
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<td>-Ownership rights/policies for land and businesses</td>
<td>-Support for DO &amp; diaspora business capacity building</td>
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<td>-Freedom of information and sunshine laws</td>
<td>-Creation &amp; capacity building of specialized agencies &amp; initiatives</td>
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<td>-Political representation</td>
<td>-Addressing the causes of migration (e.g., democracy &amp; development)</td>
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<td>Diaspora Contributions</td>
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<td><strong>Remittances</strong></td>
<td>- Legal framework for financial transfers (including regulation of hawala)</td>
<td>- Foreign currency accounts</td>
<td>- Remittance tax policies (sender &amp; recipient households)</td>
<td>- Formation of service delivery partnerships with MTOs, banks, and MFIs.</td>
<td>- Publicizing importance of remittances</td>
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<td>- Support for homeland financial infrastructure, &amp; banking the unbanked</td>
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<td>- Interventions to lower money transfer costs</td>
<td>- Recognizing remittance senders at diaspora summits and in diplomatic delegations</td>
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<td><strong>Diaspora Philanthropy</strong></td>
<td>- DO registration &amp; licensing laws (including accountability and reporting requirements)</td>
<td>- Providing information on priority needs</td>
<td>- Matching and other grants</td>
<td>- Service delivery partnerships/ contracting with DOs</td>
<td>- Publicizing importance of diaspora philanthropy</td>
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<td>- Accelerating regulatory approvals</td>
<td>- Import duty exemptions</td>
<td>- Matching needs/requests to DOs</td>
<td>- Recognizing DOs &amp; diasporan donors at diaspora summits and in diplomatic delegations</td>
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<td>- Sector policy reform and coordination with government, as needed</td>
<td>- In-kind contributions (e.g., use of facilities, personnel)</td>
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<td>- Encouragement of media reporting</td>
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<td><strong>Knowledge Transfer</strong></td>
<td>- Recognizing foreign credentials</td>
<td>- Building capacity for public officials to engage with the skilled diaspora</td>
<td>- Remuneration to support diaspora knowledge transfer</td>
<td>- Supporting creation of diaspora professional &amp; alumni associations</td>
<td>- Publicizing importance of diaspora knowledge transfer</td>
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<td>- Identification and dissemination of capacity needs.</td>
<td>- Seed money to support diaspora R&amp;D</td>
<td>- Involving diasporans in parliamentary committees, sector/technical task forces, etc.</td>
<td>- Recognizing contributions at diaspora summits and in diplomatic delegations</td>
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<td>- Organizing diaspora delegations &amp; scientific conferences</td>
<td>- Perks such as facilitation/cost reduction of services (car rental, telephone service, etc.)</td>
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<td>- Recognition awards/competitions</td>
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<td>- Encouragement of media reporting</td>
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<td><strong>Investment/ Business Development</strong></td>
<td>- Ownership rights/policies for land and businesses</td>
<td>- Regulatory reform</td>
<td>- Tax free investment opportunities</td>
<td>- Joint business ventures or government investment</td>
<td>- Publicizing importance of diaspora homeland investment</td>
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<td>- IPA/EPO outreach, information, networking, &amp; capacity building</td>
<td>- Investment tax breaks</td>
<td>- Development of industrial parks targeted to diasporas</td>
<td>- Recognizing diaspora investors and investment facilitators at diaspora summits and in diplomatic delegations</td>
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<td>- Websites providing information on diaspora investment opps &amp; processes</td>
<td>- Exemption on import tariffs on capital goods</td>
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<td>- Recognition awards/competitions</td>
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<td>- Access and licensing benefits</td>
<td>- Business plan competitions with financial prizes</td>
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<td>- Encouragement of media reporting</td>
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<td>Diaspora Contributions</td>
<td>Government enabling roles and illustrative actions</td>
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<td><strong>Mandating</strong></td>
<td><strong>Facilitating</strong></td>
<td><strong>Resourcing</strong></td>
<td><strong>Partnering</strong></td>
<td><strong>Endorsing</strong></td>
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<td><strong>Policy influence</strong></td>
<td>- Laws &amp; regulations for access to information</td>
<td>- Demystifying policies &amp; budgets</td>
<td>- Public funding of DO participation in policy monitoring</td>
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<td>- Laws on freedom of expression</td>
<td>- Disseminating public documents</td>
<td>- Funding diaspora delegations/study tours</td>
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<td>- Political representation</td>
<td>- Educating diaspora about international policy priorities; building lobbying capacity as needed</td>
<td>- Supporting DO lobbies in host countries</td>
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<td>- Support for reporting on DO policy research results &amp; findings</td>
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Mandating refers to the legal and regulatory framework that affects diasporas, all the way from citizenship rights (e.g., dual citizenship, voting), if granted, to basic rights that allow diasporans to initiate activities in the homeland independent of state control and laws governing the creation and operation of NGOs (diaspora philanthropic organizations) and businesses.\(^6\) Laws affecting how government entities operate also play an enabling or constraining role—for example: statutes on public hearings, “sunshine” legislation, freedom of information, laws on citizen participation, etc. These statutes open the door for diasporans to discover what government policies and programs exist or are planned, to obtain budget information, and to engage with public officials. Another important element of government mandating has to do with laws and regulations that govern diasporans’ (and their formal and informal organizations’) transparency and accountability, which affects both the legitimacy of individual and organizational actors through assuring fiduciary responsibility and the broader legitimacy of diaspora philanthropy. Clearly, this government role in creating an enabling environment for diasporas relates to the broader features of democratic political structures and economic liberalism that support socio-economic development for all societal actors, not just diasporas. Examples of mandating range from waiving visa requirements (as in India), to dual citizenship, voting rights, and formal political representation (as in Mexico).

In its facilitating role, government provides incentives for diasporas; for example, recognizing diasporas as important constituents and protecting or seeking to improve their

\(^6\) The International Center for Not-for-Profit Law has done extensive documentation of legal frameworks affecting NGOs and civil society in a wide range of countries. See the publications and on-line library available at <www.icnl.org>.
quality of life abroad, providing a networking function among diaspora groups, organizing diaspora summits and diplomatic visits, and creating specialized government agencies and initiatives to interface with the diaspora. Government can also provide incentives and capacity-building for other actors, public and private, to work with diasporas. Another type of facilitating action is to make available information about policies, programs, and capacity needs in readily understandable language and easily accessible formats. A key facilitating factor over which homeland governments have limited influence is diasporans’ security of residence in the host society and freedom of movement. Nevertheless, homeland governments can engage in related supportive diplomacy. For example, Liberia President Ellen Johnson Sirleaf lobbied the US Government on behalf of US-based Liberians to extend their Temporary Protective Status.

The Ministry for Overseas Indian Affairs (MOIA) maintains an impressive web page that offers a range of diaspora informational assistance and some incentives. It provides a “Handbook for Overseas Indians,” providing information and guidance on investment and entrepreneurial activities in India; information on educational opportunities in India, scholarships, and the reservation of a significant portion of available higher education seats to the children of non-resident Indians in the Gulf and South East Asia; and provides information on diaspora-specific income tax policies. The MOIA also negotiated an agreement with the Government of Belgium to ensure continuation of pension benefits for those NRIs who choose to repatriate to India. The MOIA also endorses a partnership with Axis Bank, which offers tax, real estate, and investment information services specifically targeted to non-resident Indians (see https://www.nriconnect.co.in/nri/).

Resourcing can involve direct public funding, as in the case of matching grants for diaspora philanthropy or investment in diaspora business development. Beyond direct funding,
government resourcing also includes the establishment of financial incentives that encourage diaspora contributions, such as tax and tariff policies that provide exemption to diaspora initiatives. The best known example of diaspora resourcing is Mexico’s three for one matching program, which in some areas now includes an additional match from the private sector (Western Union). This program is also an example of partnering in that each contributing actor agrees to selected projects to be implemented and provides additional facilitation as needed.

Partnering is a role that brings government into relationships with DOs based more on mutual interest and shared benefits, which capitalize on the comparative advantages of the partners (see Brinkerhoff, 2002). Government can establish mechanisms and procedures that allow public entities to enter into partnership arrangements with DOs. An example would be the partnership between the Ghanaian Ministry of Foreign Affairs, the Ghanaian medical diaspora in the Netherlands, and the International Organization for Migration, The Hague (Welcker & Gulam, 2007). Through the program, diasporans serve between two weeks to three months in country, or provide technical assistance virtually. Hospitals nominate staff for training in the Netherlands, the MOH and IOM vet these nominations and match a diasporan health professional to that hospital to cover capacity and knowledge transfer needs.

Governments can also enter more extensive partnerships with their diasporas, which may have national service and planning outcomes. These often require long term investment in evolving roles, as Iskander (2008) describes in her study of the Moroccan diaspora’s contribution to national electricity infrastructure. In other instances, homeland governments may more explicitly initiate partnerships with their diasporas for national development planning. Thomson with Brinkerhoff (2008) describes the nascent stages of Dominica’s partnership with its diaspora. So far, it has evolved into somewhat of a quid pro quo relationship, with the diaspora demanding
certain policy changes and related benefits while it continues to initiate its own development projects and respond to specific requests from the Government. The partnership with Government has culminated in the production of a diaspora policy paper, wherein the diaspora has articulated its vision for Dominica’s development and the diaspora’s role in it—at the request of the Government.

*Endorsing* refers to actions that publicize, praise, and encourage individual diasporans and DOs. Government’s role here relates to reinforcing cultural values and influencing attitudes. In other words, government endorsement confirms the value of diasporans to the homeland society, enhancing their legitimacy as homeland constituents and development actors, and contributing to their social status. These actions primarily provide social and moral power resources to diasporans. For example, in 2006, Ghana’s investment promotion agency honored 20 diasporans with “Planters of the Seed” awards for setting up business units in Ghana (Riddle, Brinkerhoff, & Nielsen, 2008). For examples from China and the Philippines see Biao (2006) and Opiniano and Castro (2006).

**PART III. PUTTING THE FRAMEWORK INTO PRACTICE**

Operationalizing the thinking summarized in the framework (Tables 1 & 2) requires acknowledging four important caveats and considering several implementation issues.

**Important caveats**

Four important caveats need mentioning if the proposed framework is to be applied in practice. Diasporans seeking a greater role in their homeland’s development would be wise to take note of these, temper their expectations, and inform their diplomacy accordingly. One means for overcoming government resistance is to build legitimacy directly with homeland
residents. Citizen demands for improved quality of life establish clear incentives for
governments to enable diaspora action.

1. To engage or not to engage

While the proposed framework suggests an important and legitimate role of homeland
governments for enabling development contributions, governments may not always be the most
enabling partners. Some argue that many of the diaspora and development successes to date are
successful precisely because they have been invisible to governments, operating “below the radar
screen.” Making diaspora and development a more explicit agenda could, in fact, render these
efforts more “capturable” or cooptable by governments. There is no easy answer to this question
other than strategic engagement on the part of diasporans and intermediaries (e.g., donors,
NGOs, and the private sector) based on perceived potential to effectively pursue shared
objectives. At a minimum, the framework is intended as a resource for diasporans/DOs
themselves for strategically lobbying government for more enabling environments, when they
deem it in their interest to do so. The reverse is also true. Not all diasporans/DOs may be
compatible partners with governments, as discussed below.

2. Diasporas as partners, competitors, or threats?

The framework takes for granted that homeland governments will be neutral to
welcoming vis-à-vis diaspora contributions to development. Not all diaspora contributions may

7 This was a point made at the GW diaspora research workshop, as well as by diaspora
organizations participating in a Diaspora and Policy Dialogue organized by the African Diaspora
be constructive and effective (see caveat below), and even when they are, the homeland government may view the diaspora as threatening or competing with its own legitimacy and effectiveness. In the worst case, one of the power resources I have specifically ignored here is physical power. Diasporas, or some factions within them, may seek to overthrow the homeland regime or secede from the larger territory, as with those within the Sri Lanka Tamil diaspora who support the LTTE (Thamel Tigers).

This caveat is particularly relevant with respect to diaspora policy influence. For the poor countries of the globe where democratization is nascent, partial, or nonexistent, the incentives for government to enable interest aggregation and policy advocacy are less clear-cut and in some situations are limited or negative. The additional constraints to enabling diaspora policy influence for countries emerging from or with a history of intra-ethnic conflict are obvious. Many developing and transitioning country governments view diasporas with suspicion and antagonism, fearful of their potential for fueling political opposition and jealous of their host country political access and other advantages, even as they turn to diasporas to make philanthropic and investment contributions. This is the case, for example, with the Ethiopian diaspora (see Lyons, 2006).

3. The inclusiveness and coherence of diaspora contributions

Diaspora involvement may only selectively benefit individuals, families, and communities; it may create additional tensions within differentiated societies, especially when it exacerbates income gaps, potentially leading to civil unrest; it may lead to additional political unrest or persecution of communities on whose behalf diasporas are advocating; and, it may be at cross-purposes with the government’s and international development assistance priorities and programming (Brinkerhoff, 2008a). The International Organization for Migration, in its review
of the migration-development nexus, concludes that migrants’ contributions may replace, supplement or even undermine aid, and thus call for “a case-specific approach, where donors… invite international NGOs and diaspora organizations for transparent dialogues on the overall resource flows to the country, including to possible conflicting parties” (Nyberg-Sorensen, Van Hear, & Engberg-Pedersen, 2002, p. 39).

4. Diasporas are not and perhaps should not be privileged

Even in mature democracies, the existence of an enabling environment for non-governmental activities does not override the realities of differential access to power and influence, the pervasiveness of interest-group politics, and the persistence of a marginalized and relatively impoverished underclass. Diasporas will realistically be seen as additional interest groups vying for power and resources alongside other resident actors. Furthermore, while homeland voting rights seem to be a popular call among diasporas from a range of countries, they raise significant ethical and perhaps constitutional issues. Should individuals be able to influence policies to which they will not be subject? Should they have representation without taxation?

Implementation issues

Decisions to operationalise the proposed framework should be informed both by a consideration of these caveats, as well as attention to the following implementation issues.

Diaspora relations require new thinking, new structures, and new policies

A particular challenge to establishing an enabling environment for diaspora contributions to development is that unlike for NGOs, diaspora development contributions are not integrated into considerations of state-society relations nor are they supported in legal frameworks and
government modalities even in relatively more mature democracies. The framework provided here is intended to encourage and inform this evolution, both in terms of replicating aspects of other countries’ experiences, and pioneering new ways to provide resources and incentives to diasporas and secure their development contributions.

Strategic prioritization

That said, the framework says little about how to prioritize among the plethora of policy and program options and within each of government’s principal roles. Some might even argue that given governments’ limited resources, they might do better to focus on a more supportive enabling environment for everyone, not just for diasporas’ contributions. While this may be true, the general and more targeted enabling environments are not mutually exclusive and the premise of this framework is that diasporas may, in fact, have important contributions to make to the broader enabling environment. Furthermore, not all diaspora-specific enabling environment interventions are exorbitantly costly.

While each country case should necessarily be tailored to the specifics of that government, its diaspora, and their relations status, some general suggestions for prioritization are possible. First, given governments’ limited capacity and resources, a low-cost starting point is to focus on their mandating role. Policies and programs in this arena constitute macro-policy reforms, or stroke-of-the-pen policies, which typically do not require the wholesale creation of new bureaucracies or the injection of significant resources to support implementation. Second, diaspora outreach activities are a relatively low cost investment, many of which can be added on to other initiatives, representing incremental costs, for example, meetings with diasporans during scheduled diplomatic visits to priority host countries. Websites and databases, once developed are not terribly costly to maintain. Third, homeland governments can lobby host country
governments for bilateral aid to support these efforts, arguing for win-win strategies for the two countries. Such support could facilitate capacity building, technical assistance, and the creation of new structures and initiatives.

Perhaps the most important lesson, previously identified (Brinkerhoff, 2006), is to target interventions to those diasporans who are already mobilized, willing, and able to contribute to priority development aims. In short, governments should target the mobilized, and not seek to mobilize the targeted, suggesting a need to carefully craft selection criteria for each initiative. To that end, many diasporas are themselves fairly well-organized and can be effective partners in further facilitating diaspora contributions to homeland development.

Bypass and additional opportunities with local governments

As countries democratize and decentralize, the opportunities for government-diaspora interactions increase, as do the possibilities for diasporas to partner with governments and engage in demand-making to create a more favorable enabling environment. These arise in response to the incentives for responsiveness and accountability that flow from democratization and decentralization. Many home town associations bypass central government and work directly with local governments. Mexico’s three for one program may be facilitated by local governments’ involvement. Local governments may have greater incentive to facilitate diaspora contributions as the benefits will be local and can yield favorable citizen responses to local officials. Because of these direct and indirect benefits, local governments may be able to lend their weight to lobbying the central government for more favorable policy frameworks and for following through on other commitments. In other instances, the general development framework may be so disabling (e.g., due to corruption or lack of political will) that diasporas may choose to engage directly—and quietly—with local communities and governance structures.
Capacity needs and development

A critical issue for the enabling environment is whether societal actors, both in and outside of government, have the requisite capacity to establish and sustain appropriate enabling conditions to support diaspora efforts that will advance development. Several national and international policy discussions have addressed the capacity of the diaspora to contribute to development, but scant formal attention has been given to governments’ own capacity to interface effectively with their diasporas on the full range of potential contributions. Research on the topic is just emerging with respect to facilitating diaspora homeland investment (e.g., Riddle and Marano, 2008; Riddle, Brinkerhoff, & Nielsen, 2008). More generally, government capacity to interface with their diasporas was highlighted by the Global Commission on International Migration (2005). To date, few, if any, donor-supported investments in such capacity building have emerged.

The potential role of donors

The international donor community could make significant contributions to enhancing this capacity, both through technical assistance for legal frameworks and policy and programming (perhaps informed by the framework presented here), and through direct capacity building and resourcing of government agencies and personnel, diaspora organizations, and potential intermediaries from the NGO and private sectors. They can also engage with diasporas to inform their own work to promote development and enabling environments (see Brinkerhoff, 2008a). Donors and development processes could benefit from including diaspora associations in

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8 For example, the July 2007 Civil Society day of the Global Forum for Migration and Development had a dedicated session on the topic.
development consultations, needs assessments, and priority setting for the purpose not only of disseminating information about donor’s activities, but more essentially to exchange information with diasporas to better inform these activities. In this sense, donors may also play an important intermediary role between homeland and hostland governments and diaspora groups.

Global policy coherence

Finally, there is the issue of global and transnational impacts on an individual country’s enabling environment. How much of creating an enabling environment is within the control of a particular government and its governance partners? Homeland governments cannot control migration regulation and the quality of life of diasporans in the homeland, and while they may seek to influence these, their capacity is quite limited. When diasporans or their homeland governments are at odds with host governments, the actions of homeland governments to enable diaspora contributions may be further limited. In some instances, donor-imposed conditionalities or prior private sector partnerships and continued lobbying may interfere with a government’s intentions to favor and support diasporans.

CONCLUSIONS

Diasporas may represent the latest and greatest resources for homeland development and much of what they contribute occurs with or without formal government endorsement or support. That said, there is much that can be done to maximize these contributions. Governments who choose to partner with their diasporas for development may find themselves negotiating on a range of policies and practices, much as they must do to access donor resources. Yet diaspora contributions may prove more sustainable and significant than official development assistance, as remittance and foreign direct investment statistics already suggest. Even where a diaspora is
viewed as a potential competitor or threat, governments would do well to strategically target segments of their diasporas.

REFERENCES


