



## **Civil Society Days (CSD)**

### **3<sup>rd</sup> Global Forum on Migration and Development (GFMD)**

**Athens, 2-3 November 2009**

#### **Roundtable 1: How to make the migration – development nexus work for the achievement of the Millennium Development Goals (MDGs)**

#### **Session 1.2: Engaging diasporas and migration in development policies and programs**

#### ***Chukwu-Emeka Chikezie*<sup>1</sup>**

African Foundation for Development (AFFORD)

#### **.1 - Introduction**

The purpose of this paper is first to highlight ways that origin, host states and other agencies can engage with diasporas and migration to effect desired development outcomes; and second to surface key areas for further discussion as part of the Global Forum for Migration and Development (GFMD) Civil Society Days (CSD).

The next section sets out some basic starting points, framing issues, and definitions to facilitate the discussion. The following section examines diaspora engagement in depth, considering the motivations, forms of capital, and methodologies for diaspora engagement. Then the paper explores the sorts of policies that create the most enabling environment for engaging diasporas to contribute to development. The fifth section examines diaspora engagement in practice. The final section makes some concluding remarks, recommendations, and suggests some discussion points for GFMD CSD 2009.

#### **2 - Starting point**

This paper starts from the premise that it is indeed possible to harness the benefits of international migration for development and the benefits of development for migration. This assertion does not deny the many worrying and ugly aspects of international migration or the many failures and disappointments of development. However, notwithstanding the reality of

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<sup>1</sup> DISCLAIMER: The analysis presented in this paper does not necessarily reflect the views of the CSD Organizing Committee or the Alexander S. Onassis Public Benefit Foundation

these unfortunate facts of life, the migration-development nexus has a legitimate place in the overall debate at GFMD CSD 2009.

While the focus of this discussion is primarily on harnessing the benefits of migration for development, a key starting point is that it is easier and more useful to enable people to act developmentally than it is to persuade more people to become development actors. In other words, the emphasis here is more on acts and behavior that have developmental impact than on the intent. This is because migrants and diasporas may or may not be concerned about “development” but they still send money home, and engage in acts of knowledge transfer, investment, trading and consumption, etc that all have developmental outcomes and impacts. While the direct role of migrants and diasporas in development is undeniable, this paper places more emphasis on their indirect role, from where the bulk of the developmental impact is likely to derive.

Because of the emphasis on developmental impacts, this paper considers the roles of both migrants and diasporas in contributing directly and indirectly to development (except where stated, in this paper, the term diasporas is intended to include migrants as well). While their roles may be similar, their circumstances, by very definition, often differ markedly. For the purpose of this paper, we consider diasporas to be settled individuals who enjoy legal rights as citizens of the host country (even though they may face some forms of discrimination and disadvantage as an ethnic minority). While they retain a memory and some tangible links with a country or place of origin in the developing world, they may or may not enjoy full citizenship rights in that country of origin. A migrant is someone who is currently (long-term or temporarily) living outside their country of birth and thus does not enjoy citizenship rights in the country of residence. Indeed, the migrant may be documented or undocumented.

It is worth stressing here that this paper does not assume that the drivers for diasporas’ development efforts will be governments or that diasporas shall only engage in development efforts if prompted by governments (or donor agencies, international organizations, etc). In fact, it seems fair to suggest that to date, most diaspora-led development effort has occurred in spite of, not because of, host and/or origin country government/agency policy and action. Overzealous efforts by governments/donors to engineer in very instrumental ways diaspora groups and networks are ill-advised<sup>2</sup>. As this paper argues, the most useful thing for governments and other agencies to do is to create the conditions that enable the diaspora to

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<sup>2</sup> De Haas, Hein (2006) *Engaging Diasporas: How governments and development agencies can support diaspora involvement in the development of origin countries*. A study for Oxfam Novib. International Migration Institute, James Martin 21st Century School, University of Oxford, June makes this point very well.

play to their strengths and respond to their own interests and motivations in ways that are developmentally beneficial.

### 3 - Diaspora engagement for what, involving whom, how?

A discussion on engaging diasporas and migration in development policies and programs begs the question engagement by whom with whom for what end and how?

#### 3.1 Diaspora engagement to what end?

From the perspective of the migration-development nexus, a key test of any engagement process is the development outcome achieved. The concept of development is of course highly contested, however, for the purpose of the discussion in this paper, we focus primarily on the achievement of the Millennium Development Goals (MDGs), even though for some commentators, the MDGs actually represent a poverty of ambition as far as development is concerned. Table 1 maps development outcomes to MDGs to diaspora activities and interventions.

**Table 1: Development outcomes from diaspora engagement**

<b>Development outcome</b>	<b>Related MDG?</b>	<b>Diaspora activity/intervention</b>
Poverty reduction	MDG1	Remittances – reduced transfer costs Remittances – enabling environment for productive use Investment of financial & intellectual capital in job/wealth-creating enterprises Consumption of goods & services from home country – nostalgic trade; telecoms; transportation; tourism Poverty reduction projects/charity
Educational improvements	MDG2	Remittances – support for educational attendance & attainment Education projects – skills exchange to train teachers; school-building & support
Gender equality &	MDG3	Projects in support of women/girls

empowerment of women		Visible role models & leadership mentoring/development
Health improvements	MDG4, MDG5, MDG6	Health projects – skills exchange to support training of healthcare workers; capacity building; direct service provision

In broad terms, there are three sets of actor-interests that must be addressed to create a mutually satisfactory win/win/win in development outcomes – diasporas, origin countries, and host countries.

Origin countries of course have specific development needs defined by the particular circumstance they find themselves in. Origin country governments will set development priorities they seek to achieve. Host countries that are donor nations also have their own priorities, commitments, obligations, and interests defined by a range of factors that include historical, ideological, and political. Indeed, it is often the case these days that in addition to bilateral development agencies (eg Department for International Development or DFID in the UK or the United States Agency for International Development or USAID), private foundations based in host countries are also interested in engaging with diasporas to achieve development outcomes.

While some people may engage in development activities for essentially ideological reasons, it is neither helpful nor necessary to assume that diasporas do so for similar reasons.

Experience suggests that diasporas are broadly motivated to engage in development-related activity by a mix of the “3Ps”:

**Pecuniary interests:** Many diasporas harbour intentions of returning to their countries of origin and are exercised by ensuring they have remunerative activities to sustain them (this is especially true for those who are temporary migrants or whose status in the host country is irregular). Another reason for pecuniary interest may simply be to reduce the dependency of family and friends in the country of origin upon the finite resources of the sender.

**Private interests:** Beyond immediate pecuniary or financial gain, diasporas may also direct their resources to the private sphere of the immediate household or narrowly defined community.

**Public philanthropic interests:** Diasporas also engage in resource transfers and activities aimed at the public sphere for which there is no prospect of tangible personal gain or reward and which fit more conventional notions of altruism.

These distinctions are important to emphasize that altruism is only *one* motivating factor explaining why some among the diaspora may choose actions that produce development outcomes. The key point is that the payback that the diaspora may be seeking may be measured in financial, social, or emotional terms<sup>3</sup>. Efforts to mobilize the diaspora must take account of these different motivating factors and their interaction.

The intersection of the three sets of interests – origin and host countries, and diasporas – sets the agenda for diaspora engagement.

### **3.2 Diaspora engagement involving whom?**

We have already noted the three sets of actors – diasporas, origin country governments (mostly), and host country agencies and foundations – involved in diaspora engagement. However, migrants and diasporas represent a richly diverse group of actors and it is a mistake to proceed on the basis of assumptions of homogeneity within this group.

The box below illustrates this point (roles are not necessarily mutually exclusive and in many cases, they overlap).

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<sup>3</sup> See, eg, Nielsen, Tjai M & Riddle, Liesl (Unpublished paper) “Diaspora Homeland Investment Motivation in Post-Conflict Economies: Evidence from the US Liberian Community.”

### Box 1: Typology of diaspora actors

Individual	Welfare/refugee group
Hometown/county association	Umbrella body
Ethnic association	Supplementary school
Alumni association	Virtual organization
Religious association	Research/think tank
Professional association	Arts/cultural group
Development NGO	Women's group
Investment group/business	Development education centre
Political group	Service provider.
National development group	Youth group

Clearly, a dynamic interaction exists between what is to be achieved, which types of diaspora groups are active, what their competencies are, and what motivates them. Although external actors can try to facilitate, encourage, stimulate, and enable the formation of certain kinds of diaspora groups, this can very easily slip into an inappropriate form of instrumental interference that undermines the agency of diaspora groups. So, although capacity building for diaspora groups can play a vital role in group formation, cohesion, and effectiveness, it may be better to work with the ebb and flow of diaspora movements, rather than push against the grain.

Because of the close association between diasporas and identity, the selection of which diaspora groups to work with is usually a sensitive issue for all concerned. There may be no hard and fast rules, but it is always important to be mindful of perceptions and the consequences of particular choices. For instance, if the agenda is national development then it can be disastrous to be seen to be engaging only with diasporas associated with a particular ethnic group, social class, or region, such as the capital. Such a move may reinforce the perception that development is concentrated at the center and the regions do not matter. On the other hand, choosing to work with a women's diaspora group may send strong signals as to the importance attached to gender empowerment, for instance.

### 3.3 Diaspora engagement – how?

Diasporas are most celebrated for the remittances they send “home” to their countries of origin. However, it is useful to think of multiple forms of diaspora capital with implications for development.

#### 3.3.1 5Cs of diaspora capital

**Financial capital:** As already noted, remittances are probably the most tangible “currency” of the migration-development debate. Recipients put remittances to a variety of uses. Some studies indicate that the bulk of remittances are used on basics such as food, clothing, housing, health, and education<sup>4</sup>. Other studies also point to investment in entrepreneurship. For instance, a survey of small firms in Mexico found that remittances account for 20% of total capital invested in urban micro-enterprises<sup>5</sup>. In this paper, we also consider diasporas’ consumer spending power as a form of financial capital with relevance for development.

**Intellectual capital:** Another topic that has generated significant interest in the migration-development debate has been the so-called “brain drain” of skilled personnel from developing to developed regions and various strategies to mitigate the effects, given the purported skills deficits that now hamper development efforts. However, in more recent times, focus has shifted to prospects for circular migration and tapping into diasporas’ know-how and skills in more flexible ways that do not demand permanent return.

**Political capital:** Diasporas also deploy political influence on a range of issues with a bearing on development. These might be local, domestic issues, issues of national import or even global ones, as the struggle against apartheid became with considerable engagement by African-American activists.

**Cultural capital:** Often, diasporas acquire a set of values, norms, and perspectives while abroad that differ markedly from those dominant in their countries of origin. In some cases, diasporas blend two sets of values to produce a unique “insider-outsider” perspective. New ways of seeing, being, working, and doing are arguably central to the quest for needed innovation. At the same time, imposition of completely alien values upon people tends to be counterproductive. To the extent that new ideas or norms are needed, somehow refracting

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<sup>4</sup> Boon, Martin (2006) “BME Remittance Research Report Prepared For Department For International Development” (27 July). London: ICM Research.

<sup>5</sup> World Bank (2006) *Global Economic Prospects: The Economic Implications of Migration and Remittances*. Washington DC: World Bank.

them through already legitimated norms may be necessary. Diasporas are often well-placed to serve as the bridge between old and new ways of seeing and being.

**Social capital:** This is not a resource per se that diasporas deploy, rather social capital constitutes the “ties that bind”, the glue, rationale, obligations, the feedback and satisfaction, and even the channels and networks are all implied by social capital. Scholars have subjected the concept of social capital to sustained criticism<sup>6</sup> and its meaning is hugely contested. Nonetheless, it retains some utility in capturing the messy, fuzzy range of factors at play in motivating diasporas to do they do vis-à-vis development. In particular, social capital is the intangible resource that facilitates mutually beneficial collective action.

Here again, the type of diaspora capital available to a particular group will shape what can be achieved, as well as how.

### 3.3.2 Methodologies

How in practice diaspora engagement is operationalized will be determined by the specifics. Here we outline a general schema in Figure 1.

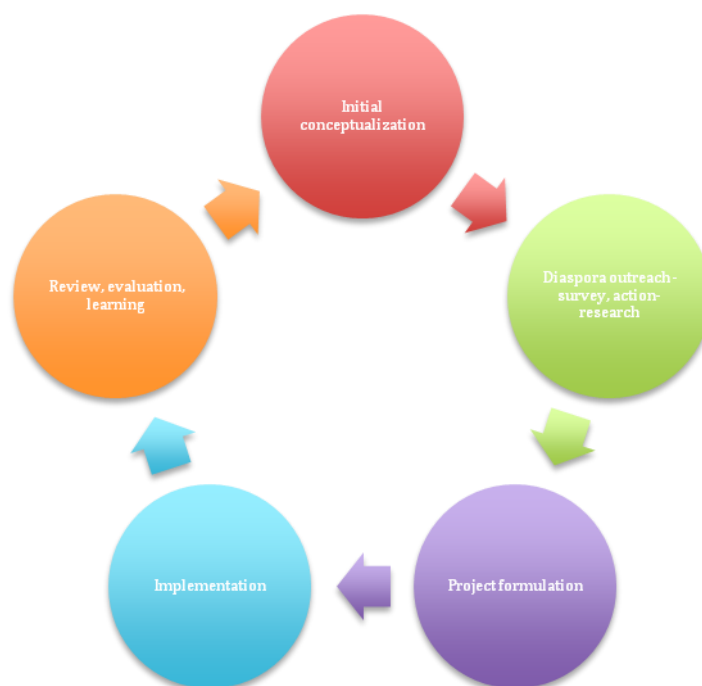
**Initial conceptualization:** Here the project initiator, usually the agency or department in the host or origin country sets some tentative goals. This conceptualization may be informed by some hypothesis about the diaspora, but at this initial stage, this remains untested.

**Diaspora outreach:** Strong buy-in by the diaspora is critical to the success of most diaspora engagements and therefore a sound understanding of the diaspora’s interests, assets, capabilities, motivations, constraints, and limitations forms the foundation for a successful engagement. Questions relating to the 5Cs, 3Ps, as well as more basic ones such as where the diaspora is located geographically, how it organizes, etc are important. But in many cases, as important will be considerations of how the diaspora is perceived at home, what risks there might be engaging with one particular segment of the diaspora, etc. Nonetheless, what is envisaged here is not research for the sake of it, but research that leads to consensus on an actionable program where the interests, needs, competencies, and passions intersect.

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<sup>6</sup> See, eg, Franklin, Jane (2004) ed, *Politics, Trust and Networks: Social Capital in Critical Perspective*. (April) London: London South Bank University.

**Figure 1: Diaspora engagement in practice**



**Project formulation:** The aim should be for a good fit between the different actors' strategic interests.

**Implementation:** As already suggested, implementation will take many forms, depending upon the context. For instance, donor countries' efforts to introduce greater competition among money transfer operators entailed a consumer information campaign targeting remitters and directing them to a price comparison website. Some African countries are seeking to attract highly-skilled diasporas back home to take up key positions, which involves marketing, outsourced recruitment, and perhaps some hands-on facilitation for returnees. Some agencies are interested in implementing specific projects involving, say, groups of diaspora volunteers.

**Review, evaluation, learning:** The whole process of diaspora engagement should be seen as iterative. Reflection and learning will feed into further engagement interventions.

#### **4 - Enabling policies for diaspora engagement**

Diaspora engagement does not thrive in a policy vacuum. Indeed, there are specific policy contexts in both host and origin countries that are more or less enabling for diasporas to engage in activities that contribute to international development. From the host country

perspective, studies have shown that the freedom to return to the host country at any time is a reassuring risk mitigation strategy for any migrant or diaspora “returning” to their country of origin. Table 2 highlights some of the desirable policies in host and origin countries as they relate to diasporas and different categories of migrants. The need for diaspora resources to be used productively in the country of origin places the emphasis squarely on the enabling environment in that country. Thus it should be obvious that migration for development cannot be a replacement for sound development policies in developing countries. The idea that somehow diaspora and their resources will solve problems that previous inflows of investment and aid have failed to dent is misguided.

**Table 2: Enabling policies for diaspora engagement**

<b>Status/Country</b>	<b>Host country policies</b>	<b>Origin country policies</b>
Diaspora	Equal opportunities & anti-discrimination Dual citizenship Enabling business environment for transnational entrepreneurs	Property rights Dual citizenship Enabling development environment “4Es” – Enabling environment for employment, employability, entrepreneurship, & equal opportunity Facilitated “return”
Documented migrant	Integration Skills utilization Enabling business environment for transnational entrepreneurs Right of abode (freedom of exit & return) Assisted return	Enabling development environment “4Es” – Enabling environment for employment, employability, entrepreneurship, & equal opportunity Property rights Assisted return

Undocumented migrant	Regularization Integration Skills utilization Enabling business environment for transnational entrepreneurs Right of abode (freedom of exit & return) Assisted return	Enabling development environment “4Es” – Enabling environment for employment, employability, entrepreneurship, & equal opportunity Property rights Assisted return
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While the presence of such an enabling environment will facilitate diaspora engagement and their absence will be a hampering factor, attitudes within initiating organizations can also help or hinder the process of diaspora engagement. Development professionals, human rights activists, etc may possess mindsets and worldviews that predispose them to be at very least wary of engaging with diasporas to achieve developmental ends. For many organizations, an engagement involving diasporas represents a step-change, which in itself may need to be treated as an integral part of a change process. Simply treating such a partnership as routine may be counterproductive.

## 5 - Examples of diaspora engagement strategies

Developing country governments have a range of diaspora engagement models from which to select<sup>7</sup>. Countries such as China, India, Taiwan, Philippines, Mexico, and Eritrea have each pursued different diaspora engagement strategies, as outlined in Table 3.

**Table 3: Diverse developing country diaspora engagement strategies and models**

Country	Diaspora engagement strategy
China	Direct diaspora investment and trading with overseas Chinese
India	Direct investment; portfolio investment; technology transfer; outsourcing; market opening
Taiwan	“Brain trust” - human capital for development
Philippines	Maximize income stream from remittances at household level
Mexico	Federal programs to promote collective remittances; make individual

<sup>7</sup> Newland, Kathleen and Patrick, Erin (2004), Beyond Remittances: The Role of Diaspora in Poverty Reduction in their Countries of Origin, Washington, DC: Migration Policy Institute report for the Department for International Development.

	remittances greater than sum of their parts
Eritrea	Individual remittances into government coffers via enforced taxation

However, for the most part, what distinguishes these strategies is the state capacity behind their realization<sup>8</sup>. Unfortunately, for the most part, it is precisely this lack of state capacity that distinguishes most African countries in particular at this juncture of their development. This might explain the apparent homogeneity of approaches particularly in Sub-Saharan African countries.

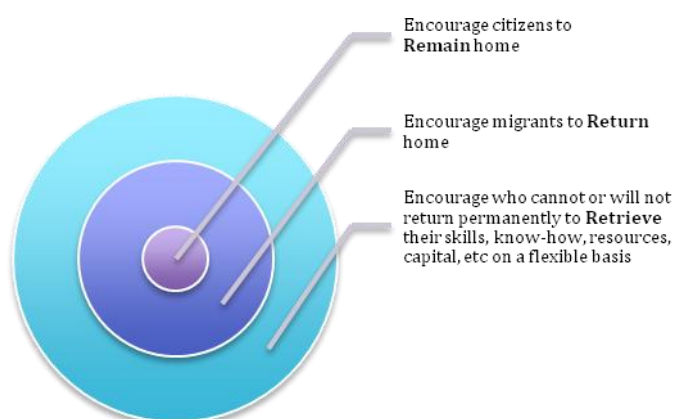
Many countries in Africa have established directorates for diaspora affairs, often located within the presidency (for instance, Sierra Leone, Liberia is proposing this, Nigeria, etc) or ministries dedicated to diaspora affairs (particularly common in Francophone countries). These developments reflect a shifting attitude of origin governments toward their diaspora populations, which in itself is welcome.

In broad terms, origin governments are interested in their diasporas' skills and their investment. However, we have posited the "3Rs" of migration management – Remain, Return, Retrieve (see Figure 2). There is no avoiding the basic truism that the first rule of migration management has to be to create the conditions that enable and encourage citizens to remain home and fulfill their aspirations and make any decision to migrate a genuine choice. When conditions are favorable, some people who have migrated will return, and if those "Remain" conditions are in place, they will stay. However, these days, the majority of diasporas will most likely not return on a permanent basis and then the only option is to "retrieve" their capital and assets on a flexible basis (for instance, through periodic short-term stints to leverage skills; investing in business ventures; purchase of "nostalgic" goods in the host country, etc). Without sufficient attention paid to those "Remain" conditions, a nurse or doctor working in a developing country under poor conditions, for instance, may conclude that the only way to improve their lot is indeed to migrate and avail themselves of all the incentives the government is offering healthcare workers in the diaspora to return home.

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<sup>8</sup> Even though, as Rannveig Agunias, Dovelyn (undated) Engaging Diasporas for Development, Washington DC, Discussion Paper for the April 21 – 23 Migration and Development Workshop of the Transatlantic Council on Migration points out, spending by Mexico and Philippines on reaching out to their diaspora communities represents only a very small proportion of overall government expenditure.

**Figure 2: “3Rs” of migration management – Remain, Return, Retrieve**



In some cases, circumstances will combine to create a de facto migration for development strategy. For instance, over the past few years, the Nigerian government has reformed its financial services industry, mainly through raising banks' capital reserve requirements and thus forcing consolidation of the industry, as well as creating a more enabling environment for investment and enterprise. The booming financial services and related IT industries have boosted demand for workers with skills in these areas. The Nigerian private sector has been proactive in recent years in seeking to entice home Nigerians working in western financial capitals such as New York and London. However, the recent fallout from the financial services industry, which has seen many professionals (among them large numbers of Nigerians, who are particularly well-represented in the sector) lose their jobs has shifted the push-pull dynamism to enable some Nigerian professionals to see a return home as an opportunity to be seized, thus creating something of a brain gain<sup>9</sup>. Of course, the global economic downturn has hit migrants very badly and unlike mobile diaspora professionals more able to exploit opportunities, the crisis has foreclosed the options for many hardworking migrants. Nonetheless, this point still suggests that if governments create the right conditions, the agency of the diaspora can often be sufficient to produce desirable migration-development outcomes.

Host country governments are not usually as resource constrained as those in developing countries but they often lack the capacity or will to evolve a coherent set of migration policies that would constitute an enabling environment for diaspora engagement around international development agendas. The result may be an emphasis on the relatively less contentious option of funding diaspora organizations' development projects rather than dealing with the more substantive, but tricky, policy reforms, such as regularizing undocumented migrants' status.

<sup>9</sup> Green, Matthew (2009) "Downturn hastens Nigeria's 'brain gain'", *Financial Times*, August 20.

The UK's Department for International Development (DFID) has recently financed a £3m diaspora volunteering program and outsourced management of an £18m grant program to a private foundation, Comic Relief (this latter fund is for diaspora and small organizations). Historically, diaspora organizations have fared poorly when applying for DFID's more mainstream funding programs and so the creation of a bespoke fund is an indirect admission of a failure to fully integrate diaspora contributions into existing development programs. So, while these new funding initiatives are welcome developments in their own right, they beg wider questions about the degree to which the environment within which the diaspora in the UK operate is fully enabling of their developmental contributions (which extend far beyond engaging in charitable development projects). Rather encouragingly, Comic Relief has designed a program that plays to African diasporas' broad areas of concern and skill-sets by emphasizing outcomes in employment and enterprise; health; and education. However, Comic Relief shall have to take care that the assessment of proposals also plays to diaspora groups' strengths and does not penalize them for not conforming to conventional development approaches. Ultimately, only time will tell whether these funded programs shall have a significant developmental impact.

## **6 - Conclusion, recommendations, and GFMD CSD discussion points**

### **6.1 Conclusion**

Three stark conclusions flow from this discussion:

Diasporas' contributions to development cannot in any meaningful way be a substitute for the contributions of a developmental state. On the contrary, diaspora engagement can usefully and powerfully complement the efforts of the developmental state.

The vast majority of diasporas are unlikely to aspire to become development activists immersed in the language and practice of the development industry, even as it applies to NGOs and charities. Therefore, diaspora-supported development projects aimed at their countries of origin will only be a marginal portion of the overall development effort. Rather than proceeding on the basis that it would be desirable to have more diaspora development actors, it might be more fruitful to look for and maximize the development outcomes of the everyday diaspora practices.

The key sets of policy options for governments wishing to engage diasporas for development are: (1) create environments in both host and origin countries that enable diasporas to realize their full potential as citizens and residents (in the case of migrants),

alongside all other citizens and residents; (2) specific policies to gain multiplier effects from application and usage of diaspora resources, particularly financial and intellectual capital. Both of these policy options are ongoing processes, often of trial and error.

Diaspora engagement can contribute to development, eg achievement of MDGs, to the mutual satisfaction of the diaspora themselves, as well as origin and host countries. Neither the strategic focus on developmental outcomes nor the win/win/win of mutually rewarding results are naturally occurring elements; it is necessary *for all parties* to work hard at achieving both.

Motivations, capacities, competencies, and will of the diaspora are shaped by the conditions in origin and host countries. A mixed bag of policy options exists to create the environment most enabling for maximizing the gains from migration for development. However, lack of political will and/or lack of resources in origin and host countries often foreclose options for diaspora engagement and lead to a focus on funding diaspora-led development projects (in host countries) and the establishment of offices for diaspora affairs, presidential task forces, etc as core elements of this diaspora engagement. Such efforts may be welcome and even necessary aspects of diaspora engagement, but unfortunately they are far from being sufficient to bring about lasting developmental benefits.

## **6.2 Recommendations**

For initiators of diaspora engagement initiatives – usually host or origin government agencies or private foundations – this means understanding the diaspora in both conceptual and specific terms. Diaspora can leverage certain forms of “capital” – financial and intellectual are of especial interest to developing countries, but social, political, and cultural capital are also relevant – for certain types of return, whether purely private financial, or for wider social gain. However the term diaspora (which in this context also includes migrants) covers such a diversity of groups often in markedly different circumstances that there is no alternative to governments and agencies undertaking focused and specific surveys asking pointed questions to pinpoint who specifically we are talking about, where they are, what they would like to do, and how best to do it.

Diasporas need to take note of the adage “to thine self be true” and recognize the unique contribution they can make to development while at the same time seeking to integrate their efforts into the bigger picture of development. The disappointments of past development efforts these past 40 or 50 years are palpable, particularly for the hundreds of millions of

people living in poverty who feel the impact of this failure. The challenges ahead remain huge. For diasporas to make a real difference will require taking careful stock of the combination of “capitals” they can mobilize, being clear and honest about their motivations, focusing energies on ways to assist their counterparts to move permanently out of poverty (and the only way to do this is if they can secure decent, product jobs or significantly improve their incomes), learn from others with valuable lessons to teach, and above all get organized.

An interesting example of all this is US-based The African Network (TAN), a global non-profit organization that aims to foster entrepreneurship and technology among people of African descent. TAN founders took their inspiration from The Indus Entrepreneurs (TiE), founded in Silicon Valley in 1992 by successful entrepreneurs and professionals with roots in the Indus region that has evolved into a real force for change in India. TAN’s objective is to leverage available resources through networking, education, training, and mentoring to develop entrepreneurship and enable community development among people of African descent. TAN organizes two conferences a year, one in the US and one in Africa to create an ecosystem where entrepreneurs, would-be entrepreneurs, venture capitalists, investors, business leaders, community leaders, and policy makers network and discuss investments, business opportunities and other issues of relevance to people of African descent. Neither TiE nor TAN formed through government diktat although both seek positive engagement with governments and take advantage of favorable policy shifts to realize their objectives.

### **6.3 GFDM CSD discussion points**

Some 97% of all emerging markets jobs are created by small and medium enterprises (SMEs) so understandably interest is growing in finding ways to harness diaspora resources to invest in and strengthen SMEs (eg through business advice and technical assistance). However, previous GFMD CSDs have not paid significant attention to this issue. Some relevant issues might include:

What are the similarities and differences between diaspora investors and domestic/foreign investors, what are the ways of categorizing and servicing the former – what sort of information, systems, and support do they need?

How can diaspora skills and know-how be leveraged to support SMEs to occupy more favorable positions in value and supply chains?

What combination of face-to-face and technologically assisted interactions might enable more experienced diaspora entrepreneurs, investors, and managers to mentor and support counterparts in developing countries?

What combination of policies and practice enable transnational diaspora entrepreneurs to establish thriving enterprises that create wealth and jobs in both host and origin countries?

How can we integrate diaspora resources into larger enterprise development programs?

What kinds of institutional arrangements and mechanisms would enable us to scale up diaspora engagement around enterprise and job-creation to have significant impact in developing countries?

Thorough assessment of recent experiences with, for example, the African Diaspora Marketplace – a joint program of USAID, Western Union, and Ecobank to mobilize entrepreneurs living in the US with businesses in Sub-Saharan Africa to compete for a \$50,000-\$100,000 matched grant to help boost their economies back home – should provide valuable insight into some of these questions. Similarly, a recent business plan competition in Sierra Leone that was also open to the diaspora should shed some useful light on these questions.