

CLOSING THE DISTANCE

HOW GOVERNMENTS
STRENGTHEN TIES
WITH THEIR DIASPORAS

DOVELYN RANNVEIG AGUNIAS, EDITOR



FOREWORD

Kathleen Newland

Diaspora populations can be an asset or a liability to the governments of their countries of origin—and sometimes both at once. The focus has shifted to the positive in recent years as governments increasingly have come to see their diasporas as assets and as the international policy discussion about the relationship between migration and development has gathered momentum. Building on the newfound awareness of the tremendous importance of remittances to many developing countries (in Tajikistan, the world's most remittances-dependent economy, remittances make up more than half of the gross national product, or GNP), governments have become interested in the other contributions that members of the diaspora can and do make to the development of their homelands. These include direct investment in businesses, portfolio investment in emerging stock markets or government bonds, philanthropic contributions, development of global trade and business ties, and the transfer of knowledge and skills acquired abroad.

Beyond their contributions to economic development, diasporas with close ties to their countries of origin may also catalyze the adoption of new attitudes. Some of these, such as greater acceptance of new gender roles or lower tolerance for corruption, are conducive to development. More generally, ties with a group of “transnational” citizens may allow developing countries to enjoy some of the benefits of globalization rather than only suffering its disruptions.

Simple awareness of the potential of an engaged diaspora does not, however, translate automatically into benefits. Increasingly, many governments are becoming aware of the need to pursue a more active role in relation to diaspora populations in order to involve them productively in development. Of course, some governments, such as China and South Korea, have long done so, and their experience offers lessons for others with similar ambitions.

This volume illustrates the great variety of ways that governments engage with their diasporas. The first chapter, by Dovelyn Agunias, offers an unprecedented taxonomy of government structures set up for this purpose, presenting data on 45 institutions in 30 developing countries. The research highlights the tremendous variety of forms that these institutions take, at different levels of government, in the homeland and abroad, formally independent from the government or embedded in official structures. It also points to the gap between the ambitions and the achievements of diaspora institutions, often because of inadequate resources, but also because of inexperience, poor design, and divisions within diasporas.

Ms. Agunias draws some important, practical conclusions from her research. She emphasizes the importance of serious preparation. Before a government embarks on a diaspora-engagement program, it should learn as much as it can about what the diaspora needs and can offer. Governments seldom are starting from scratch, so an inward-looking assessment of existing structures and programs is also recommended. Diaspora engagement is as much process as product; how it is done has a major impact on the outcome. Getting the process right is key to building trust with members of the diaspora, assuring them that their views are taken into account and avoiding bureaucratic rivalries that can undermine achievement.

Ms. Agunias suggests that governments need to invest in capacity building to make sure that their agendas for diaspora engagement can be implemented. She identifies three key “force multipliers”: funding, technical know-how, and partnerships. Finally, she recommends that diaspora engagement be linked to the country of origin’s development planning, while recognizing that substantial challenges are involved in doing so.

The three country case studies that follow demonstrate quite different approaches to diaspora engagement.

Patricia A. Sto. Tomas, writing of the Philippines, strongly emphasizes the country of origin’s role in protecting migrant workers abroad. The Philippines was a pioneer in the large-scale deployment of temporary contract workers to the Middle East, starting in the early 1970s, and to other countries subsequently. Today, more than one-quarter of the active labor force works overseas, and the government aims to deploy 1 million Overseas Filipino Workers (OFWs) every year. This huge labor flow brings great economic benefits (more than 10 percent of the Philippines’ GNP comes from remittances) but also substantial social and political costs. Families endure chronic separation, and the government is revealed as unable to foster job creation at home.

With the country and people so dependent on emigration, the government of the Philippines has built administrative structures to regulate the recruitment process, assist in placement, impose sanctions on recruiters and employers (or even entire countries) that abuse or exploit OFWs, provide legal and social services to migrants abroad, and monitor their welfare through a network of government offices in the most important destinations for Filipino migrants. Ms. Sto. Tomas emphasizes, however, that the responsibility for protecting migrant workers does not lie only with the country of origin. Countries of destination also are responsible for assuring that basic human and labor rights are observed, and that migrants have recourse when they are abused by local employers, recruiters, or officials. She concludes that many other actors, including employers, nongovernmental organizations, international agencies, and migrant workers themselves all have responsibilities for protecting migrant workers.

Ms. Sto. Tomas, the former Secretary of Labor and Employment and currently Chairman of the Development Bank of the Philippines, reflects the priorities of her government in the emphasis she places on temporary labor programs. In the Philippine government's case, interest in the diaspora population is heavily focused on current contract workers, rather than the broader diaspora of Filipinos permanently settled abroad and their descendants. The Philippine government does not officially recognize migration as a development tool, so it devotes little attention to taking advantage of the wealth and experience of Filipino expatriates or Philippine-origin citizens of other countries. Rather, the government works to open labor opportunities for its citizens overseas and sees its foremost duty as protecting its citizens.

Mali, by contrast, has sought to integrate its diaspora into the political and economic life of the nation from the moment it returned to democratic governance in 1991, as explained in the case study contributed by Dr. Badara Aliou Macalou. The government regards migrants and their descendants as the "ninth region of Mali." In 1993 it established the High Council for Malians Abroad (HCME) as a consultative body composed of representatives elected by national councils of Malians residing in more than 50 countries. The members of the High Council have an official role in representing the interests and views of the Malian diaspora to the government in Bamako. In their countries of residence, they extend the capacity of the government to strengthen the diaspora's ties to Mali.

Mali also created a Ministry for Malians Abroad and African Integration. Most Malians abroad live in other African countries; only 3 percent live in Europe. Nearly 2 million Malians live in Côte D'Ivoire, for example, while only about 120,000 live in France, the most important destination country in Europe. (The small minority in Europe, however, send

back about three-quarters of Mali's remittance receipts.) Thus Mali's diaspora relations are complex. The government wants to attract the money, skills, and knowledge of the highly educated migrants living in the North, but must also attend to the needs of the vast number of poor Malians following traditional migration routes or new livelihood strategies throughout West Africa. The ministry has the task of maintaining policy coherence in this challenging policy environment, and with very limited resources. As Dr. Macalou points out, the 2008 budget of the ministry was less than \$4 million, and over half of that went to general administration.

The Ministry of Malians Abroad and African Integration has looked to partnerships, both conventional and innovative, to loosen the resource constraints that inhibit migration-and-development activities. It works closely with other departments of government, notably the Ministry of Foreign Affairs and International Cooperation, whose 30 embassies and nine consulates provide services to Malians abroad. It has worked with international organizations such as the United Nations Development Program to bring back skilled nationals for temporary teaching assignments in Mali. Donor governments, individually or collectively, fund some migration-and-development programs, although there is often a heavy *quid pro quo* in the form of cooperation from Mali in preventing unauthorized departures to Europe or facilitating returns to Mali of unauthorized migrants.

Above all, Mali has reached out to Malians abroad to contribute resources to the country's development efforts—and they have responded both to crisis and opportunity. Dr. Macalou cites the plague of locusts that destroyed crops in 2004 as one occasion on which the diaspora responded with an outpouring of contributions. Migrants from the Kayes region pour about \$7 million a year into collective investments in their communities—almost twice the ministry budget. The ministry and HCME encourage migrants to seek development partnerships at the local level, and some have born fruit. The French town of Montreuil, for example, launched a development program in Mali's Yelimane region, which is the original home of most of its 6,000 Malian migrants. It has attracted substantial diaspora financing, as well as funding from the municipality, the French government, and numerous other public and private partners.

Dr. Macalou, as the serving Minister for Malians Abroad and African Integration, deserves credit for understanding that “the diaspora does not require a ministry to contribute to Mali's development.” Diaspora contributions have supported development and reduced poverty since long before the ministry came into being. However, he asserts that the ministry has an important role as a bridge between the diaspora and the Malian government and between the diaspora and the governments of destination countries.

While Mali's diaspora is scattered among rich and poor countries, North and South, near and far, Mexico's is overwhelmingly concentrated in one country: the United States. Carlos González Gutiérrez describes the work of the Mexican government's Institute of Mexicans Abroad (IME), which was established under the Foreign Ministry in 2002. IME exists to serve and strengthen ties with the estimated 12 million Mexican-born and 19 million descendants of Mexicans who live in the United States today. IME is built on an innovative premise: that successful integration in the country of destination *increases* the ability and inclination of the diaspora to contribute to the development of the country of origin rather than loosening those ties. Thus, IME's programs focus on the needs of the diaspora, particularly in education, health, financial literacy, local-to-local collective philanthropy, and official identity documents (particularly important since so many Mexicans live in the United States without authorization). In each of Mexico's 50 consulates in the United States, a community affairs officer is responsible for the implementation of IME's programs. The density of Mexico's diplomatic and consular networks in the United States is without parallel, and makes possible a high level of interaction with the diaspora.

The services provided through IME to the Mexican diaspora have helped in the ongoing work of constructing a relationship of trust between the diaspora and the Mexican government. One of the mechanisms for communication and trust-building is the Consultative Council of IME (CCIME). Like the High Council for Malians Abroad, CCIME is composed of elected members resident in other countries (Canada and the United States in this case)—although CCIME also has about 15 members, out of 128, appointed by the government.

Mr. González, who was Executive Director of IME (and is currently Mexico's Consul General in Sacramento, California), acknowledges that there are tensions between the members elected to represent their communities and Mexican government officials. But he describes the expression of differences as constructive, and notes that the council has influenced Mexican government policies in important ways on issues such as overseas voting, fees for passports and consular identification cards, and support for the remittance-matching programs known as the Three-for-One program.

The government of Mexico encourages immigrant communities in the United States to organize themselves, often on the basis of a common place of origin, and to federate their grassroots organizations into larger bodies that can be more effective channels for action and information. The strategy underlying Mexico's diaspora policy is to empower Mexicans abroad (as well as Mexican-Americans, Mexican-Canadians, etc.), to strengthen their identification with Mexico, and to promote cooperation with the Mexican government's

agenda on education, health, economic development, and so on. Despite Mr. González's evident confidence in the strategy, it carries some risk. A strong and independent diaspora may not always agree with the government's policy priorities, or may even choose to oppose them. But Mexico is taking the long view, and is banking on closer integration among the North American states to lift Mexico into the ranks of developed countries. In this project, a committed diaspora, particularly one that exercises increasing political power in the United States, is an irreplaceable asset.

Three countries with three very different histories of emigration, and different approaches to their diaspora populations—the Philippines, Mali, and Mexico—demonstrate the rule that, with diaspora institutions, one size does not fit all. As these three cases and Ms. Agunias' opening chapter show, a rich array of models exists. Each government will have to tailor its institutional design to the circumstances of its diaspora and its own capabilities. Is the diaspora resident in just a few countries or is it widely scattered? Is it hostile or friendly to the government in power in the homeland? Is it relatively homogeneous or fragmented along lines of education, ethnicity, religion, or region? Does the government have the resources to maintain a large consular network in the countries of destination? Does it have some other way of reaching diaspora populations? How can it help to meet their needs? Is it willing to accept input from the diaspora and create mechanisms to translate some of that input into workable policies and practices?

Despite the large number of possible variations, a few ingredients can be identified in whose absence it is difficult to imagine a diaspora-engagement institution (or set of institutions) succeeding.

One of the most important is a clear set of goals. What does the government expect to gain by engaging the diaspora? The Philippine government's focus on deployment and protection of migrants abroad reflects the goals of maintaining a strong flow of remittances (to relieve poverty and support the balance of payments), reducing unemployment, fulfilling a duty to protect its citizens, and deflecting the political criticism that flows from so many Filipinos having to seek work abroad in positions that leave them vulnerable to abuse. Mali's government certainly values migrants' remittances but seems to be equally if not more concerned about persuading members of the diaspora to use their skills and global connections to promote Mali's economic development. Mexico, which is a middle-income country where remittances make up a very small proportion of GNP, has a long-term goal of integrating Mexican migrants and their descendents more widely into North American labor markets (particularly the US market) and the broader society, knowing that their success and their continuing attachment to Mexico will bring benefits to their communities of origin but

also—and perhaps more importantly—help to balance Mexico’s relationship with its powerful northern neighbor. The goals of diaspora engagement will (or should) shape the structures established to accomplish those goals.

A second important ingredient is information about the diaspora. Governments will find it hard to formulate engagement policies without knowing the location, composition (by age, gender, and region of origin), human-capital endowment, income levels, and other key characteristics of the diaspora. Yet such information is often hard to come by. The Ministry for Malians Abroad and African Integration has an Office for Migration Statistics and Forecasting to do its own research and analysis and to draw in data from other departments of government, destination countries, and international institutions. All diaspora institutions should aspire to this type of capability.

The nervous system of institutions for diaspora engagement is communication. Members of the diaspora need a way of receiving information from the homeland government and conveying their ideas, needs, and priorities. Face-to-face communication through consular networks, for example, is ideal, but for a large or scattered diaspora it is costly in both funds and personnel. The creative use of information technology can expand the range of interactive communication, although many government-run Web sites for the diaspora have proved to be static and little used. Representative structures such as Mali’s HCME and Mexico’s CCIME represent another useful mode of interaction, as long as these structures are seen as legitimate and authoritative, both by members of the diaspora and government officials.

A fourth critical ingredient of diaspora institutions is coordination of efforts. Without some means of achieving policy coherence, different actors within the government may pursue initiatives that duplicate, overlap, and contradict one another. A single source of revenue may be tapped by multiple supplicants or overlooked, and information may not reach those who need it. Members of the diaspora may be confused by competing claims on their attention or uncertain where to turn when they need services or want to contribute. Many governments have concluded that they need to establish a single portal for interaction with the diaspora. Because diaspora engagement is multifaceted, several departments of government will need to be involved, but a coordinating body may help to ensure that the whole of their efforts is greater than the sum of the parts.

Finally, institutions of diaspora engagement must have something to offer the diaspora. The self-generated psychic satisfaction of having helped a cherished homeland may be enough to sustain the engagement of some individuals, but motivations of even the most dedicated can

be strengthened by evident benefits. These may take the form of intangible rewards of recognition and honors, or of economic opportunities that open with involvement in the country of origin. A number of governments have chosen to give special benefits to members of the diaspora, such as preferred tax treatment of their investments, fast-track approval of business licenses, privileged access to land and housing, university placements or scholarships for their children, and even special cemeteries. These benefits can be abused and can generate resentment on the part of nonmigrants, but the record shows that they can also be effective in generating or sustaining diaspora commitments.

Each government will design—and probably redesign—its own institutions for diaspora engagement. This volume provides a structure for thinking about the options and three thoroughly elaborated examples of different patterns. The Migration Policy Institute offers it as a contribution to the ongoing debate on migration and development, in the hope that both governments and members of diaspora groups will find it useful.

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Edited by Dovelyn Rannveig Agunias

This book explores how developing-country governments have institutionalized ties with emigrants and their descendents. It offers an unprecedented taxonomy of 45 diaspora-engaging institutions found in 30 developing countries, exploring their activities and objectives. It also provides important practitioner insights from Mali, Mexico, and the Philippines.

Contributors include:

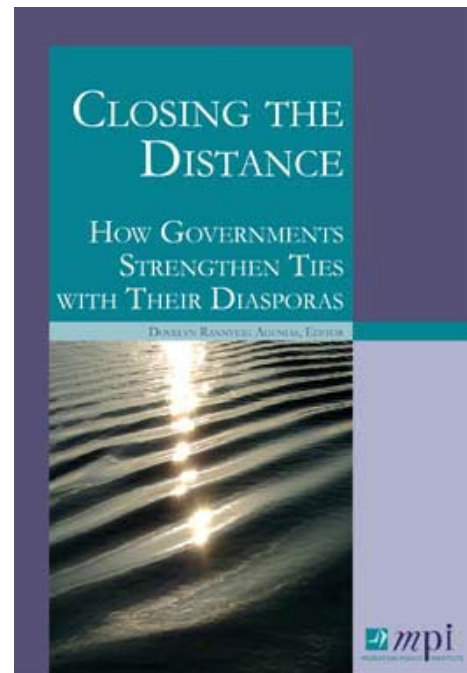
Kathleen Newland, Director, Migrants, Migration, and Development and Refugee Policy programs, Migration Policy Institute

Dovelyn Agunias, Associate Policy Analyst, Migration Policy Institute

Patricia A. Sto. Tomas, Chairman, Development Bank of the Philippines and former Secretary of the Department of Labor and Employment, Government of the Philippines

Badara Aliou Macalou, Minister of Malians Abroad and African Integration, Government of Mali

Carlos González Gutiérrez, Consul General of Mexico in Sacramento, Calif., and former Executive Director, Institute of Mexicans Abroad, Government of Mexico



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