
Contributions of Migrants and Diaspora

Thank you Madam/Mr. Chair!

They say, “Everybody is a migrant at some point!” We are living in an era of Globalization where technology and networking have made our world easier than ever to move from one place to another. This rising movement of people all across the globe i.e. migration has become a crucial issue to be addressed. Though a natural phenomenon, migration needs to be given an appropriate direction, in order to mitigate its negative effects and to boost the positive impacts and make it more safe, orderly and regular. In accordance with this, on behalf of MITRA organization, I would like to take this opportunity to present my views as a respondent to this summary panel.

All of us have expressed our views regarding the linkages between migration & development. The debate on migration and development has swung back and forth like a pendulum, from developmentalist optimism in the 1950s and 1960s, to neo-Marxist pessimism over the 1970s and 1980s, towards more optimistic views in the 1990s and 2000s¹.

In the past few years there has been a remarkable renaissance in optimism and the overall interest in the issue of migration and development by all the stakeholders. The new policy interest in Diasporas reflects a broader concern with globalization, and specifically the very recent appreciation of the volume of remittances to developing countries by emigrant workers and their descendants². Remittances, however, are far from being the only vehicle for migrants and diaspora influence on the development in their home countries. For many societies, migrants and diaspora are a major source of foreign direct investment (FDI), market development (including outsourcing of production), technology transfer, policy reforms, philanthropy, tourism, political contributions, and more intangible flows of knowledge, new attitudes, foreign relations, conflict resolution, leadership development and cultural influence. These are what we call as ‘Social Remittances, Brain Gain and Brain Circulation’. These contributions of migrants are related to 9 major Sustainable Development Goals, such as, Poverty, Health, Education, Gender Equality, Decent work, Reduce inequalities, Sustainable cities, Climate action and Partnerships.

There are long terms as well as short term contributions. Countries like China, India and Taiwan focus less on remittances in favor of pursuing three very different business-oriented models in seeking Migrant & Diaspora contributions to development. Taiwan has pursued a “brain trust” model, focused on attracting human capital from the Diaspora. China has had perhaps the longest-

¹ Hein de Haas, 2008, Working paper on ‘*Migration and development: A theoretical perspective*’, International Migration Institute

² Kathleen Newland, Erin Patrick, 2004, ‘*Beyond Remittances: The Role of Diaspora in Poverty Reduction in their Countries of Origin*’, Migration Policy Institute

term strategy for attracting direct investment and opening trade opportunities through overseas Chinese communities. India's recently launched Diaspora policy is multi-pronged, pursuing direct investment, portfolio investment, technology transfer, market opening, out-sourcing opportunities and trade links through migrants and diaspora. The most immediate effects are likely to come from strategies like that of the Philippines, which seek to maximize the income stream from remittances directly to households. However, Diaspora strategies depend to some extent on maintaining, creating or rebuilding bonds with migrant communities and encouraging patriotic sentiments. Some do this by cultivating a very broad sense of non-territorial membership in the nation.

Locating the level and the kinds of Migrants and Diaspora engagement that are most conducive to development, requires an awareness of the time dimension of impacts, as the most immediate may not be the most effective over the long run. To increase the long term impacts of contributions of migrants and diaspora, following ways can be effective:

1. Forming Home Town Associations
2. Building Business Networks
3. Building Social Capital
4. Moderating conflicts
5. Through Philanthropic actions
6. Increasing multiplier effects of migrants and diaspora investment

However, we also need to be cautious of the negative sides, such as, contributions of migrants and diaspora can be used for supporting conflicts or violating public order.

Migrants and diaspora also contribute to countries of destination, especially through the contribution of labor migrants at all skill levels. They also fill the labor market gaps and are complimentary to local labor force. This in turn allows economy to grow more rapidly, which creates more jobs, demands more services, provides more taxes and leading higher incomes and wages, thereby boosting GDP.

Considering the problems listed in the concept note, such as, Inadequate policies preventing positive development outcomes, Costs of transfer of remittances and lack of financial inclusion etc. and to increase the positive impacts following measures needs to be taken –

1. Regarding Remittances and financial inclusion -
 - Lowering transaction costs and increasing the security of transfers
 - Extending financial services to poor people, especially in rural areas, who are “unbanked”
 - Encouraging collective remittances from migrant organizations, by offering them technical assistance, help with institutional development, matching funds, marketing assistance, and other business and financial services
 - Eliminate informal remittance corridors

- Encouraging more “productive”, or developmental, uses of remittances. Enable remittance markets through competition, innovation and adequate regulatory frameworks towards greater outreach and costs reduction
 - Find the solutions to the problems like, Poor infrastructure (physical and financial), underdeveloped markets, corruption, and a poor investment climate which confine the potential of remittance-focused strategies to the immediate receivers
2. Bilateral and multi-lateral agreements which provide social security coverage and benefits, portability of social security entitlements
 3. Migration Data collection, research and informed policy decision making- Especially, as mentioned in the issue brief, in line with SDG no. 17.18 – enhance capacity building support to developing countries, on data collection
 4. Building on success and replicating successful models of migrants’ initiatives
 5. Public-Private partnerships
 6. Networking
 7. Development friendly migration policies

With these recommendations, I conclude my intervention by blending quotes of two famous personalities; “Migration is as natural as breathing, as eating, as sleeping. It is part of life, part of nature. So we have to find a way of establishing a proper kind of scenario for modern migration to exist. And when I say 'we,' I mean the world. Together we are stronger, our voices louder, and the synergy of our actions more powerful. We need to find ways of making that migration not forced.”

Thank you!

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