

Leveraging Migration for Local level Development



International migration is one of the most important factors affecting economic relations between developed and developing countries today. In 2002 the United Nations estimated that about 175 million people – roughly 3 percent of the world’s population worked outside their country of birth. In 2010, the World Bank estimated global international migrant figures in the region of 215 million, a figure that has within 4 years jumped to 232 million according to a new UN global migration statistics in 2013 - that is 3.2 per cent of the world’s population. Of this global transnational movement, migrants from the developing world constitute the highest numbers.

In Africa, the continent has historically experienced important migratory movements, voluntary and forced, that has shaped the continent’s current landscape (AU, 2006). With the scattering of communities between two or more nation-States, movement of people for social and economic reasons could in essence not be limited by political frontiers.

Migration has therefore been and still constitutes an integral part of livelihood strategies of migrants and their households. Recent figures show remittances to developing countries are estimated at \$404 billion in 2013, up 3.5 percent compared with 2012. More so, growth in remittance flows to developing countries is expected to accelerate to an annual average of 8.4 percent over the next three years, raising flows to \$436 billion in 2014 and \$516 billion in 2016. Despite these fascinating figures, the World Bank still considers these figures to be less than expected. The Bank argues that African diaspora savings, at \$53 billion every year, exceed annual remittances to the continent and are mostly invested abroad. Such figures are obviously significant for most African economies if not all.

Realizing the socioeconomic significance of migrants, the league of notable emigrating countries has all adopted State-level policies targeting their émigrés for national development consideration. At the turn of the millennium, most economies turned their attention once again to their diaspora to mobilize migrant savings, in excess of \$500 billion stuffed in high-income countries, for development purposes, including through diaspora bonds in a bid to salvage their dwindling fiscal fortunes.

Comparatively, New Zealand ventured into the mobilization of diaspora capacities and resources in the early 2000s, same as when Ghana’s engagement was given much impetus at the highest level. In Ghana a one-off Home-Coming summit left in its wake a fragile office for diaspora affairs which with time vapoured out due bureaucratic apathy. However, Alan Gamlen in conceptualizing the New Zealand approach adapted the latter’s diaspora strategy within a neoliberal construction of ‘creative destruction’ which underscores institutional readjustment that aim to mobilise and connect expatriate expertise through international connectedness, economic development, entrepreneurship, and innovation rather than trying to convince them to return home (Larner 2007). Such a diaspora strategy became an

integral part of a governmental imaginary in which entrepreneurial, globally networked, subjects create new possibilities for economic growth according to Larner (Ibid). The Kiwi Expats Association has with a seed donation of NZ\$100,000 from two philanthropists and Government financial and resource commitment, grown into an institutionalised trade promotion agency within most of their diplomatic missions abroad.

It is however imperative to note that diaspora engagement does not and should not stop at the national level. Post-colonial political discourse has proven that at the individual level, the primordial realm is given much precedence over the civic public in Africa. The dominance of ethnic Associations among the Ghanaian Diaspora is a manifestation of the inclination to engage at the local level where they still have family ties. Courting these investment catalysts with over \$500 billion savings in their host countries involves building strategic long-term alliance that is premised on winning their trust through targeted policies that aim to attract their input into national/local level policy formulations. Through such an approach, the decentralised structures of governments, particularly the Municipal and District Assemblies could be encouraged to establish diaspora offices that court diaspora investments for local development needs.

States and sometimes cities in India, China and the Mexico among others have created diaspora investment zones, similar to the Free Zones initiative in Ghana, with targeted policy incentives to attract their diaspora's entrepreneurial class. In the case of South Korea, instigating a reverse flow of their high-tech migrants in the US called for assurances of subsidised housing, duty-free import of machinery, and guarantees of good schools for returnees' children.

In the Ghanaian instance, it is significant to note that, though no conscious policy effort is made to hinder diaspora investment locally, the major challenge remains the latent consequences of some policy directives that are not malleable for 'good' reasons. Another pressing challenge to diaspora engagement for most governments of the global South is how to support institutions that do not drain scarce public funds and yet bring in financial resources, the evidence of which is manifested in references to the Ghanaian diaspora in Ghana's Poverty Reduction and Growth Strategy; financial remittance remains the only key reference.

However, as the Migration Policy Institute (MPI), a US-based think-tank has noted, governments need to be much more proactive if they are to reap concrete benefits from their diaspora. Thus, by fulfilling their responsibilities to citizens abroad and addressing their needs, as Gamlen (2007) noted, governments of sending countries can mobilise their diaspora's loyalties. After all "investment in Ghana and Africa pays", a returnee with Newmont Ghana observed. Members of a diaspora may be more willing than other investors to take on risks in their country of origin, but president of the Rwandan Diaspora network USA, Gaetan Gatete, argues "they are looking at what they can give, but also at what they can get in return". New Zealand's engagement with expatriates *should ultimately not depend on changing ambassadors or staff, it should be a policy.... if they want to get something back for it, they've got to put something in*, a KIWI expatriate observed.

Municipal and District Assemblies could facilitate land acquisition for local returnees to ease the challenges they encounter in their quest to invest in the communities. A good example is the instrumental role of the Chiefs and Elders of Obomeng who have assisted a diaspora group in acquiring large arches of land in pursuit of their 'cassava modification' investment in the Kwahu South District. In Japekrom at the Jaman South district, 'Spain-man's investment in the hospitality, restaurants and washing bay is creating jobs for hands in the community that might have found their way in Sunyani, Kumasi and Accra. Yet land acquisition hindrances appear to be frustrating a high-tech agriculture investment in the Bosomtwi district of the Ashanti region, confirming the observation that policies, laws, and regulations are the biggest obstacles to establishing a business by diaspora members and return migrants (Black and Castaldo, 2007).

In the 2011 World Bank's report on Diaspora for Development in Africa, Dilip Ratha and Sonia Plaza advised that "If one in every 10 members of the diaspora could be persuaded to invest \$1,000 in his or her country of origin, Africa could raise \$3 billion a year for development financing," an alternative that Dambisa Moyo had earlier proposed in her 2009 contentious 'Dead Aid' thesis.

The aforementioned individual investments in Ghana which transcends the \$1,000 benchmark is just the tip of the a really huge iceberg that requires concerted state policy effort in these challenging times to be leveraged to expand the economies of the various districts in Ghana.

In so doing, the MMDAs must brace themselves up with their capacity deficits. Engaging with emigrants comes with its own challenges. Most emigrants have gained a cosmopolitan worldview that transcends their sending countries and this becomes a basis for the clash of perspectives in their engagement with their countrymen. It is not uncommon to hear the unpalatable "too known" description of concepts that appear strange to the Ghanaian worldview. The "what is in it for me" notion of bureaucratic engagements should be jettisoned if diaspora programming should yield the needed outputs. Again, the MMDAs should endeavour to sharpen the capacities of their staff beyond waiting for initiatives from Accra.

Creating an environment conducive to facilitating the participation of migrants, in particular those in the diaspora are the positive networks that come with the potential for resource support, both material and immaterial. These networks can be explored for the capacity and logistical deficits that abound with the MMDAs. In the long term, it behoves on the political elite to appreciate the significance of broadening political participation beyond the borders of Ghana to give meaning to the established correlation between economic and political inclusiveness (Acemoglu and Robinson, 2012).

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