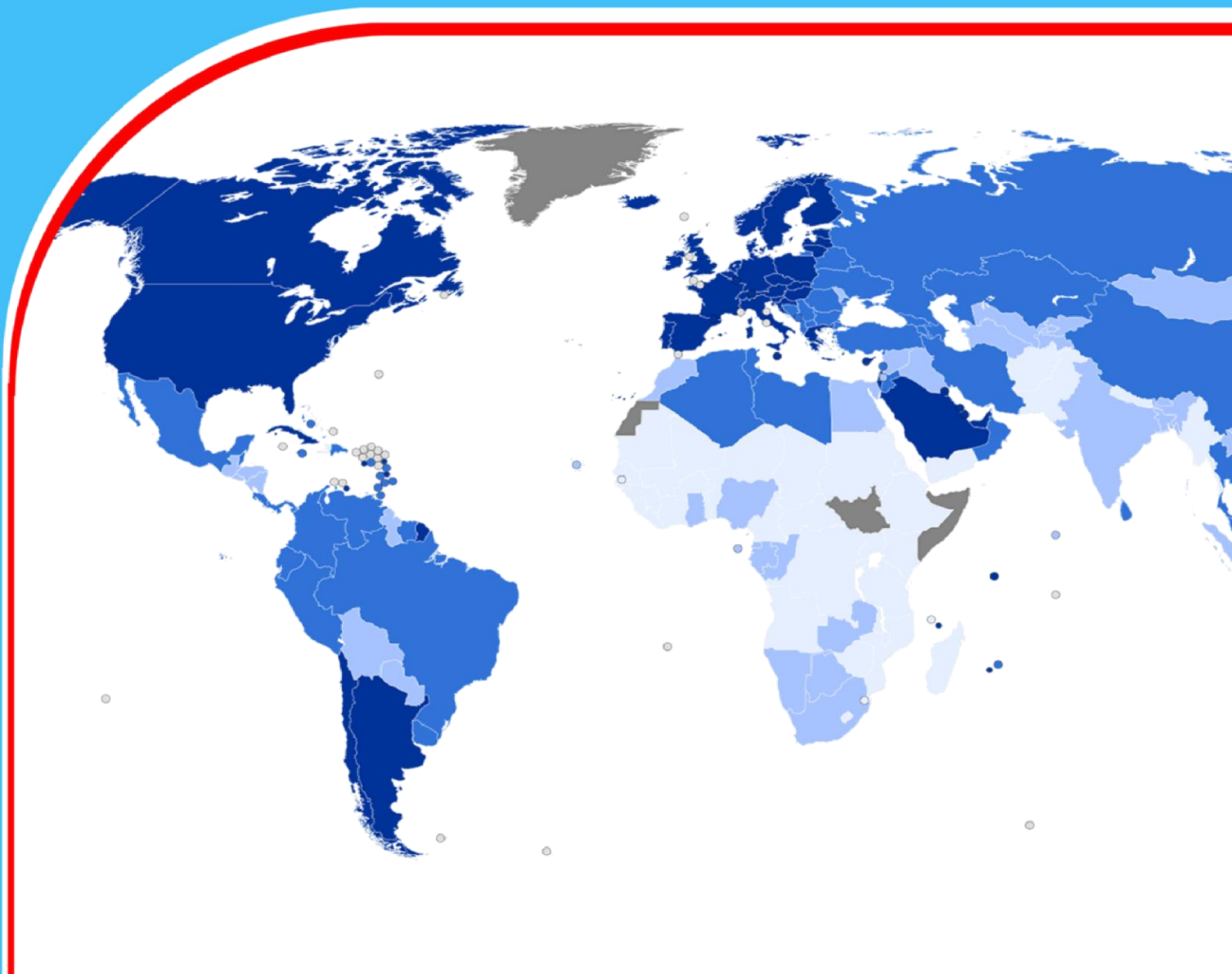


# Journal of Developing Economies (JDE)



DIASPORAS AS DEVELOPMENT PARTNERS  
FOR HOME COUNTRIES: A CASE FOR  
TANZANIA

Dennis Lazaro Londo



## **DIASPORAS AS DEVELOPMENT PARTNERS FOR HOME COUNTRIES: A CASE FOR TANZANIA**

Dennis Lazaro Londo  
Email: [dlondo358@gmail.com](mailto:dlondo358@gmail.com)

### **Abstract**

Diasporas have often been an integral part of community development in both host and home countries. Despite their efforts to send money back to their home countries there are very few governments existing today that have incorporated the Diaspora as development partners. This study reviews specifically the existing policies by the Diaspora home governments to incorporate them as development partners with the Tanzanian government being a case study. The study also gives suggestions on how Diaspora home governments could enhance policies to accommodate the non-financial contributions of the Diaspora towards their home governments. This study reviewed literature and analyzed findings from interviews conducted on Tanzanian Diaspora living in the capital of Finland, Helsinki. The study found out mainly that most governments are concerned with the Diaspora remittances which overlook the non-financial contributions from the Diaspora that can contribute to community development. With regard to such existential knowledge gaps, this study provides with knowledge on how to improve Diaspora engagement in home countries.

**Keywords:** *Diaspora, development partners, home government*

## Introduction

Diasporas cannot be underestimated when it comes to development in their home countries (Gnimassoun & Anyanwu, 2019). Over the recent past, most governments have shown increasing awareness of their Diaspora in regard to their involvement in development in the home countries. The contributions of the Diasporas have ranked across the board from private sector and to some extent in some government programs (Butler, 2001). Due to those efforts, there has been poverty reduction; improvement of basic needs supply and change of mindsets influenced by the Diasporas in their home countries (Brinkerhoff, 2008).

For a long time, the contributions of the Diasporas have been unaided with no policies to direct or control their activities but despite all that the Diasporas have been consistent in their support towards the development of home countries (Docquier & Rapoport, 2004). Amongst the notable influences of Diaspora contributions towards the development in their home countries include socio-economic factors, political environment and certain institutional frameworks that have been set to act as a bridge between the government and its citizens in regard to national development (Barre & Vinck, 2003).

In the recent past, there has been an increase in Diaspora policy interest whereby most governments are mobilizing and setting up conducive environments for the Diaspora to contribute towards development in their home countries (Kangasniemi & Winters, 2004). However, even with this growing interest, the policies still lack directions and in so far many aspects the policies have not fully addressed the Diaspora needs in a satisfactory measure. The policies ought to be structured in such a way that the Diaspora will have a claim to make in contributions that they make in national development without necessarily feeling deprived of their ownership rights (Bach, 2003). With this setting, the policies will not only aid in establishing the Diasporas as development partners with home governments but will also go a long way to motivate the Diasporas to be regularly coming up with development ideas in which they will implement through funding (Hugo, 2004).

If given the necessary opportunities the overall development potential of the Diasporas can boost a country's economic status (Gai, 2004). In Tanzania, the Diaspora contributions are greatly manifested in many sectors of the economy including agricultural sector where the Diasporas have invested a lot in modern agricultural methods of food production (Harold & Darlene, 2015). There has been business creation through the influence of the Diasporas and even exchange of skills through expertise obtained while abroad (Nkongolo, Marie & Elie, 2003). Major trends within the Tanzanian government show a growing awareness of the Diaspora and their contributions towards developing the nation through poverty reduction, creation of employment opportunities and improvement of the country's economic status by boosting national revenue collections (Harold & Darlene, 2015).

Nevertheless, there are major challenges that are facing most governments in incorporating the Diasporas as developmental partners. First of all, developmental policies have been geared to give

room to foreign donors and non-governmental organizations leaving out the Diasporas as nonessential developmental partners (Lucas, 2004). Secondly, migration policies in most countries are not developed to incorporate the development aspect which directly impacts the Diaspora leaving them out as developmental partners with their home governments. For instance, the Tanzanian government does not include Diaspora networks as formal partners in any development plans that the government gives out at any given point (Mahamoud, 2004).

Over time, many scholars like Harold and Darlene (2015) have written about Diaspora engagement in national development in their own governments. Nevertheless, still there exists limited data on governmental policies to incorporate the Diaspora as developmental partners with their home governments. This is because very few studies investigate the potential and influence of the Diaspora on development in their home countries. Furthermore, even fewer studies have articulated on the rights of the Diasporas and the necessary protection they deserve from both the host and home governments to avoid exploitation since they are responsible of submitting tax returns to both the host and home governments (Newland, 2004). This study therefore identified the knowledge gap and took the burden of investigating the role of the Diasporas in development of their home countries. Existing Diaspora policies are analyzed and further suggestions are given to home countries to enhance the involvement of the Diasporas in the economic matters of their home countries as their government development partners.

### **Objectives of the Study**

This article endeavored to pursue the developmental roles of the Diasporas in their home countries and to exploit the Diaspora policies set in place by most Diaspora home governments with an intention of providing necessary suggestions that will help enhance Diaspora involvement in home countries' development matters. The study gives an approach on how to gather information concerning the Diasporas, how to incorporate non-financial Diaspora contributions in their home governments and provides necessary data that will help most Diaspora home governments to form partnerships with Diaspora networks, with the Tanzanian government being as the case study.

### **Methodology**

This study undertook a systematic literature review from a transcendental view to come up with the data used herein. Interviews were conducted on 20 members of the Tanzanian Diaspora living in the capital city of Finland called Helsinki. This group of people migrated to Finland for different reasons ranging from search for employment and better educational opportunities. The period of migration was roughly between the years 2006 to 2019. This study employed snowball as a nonprobability sampling technique to select the interviewees. Snowball was considered appropriate since the few known study subjects were able to recruit others that could have been difficult to identify due to the nature of immigrant settlement in Finland. All the data gathered was essential in supplementing the reviewed literature in concern with the involvement of the Diasporas in their home countries' affairs as government developmental partners.

### **Ethical considerations**

This study took into considerations all ethical issues that concern research writings. The study required a discreet approach that was considered entirely before the start of the study project. The entire study was developed not to contain any ethical issues of the materials reviewed in this study as it involved an extensive review of literature on content written alongside the topic of the Diaspora and their involvement in home countries affairs as developmental partners. A great deal of concern was undertaken to ensure that the author and publisher's rights were not infringed.

Similarly, as the study undertook interviews from Tanzanian Diaspora living in Helsinki, Finland, concern was geared towards ensuring confidentiality of the respondents.

### **Home governments and the Diasporas**

The position of the Diasporas relative to their home governments has taken many forms that cannot be explained with specificity (Martin, P, 2004). A wide range of considerations from various home governments puts the discussion of the Diaspora in a non-uniformity position that cannot be discussed jointly across different government settings (Ostegaard, 2003). However, the fact that every government has at least recognition for their Diasporas opens debate on the existing policies to include the Diasporas in home governments' developmental plans. To build along the concept of the Diaspora, most countries have developed their own understanding of the term Diaspora leaving out a multifaceted understanding of the term from different contexts (Skeldon, 1997).

There exists no legally accepted definition of the term Diaspora as most scholars, governments and legal entities have coined definitions appropriate to the context where the term is used (Ionesco, 2007). Similarly, in this study, the definition of the Diaspora as defined by the International Organization for Migration will be taken to be "members of ethnic and national communities, who have left, but maintain links with, their homelands" (IOM, 2006). The study specifically undertook this definition because it provides an international perspective into the understanding of the term Diaspora.

With this definition therefore, the first aspect of the Diaspora relationship with their home governments is introduced. As it is defined above, the Diasporas have maintained links with their home governments over time in the history of migration. Once they arrive in their host countries, the Diasporas' main concerns are majorly on devising means to contribute to the development of their home countries mainly through private sector involvement (Sriskandarajah, 2005). Most Diaspora home governments have always been concerned with the Diaspora financial contributions that include remittance returns but over time as the Diaspora contributions through other means continue to grow the governments have seen need to develop policies in order to incorporate the Diasporas as development partners (Shen, 2005).

In order to include the Diasporas as developmental partners, there are major policy changes that home governments are required to effect to the benefit of both the governments and the Diasporas (Ghosh, 2006). These strategies need to be geared towards providing a non-exploitative environment for the Diasporas to undertake in their developmental plans and projects. Amongst

the many problems that face home countries in regard to emigration is the problem of brain drain (Lucas, 2004). In order to address this problem and try to reconcile the effects it impacts on the Diaspora home governments, policies need to be set up to see that Diaspora home governments benefit from the skills of their citizens working abroad (Murica, Narvaez, Parrado & Schlemmer, 1997).

There is evidence suggesting that brain drain caused by emigration of skilled labor can represent a considerable cost for home countries (Murica, Narvaez, Parrado & Schlemmer, 1997). However, the effects caused can be turned into the advantage of home governments by the drafting of Diaspora friendly policies that will incorporate the Diaspora as developmental partners in their home governments (Hansen, 2004). For instance in Tanzania, the emigration of skilled labor leaves behind a gap that needs filling which takes a long time to fill or even sometime the gap is never filled (Harold & Darlene, 2015). For example, the migration of highly skilled professionals for search of greener pastures leaves behind a gap that needs to be filled. In some professions like in medicine, it takes a long time to train another professional to fill the position left by the emigrated professional and this affects the country's overall workforce. The safe way to mitigate this problem is through drafting of innovative policies that will provide solutions to venture into the incorporation of these skilled labor emigrants as developmental partners with their home governments (Murphy, 2006).

On customary agreement, it is generally taken that emigrants improve their skills abroad which can be beneficial to home governments on return to their home countries (Siddiqui, 2003). However, there is still no compelling evidence to believe in the premise and it is still very difficult to measure the success of the emigrants as they come back to their home countries as compared to their counterparts in the same line of work or profession (Murphy, 2006). Some of the reasons to explain this phenomenon include the differences in the environments that the emigrants are subjected to (Murphy, 2006). Some emigrants fail to thrive in host countries because of difficulties to acquire a legal status or even the difficulties to master the language of the host countries rendering their skills useless. Differences in education systems also leaves out skilled emigrants in performing their professional duties confidently hence affecting their overall performance (Pieke, 2002).

Whereas there is an indication of such difficulties, other studies have shown that after the emigrants overcome these obstacles they become progressively better than they were in their home countries (Berhnu, Taddese, Seid & Zekerias, 2004). In Tanzania, professionals abroad show improvement and success in their profession than when in the country (Harold & Darlene, 2015). This shows that in order for the Tanzanian government to tap into the development potential of the skilled Diaspora it has to devise policies that will incorporate them as developmental partners. This will ensure that when the Diaspora returns after a successful career abroad they will transfer the skills into the Tanzanian government and promote development in various government sectors (Mahamoud, 2004). For the Diaspora to be freely involved in the development matters in their home countries a number of legal, social and economic factors in home countries that influence the potential of Diasporas have to be looked into.

As illustrated earlier in this study, most Diaspora home countries have concentrated mainly on the financial contributions of the Diaspora and to a great extent they have overlooked the non-financial contributions of the Diasporas hence limiting their development potential. Studies have shown that innovative policies targeting Diasporas like direct investment into the home economy through eliminating bureaucratic obstacles and loosening business regulation laws have motivated the Diasporas into contributing to the development of their home countries (Mensah & Leroi, 2005; Ayanouh & Benedetto, 2018; Tjai & Riddle, 2009).

Integrating Diaspora developmental projects into the local government development plans has equally shown an improvement in the Diaspora involvement in developing their home countries. Asian Development Bank (2004) reports that 19 out of 20 Indian businesses softwares are made by the Indian Diaspora. This report confirms the impact created by the Diaspora input if proper policies are put in place by the Diaspora home governments.

In conducting this study, Tanzanian Diasporas living in Helsinki Finland that were interviewed expressed different views in regard to the efforts put by the Tanzanian government to incorporate them as development partners. Most of the opinions were not on the side of the government as most of the Diaspora did not endorse the efforts of the Tanzanian government in incorporating them as development partners. The specific question asked was, “Are there any policies by the Tanzanian government to incorporate its Diaspora as development partners, and if any are you satisfied with them?” The following are samples from the interviewees.

*I moved to Finland in 2008 as a student and I have since then completed my studies successful. My initial plan was to come and study then return to Tanzania but fortunate enough Finland offered better employment prospects than Tanzania. I have studied in the field of Agriculture and so far I feel the Tanzanian government has not done much to recognize our professional input into the economy. There is a lack of a connection between us and our government and sometimes I feel like the government does not really care of our contributions. My fear is if I go back home could I get an opportunity to impact the community with my skills? That's a question that needs an answer from the government and I highly doubt if they can give any answer. A lot needs to be done by the Tanzanian government if it needs our involvement in development or as partners.*

*Anonymous I.*

*For the many years of up to fifteen that I have stayed in Finland so far I have not seen any motivating policy set by my home government to encourage or in any way motivate my efforts in contributing to national development. I feel that the Tanzanian government has failed a great deal in identifying the potential of its Diaspora and so far it is still doing less to rectify the mess. Already migration policies are a thorn in flesh since they do not favor Diaspora expansion. Our contributions can only remain to be remittance returns that are a citizen obligation but if only more was done a lot of us would be willing to consider*

*investing capital in enlarging business operations. Another issue that really needs to be considered by my home government is the restriction of dual citizenship. This does not help our government since it risks losing a lot of Diaspora to the host countries for they are left with no choice. My urge is that the people sitting at the government high offices should take the wakeup call and consider our needs.*

*Anonymous2.*

From the above interview excerpts, it is clear that the relationship between the Tanzanian governments with their Diaspora is not at its best. The realization of the Diaspora potential is at its initial stage and the Tanzanian government needs to draft Diaspora friendly policies in order to succeed in incorporating the Diaspora as development partners towards developing the country.

### **Strategies to incorporate Diaspora as development partners in their home countries**

After most governments continue to realize the economic potential of the Diasporas, there have been major reforms in migration policies that have resulted in the recognition of the Diaspora contributions towards their home economies (Noy, Shiri & Koen, 2015). However, most African countries are still struggle with government-Diaspora partnership mainly because of lack of a well formulated structural framework with policies that will facilitate and motivate the involvement of the Diaspora in economic activities within their home countries (Mahamoud, 2004).

In this section, this study reviews some of the strategies that Diaspora home governments may take to boost the involvement of their Diasporas in economic development. Once the Diaspora home governments identify the needs of the Diasporas it will become easy to draft policies that will support and favor their involvement in economic activities within their home countries. The best approach, therefore, is for home countries to begin by working formally with expatriate networks worldwide so as the give all Diasporas an opportunity to be represented in developmental projects within their home countries (Murica, Narvaez, Parrado & Schlemmer, 1997).

To begin with, Diaspora home governments ought to realize that Diasporas may provide a linkage between the local community and the international setting (Martin, 2004). The migration of the Diasporas from their home countries to host countries creates new opportunities that can link back for the benefit of their home countries. Most Diasporas have established professional networks in their host countries where some run successful professional enterprises (Lucas, 2004). If this potential is realized by the Diaspora home governments it can be tapped and will hence offer opportunities to develop equivalent sectors of the home countries as the one the Diasporas have established their skill in when in the host countries. Diaspora home governments need to seek advice from Diaspora organizations before designing and implementing development plans in their home countries so as to incorporate the input of the Diasporas (Newland, 2004). Once this approach is realized, an avenue for opportunities is opened that will provide home countries with resources that might be lacking within their boundaries.

The main aim of this strategy is to rationalize development policies that are put in place by Diaspora home governments so as to recognize the Diasporas as developmental partners. Much of

this plan can be accomplished through the implementation of developmental agencies that will be solely concerned with soliciting for Diaspora views about developmental plans being drafted by home countries (Sriskandarajah, 2005). These agencies are very instrumental in noting the contributions of the Diasporas in their home countries and they are responsible for identifying areas of need in their home countries and passing the necessary information to the Diasporas through their organizations so as to act as partners with home governments in development matters. Most small scale businesses in Tanzania are financed by the Diasporas and this has only been possible through private planning and organization (Harold & Darlene, 2015). If the Tanzanian government takes note of a lot of this unutilized Diaspora potential it can be tapped and redirected to appropriate channels for improving economic development in Tanzania.

Secondly, Diaspora home governments can benefit from the contributions of the Diasporas through mobilization of Diaspora organizations by organizing the mobility of the Diasporas into and out of the home countries where they will create room for talks so as to capture the needs of the Diasporas (Wets, 2004). Through organized forums where the Diaspora will get to interact with government officials information will be transferred directly from the Diasporas to the concerned authorities in the government over areas that concern migration and the Diaspora (Farrant & Sriskandarajah, 2006). Through this strategy, home governments will promote the involvement of the Diasporas in the promoting economic development in their home countries.

The benefit of establishing connections with the Diaspora networks is that the government can chip in and act as a co-developer in Diaspora plans (Murica, Narvaez, Parrado & Schlemmer, 1997). This will improve the relationship between the Diaspora and their home government and open more channels to development from the Diaspora organizations. The Tanzanian government lacks open forums where the government should engage the Diasporas and identify needs so as to give them opportunities to be developmental partners (Harold & Darlene, 2015). Most Tanzanian Diasporas have expressed negative views concerning the government approach in developing partnership with expatriate networks. Those living Helsinki on an interview conducted for the purpose of this study had their views solely expressing displeasure against lack of recognition from their home government. In the interview the question was asked, “What are steps taken by the Tanzanian government to appreciate Diaspora organizations?” Respondents had the following to say.

*The efforts in place are minimal and cannot in any way express the position of the Tanzanian government to recognize Diaspora organizations. There is no communication with our home government and sometimes we feel like we are on our own out here. This continuous indifference from our government is what makes us lose interest with anything to do with our home government over time. However, there is still room for improvement and if some serious people take control we can then have hope that our efforts will be recognized and we can finally join hands with our government and work as developmental partners*

*Anonymous3*

*The issue of Diaspora recognition by our government has a lot of problems to solve. I take cognizance of the fact that there are policies in place concerning migration and that the government has taken considerable measures to improve them over time. What troubles me the most is that the government is mainly concerned with remittance returns and as much as that is in order its relationship with the Diaspora ends there. There are a lot of resources within the Diaspora community that need to be utilized and the best place to utilize them is in our home country. So far the steps taken by our governments to appreciate the Diaspora efforts in economic development are not satisfactory and hence a lot has to be done.*

*Anonymous 4*

The above two excerpts illustrate how much the Tanzanian government has to do in order to maximize the potential of its Diaspora through economic development. Most of the concerns lie in the recognition of its Diaspora as potential economic development partners. Diasporas need to be given room to expand their economic activities and transfer their professional expertise from their host countries to their home countries (Ghosh, 2006). Strategies outlined in this study if taken into consideration by the Tanzanian government will create room for economic expansion since most of the Diasporas will have an opportunity to contribute towards the development of their home countries. The Tanzanian government, therefore, need to conduct more research on the potential of the Diasporas and open ways to incorporate them as developmental partners.

## **Conclusion**

This study undertook the burden of investigating the role of the Diasporas as developmental partners for home countries. Over time, the role of the Diasporas has not been recognized as contributing in any way in the economic development of their home countries. With increasing international migration, most countries have increased the number of their skilled labors working abroad. This study touched the key roles that are played by the Diaspora in contributing towards the economic development of their home countries. Major trends show that most governments are continuously showing interest in mobilizing Diasporas' economic potentials so as to tap the unutilized resources within the Diasporas reach.

This study identified that the contributions of the Diaspora towards the development of their own countries is immense has continued over time even in private sectors. However, what is lacking, especially in most African countries is the fully incorporation of the Diasporas as developmental partners for home governments. Given the necessary legal support, Diasporas can contribute greatly towards the improvement of their home economies. In the case of Tanzania, this study found out that most there is lack of connection between the Diaspora and the Tanzanian government. The existing Diaspora policies need to be re-evaluated so as to incorporate the Tanzanian Diaspora as developmental partners for their home government.

### Recommendations

As much as most governments have put in place policies to incorporate their Diasporas in the economic development, still limited data exists on which it can be relied to make conclusions if the policies have successful so far. Very few policies on Diaspora incorporation as developmental partners for their home countries have conducted an evaluation and acted appropriately upon the feedback obtained. Similarly, the policies set out might not work out for all the Diasporas since other factors like host country, economic status, profession and nature of job dictate the financial wellbeing of the Diasporas. It therefore so far a difficult task to give credits to a policy given all these involvements outlined above.

Governments are therefore advised to carry out rigorous research so as to have data concerning specific quotas of the Diasporas. More information needs to be availed to the government through continuous communication with Diaspora organizations that will act as connection between the government and the Diaspora.

### References

- Ammassari, S. R. (2002). *Harnessing the potential of Migration and Return to promote development*. Migration and Research series, Centre for Migration Research. Sussex University UK
- Bach, S. (2003). *International migration of health workers: labour and social issues*. ILO, sectoral activities programme.
- Barre, R.V. (2003). *Diasporas scientifiques (Scientific Diasporas)*. IRD Editions, Paris.
- Bloch, A. (2004). *The development potential of the Zimbabweans in the diasporas*. Migration Research series, (MRS) 17, IOM.
- Brinkerhoff, J. (2008). *The Potential of Diasporas and Development*.
- Butler, K.D. (2001). *Defining Diaspora, refining a discourse*. Diaspora, 10(2): 189-219, editors.
- Christopher, A & Benedetto, A. (2018). *Why Does Nigeria Diaspora invest in their country of origin?* 2018 Engaged Management Scholarship Conference. Philadelphia, PA Fox school of Business Research Paper No. 18-027.
- Ferrant, M & Sriskandarajah. (2006). *Migration and development: opportunities and challenges for policymakers*. Migration Research Series, (MRS). 22, IOM.
- Gai, D. (2004). *Diasporas and development: the case of Kenya*. Global Migration perspectives, Global Commission on International Migration No. 10, October.

- Ghosh, B. (Ed.). (2006). *Migrants' remittances and Development, Myths, Rhetoric and Realities*. IOM and the Hague Process.
- Harold , L.M and Darlene K.M (2015). *Engaging the Tanzanian Diaspora in National Development: What Do We Know and What are the Gaps?* African Journal of Economic Review, Volume III, Issue I, January 2015
- Hugo, G & Harris, K. (2003). Australian's Diaspora: Its size, Nature and Policy Implications.
- Hugo, G. (2003). *Migration and development a perspective from Asia*. Migration Research Series. (MRS) 14, IOM.
- Hugo, G. (2004). *An Australian Diaspora?* University of Adelaide, South Australia.
- Lowell, L & Gerova, S. (2004). *Diasporas and economic development: state of knowledge*. Report to the World Bank, Washington, D.C., Institute for the Study of International Migration, Georgetown.
- Lucas, E.B. (2004). *International migration regimes and economic development*. Third coordination meeting on International Migration, Population Division, UN October.
- Mahamoud, A.A. (2004). *African diaspora and African Development*. Background paper for AfroNeth.
- Martin, P. (2004). *Migration and Development: Towards Sustainable Solutions*. ILO, Geneva.
- Mensah, K.M & Leroi, H. (2005). *The Skills drain of health professionals from the developing world: a framework for policy formulation*. MEDACT.
- Murica, C, Narvaez, B, Parrado, L.S & Schlemmer. (1997). *Turning brain drain into brain gain: the Colombian experience of the diaspora option*. Science, Technology and Society, Vol. 2, No. 2.
- Murphy, R. (2006). *Domestic migrant remittances in China: Distribution, channels and livelihoods*. University of Bristol. Migration Research Series. (MRS) 24, IOM.
- Newland, K. (2004). *Migration and Development*. Migration Policy Institute.
- Nkongolo, Marie & Elie. (2013). *Engaging diasporas as international entrepreneurs in developing countries*. In Search of determinants. Journal of International Entrepreneurship.
- Noy, Shiri & Koen. (2015). *Social Rights and Migrant Realities: Migration Policy Reform and Migrant's Access to Health care in Costa Rica, Argentina, and Chile*. Journal of International Migration and Integration.
- Shen Wei. (2005). *A study on Chinese student migration in the United Kingdom*. Globalization and World City Study Group Network.

- Siddiqui, T. (2003). *Institutionalizing Diasporas Linkages: the Emigrants in the UK and USA*. IOM and Government of Bangladesh Ministry of Ministry and Overseas Employment.
- Sriskandarajah, D. (2005). *Migration and development*. Paper policy Analysis and Research Programme of CGIM.
- The Diaspora and Economic Development in Africa. African Development Bank Group. Working Paper series no 308.
- Tjai & Riddle. (2009). *Investing in Peace: The motivational Dynamics of Diaspora investment in Post-conflict Economics*. Journal of Business Ethics. Vol. 89, Supplement 4.
- Wets, J. (2004). *Some Thought about Migration and Development*. The European Policy Centre.