Remittances, Transnationalism and Diaspora Outreach: Programme and Policy Options

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The Issue

Globalization

+ Hyper Migration

+ Transnationalism

= Comunidad
Context

- Movement people, goods, ideas, problems
- Inputs from 2 governments, societies, etc
- 1/3 to 1/2 pop in transit
- Los Angeles problems

Son problemas de la Ciudad de Guatemala
Problem

- People, issues, problems are transnational
- Institutions are not
  - Strict foreign – domestic (local) boundaries
  - Lack of contact/knowledge across boundaries
  - No incentive to change
- Paradigm shift
Options

Financial

- Focus on financial transfers
- Competition, choice, options
  - Financial Literacy

BUT

- Don’t pick winners
- Strict cost-benefit, public good & ROI consideration
- NO funding for formal sector financial institutions
Non-Financial Philanthropy

- HTAs, Immigrant Organizations, Wealthy Donors
- Partnership – Community Foundations
- Dual benefits
  - Domestic
  - Foreign

Options

T.A./Capacitación Investment Required

Low

Wealthy Individual Donor

Immigrant Professional Organization

High

HTA

Dual benefits
Options

• Working with Migrants
• Volunteerism
  → Canada Corps – Favaca
• Trade
• Development Funds
• Values/Security
Priorities

1. Research
2. Financial
   → Literacy
   → Services
   → Democratization
3. Diaspora outreach
4. New Partnerships
5. Dual Benefits
ROCHAD

- 45 Members, (+/- 30 Haitian Organizations)
- ACDI Impetus,
- AQOCI tutelage 1988-1995
- 9 – 1 funding ratio ACDI – ROCHAD

- Rising dependence on ACDI?
- Shortfall in fundraising?
- Linkages to US groups?
Financial Literacy

Mexican Consulate – Government - PS

- Mexican Consulate – matrícula;
- IRS - Individual Taxpayer Identification Number;
- FDIC - financial literacy materials in Spanish;
- Local banks - open an account.

1000 people in Milwaukee signed up for bank accounts in one morning.
Alternative Systems

BANSEFI – Mexico / FEDECACES in El Salvador
- MIF - USAID
- back-office clearinghouse for electronic transfers;
- rural institutions to receive electronic transfers.

FONKOZE – Haiti / AIRAC Dominican Republic
- MIF
- back-office clearinghouse for electronic transfers
- 800 telephone number in US/Canada
Marketing & Trade

Corona – Walker’s Wood
APOYO - Nopales
USAID – Haitian Hillside Agriculture
  • Enlisting Diaspora as marketing agent
Transnational Microenterprises
  • Alejandro Portes, Princeton
Knowledge

Digital Partners
- ex- MS VPs
- ¼ world’s poor, 1/3 world’s software engineers

Farm workers – Napa, CA to Jerez, ZA
- Technology transfer, smudge pots, drip irrigation
  → 1950s no peaches to 1993 13,000 hectares, ½ ag output Jerez
  → migrant investment, ZA government support
  → Bust, overuse of fertilizer learned in California
  → Recovery, organic farming, also from California
Philanthropy

Donor advised fund model

- Finds projects/researches organizations
- TA, disbursement, oversight
- 50 years experience, reputation in US
- 17 offices throughout Asia

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