Migration, Diaspora and Development in the Caribbean

Dr. Keith Nurse
FOCAL Workshop
Hemispheric Integration & Transnationalism in the Americas
Guatemala City, Guatemala,
February 16-17, 2004
Caribbean Development Problematique

- Mode of insertion into Global Political Economy:
  - Traditional exports in decline (e.g. sugar, bananas) and high indebtedness
  - FDI skewed towards imports and energy sector
  - New sectors have not expanded share of global value-added (e.g. tourism, export-oriented manufacturing, cultural industries)
  - Decline in geopolitical importance (e.g. aid fatigue)
  - Rise of diasporic political economy & brain drain
Caribbean Development Problematique (cont’d)

- Social Structure of Accumulation
  - Rising inequality and unemployment
  - Rising poverty and hunger
  - Crisis of Social Injustice
  - Rising crime, violence and social insecurity
  - High prevalence of HIV/AIDS
  - Migration of entrepreneurs, graduates, medical & teaching professionals, women
Migration & Development: The Balance Sheet

Positive
- Remittances
- Vent for surplus population
- Skills transfer
- Diasporic investments
- Diasporic exports
- Diasporic tourism
- Diasporic lobby
- Regional & hemispheric integration

Negative
- Unearned income a disincentive
- Brain drain
- Educational investment & taxes foregone
- Family breakup
- Culture of emigration
- Mobile populations & HIV/AIDS
- Deportees & crime
Remittances & Other Financial Flows to the Caribbean, 1996 and 2001 (US$bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Remittances</th>
<th>FDI</th>
<th>ODA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>2.4</td>
<td>0.7</td>
<td>0.7</td>
</tr>
<tr>
<td>2001</td>
<td>4.5</td>
<td>2.7</td>
<td>0.5</td>
</tr>
</tbody>
</table>
Remittances compared to other Inflows and Key Economic Sectors, 1999

<table>
<thead>
<tr>
<th>Countries</th>
<th>Remittances US$m</th>
<th>Tourism %</th>
<th>Agro Exports %</th>
<th>Total Exports %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dom.Rep</td>
<td>1747</td>
<td>69</td>
<td>290</td>
<td>34</td>
</tr>
<tr>
<td>Haiti</td>
<td>720</td>
<td>1241</td>
<td>5455</td>
<td>220</td>
</tr>
<tr>
<td>Jamaica</td>
<td>781</td>
<td>63</td>
<td>12</td>
<td>52</td>
</tr>
</tbody>
</table>
## Caribbean Brain Drain, 1990

<table>
<thead>
<tr>
<th>Countries</th>
<th>Tertiary share of Migrants</th>
<th>Educated Total</th>
<th>Migration Rates of Tertiary Educated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dominican Republic</td>
<td>22.6</td>
<td></td>
<td>14.2</td>
</tr>
<tr>
<td>Jamaica</td>
<td>41.7</td>
<td></td>
<td>67.3</td>
</tr>
<tr>
<td>Trinidad &amp; Tobago</td>
<td>46.7</td>
<td></td>
<td>57.2</td>
</tr>
<tr>
<td>Guyana</td>
<td>40.7</td>
<td></td>
<td>77.3</td>
</tr>
</tbody>
</table>
Strategic Responses

- Secure rights of migrants and expand negotiating power (e.g. ILO conventions)
- Reduce transaction cost of remittances
- Encourage remitters and recipients to use banking system and expand savings
- Establish bilateral arrangements to train labour for export
Strategic Responses (cont’d)

- Facilitate diasporic investments, exports, tourism
- Lobby for reduced restrictions on the mobility of natural persons (WTO & FTAA GATS mode 4)
- Need for more participatory action research.