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ECONOMIC VALUE OF THE JAMAICAN DIASPORA

SUCCESSFULLY ENGAGING THE DIASPORA

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- Jamaica Trade and Investment Promotion
- Mona Geoinfomatics Institute
- National Commercial Bank
- National Education Trust
- Statistical Institute of Jamaica
- The Jamaica Diaspora Show
- The Jamaica National Bank
- The Jamaica Stock Exchange
- The National Association of Jamaican and Supportive Organizations
- University of Technology Alumni Relations Office
- Victoria Mutual Building Society

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ABBREVIATIONS

BOJ	Bank of Jamaica	NGO	Non-Government Organization
CAPRI	Caribbean Policy Research Institute	NRI	Non-Resident Institute
CDB	Caribbean Development Bank	OECD	Organization for Economic Cooperation and development
DAB	Diaspora Advisory Board	PIOJ	Planning Institute of Jamaica
DDBJ	Development Bank of Jamaica	UK	United Kingdom
EC-UN	European Council - United Nations	US	United States
EGC	Economic Growth Council	VFR	Visiting Friends and Relatives
FCRA	Fair Credit Reporting Act	VMBS	Victoria Mutual Building Society
FDI	Foreign Direct Investment		
GDP	Gross Domestic Product		
GGAA	Governor General Achievement Award		
GKUSA	Grace Kennedy- United States of America		
GLOJAM	Global Connect Jamaica		
GOJ	Government of Jamaica		
ICT'S	Information Communication Technology		
IOM	International Organization of Migration		
JAMPRO	Jamaica Investments Promotion		
JCSJ	Jamaica Central Securities Depository		
JDAT	Jamaica Diaspora Agriculture Taskforce		
JDCIT	Jamaica Diaspora Crime Intervention and Prevention Taskforce		
JDET	Jamaica Diaspora Education Taskforce		
JDI	Jamaica Diaspora Institute		
JDIDPIF	Jamaica Diaspora Immigration and Deportation Prevention Taskforce		
JDTT	Jamaica Diaspora technology Taskforce		
JET-NET	Jamaica Education Trust - National Education Trust		
JN	Jamaica National		
JNB	Jamaica National Bank		
JNBS	Jamaica National Building Society		
JTB	Jamaica Tourist Board		
MFAFT	Ministry of Foreign Affairs and Foreign Trade		
MOIA	Ministry of Overseas India Affairs		
MPI	Migration Policy Institute		
MOH	Ministry of Health		
MOT	Ministry of Tourism		
NCB	National Commercial Bank		
NET	National Education Trust		



1. EXECUTIVE SUMMARY

Jamaica is unique for many reasons. Perhaps the most striking among these is that for almost every resident in the country, there is an individual living in the diaspora abroad.¹ This near one-to-one ratio of nationals to diaspora members presents a tremendous opportunity for cross-border engagement, among people who share common cultures and histories.



¹ JDI 2014, Estimating the size and geographical distribution of the Jamaican Diaspora.

Diasporas can, and in many cases do play an important role in the economic development of their countries of origin or ancestry. Beyond sending remittances, they can also promote trade and foreign direct investment, create businesses, spur entrepreneurship and transfer new knowledge and skills. The Jamaican Diaspora, therefore, is believed to represent a very powerful reservoir of capital, relationships, skills and expertise that remains largely untapped, and, if realised, can assist in the growth and development of Jamaica. However, beyond remittances, there is little empirical evidence to support this.

This report, therefore, seeks to address three key questions. First, how significant are the diaspora's current contribution and involvement in Jamaica? Second, is there unrealised economic potential from the diaspora? And third, what policies are necessary to successfully facilitate the realisation of this potential? To answer these questions, five areas in which the diaspora contributes to Jamaica were assessed: remittance, tourism, philanthropy, investment, and exports.

This report brings together knowledge and data gathered from the diaspora through an online survey administered to over 500 self-identified members of the Jamaican Diaspora. This information was supported by interviews with business leaders, opinion leaders, and high-net-worth individuals in the Jamaican Diaspora. In addition, data were gathered from government agencies and private sector businesses to establish estimates of the diaspora's contributions.

Current and Potential Value of the Diaspora

The information gathered shows that Jamaican Diaspora members, now mostly middle-aged, are educated, hold more professional jobs, with higher incomes and have the ability to invest. The data gathered demonstrate that the diaspora's contributions to the Jamaican economy are significant, and more importantly, that their contributions have been consistent. While there exists an assumption that Jamaica's crime issue and institutional weaknesses deter those living abroad from investing in the country, the diaspora's total contribution through remittances, investment, philanthropy, exports and tourism market represents 28 percent (US\$4 billion) of Jamaica's national output annually. It also shows that the unrealised potential of the diaspora represents at minimum 11 percent (US\$1.5 billion) of the total national output of the country, of which investment held the largest share. Outside of this reservoir of capital, the diaspora's relationships, skills and expertise multiply these estimates. Jamaica's diaspora strategies must now seek to scale up, fortify, leverage, and harness, the positive effects of migration on the development of the country.

Jamaica's Diaspora Engagement Policies and Initiatives

There are a number of diaspora engagement initiatives and institutions in Jamaica, which have been implemented by the Ministry of Foreign Affairs and Foreign Trade. These include biannual conferences, the establishment of a Diaspora Advisory Board and the establishment of the Jamaica Diaspora Institute. However, there is no clearly outlined diaspora engagement strategy, but rather, an ad-hoc implementation of institutions and activities. All these initiatives and institutions have the potential to engage the diaspora, but appear to not be operating effectively. Furthermore, widespread knowledge about their activities and offerings is limited within the diaspora population, despite channels for communication such as the jamaicadiasporaconnect.com.

Illustrative Case studies

To inform the best strategies for realising the diaspora's potential, four case studies are presented in this report: India, Ireland, the Philippines and Israel.

The case of India demonstrates that successful strategies stem from knowing the diaspora the country wishes to engage. Broad generalizations are problematic since within each generational, educational, socioeconomic, and regional grouping lie unique needs, preferences, and expectations, which ultimately affect the success of any engagement. There are communities within communities, each differentiated by their ability and willingness to engage with India, and by their expectations. The case of India also shows that while the countries of origin need an institutional framework at the national level to communicate with their diasporas, coordinate policies, and provide support for and follow-up on engagement, this does not require the creation of brand a new ministry level diaspora institution.

The case of Ireland has demonstrated the importance of delineating clearly the division of responsibilities inside and across government agencies, to establish sufficient buy-in from key actors, as in their 'whole government approach'. The case of Ireland also demonstrates that in extending rights to the diaspora for facilitating mutually beneficial relationships, credence is not only in the form of political rights, but in addressing areas of major concern for the diaspora such as increasing employability through the recognition of an Irish Driving licence in host countries. Another important element of Ireland's success is the importance placed on public and ministry awareness of diaspora engagement strategies.

The case of Philippines demonstrates that the administration and involvement of the head of state seem to play a significant role in diaspora engagement activities. The Philippines has also shown the significance of strengthening its consular offices with welfare and labor attachés to attend to distressed and abused workers. In addition, the Philippines shows that formal institutions for diaspora engagement can be usefully augmented by initiatives from civil, which is particularly advantageous in a financially constrained environment.

The case of Israel demonstrates the advantages of joint diaspora decision making – through the development of increasingly autonomous, quasi-governmental agencies, the institutions and programs of which are governed jointly by government and diaspora representatives, which are more successful at facilitating diaspora's contributions. Another lesson to be drawn from the Israel case study is the need to engage the next generation (youth) in efforts toward homeland development through trips, educational programs, student exchanges, etc. Engagement strategies work best when they engage not only those who have left but also the ones who remain.

Conclusion and Recommendations

Despite Jamaica implementing a number of globally recognised diaspora engagement strategies, the creation of new institutions or programmes does not appear to be Jamaica's largest challenge. In fact, the issues lie within the coordination and cohesion of existing institutions, as well as the clarification of the roles and functions of existing institutions. Before attempting a full-fledged strategy, therefore, Jamaica's priority should be on gradually strengthening its existing diaspora affairs department and diaspora-related institutions.

Below is a summary of this report's recommendations that should guide the Jamaican government in successfully engaging the diaspora:



ASSESS AND RATIONALISE EXISTING ENGAGEMENT INSTITUTIONS

As important as resources are for building the capacity of existing services and institutions dealing with migration and diaspora issues, facilitating efficient processes can reduce the resource requirements significantly.



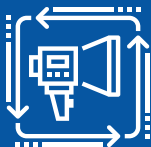
CREATE A SUSTAINABLE FINANCIAL PLAN

Strengthening existing structures such as consulates, embassy's honorary councils and facilitating public private partnerships for projects, as well as partnering with international agencies such as the World Bank and Caribbean Development Bank (CDB) for financial and technical support.



INTEGRATE WITH OTHER AGENCIES

The engagement of the diaspora must be streamlined. The MFAFT should coordinate efforts with agencies, departments and ministries that are either directly or indirectly relevant to the diaspora engagement process. This could take the form of regular reports between the agencies such as MOH and MOT and the creation of a central information sharing hub, that streamlines the activities with the agencies and ministries.



DEVELOP A COMMUNICATION/MARKETING STRATEGY

The government needs a specialized communication team with clearly articulated and agreed objectives and channels. Communication with the diaspora should be coordinated, with central responsibility for coordinating communications initiatives resting within the MFAFT department with responsibility for diaspora affairs. The key issue to address is the different messaging from different messengers (MOH, MFAFT, MOT), especially for philanthropy communication.



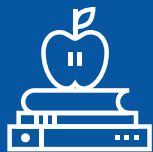
IMPROVE (INITIATE) DATA COLLECTION

Jamaica must commit to a) collecting data and conducting robust diaspora sizing and mapping exercises in select countries so as to segregate the diaspora by generation, income, and net worth, to better understand affinity and investment capacity by completing/revamping the mapping project as a pilot in a single state; b) partnering with Embassies, Consulates and High commissions to increase accuracy of data collected and reduce costs; c) modifying existing survey instruments to capture diaspora indicators and d) establishing centralised data collection for data sharing.



BUILD MONITORING AND EVALUATION CAPACITY

The government should consider administering an online survey, embedded on a trusted website, such as the MFAFT, which requests feedback on current policies. The government should also seek support from the Embassy's and consular networks in registering complaints and assisting with resolving them.



INCREASE EDUCATION AND AWARENESS

Sustainable diaspora engagement strategy will fail without the support of locals, the diaspora and other government agencies with direct or indirect responsibility or roles that can impact diaspora engagement



INVEST IN THE IMPLEMENTATION OF A NATIONAL DIASPORA BOND

There is ample evidence that the diaspora holds substantial assets that could potentially be mobilized for investment in Jamaica. The more pressing challenge appears to be designing and marketing investment vehicles to attract this investment, and convincing the diaspora of the merits of such investments. The most successful investment instrument to date from the cases assessed has been the issuing of diaspora bonds. Our analysis has revealed that Jamaica is well positioned to meet the qualifying criteria for issuing a diaspora bond on a national level. While it is in its early stages, JN Bank has already issued a diaspora bond product on the local market. We recommend, however, that in addition to the existing bond issued by JN bank, the government issues a national diaspora bond. Learning from Israel's and India's Diaspora Bond issue, it is recommended that a feasibility study be done to initiate the process.

2. INTRODUCTION

Diasporas can, and in many cases, do play an important role in the economic development of their countries of origin or ancestry, especially in cases where the Governments have partnered with them. Beyond sending remittances, they can also promote trade and foreign direct investment, create businesses, spur entrepreneurship, and transfer new knowledge and skills.² Small concentrations of these ethnic and linguistic groups have always been found in surprising places. These networks of kinship and language make it easier to do business across borders. They speed up the flow of



² Newland and Plaza, 2013

information. Diasporas also help spread ideas. Many of the emerging world's brightest minds are educated in Western universities.³ An increasing number return home, taking with them both knowledge and contacts. Diasporas spread money, too. Migrants in rich countries not only send cash to their families; they also help companies from their home country operate in their host country.

Diasporas play a critical role in investment, both investing directly and persuading non-diaspora investors to do the same. FDI from the Chinese Diaspora accounted for about half of the US\$48 billion in FDI that flowed into China in 2000, for example.⁴ Also, in Senegal, an investment fund was established for Senegalese abroad, which has financed 804 projects worth US\$40 million.⁵ Non-resident Indian (NRI) deposit accounts had brought over US\$40 billion into India at the end of 2008, which is equivalent to between one sixth and one-third of the country's external debt at that period.

Many countries have also successfully tapped into the estimated US\$500 billion global diaspora savings. Israel and India have seen this success by issuing bonds designed particularly for the diaspora. In Israel, the US\$26 billion raised was designated for ambitious infrastructure projects while India's three bond issue raised US\$11 billion to finance deficits in their balance of payments.⁶

Given Jamaica's economic development challenges, the engagement of its diaspora presents a unique opportunity for economic growth. Economic growth is about bridging separated economic spaces. Engagement of the diaspora bridges the geographical boundary that separates economic activity between Jamaicans at home and those abroad. Consequently, for Jamaica, the importance of engaging its diaspora as a catalyst to facilitate growth and development is heightened by its high diaspora population.

Seeking to facilitate diaspora engagement, therefore, seems reasonable, but is there economic value which is not being realised? If so, what exactly is this potential value that the diaspora possesses? And what are the best strategies to ensure a successful partnership to realise this potential? This report attempts to answer these questions.

For Jamaica, the evidence presented to date has been mostly anecdotal, coupled with a sparse data collection which does not allow for a comprehensive assessment of the diaspora's value. This has led to an underappreciation of the current value of the diaspora. Therefore, there is a need for data to make this value proposition evidence-based. Measurement is also critical to understanding the dynamics and opportunities to formulate appropriate recommendations to successfully effect the government's stated intention for diaspora engagement.

2.1 DEFINING DIASPORA

The term "diaspora" may have different meanings depending on the context. With regards to economics and migration, the diaspora is defined as persons that live outside their home country. This includes different groups such as refugees and migrant workers.⁷ One author uses the term diaspora to refer to people with common national origin who reside outside a claimed or an independent home territory.⁸ Diaspora is also defined as a minority ethnic group of migrant origin, which maintains sentimental or material links with its land of origin.⁹

³ The Economist, 2011

⁴ Newland and Plaza, 2013

⁵ Newland and Plaza, 2013

⁶ Ratha and Ketkar, 2010

⁷ Wickramasekara, 2009

⁸ Shain, 1995

⁹ Esmen, 1986

These and other definitions of diaspora share notions of a relationship between groups of people that are based on some form of national ancestry, and sometimes of dispersion.¹⁰ However, every migrant, displaced and dispersed population cannot automatically be identified as a diaspora.¹¹ While all diasporas are products of migration, not all migrations make up a diaspora.¹² The existence of diaspora requires more than a mere population of expatriates. It requires members of a community who continue to identify with their homeland and to cultivate ties both between themselves and with their homeland.¹³

For this report, we adopt a broad definition of the term diaspora that captures its evolving definition. It refers to the diaspora as emigrants and their descendants who live outside the country of their birth or ancestry, either on a temporary or permanent basis, yet still maintain sentimental and material ties with their countries of origin.¹⁴

2.2 PROFILE OF THE JAMAICAN DIASPORA



Size and Location

The Jamaican Diaspora is unusually large, concentrated in the United States (US), Canada and the United Kingdom (UK). Estimates range between 3 to 5 million, indicating that as many individuals of Jamaican descent may currently be living outside the country as within it.¹⁵ A 2014 estimate by the Jamaica Diaspora Institute (JDI) put the number of Jamaican diaspora residents at 1,700,000 in the US; 300,000 in Canada; and 800,000 in the UK.¹⁶ There are also a significant number of Jamaican emigrants residing in several Caribbean countries such as the Cayman Islands, The Netherlands Antilles, Antigua and Barbuda, the Bahamas, and Barbados. The JDI provides an estimate of 200,000 living in these other regions around the world.¹⁷

¹⁰ Orozco, 2005

¹¹ Singh, 2010

¹² Skeldon, 1997

¹³ Singh, 2010

¹⁴ This definition is taken from Newland and Agunias, 2013

¹⁵ World Bank, 2016a

¹⁶ Ying, 2014. These estimates were used in the report World Bank 2016a

¹⁷ See World Bank, 2016a



Education and Income

In the 1950s and 1960s, the Jamaican Diaspora was largely characterized by low educational attainment and limited economic opportunities.¹⁸ However, CAPRI's analysis reveals a shift in the diaspora's composition over time. Jamaican Diaspora members, now middle-aged, are mostly educated, hold professional jobs, with higher incomes, and the ability to invest.¹⁹ Responses to the survey administered by CAPRI indicate that 79 percent have attained tertiary education, and that the respondents earned on average US\$40,000 annually.²⁰ These results are corroborated by the results of a survey administered by the World Bank in 2013, which recorded that more than 50 percent of the respondents²¹ have obtained a certification higher than a bachelor's degree. The study concluded that in general, the diaspora is well-educated, with 80 percent holding a bachelor's degree or higher.²² Using data from the US Census Bureau's 2008 American Community Survey, The Migration Policy Institute (MPI) had also found similar results, reporting that about half of the Jamaican born age 25 and older had at least some college or an associate's degree in 2008.²³

Despite the Jamaican diaspora being well-educated with the capacity to invest considerable amounts of capital in the Caribbean region, it does also include illegal immigrants with few skills and low incomes.²⁴

¹⁸ World Bank, 2016a

¹⁹ This was partly attributable to Canada's and the UK's more stringent immigration rules that favoured the most professional and skilled migrants. More recent Caribbean Diaspora members in these countries tend to be highly skilled professionals

²⁰ See Appendix 1, Figure 18 and Figure 19

²¹ Diaspora members from each country in the Caribbean participated in the online survey; Jamaica had the largest representation (65% of 635 respondents)

²² Qahir and Dhanani, 2013. InfoDev Survey for the World Bank

²³ Glennie and Chappell, 2010

²⁴ World Bank, 2016a

3. METHODOLOGY

The value of the diaspora is difficult to assess, as it is inherently problematic to disentangle causation from correlation, and to quantify the impact of elusive goods the diaspora provides such as skills and knowledge transfers. Despite these difficulties, this study has identified five thematic areas and quantifiable indicators, towards determining the actual and unrealised potential value of the diaspora to the Jamaican economy. These are: remittances, tourism, philanthropy, investment, and export.



Each variable identified warranted varying and overlapping methods, which are discussed in detail under the respective sections. Given the paucity of easily available data about the topic being assessed, there was a need to develop several indicators and proxies for these five areas that would best capture the contributions of the diaspora. This was supported through consultations with stakeholders and desk review of relevant literature. We then extracted data from primary and secondary sources to make the calculations for these indicators.

The research relied on primary sources in the form of data requests from companies, and an survey administered online (discussed below). We also engaged in elite interviews and consultations with key stakeholders to assist in the data gathering and information collection to improve our understanding of the diaspora and their involvement in Jamaica.²⁵

Secondary sources such as journal articles, company annual reports, government reports, and country data from publicly available sources were also reviewed and utilized.

We surveyed the Jamaican Diaspora using an online questionnaire. A target sample of 400 was considered representative of the population.²⁶ The total sample ultimately comprised 508 respondents but was subsequently reduced to 501 due to the omission of outliers.²⁷

Given that the target population's precise location is unknown as well as extending across various countries, the sampling technique employed was self-selection.²⁸ Therefore, there is likely to be a degree of self-selection bias. This means that the decision to participate in the study may reflect some inherent bias in the characteristics/traits of the participants. This can either lead to the sample not being representative of the population being studied, or causing an exaggeration of some finding from the study. Hence, while the results from our survey provide reasonable estimates of the target population, there are limitations in its generalizability and therefore, all findings from the survey were corroborated by evidence from the literature and other surveys done on the Jamaican Diaspora.

To help determine the unrealised potential, we estimate the value of economic benefits from remittances, tourism, philanthropy, investment, and exports that ought to be obtained given the existing factors that usually determine these benefits. We then subtracted the estimates of what was currently being contributed from the potential value that we estimated (*See Figure 1*). This difference, if positive, represents the unrealised potential value of the Jamaican diaspora. For example, one would expect that the more members of the diaspora there are, the greater remittances will be. Therefore, by comparing Jamaica's diaspora to other countries with large diasporas we would get an idea of what the norm should be. Then we can see whether Jamaica is performing above or below this norm. This exercise can be repeated for all the areas of economic benefit and for all the conditions that are thought to affect or influence the value of that benefit.²⁹

²⁵ A list of all stakeholders consulted is provided in Appendix 4

²⁶ The sample size was calculated with 95% level of confidence within +/- 5% margin of error

²⁷ Of these respondents, 277 were from the US, 141 from the UK, 62 from Canada, and 22 from other countries. 41 of the respondents were over 70 years of age, 237 between 50 and 70, 199 between 30 and 50, and 25 between the age of 12 and 30.

²⁸ A sample is self-selected when the inclusion or exclusion of sampling units is determined by whether the units themselves agree or decline to participate in the sample, either explicitly or implicitly.

²⁹ In fact, this exercise is not done sequentially, as suggested by the text, but done simultaneously using a statistical technique known as regression



FIGURE 1: EQUATION FOR CALCULATING THE UNREALISED VALUE OF THE DIASPORA



UNREALIZED VALUE

=



POTENTIAL VALUE

-



CURRENT VALUE

Towards informing the recommendations, we conducted case studies of four countries that have benefited largely from effectively engaging their diasporas in the social and economic development of their country – India, the Philippines, Ireland, and Israel. From these case studies, we drew on best practices, challenges and lessons. The case studies were largely descriptive in nature, which resulted in important details being left out in some cases.

4. MEASURING THE VALUE OF DIASPORA

The aim of this section is to measure the current, potential and unrealised value of the diaspora's contribution to Jamaica for remittances, tourism, philanthropy, investment, and exports. We begin with remittances.





4.1 REMITTANCES

4.1.1 CURRENT VALUE

To determine the current contribution of the diaspora to Jamaica, we considered the remittances sent to Jamaica annually as well as the total cost of sending these funds -- the latter as an indication of the benefit of remitting to businesses. Remittances are the best tracked and quantified area of diaspora contributions, by both the World Bank and the major recipient countries.

Remittances are largely personal transactions from migrants to their friends and families usually for personal use. It is the single most popular indicator of the diaspora connection and value to Jamaica and its citizens. Remittances have emerged to be the fastest-growing and the most stable source of capital flow and foreign exchange in the last decade.³⁰ Remittances also have the advantage of being less volatile than official aid flows and represent at least as much as foreign exchange reserves in many small countries.³¹

In Jamaica, the importance of remittances can be observed at the level of households or at the level of the entire economy. Our calculations revealed that Jamaica currently receives an average of US\$2.2 billion annually in remittances. Remittances received involve almost 10,000 transactions, and are equivalent to approximately 16 percent of the value of all the goods and services produced within the economy. In per capita terms, Jamaica ranks in the top 10 recipients of remittances in the world and second in the Caribbean, recording US\$800 per citizen of the country. Ninety-four percent of the total remittances received in Jamaica originate from the three countries with the highest concentration of Jamaican diaspora – the US, UK and Canada (See Table 1 and Table 2).

TABLE 1: REMITTANCE RATIOS

YEAR	INFLOWS (US\$M)	# OF TRANSACTIONS '000	PER CAPITA (US\$)	% OF GDP	% OF ANNUAL TOURIST EXPENDITURE
2016	2292	10,111	841	17	90.3
2015	2226	9,941	818	16	92.7
2014	2157	9,332	793	16	95.6
2013	2065	8,768	759.2	15	99.6
2012	2043	8,396	753.7	14	98.7
5YR AVG	2156	9310	793	16	97

Source: Author's calculations from BOJ data

³⁰ Nurse, 2006

³¹ CAPRI, 2016: Corresponding Banking Report

TABLE 2: REMITTANCE RATIOS BY SOURCE COUNTRY (US\$ MILLION)

	US	UK	CANADA	CAYMAN	TOTAL
Remittance inflow, 2016	1473	304	231	137	2145
Share of remittance received	64%	13%	10%	6%	94%
Average # of transaction '000	5704	1311	1230	482	8677
Share of diaspora	50%	30%	10%	7%	1

Source: Author's calculations from BOJ data

Not only are remittances significant to Jamaica in terms of the amounts received, they are also an important form of income for the neediest in the society. According to a national survey done by the Planning Institute of Jamaica (PIOJ) on remittances received in Jamaica in 2010, remittances were the only source of income for many households. A 2010 BOJ survey also found that approximately 85 percent of remittances received were used for paying utility bills and to cover basic consumption expenses. Remittances, therefore, are crucial to the livelihood of thousands of families, and to Jamaica. Like in many other developing countries, remittance increases the ability of families to get healthcare, education and proper nutrition.

We also assessed the value of the remittance transfers to the business environment. With the remittance inflow to the country valuing nine times the remittance outflow, the majority of the remittance companies' incomes is attributed to inflows, which are from the diaspora.³² It was estimated to cost approximately US\$188 million to send the US\$2.2 billion received annually from the US, UK, and Canada.³³ The US\$188 million is recorded as revenues for the companies involved in this transaction. While the total revenue that accrues from remitting is not collected by Jamaican companies only, the estimated revenue gives an indication of the value of these remittance flows to the business environment.

Aggregating both figures, the current value of the diaspora in terms of remittance contributions to Jamaica is US\$2.3 billion, which represents approximately 17 percent of Jamaica's Gross Domestic Product (GDP)³⁴. However, even these statistics are likely to understate true remittances, as a portion is believed to flow through informal channels and in barrels.³⁵

4.1.2 POTENTIAL VALUE

While the motivation for people to remit has a lot to do with personal circumstances such as closeness to relatives left behind, pure altruism, pure self-interest, and family agreements, it remains true that the likelihood and frequency of the extent to which they do so is going to be affected by conditions in both host country and country of origin. Consequently, this analysis looks at the conditions that exists amongst diasporas that remit large amounts to see if any correlation can be identified that can inform diaspora engagement policies in Jamaica. Once we identify what are the conditions, circumstances, and economic aggregates that are correlated with high levels of remittances, then we can apply that relationship to Jamaica in order to determine whether Jamaica is "underperforming" in remittances, given its conditions and circumstances.³⁶

In establishing the correlation, we drew upon the experience of 23 countries across the Caribbean region and other parts of the world. The sample of countries was chosen to include countries that ranked high, low and moderately when ranked by the level of remittances received, the remittances per capita, and remittances as a percentage of GDP.

³² McLean, 2008

³³ Author's calculation from World Bank Remittance Prices Worldwide (see World Bank, 2016b)

³⁴ GDP is the total dollar value of all goods and services produced in an economy annually

³⁵ Freund and Spatafora, 2005

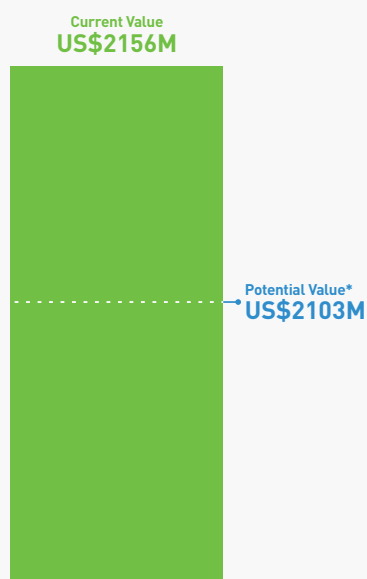
³⁶ See Appendix 2

This ranking was done in all the countries around the world for which data were available and for the Caribbean and Latin America Region to ensure comparability.

Generally, remittance flows are broadly affected by three macroeconomic factors: migrant stocks in different destination countries, incomes of migrants in the different destination countries, and, to some extent, incomes within the source country.³⁷ In Jamaica, our analysis demonstrated that the conditions in the country of origin were more significant in affecting remittance flows than the host country. The analysis revealed that when GDP and unemployment in Jamaica deteriorated, remittance is expected to increase and vice versa.

The results of the statistical analysis revealed that given Jamaica's circumstances and economic indicators, potential remittances were expected to be US\$2.1 billion. *Figure 2* shows a comparison of the resulting predictions of this potential remittance compared with the actual level of remittances received. *Figure 2* shows that the potential remittances are lower than the amount currently received. Therefore, the potential of remittances for Jamaica is being fully realised.³⁸

FIGURE 2: JAMAICA'S AVERAGE REMITTANCES



* Expected Potential Value of Jamaica's Average Remittances
Source: Author's statistical predictions

From the statistical analysis, the correlations between the indicators of the circumstances and conditions and economic aggregates was low which means they only minimally explain the variability of remittance inflows. The results suggest that the variables included only minimally explain changes in average remittances received. One explanation for this is that remittances to Jamaica are more of a function of microeconomic determinants – personal and emotional connections – and its flows are less elastic to macroeconomic changes. One of the most intuitive motivations for remitting money back home is “altruism”: the migrants’ concern about relatives left in the home country. Under an altruistic model, the migrant derives satisfaction from the welfare of their relatives. The altruistic model advances a number of hypotheses. First, the amount of remittances should increase with the migrant’s income. Second, the amount of remittances should decrease with the increase in domestic income of the family.³⁹

The evidence for Jamaica likely supports this prediction with more than 50 percent of the respondents to CAPRI’s survey indicating that their reason for sending remittances was due to family needs and another 21 percent indicating sending monies as a gift (see *Figure 3 below*). Altruistic motives to remit were found also in recent studies on immigrants to the

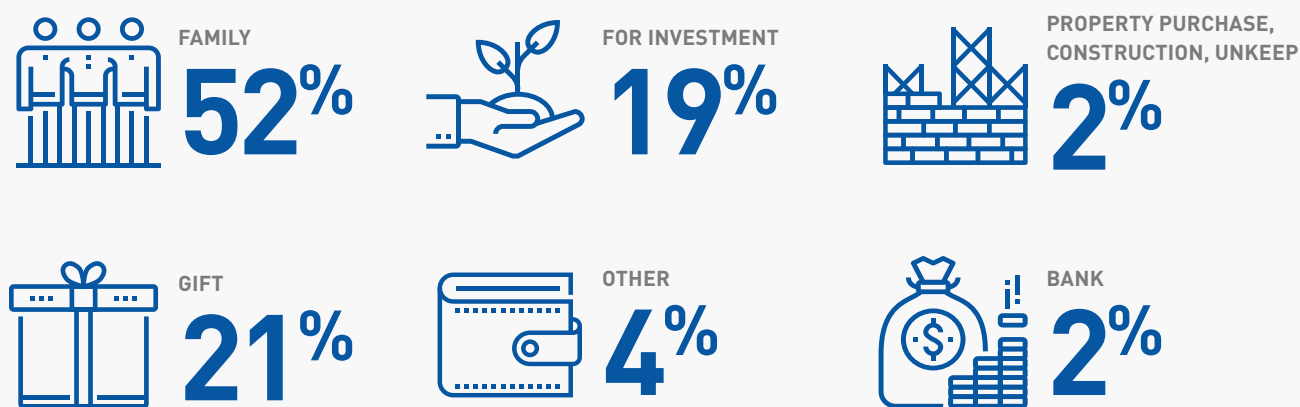
³⁷ Ratha, Supriyo, Plaza, et al, 2016

³⁸ Unrealized Value = US\$2.1B - US\$2.16B = 0

³⁹ Straubhaar and Vădean, 2006

US, which hosts the majority of Jamaica's migrants.⁴⁰ This is supported by other empirical evidence from countries such as Turkey.⁴¹ Microeconomic and macroeconomic factors are not mutually exclusive. It may be the case that remittances are driven by all at the same time. The evidence suggests, however, that macroeconomic variables predominate. Therefore, contrary to the conventional belief, empirical analysis reveals that the incentives by government to attract remittances have not been very successful.⁴² Our own analysis and review of the literature therefore suggests that governments have little ability to increase (or decrease) the remittances received through the macroeconomic variables within their control.

FIGURE 3: THE DIASPORA'S MOTIVATION FOR SENDING REMITTANCES TO JAMAICA.



Source: Author's calculations from BOJ data



4.2 INVESTMENT

4.2.1 CURRENT VALUE

There are three primary areas in which the diaspora maintains investment in Jamaica: investments in banks (mainly in the form of savings), investments in businesses and investment in the stock exchange.⁴³

Investments in Banks

Investments held in banks were in the form of savings across three of Jamaica's major financial companies that court diaspora business: Victoria Mutual Building Society (VMBS), Jamaica National (JN) and National Commercial Bank (NCB). With over 239,000 savings accounts opened, valued at over US\$659 million, and over US\$512 million in mortgages written and disbursed, the diaspora continues to maintain strong investments in Jamaica.

Business Investment

The Companies Office of Jamaica maintains data on all the companies and businesses registered in Jamaica. The data collected record the nationality and country of origin of all shareholders of these businesses. Shareholders of Jamaican nationality, who are currently living in a country outside of Jamaica, were filtered from the dataset as they represent

⁴⁰ See Straubhaar and Vadean for further discussions on other motives for remitting that are relevant for the case of Jamaica.

⁴¹ Ibid 40

⁴² Straubhaar and Vădean, 2006

⁴³ See Appendix 1: Figure 21

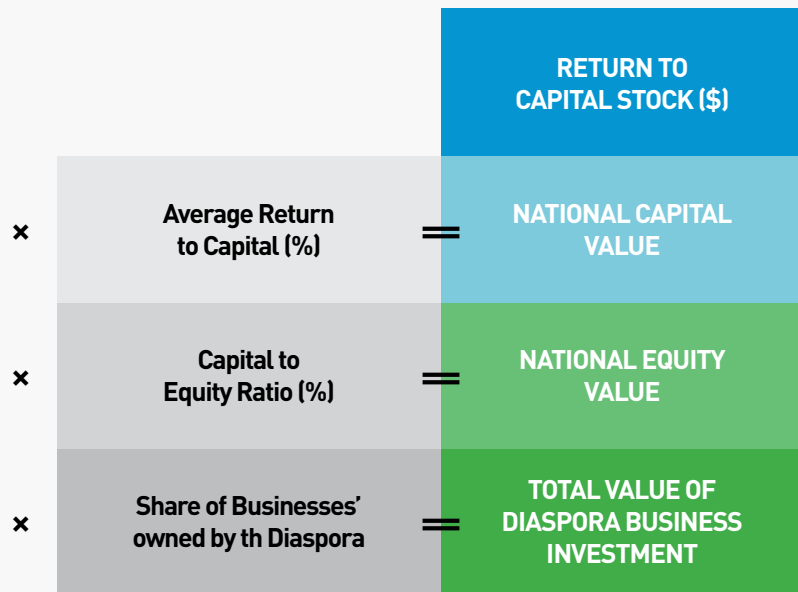
DIASPORA INVESTMENT EXAMPLES

Four examples of investment projects executed by Jamaican returning residents are: The Federal Transformer Manufacturing & Consulting Limited; ISOCON-JLB; Alcovia Developments; and Global Gateway (name recently changed to Contax360 BPO Solutions). For the period 2006-2015, all four companies made an initial aggregated investment of approximately US\$11 million. With the support of Jamaica Promotions Corporation (JAMPRO) British Investors, Zierlich, opened a dialysis centre in Jamaica.

The Zierlich project is pioneered by second generation members of the Jamaican Diaspora, Mr. Andre Nelson and Ms. Dainty Powell. Now launched, the centre's key focus is to promote health and tourism in the Caribbean by providing a proactive service for early detection of chronic kidney disease and on-going support for patients living with the condition. The Zierlich's initiative adds to the list of investments in the medical industry in Jamaica contributing over US\$194 thousand to JAMPRO's capital expenditure in 2017.

the best estimate of the Jamaican Diaspora members who have shares in business's in Jamaica.⁴⁴ These shareholders accounted for one percent of the total listed shareholders of businesses within the database provided. From this analysis, therefore, at least one percent of all the businesses in Jamaica is owned by diaspora members. We then estimated the equity value of all businesses in Jamaica as a proxy of the total value of these businesses. The calculations revealed that the diaspora currently has business investments of at least US\$175 million since 2014. Figure 4 below depicts the calculation schematic.

FIGURE 4: CALCULATION SCHEMATIC FOR DIASPORA BUSINESS INVESTMENT IN JAMAICA



See "Diaspora Investment Examples" for four examples of investment projects executed by Jamaican returning residents.

Investment from the stock exchange

Information provided by the Jamaica Stock Exchange indicates that the share of trading accounts (JCSD accounts) held by members of the diaspora was 4.2 percent as of July 2017, at which time the market capitalization (measure of a company's value) for the main and junior markets was US\$7.6 billion. The diaspora's investment in the stock markets as at July 2017 was therefore valued at US\$321 million.

Table 3 summarizes the total investments by the diaspora. As shown in Table 3, aggregating investments in banks, businesses and the stock exchange, the estimated diaspora investment in Jamaica currently stands at US\$1.2 billion.

⁴⁴ The company's office of Jamaica has started collection of nationality only since 2014. Therefore, most data points prior to 2014 could not be considered.

TABLE 3: DIASPORA TOTAL CURRENT INVESTMENT IN JAMAICA (DATA PRESENTED IS AS OF AS OF JUNE 22, 2017)

TOTAL CURRENT INVESTMENT (US\$M)	
Savings	659
Stocks & Bonds	321
Investment in Business's	175
Total	1,155

4.2.2 POTENTIAL VALUE

There are more than 230 million international migrants worldwide, which is more than the population of the world's fifth most populous country, Brazil. The estimated US\$2.6 trillion that they earn annually exceeds the GDP of the UK, the world's sixth largest economy. The World Bank's estimates from 2012 showed diaspora groups from developing countries with annual savings of over US\$500 billion.⁴⁵ Diaspora savings are usually allocated between sending remittances to their family and friends, investments in the origin country, and saving/investment in the host country.⁴⁶ This section seeks to determine what portion of this US\$500 billion diaspora saving could accrue to Jamaica.

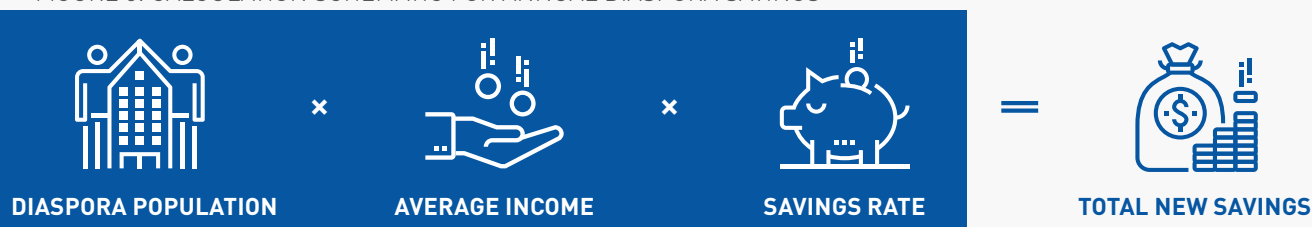
A policy brief produced by the World Bank in 2009 indicates that the Jamaican diaspora held more than US\$5.4 billion in savings in that year, for a diaspora population of only one million. This represented diaspora savings as a percentage of GDP of 44 percent.⁴⁷ We now provide an updated estimation of the size of the Jamaican Diaspora savings annually – a portion of which can be targeted for investments.⁴⁸

Estimating the amount of diaspora savings by Jamaican Diaspora

There are three broad elements to estimating the savings of a diaspora from developing countries: (i) The size of the diaspora population in the different host countries, (ii) The average income of diaspora members and (iii) Their propensity to save.⁴⁹

The equation used to calculate diaspora savings can be expressed as the size of the diaspora population multiplied by the average income received by the diaspora multiplied by the proportion of income which the diaspora saves (savings rate) (see Figure 5).

FIGURE 5: CALCULATION SCHEMATIC FOR ANNUAL DIASPORA SAVINGS



⁴⁵ Ratha and Mohapatra, 2011 and World Bank, 2014: Migration and Development Brief #22

⁴⁶ Rambarran and Ramlakhan, 2014

⁴⁷ Ratha and Mohapatra, 2011

⁴⁸ We utilised the methodology of Ratha and Mohapatra (2011) with updated information of the size of the Jamaican Diaspora

⁴⁹ Ratha and Mohapatra, 2011

However, the estimation of these variables faces both conceptual and practical difficulties. These difficulties range from undocumented status of many migrants to differences between the concepts used for income and savings. Consequently, adjustments were necessary to account for age, skill level and propensity to save. These adjustments are described below.

Diaspora Population Adjusted for Working Age

Due to data constraints, diasporic studies attempting to estimate the amount of diaspora savings to accrue to each region, or to each country, have utilised a narrow definition of the diaspora. These studies define the diaspora as those born in the country but presently living outside the country. This definition acknowledges first-generation diaspora only. It, therefore, does not allow for an accurate estimation of the true diaspora savings. For this report, diaspora population represents a broader categorization of the diaspora – Jamaicans currently living outside of the country as well as those of Jamaican decent, residing in the US, UK and Canada.⁵⁰ We utilise JDI's estimate of Jamaica's Diaspora population.⁵¹

We adjust the overall stock of immigrants to exclude children and the elderly in order to obtain those of the working age (16 to 64) who can generate income. While Ratha and Mohapatra (2011) assume that the share of migrants in the working age is similar to that of the host country, available evidence suggests that migrants tend to be concentrated in the working ages.⁵² For example, in the US, 81 percent of immigrants who arrived before 2010 -- and 76 percent of immigrants who arrived after 2010 -- were within the working age.⁵³ In the UK, 64 percent of Jamaican immigrants were within the working age.⁵⁴ While no data was available for Canada, given that Jamaica's diaspora population is concentrated in the US and UK, utilising the average of both the US and the UK provided a reasonably accurate representation for the population.⁵⁵

Diaspora Income Adjusted for Skill Level

In each host country, diaspora income can be estimated from the product of the size of working-age diaspora population and the average income earned by a working-age diaspora member.⁵⁶ The income of diaspora members depends upon several factors. Perhaps the most important factor is the average per capita income in the host country. The earnings of migrants in the working age group also depend heavily on their education level, age, gender, occupation and sector of work, and employment status.⁵⁷

A study by the Migration Policy Institute (MPI) of Jamaican immigrants to the US during the period of 2005 - 2009 found that approximately 20 percent of migrants were college graduates while 52 percent had only attained a high school education or less. The same study showed that Jamaican civilian workers earned, on average, US\$32,000 per annum, which equals the average earnings for all US workers aged 16 and over. In that sense, the Jamaican diaspora member looks, financially at least, like the average American.⁵⁸ While some persons are expected to earn below this amount and others earn above, using averages accounts for these effects. Using this information, we estimated annual income earnings of the Jamaican diaspora to be approximately US\$63.8 billion.

Diaspora Propensity to Save

Various factors, such as overall earnings, level of education, and migration status affect the propensity to save of the diaspora.⁵⁹ We assume that the savings propensity – the proportion of income that consumers save rather than spend

⁵⁰ These countries host approximately 93% of Jamaica's Diaspora and had data available to complete analysis

⁵¹ See previous section: "Overview: Profile of the Diaspora" for further explanation

⁵² See Ratha and Mohapatra, 2011; UN Population Facts, 2010

⁵³ See Census for Immigration Study, United States Census Bureau Data, Immigrants in the US, 2016, Table 7

⁵⁴ Institute for Public Policy Research (IPPR) UK. See table 5.6., 2007

⁵⁵ This estimate was also reinforced in the United Nations International Migration Report for 2015 which stated that 72 percent of all international migrants were aged 20 to 64 years. See also Ying and Manderson, 2012.

⁵⁶ Ibid 46

⁵⁷ Ratha and Mohapatra, 2011

⁵⁸ Thomas, 2012.

⁵⁹ Sahoo and Pattanaik, 2014

on goods and services – of migrants is similar to the average savings rates of developing countries, which is about 20 percent of national income on average.⁶⁰ This assumption can be justified on the ground that migrants bring their savings norms to their countries of destination.⁶¹ In fact, if anything, this is an underestimation, as migrants are likely more forward looking. Recent empirical studies show that uncertainties about income and legal status positively affect saving and that the probability of return itself induces migrants to save more than native-born individuals.⁶²

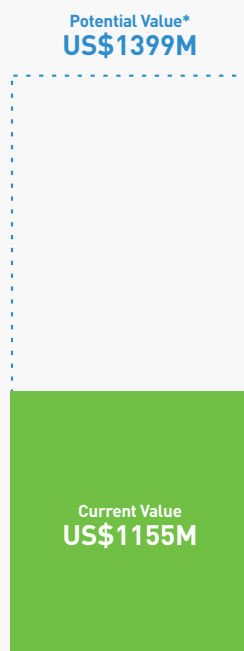
The results from our estimations are summarized in Table 4.

TABLE 4: ESTIMATED DIASPORA ANNUAL SAVINGS

ESTIMATE OF ANNUAL DIASPORA SAVINGS, 2015	DIASPORA SAVINGS AS A SHARE OF GDP
US\$12.8 Billion	91%

CAPRI's analysis, supported by stakeholder consultations, indicates that Jamaica can reasonably target, at minimum, 20 percent of the estimated US\$12.8 billion in diaspora savings for investment purposes.⁶³ The potential investment from the diaspora would therefore be US\$2.6 billion (see Figure 6).

FIGURE 6: ESTIMATIONS OF DIASPORA'S INVESTMENT IN JAMAICA



* Expected Potential Value of Diaspora's Investment in Jamaica
Source: Author's calculations

⁶⁰ Ratha and Mohapatra, 2011

⁶¹ World Bank estimated Jamaica's propensity to save at 19% for 2015 and 17% for Latin America and Caribbean. See Ratha and Mohapatra (2011) for further details.

⁶² See Amuedo-Dorantes and Pozo (2006); Piracha and Zhu (2012); Sinning (2011); and Galor and Stark (1991)

⁶³ Michael Lee Chin, President and CEO of NCB and Chairman of the Economic Growth Council (EGC) stated at the Diaspora Conference 2017, that the EGC's will be looking to reasonably target 20 percent of the diaspora's savings, See article July 25, 2017. <http://www.loopjamaica.com/content/lock-it-michael-lee-chin-advises-jamaicans-invest-now>

Any policy to fully target the diaspora's investment potential must consider their investment capacity and preferences. The World Bank recently completed a study showing that the financial sophistication and investment interests of the diaspora reflect the nature of its varied constituencies. For example, older Jamaicans in the UK are saving capital to return home, build their dream home, and then retire in Jamaica.⁶⁴ Their financial needs are a savings account and a mortgage, but they are not looking for investment opportunities that require rigorous analysis, and active management. The study also noted that they were not accredited investors and thus cannot invest in alternative asset funds. Still, they may also want to start or get involved with business opportunities once they return home. In contrast, younger migrants are more likely to stay in their adopted countries because they have migrated for economic opportunity. They may plan to acquire property in Jamaica, but likely as an investment or a second residence. At the same time, this younger generation is likely to be more familiar with financial products and more likely to build investment portfolios, so they could have an interest in opportunities in Jamaica.⁶⁵ Therefore, broad generalizations are inadequate, since within each generational, educational, socioeconomic, and regional grouping there will be varied interest by individuals seeking opportunities to invest or operate businesses in Jamaica.⁶⁶

Investment strategies to realise the diaspora's potential

The above analysis demonstrates the varied nature of the diaspora, which has implications for their investment interest in Jamaica. Interviews with diaspora members find that commercial viability would be particularly important for younger diaspora members. There also seems to be a patriotic element to the way diaspora members view financial engagement in their home countries. A survey⁶⁷ administered by the World Bank shows that 80 percent of respondents would accept lower than market average commercial returns from their investments as a way of giving back.⁶⁸ This would in turn allow for more portfolio flexibility and development-oriented involvement from the diaspora. This lends credence to the assumption that there is great potential in galvanizing diaspora financial support for business and development in the Jamaica. The diaspora is therefore likely to be interested in the purchase of financial investment instruments such as diaspora bonds.⁶⁹ Consequently, it is not surprising that, in March 2017, Jamaica National Bank issued a Diaspora Certificate of Deposit (CD) available in United Kingdom, United States of America, and Canadian currencies.⁷⁰

The World Bank's assessment of other investment options and tools to consider in Caribbean territories cautioned about the use of mutual funds, private equity and venture capital at this time. The report recommended that further work be done as these investments are commercially challenging. However, the DBJ is piloting investment in a private equity fund that could attract diaspora investments.

In addition, the World Bank's report recommended exploration of 'Angel Investments' for high net worth diaspora members, and 'Citizen by Investment Programmes' despite concerns about the capability of countries to ensure robustness of the due diligence process required which is important to ensure no facilitation of criminal or terrorist activity.⁷¹

CAPRI's survey results show that, apart from concerns about crime in Jamaica, individuals find transacting in Jamaica to be highly bureaucratic and lacking in transparency and accountability across both government and non-government sectors. In addition, more than 50 percent of respondents to CAPRI's survey listed not being aware of investment opportunities in Jamaica as the reason for not investing (see *Figure 7*).

⁶⁴ World Bank, 2016a

⁶⁵ See World Bank, 2016a

⁶⁶ World Bank Group 2016

⁶⁷ Diaspora members from each country in the Caribbean participated in the online survey; Jamaica had the largest representation (65% of 635 respondents)

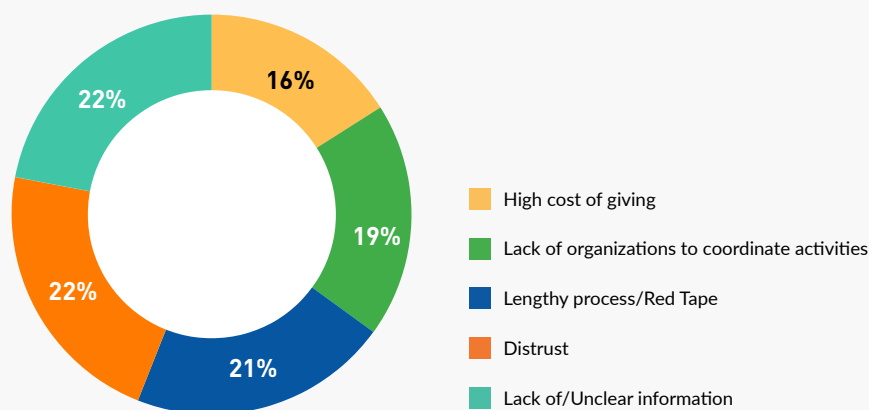
⁶⁸ World Bank, 2016a; Qahir and Dhanani, 2013. InfoDev Survey

⁶⁹ Financial Bonds targeted to Diaspora, usually offering lower than market return

⁷⁰ See Appendix 1, for further discussion on the issue of Diaspora Bonds

⁷¹ See World Bank Study, 2016a

FIGURE 7: OBSTACLES FACED BY THE DIASPORA IN CONTRIBUTING TO JAMAICA



Source: CAPRI's Survey, 2017

Programs that support diaspora investment must recognize the scarcity of investable opportunities in Jamaica's business sectors. Additional research could determine where further investment would ideally be commercially oriented, while continuing to facilitate existing philanthropic channels.

Diaspora investments in Jamaica are considerable, and their potential to invest is even more so. With at least US\$1.3 billion potential investments in Jamaica, the climate is conducive for facilitating such investments for the development and growth of Jamaica, and Jamaicans, at home and abroad. This willingness and ability to engage represents an untapped potential to be realized.



4.3 PHILANTHROPY

One of the most familiar, yet least understood aspects of the diaspora's engagement is philanthropy. Philanthropy – private donations from the diaspora to a wide range of causes in their countries of origin – is not a new phenomenon. Immigrants and their descendants have long maintained substantial ties to their communities of origin through voluntary giving. Diaspora philanthropy is characterized by a wide variety of actors with different motivations, objectives, capacities and impacts. Some individual diaspora donors have the connections and the drive to select their causes and give independently. Other diaspora donors choose to donate via intermediaries, whether for convenience or to achieve greater impact. In Jamaica, intermediaries are diverse, ranging from community-based associations, faith-based groups and professional networks, to formal diaspora foundations and more recently Internet-based philanthropic platforms.⁷²

4.3.1 CURRENT VALUE

Philanthropic contributions to Jamaica from its diaspora come mainly in contributions to healthcare and education. There are more than 187 diaspora organizations which make significant contributions to Jamaica in healthcare, education, sports, business, investment and trade.⁷³

There are an estimated 200 recorded health missions annually from the diaspora, which provide free health care services in medicine, dentistry and ophthalmology, especially in rural communities. The diaspora health care groups

⁷² Newman, Terrazas and Munster, 2010

⁷³ Professor Neville Ying, Executive Director of the JDI

also provide hospital equipment and pharmaceutical supplies.⁷⁴ The available data for 2014 to 2016 received from the Ministry of Health (MOH) values contributions from the diaspora to healthcare at US\$14.6 million.⁷⁵

Diaspora contribution through the National Education Trust (NET) through in-kind donations such as books, food, educational materials, computers, etc. was approximately US\$300,000 from September 2014 to March 2017. Jamaica's educational institutions are supported by individuals and organizations in the diaspora with infrastructure, equipment, supplies, and scholarships. Contributions to Jamaica from the Jamaican alumni association in the US were on average US\$2.1 million annually since 2014.⁷⁶

A conservative estimate of philanthropic contributions, therefore, represents US\$17 million dollars over a three-year period.⁷⁷ Jamaica, therefore, receives an average of US\$5.6 million annually.

4.3.2 POTENTIAL VALUE

Social investment can contribute not only monetary resources, but also new skills, fresh thinking, and innovative approaches to global problems.⁷⁸ The giving potential of the Jamaican diaspora community was determined for this report by examining philanthropic contributions to India, Israel, Philippines and Ireland, relative to their diaspora population (See Figure 8 for calculation schematic).⁷⁹

FIGURE 8: CALCULATION SCHEMATIC OF POTENTIAL DIASPORA CONTRIBUTION

$$\frac{\text{VALUE OF CONTRIBUTION}}{\text{DIASPORA SIZE}} = \text{AVG CONT.} * \text{SIZE OF JAMAICAN DIASPORA} = \text{POTENTIAL CONT.}$$

Charitable giving in India totalled US\$7.5 billion in 2009, which is equivalent to about 0.6 percent of the country's GDP, and has been estimated at US\$7.7 billion annually.⁸⁰ The 25 India-based NGOs that raised the most from foreign contributions received approximately US\$350 million in fiscal year 2012 from all sources, including the United States, according to the most recent FCRA report.⁸¹

Based on currently available data, donations from Filipinos abroad were worth US\$218 million in 2003. Donations hand-carried from abroad, as well as the monetary worth of non-monetary donations, are not factored into calculations of charitable giving, thus the real total of charitable contributions is significantly higher.⁸² Diaspora Jews and overseas Israelis raise well over \$1 billion in philanthropic contributions every year. The five largest US-based affiliates of Israeli NGOs raised roughly \$1 billion a year from the United States alone between 1998 and 2009.⁸³

An assessment of these countries revealed the average contributions made per diaspora member to their home countries for this report. The countries considered represented different cultural and socio-economic backgrounds with varying diaspora engagement success. Having established this average, we consider two scenarios in which Jamaica can experience the potential increases in philanthropic contributions from the diaspora. The first scenario entails all generations contributing to Jamaica a total of US\$559 million, and the second scenario entails only first-generation diaspora contributing a total of US\$205 million (See Table 5).

⁷⁴ Ying and Manderson, 2014

⁷⁵ Lack of data collection does not allow for measurement of the value expertise that these missions bring annually.

⁷⁶ Data received from the Jamaican alumni association in the US

⁷⁷ This data does not reflect contributions from alumni association in the US and in Canada. The information was requested but could not be provided in time for the release of this report. This estimate is therefore still a conservative.

⁷⁸ Singh, 2010

⁷⁹ The sample size limited by data availability, however the countries selected were identified as exemplary countries, successful in partnering with diaspora for contributions.

⁸⁰ McArthur Foundation - Bain & Co, 2016

⁸¹ FCRA Report, FY 2012, Annex 3. Assumes conversion rate of 62 rupees to 1 US dollar.

⁸² Garchitorena, 2007

⁸³ Fleisch and Sassoon, 2012

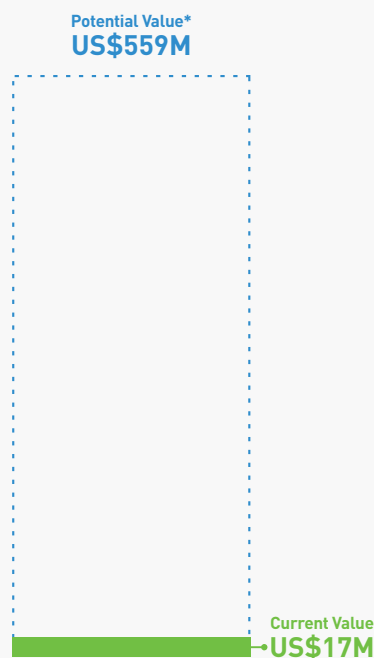
TABLE 5: ESTIMATION OF POTENTIAL DIASPORA PHILANTHROPIC CONTRIBUTION TO JAMAICA

POTENTIAL PHILANTHROPIC CONTRIBUTIONS (MILLION)	
First Generations	US\$205
All Generation	US\$559

Source: Author's estimations

Philanthropy has a pivotal role to play in advancing global equity, acting between the broader concerns of government and the narrower interests of business. *Figure 9* shows unrealised philanthropic value of US\$542 million. While we present a benchmark of the potential contributions, this area could far exceed our expectations.

FIGURE 9: DIASPORA'S PHILANTHROPIC CONTRIBUTIONS TO JAMAICA



* Expected Potential Value of Diaspora's Philanthropic Contributions to Jamaica
Source: Author's calculations



4.4 EXPORTS

Evidence of strong correlations between the presence of a diaspora residing in a country and trade with that country of origin has been growing. One study in Canada found that a 10 percent increase in immigration from a country was associated with a one percent increase in exports from that country.⁸⁴ Similar studies on the relationship between the UK with its trading partners found strong links between the presence of the diaspora and increased trade.

⁸⁴ Newland and Plaza, 2013 fn 7

This is especially the case for nostalgic products. Nostalgia trade involves goods produced in the country of origin or ancestry of a migrant group and marketed to that group in the country of destination. The traded goods, often foodstuffs, are distinctive to the country (or region) of origin and are somehow implicated in its culture. In the following section we seek to measure the diasporas' value to Jamaica as buyers and facilitators of Jamaica's exports.

4.4.1 CURRENT VALUE

To determine the current amount of exports purchased by the diaspora, we considered Jamaica's exports to the US, UK, and Canada. We collected data on individual items exported to the three regions and aggregated all items that were nostalgic in nature. Furthermore, diaspora populations consume the products of their country of origin and introduce such products to their country of settlement.⁸⁵ Therefore, exports to diaspora-concentrated locations give an indication of the markets diaspora facilitates.

Top agricultural exports to the UK, USA and Canada are yams, sweet potatoes, papaya, dasheen, pumpkins, mangoes, breadfruit, callaloo, and ackees.⁸⁶ In addition, diaspora-owned companies such as Caribbean Food Delights and Golden Krust in New York purchase Jamaican pepper, scallion and thyme in large quantities. Store locations are strategically placed, at least initially, where diaspora markets are concentrated. Miami-Dade County in Florida has over 700 stores selling Grace's products as part of their ethnic foods offering, followed by neighbouring Broward County, with over 400. The next five highest counties were from either New York or New Jersey, with over 250 stores in each (see Table 6).⁸⁷

TABLE 6: THE NUMBER OF STORES SELLING GRACE PRODUCTS AND THEIR LOCATIONS IN THE UNITED STATES

YEAR	INFLOWS (US\$M)
Dade, Florida	739
Broward, Florida	424
Queens, New York	415
Kings, New York	357
New York, New York	310
Hudson, New Jersey	283
Bronx, New York	275
Orange, Florida	245
Palm Beach, Florida	217
Passaic, New Jersey	160

Source: Parris Lyew-Ayee - Mona Geo Informatics Institute

There are also Jamaican-branded retail stores in ethnic communities where most West Indian diasporas are concentrated. For example, NICEY's in Toronto, Canada sells products such as yams and potatoes from Jamaica. CAPRI's survey results show that 64 percent of respondents had had Jamaican food within the previous month at a restaurant and 90 percent at home.

Diaspora contribution to trade is a unique value that the diaspora offers. The diaspora not only purchases nostalgic products, but they introduce them to natives of the host countries and provide local businesses with that first connection

⁸⁵ Newland and Plaza, 2013 fn 8

⁸⁶ PIOJ: Economic and Social Survey, 2014

⁸⁷ Parris Lyew-Ayee - Mona Geo Informatics Institute and Minto-Coy - Mona School of Business UWI, nd

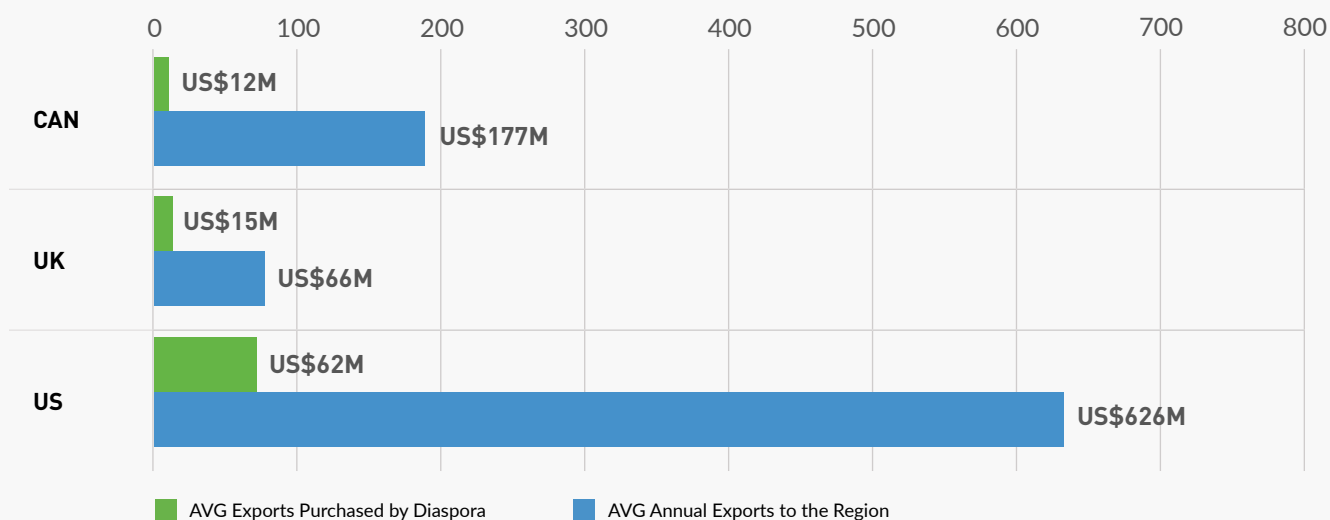
to other international markets. Operating in new jurisdictions is difficult. It is also difficult to establish and introduce unfamiliar goods in foreign markets, considering that barriers to entry are especially high for non-traditional exports.

Diaspora populations have played a key role in assisting local Jamaican companies with access to international markets with strong earnings potential. For example, larger, well-known Jamaican originated companies, such as Grace Kennedy, Maxfield Bakery, National Bakery, and J Wray and Nephew have capitalized on diaspora markets and experience growth through the marketing of a variety of food items. Levi Roots 'Reggae Reggae' sauce is now carried by major stores such as Walmart. Stores selling Jamaican food, spices and related products primarily serve the Jamaican diaspora communities, and range from large retail chain stores with ethnic food aisles, like Walmart, Target and Winn-Dixie, to smaller neighbourhood grocery stores.

Golden Krust Caribbean Bakery and Grill, the largest Caribbean eatery in the US, underscores the important role of co-ethnic networks as well as the cultural knowledge and resources from the country of origin in helping entrepreneurs from the periphery to start, grow and mainstream their enterprises.⁸⁸

Figure 10: Exports Purchased by Diaspora Figure 10 shows that 10 percent of all Jamaican exports to the US are purchased by the diaspora, 23 percent of the exports to the UK, and 7 percent of exports to Canada.

FIGURE 10: EXPORTS PURCHASED BY DIASPORA



Source: Author's calculations from export data received from STATIN

As a result of the diaspora appetite for nostalgic foods, our results show that the diaspora purchases of Jamaican exported products are valued at US\$89 million – 10 percent of Jamaica’s total exports to the US, UK and Canada. The evidence, therefore, suggests that the diaspora’s presence offers a market for the export of traditional Jamaican products, as well as a facilitator of local business entrance into international markets with great earnings potentials.

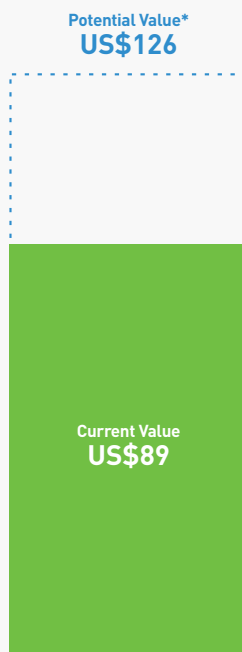
4.4.2 POTENTIAL VALUE

To arrive at the potential value of exports due to the Jamaican diaspora, we again examined other countries with large diasporas, this time investigating the relationship with exports. El Salvador was the only country for which an estimate was available and was therefore, the only country utilised as a benchmark. Considering the size of El Salvador’s diaspora relative to their diaspora exports, the value of Jamaica’s annual export earnings potential, given the size of its diaspora, could increase to approximately US\$126 million, which accounts for 14 percent of total exports (see Figure 11). Figure 11 also shows unrealised value of US\$37 million from the diaspora.

⁸⁸ Minto-Coy (Forthcoming)



FIGURE 11: JAMAICAN EXPORTS PURCHASED BY THE DIASPORA



* Expected Potential Value of Jamaican Exports purchased by the Diaspora
Source: Author's calculations

As demonstrated previously, Jamaica has fostered markets in global cities like New York, Miami, Toronto, London, Paris and Amsterdam due to the predominance of Caribbean immigrants. The cases presented here show that what all Jamaican businesses that have been successful internationally have in common is that they initiated in diaspora-concentrated markets with the help of the diaspora as buyers, facilitators, and promoters. There is potential for other businesses to do the same.



4.5 TOURISM

4.5.1 CURRENT VALUE

Data gathered from the Jamaica Tourist Board (JTB) indicate that on average 151,000 diaspora tourists visit annually, which accounts for 7 percent of all stop-over visits. Often, diaspora visitors use country-of-origin passports, which leads to an underestimation of their numbers and of their role in tourism and tourism-related development.⁸⁹ Those who enter with “visiting friends and relatives” (VFR) visas are not regarded as tourists by the country of origin – although VFR visitors carry funds, valuable items, and ideas that potentially affect local development.⁹⁰ Therefore, it is very likely that this figure is an underestimation of the actual number of diaspora tourists to the island.

Therefore, a more realistic estimate had to be determined. CAPRI’s analysis of the results from the survey suggests that at least 15 percent of total visitors are from the diaspora. Other statistics from a World Bank report corroborate this estimate by showing that Jamaicans in the diaspora represent some 11–15 percent of overall tourist visitors.⁹¹

A review of the literature suggests that a diaspora tourist spends a minimum of US\$1,000 during a 2-week visit.⁹² Results from our survey supports that finding, and reveal an average expenditure of as much as US\$1,700 by Jamaican diaspora members who visit alone. Considering that at least 15 percent of stop-over tourism arrivals comes from the diaspora, our estimates suggest a total expenditure by diaspora visitors of US\$323 million which represents 14 percent of the total visitor expenditure in Jamaica (see Figure 12 for calculation schematic).

FIGURE 12: CALCULATION SCHEMATIC FOR TOURISM EXPENDITURE



Diaspora tourists, while not spending on hotels and more formally established businesses, normally spend a lot through gifts. Diaspora members’ *self-directed visits* to their regions of origin may combine visits to friends and family with typical tourist or leisure activities like going to the beach or attending cultural events. However, many diaspora tourists also engage in activities of a more specialized kind (See Figure 13 for results of diaspora spending pattern from CAPRI’s survey).⁹³

⁸⁹ See Asiedu, 2005

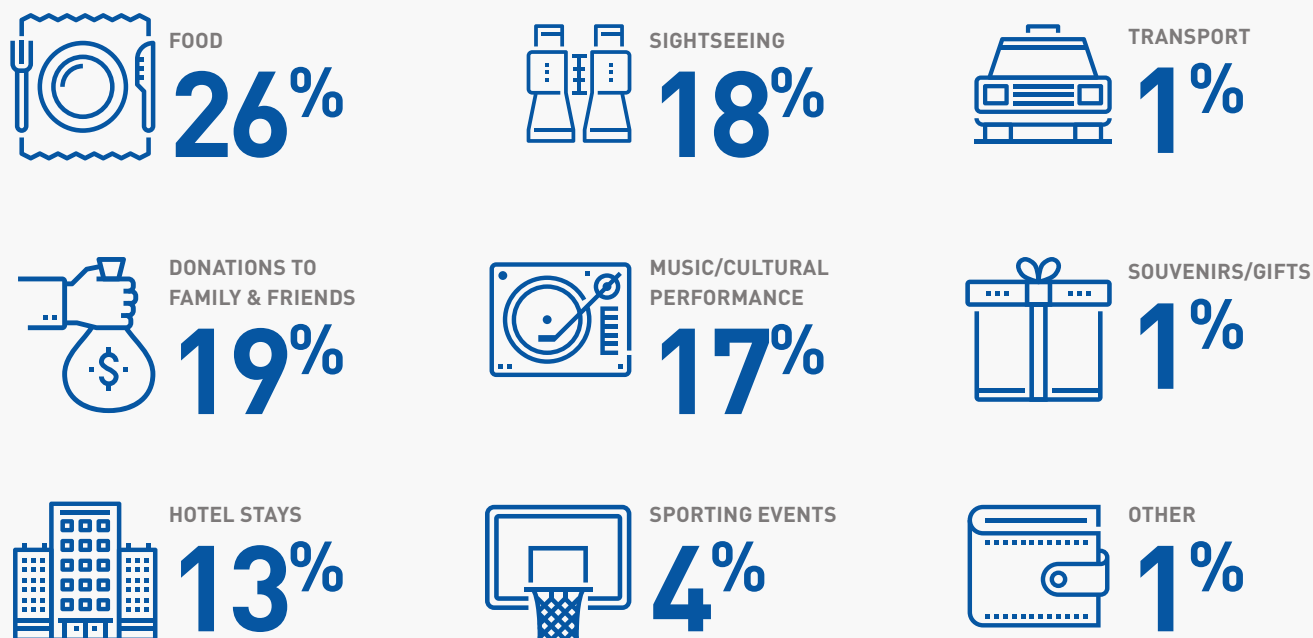
⁹⁰ Newland and Taylor, 2010

⁹¹ World Bank, 2016a

⁹² Orozco, Lowell, Bump and Fedewa, 2005; Backer, 2010

⁹³ Newland and Taylor, 2010

FIGURE 13: ITEMS THE DIASPORA SPENDS ON WHEN VISITING JAMAICA.



Source: CAPRI's Survey, 2017

4.5.2 POTENTIAL VALUE

Tourism is heavily influenced by marketing and promotional campaigns. National tourism organizations spend considerable amounts of public money every year on promotional activities with various objectives. These include attracting additional visitors, retaining existing visitors, improving perceptions, developing the brand, positioning the country in the market place, as well as increasing visitor expenditure.⁹⁴ Even without any targeted marketing efforts for the diaspora, the previous section demonstrated that the diaspora continues to visit and contribute to Jamaica's tourism sector. The evidence from other countries suggests that marketing strategies targeting the diaspora could increase diaspora tourist visits and expenditure.⁹⁵

Increased expenditure by tourists that is generated from the money spent on marketing and promotion would give an estimate of the possible value that could be generated from diaspora tourism if marketing efforts are extended. However, no data of this nature exists for Jamaica, making deriving at any reasonable estimation of the potential value of Diaspora tourism unlikely. Hence, this section presents instead a qualitative assessment of the potential value of a tourist from the diaspora, highlighting the need for initiating greater data collection and further research on Jamaica's Diaspora tourist market.

There is no evidence of a government strategy in place for targeting diaspora tourists who tend to display a unique consumption pattern, have different interests, different reasons for visiting and therefore, require a different engagement strategy from that aimed at truly foreign tourists. Governments either assume that more profits will come from international tourists⁹⁶ or are not aware of the potential value of tailoring strategies to this niche. Consequently, the tourist agencies focus their marketing strategies mainly on attracting international tourists. However, the data presented in the earlier section show that the diaspora spends a considerable amount of money when visiting. In fact, a Jamaican diaspora tourist stays on average 17 days, which is twice as long as a typical tourist.⁹⁷ Furthermore, the diaspora requires less maintenance, resources and energy.⁹⁸ In New Zealand, an international tourist uses four times

⁹⁴ OECD Tourism Trends and Policies, 2012

⁹⁵ See Tourism Accommodation Australia, 2014 and Oxford Economics: USA, 2016 as examples

⁹⁶ See Baskin, 1995; Brohman, 1996; Scheyvens 2007

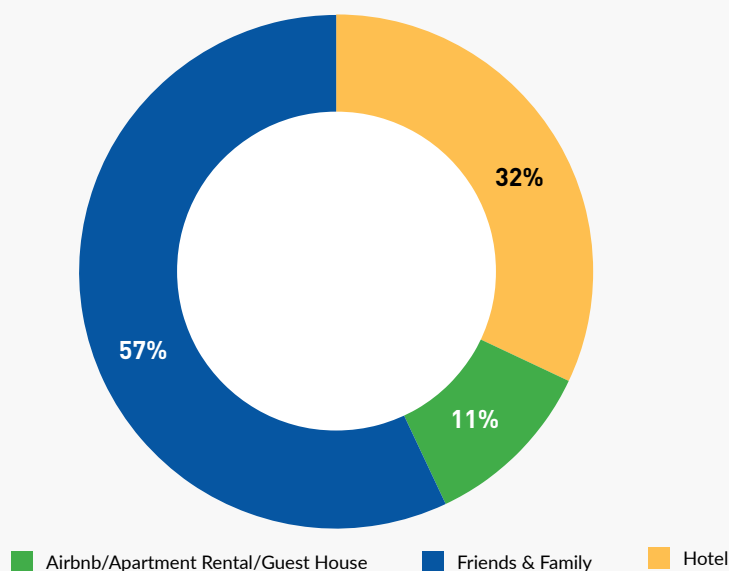
⁹⁷ JTB Annual Travel Statistics, 2016

⁹⁸ Scheyvens, 2007

more energy than a diaspora tourist.⁹⁹

In Jamaica, tourism-targeted infrastructure is confined to enclaves with little connection to the local economy apart from low-level employment. These enclaves are run by companies that source many of their supplies externally and repatriate the bulk of their profits. Diaspora tourists, however, are more likely than international tourists to have or make connections with the local economy (stay in locally owned, smaller accommodations or with relatives, eat in local restaurants, buy from local vendors) (see Figure 14 below).¹⁰⁰ Because diaspora tourism is not necessarily as seasonal as international tourism, it may entail a steadier use of infrastructure throughout the year and provide employment opportunities in off-peak times. Thus, diaspora tourism generally has a different and, in some respects, more positive economic impact.

FIGURE 14: PLACES THE DIASPORA STAY WHEN VISITING JAMAICA.



Source: CAPRI's Survey, 2017

The potential value of the diaspora to the tourism sector is not simply that more diaspora members will visit or buy, but that the niche they occupy will attract other non-diaspora customers. Diaspora populations can help to open markets for new tourism destinations, acting as brand ambassadors and promoters of the Jamaica brand. Diaspora tourists are less sensitive to foreign perceptions of low levels of safety and will more likely know how to divide the country into regions of safety and danger, whereas foreigners will write the whole country off. Diaspora tourists feel an obligation to view their destination in a positive manner and find ways to justify negative experiences.¹⁰¹

Jorge Pérez-López offers several suggestions for increasing diaspora tourism's potential in Cuba that could apply to Jamaica and other nations.¹⁰² These include promoting diaspora festivals, saints' days, and holidays; professional association meetings and conventions for diaspora members; special vacations for diaspora seniors; and specially packaged trips for medical treatment offered to the diaspora.

⁹⁹ Ibid 99

¹⁰⁰ Newland and Taylor, 2010

¹⁰¹ Huang, Norman and Ramshaw, 2016

¹⁰² Pérez-López, 2007

5. ADDING IT UP

Our assessment of the current and potential value of the diaspora to Jamaica for remittances, tourism, philanthropy, investment, and exports has shown that as significant as the diaspora's current contributions to Jamaica are, there is still much unrealised potential. As highlighted in *Figure 15*, investments from the diaspora is the category with the highest potential value yet to be realised, followed by philanthropy. Aside from JN's recently issued diaspora bond, Jamaica currently has no targeted investment strategy for the diaspora, which could account for a high unrealised

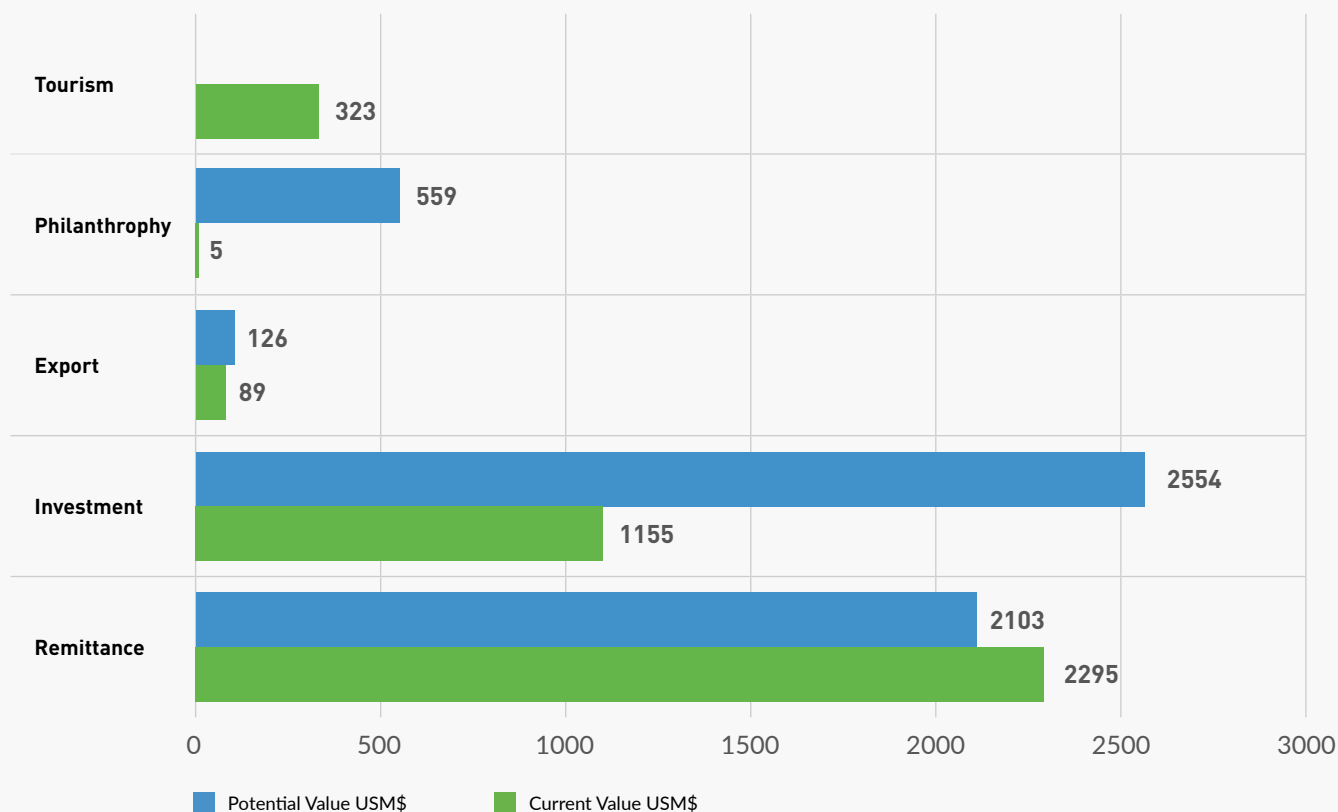


potential. Figure 15 also shows that remittances currently account for the highest contribution from the diaspora, followed by investment. Notwithstanding the many challenges Jamaica faces with crime and institutional weaknesses, the diaspora still maintains over US\$1 billion in investments in Jamaica.

In a context where migration encourages a transfer of human capital from a relatively poor source country to developed receiving countries, especially in key sectors such as education and health, the widely-held view is that the outflow of skilled workers can depress domestic productivity. Migration is also expected to inflict substantial long-run harm by slowing economic growth and increasing inequality as the earnings of the remaining highly skilled workers rise and those of the less skilled fall.¹⁰³

However, recent and more optimistic views are warranted. As shown in Figure 15, Jamaica's estimated potential remittances fell below the average remittances currently received when taking account of over 23 countries, indicating that Jamaica is performing above average expectation. This allows for potentially direct, favourable and positive effects as Jamaica's migrants post remittances – a major source of disposable income that can relax credit constraints on human and physical capital investment.

FIGURE 15: CURRENT AND POTENTIAL VALUE OF JAMAICA'S DIASPORA CONTRIBUTIONS TO JAMAICA



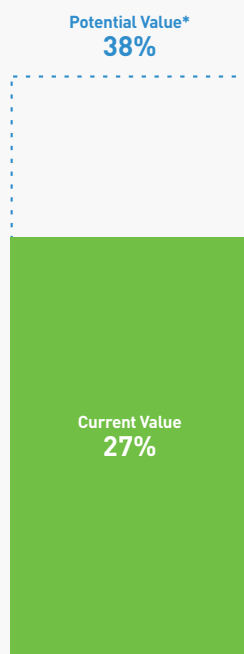
Notes: No dollar value was estimated for the diaspora's potential value to the Tourism Sector due to data constraints.

Aggregating the estimated values of current and potential contributions of the Jamaican diaspora, Figure 16 shows that the diaspora's total contribution through remittances, investment, philanthropy, exports and tourism market is

¹⁰³ ESCAP, 2005, and Todaro and Smith, 2006

equivalent to 28 percent (US\$4 billion) of Jamaica's annual national output. It also shows that the unrealised economic potential of the diaspora represents at minimum a further 11 percent (US\$1.5 billion) of the total national output of the country.

FIGURE 16: DIASPORA CURRENT, POTENTIAL AND UNREALISED CONTRIBUTIONS TO JAMAICA AS A PERCENTAGE OF JAMAICA'S AVERAGE ANNUAL GDP.



* Expected Potential Value of Jamaica's Average Annual GDP
Source: Author's calculations

Outside of this reservoir of capital, the diaspora's relationships, skills and expertise multiply these estimates. One unquantifiable component of the diaspora impact on development is the 'diaspora network'. Diaspora members act as a bridge connecting developing economy insiders, with their risk mitigating knowledge and connections, to outsiders in command of technical know-how and investment capital.¹⁰⁴ Diaspora networks work in several innovative ways, for example, in times of emergency and relief work. While the international community has concentrated predominantly on humanitarian relief, the diaspora is more engaged in reconstruction and development, and their money reaches parts throughout the country where international organisations and foreign supported NGOs find it very hard to work. For example, most of the money sent home by the diaspora goes through kinship and similar networks. When people are personally known to each other, the level of trust between donors and recipients is high.¹⁰⁵

The data gathered demonstrate that the diaspora's contributions to the Jamaican economy are significant, and more importantly, that these contributions have been consistent. While imperfect, these figures provide a basis upon which to identify the areas with the highest potential, investment and unique markets presented such as the market for exports, to inform our decisions for engagement possibilities, strengthen our approach to their inclusion in the economy, and acknowledge on empirical grounds the grand possibilities. Jamaica's diaspora strategies must now seek to scale up, fortify, leverage, and harness the positive effects of emigration on the development of the country.

¹⁰⁴ Kuznetsov, 2006

¹⁰⁵ Singh, 2010

6. ASSESSMENT OF JAMAICA'S DIASPORA ENGAGEMENT INITIATIVES

CURRENT POLICIES, INSTITUTIONS AND INITIATIVES

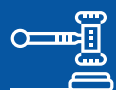
The explicit inclusion and engagement of the diaspora are aspects of both the development and execution of Jamaica's Vision 2030. It has now recently been advocated for in the Economic Growth Council's (EGC) report, which advises the government on strategies to fast track Jamaica's growth aspirations.¹⁰³ Jamaica initiated its engagement process as early as the 1990s, with growing emphasis on formalising state institutions, through first establishing a Charter for Long Term Returning Residents. The Charter was intended to facilitate Jamaicans returning home to retire,



¹⁰³ Economic Growth Council Report, 2016

work or invest. The initiative to formally engage the diaspora was strengthened in 2002 with responsibility for the diaspora affairs being assigned to the portfolio of the MFAFT. This elevation of the diaspora to the highest levels of political life has given rise to a series of annual conferences since 2004 with representatives of the diaspora, and a range of institutions and initiatives, most of which have been proposed at these conferences.

How effective/successful are these institutions? Are they properly resourced to carry out their mandate for diaspora engagement? In this section, we review these institutions among other initiatives of Jamaica's diaspora engagement strategies (See *Figure 17* for a timeline of the initiatives).



6.1 POLICIES

Charter for Long Term Returning Residents¹⁰⁴

The Government's policy to engage with Jamaicans overseas began in 1993 with the implementation of the Charter for Long Term Returning Residents. The Charter was designed to simplify bureaucratic processes, thereby creating a conducive environment for Jamaicans desirous of returning home to retire, invest, work or share their experiences gained abroad.

Returning residents, however, still face many challenges which the charter does not address. In a stakeholder interview, a diaspora member shared that accessing information as a returning resident has been a challenge, from the lengthy time taken to process queries, to receiving different (in some cases incorrect) information pertaining to her situation. While supporting information is available through the 'Returning Resident's Information Guide', diaspora complaints suggest that this information is not accessible. In addition, there are requirements which are impossible for the diaspora to meet. For example, a part of the process to receive a driver's licence, is getting approval from a Justice of the Peace (JP). The JP's signature, is to verify that they know the applicant. Given that most diaspora members have been away for more than twenty years, such a requirement is oxymoronic.

Draft Diaspora Policy

The government of Jamaica is creating an International Migration and Diaspora policy, which seeks to coordinate and mobilize engagement across the various geographies in which the community resides. A draft diaspora policy is now being circulated by the MFAFT, which is expected to eventually become the National Diaspora Policy. The minister has indicated that the diaspora policy review process is on hold, awaiting feedback from the EGC who has established a diaspora engagement task force to inform policies for diaspora engagement.¹⁰⁵ No timeline was given for the resumption of this process, which creates uncertainty and sends negative signals about the seriousness of the process. In addition, the JDI's mandate should allow them to be able to inform such a policy from a position which reflects the views of the diaspora. The question therefore arises as to why there was a need to establish a new network to solicit diaspora engagement advice.

¹⁰⁴ Extract from Brief, Diaspora and Consular Affairs Department, Ministry of Foreign Affairs and Foreign Trade, October 2013.

¹⁰⁵ Jamaica Gleaner, July 2017. Diaspora Policy Review Put on Hold. url: <http://jamaica-gleaner.com/article/lead-stories/20170718/diaspora-policy-review-put-hold>



6.2 INSTITUTIONS

Diaspora and Consular Affairs Department

Responsibility for diaspora affairs rests with the Ministry of Foreign Affairs and Foreign Trade (MFAFT) within the Consular, Diaspora and Protocol division. The MFAFT announced in April 2017 the creation of a special unit within this division called the Diaspora Affairs Department to deal specifically with the affairs of the diaspora. The unit is mandated to develop and strengthen the linkages between the Government of Jamaica and the Jamaican diaspora, with a view to build relationships and encourage participation in all aspects of national development.¹⁰⁶ Currently, the Diaspora Affairs Department in the MFAFT has four approved staff posts, two of which are currently employed to deal with diaspora affairs. CAPRI's assessment of Jamaica's engagement efforts suggests that the MFAFT's role as a coordinator of all diaspora initiatives needs to be improved. The evidence is the lack of coordination with the JDI's efforts, and with other ministries such as the MOH and MOE (this is discussed further in later sub-sections).

Jamaica Diaspora Foundation (JDF)

The JDF is a non-profit organisation whose main objective is to strengthen the links and support systems between Jamaicans residing abroad and those at home. The EGC has recommended, however, that the Jamaica Diaspora Foundation be repurposed as "Global Connect Jamaica", as a public-private partnership to facilitate and encourage the Jamaican Diaspora to invest in Jamaica.¹⁰⁷ While an independent institution might be desirable, there was no information available about what informed the decision to establish a new institution to attract investments outside of the existing institution with the responsibility of promoting and soliciting investments for Jamaica – JAMPRO.

Jamaica Diaspora Institute (JDI)

The JDI is the operational arm of the JDF. The objectives of this Institute are to: build and connect diaspora communities through the development of web portals and databases; facilitate partnerships between Jamaica and its diaspora; and conduct research on Jamaican migration and diaspora issues. While supported by the MFAFT, the JDI operates independently of the government.

While acting independently has advantages in terms of facilitating trust, independence does not negate the need to coordinate the efforts that are necessary between the MFAFT and JDI for a successful engagement of the diaspora. Currently, initiatives undertaken by the MFAFT such as the endorsement of the engagement task force created by the EGC replicate the mandate of the JDI, suggesting a lack of coordination between these two institutions which should be acting towards achieving a single objective.

A part of the mandate of the JDI is to maintain databases relating to the diaspora. While the JDI has accumulated invaluable contacts over its nine years of existence, the databases compiled were an inadequate representation of their existing contacts, and would benefit from real-time updates. Most information was available through a personal interaction with the executive director himself, which limits the reach of the information collected and threatens the continuity of efforts undertaken by the Institute.

The Diaspora Advisory Board

The MFAFT also maintains a permanent Diaspora Advisory Board (DAB) which meets twice per year, and includes representatives from Canada, the US, and the UK. The Board currently consists of ten representatives who advise the Minister of State in the MFAFT, who liaises with community-based groups, alumni associations and influential individuals in their respective countries to obtain an understanding of the issues, interests and concerns within the Jamaican diaspora. The government does not fund the activities of the board representatives. This not only places a financial cost on the Advisory Board members, but it also restricts the number and type of persons willing to come forward.

¹⁰⁶ Extracted from MFAFT website

¹⁰⁷ See Economic Growth Council: Call to Action Report, 2016

According to Amanda Sives from the International Organization for Migration (IOM), in her review of Jamaica's formal diaspora engagement process, it remains unclear how this Board is to develop in harmony with the diaspora.¹⁰⁸ This is as a result of the varying impressions of the actual role of the board members, whether as leaders in the diaspora host country which, therefore, set agendas and ensure follow through, or as performing a purely representative function and are therefore channeled for information from the government to the diaspora.¹⁰⁹ Clarity in this area would send a reassuring message about the role of official diaspora participation as separate from the already existing range of organizations that migrants have created and operate. This is particularly pertinent given that all initiatives require resources, which are limited.

Joint Select Committee on Diaspora Affairs

The Joint Select Committee of the Houses of Parliament on Diaspora Affairs was established in 2009 with a deliberate non-partisan approach to its composition. The Committee was mandated to engage in dialogue with the diaspora, with the aim of guiding a national approach; to advise on representation of diaspora constituencies in Parliament; and to recommend foreign policy that could be undertaken to support the interests of the diaspora communities and to encourage investments in Jamaica.¹¹⁰ The extent to which it is going to be able to offer such assistance, above and beyond what the high commissions and embassies currently undertake, is not entirely clear.

Embassies, Missions and Consular Offices

There are 17 Jamaican embassies or High Commissions around the world, with a consular presence in 97 other cities around the world, including multiple in the US and Canada.¹¹¹ Foreign missions provide consular services to Jamaicans living, working and travelling overseas, as well as serve as investment promotion centres and front offices for bi-lateral or multi-lateral negotiations on matters ranging from security and trade to disaster relief.

These embassies, missions and consular offices are appropriately positioned to support diaspora communities and engagement initiatives. However, the role of the embassies, consulates and high commissions and their relationship to diaspora communities in the host states requires clarification.¹¹² In the UK, for example, a diaspora liaison officer from the MFAFT was appointed to the High Commission, even though a community relations officer was in post for many years. It is not entirely clear how the functions of these persons differ.¹¹³



6.3 INITIATIVES

Biennial Conferences

Every two years, Jamaicans overseas and at home are invited to attend the Jamaica Diaspora Conference. These conferences are convened through a public-private partnership which serves as a mechanism for structured engagement and interaction between the diaspora, the government of Jamaica, the private sector, and civil society. Seven such conferences have been convened since 2004.¹¹⁴ A post-conference survey administered by the Bill Johnson survey company at the 2017 Diaspora Conference showed that 93 percent of the 130 participants surveyed thought that “the event was worthwhile to attend” and 86 percent “hope to attend the next conference” as it was “informative, and an opportunity to network”.

However, only a fraction of the members of the diaspora attend the conference, and they are predominantly self-selecting. Most recently, of the 2147 persons in attendance to the 2017 Diaspora Conference, only 239 were from

¹⁰⁸ See Sives, 2012

¹⁰⁹ See Sives, 2012, whose conclusions were supported by interviews with diaspora stakeholders

¹¹⁰ Sives, 2012

¹¹¹ See Jamaica High Commission UK website: Missions and Embassies Worldwide

¹¹² Sives, 2012

¹¹³ Sives, 2012

¹¹⁴ 2147 participants attended the conference in June 2015

the Diaspora.¹¹⁵ It is these individuals who elect the Diaspora Advisory Board members who represent the “broader” diaspora, resulting in an underrepresentation of the diaspora.¹¹⁶

CAPRI’s stakeholder interviews also raised some concerns from the diaspora. Some diaspora members describe the event as a “talk shop” which was not expected to yield anything substantial. In addition, not having the Prime Minister in attendance at conference sessions, except for the opening ceremony, have left some to conclude that engagement of the diaspora is not as important for the government as it should be. Others felt that the conference presented a plethora of unrelated issues, for all members to be involved in, and would have been more successful if individuals could be more guided to attend sessions in their interest.

Diaspora Networks

The MFAFT, coming out of the 2013 and 2015 diaspora conference, established five task forces: Jamaica Diaspora Education Task Force (JDET), Jamaica Diaspora Agriculture Task Force (JDAT), Jamaica Diaspora Technology Task Force (JDTT), Jamaica Diaspora Crime Intervention and Prevention Task Force (JDCIT), Jamaica Diaspora Immigration and Deportation Prevention Task Force (JDIDPTF). In their respective fields, they undertake projects, pursue partnerships, support local institutions, build connections, facilitate networking and provide information. While the objectives are aligned with those of the ministry, the task forces are not sanctioned by the ministry. The newest addition to these networks is a Diaspora Engagement Taskforce created in conjunction with the EGC.

These networks have no formalized governance structure; hence any individual can create and develop a task force around a shared objective. Consequently, multiple groupings with similar and in some cases overlapping objectives have been created. In addition, there are many unaffiliated Jamaican organizations in practically every Jamaican community in the U.S. that are open to membership by individuals of Jamaican heritage.¹¹⁷ With many small and underfunded diaspora groups, it can be difficult to organize the affairs of the group. This has implications for what such organizations can achieve, as it means the amount of time and resources they have available may be modest. Having a host of organisations which represent the same cause is far reaching; however, it is difficult to keep track of these organizations and their activities, making it difficult for the government to support them. Transparency and accountability of these institutions are also jeopardised when no formalised approach is taken, which limits their reach. It is important to get these organizations to consider taking advantage of the multiplier effect that could accrue to their efforts through affiliation with a strengthened organization (such as NAJASO, and the Union of Jamaican Alumni Associations in the US, UK and Canada).

Despite these limitations, the health and education task force as well as alumni associations in the US and Canada have been successful in coordinating their efforts and lending consistent and organized assistance to Jamaica. The health and education taskforce partnered to host a summer camp to provide assistance to primary school children with literacy and numeracy deficiencies who also had ear and eye problems. The immigration taskforce has also convened interviewing sessions to assist illegal migrants in gaining citizenship in their host countries, and deportees in regaining entry.

Diaspora Mapping Exercise

In conjunction with these efforts, the government, through the JDI, mapped the diaspora, in partnership with the IOM, starting in December 2013.¹¹⁸ The project, which took the form of a survey, aimed to capture data for 3,500 diaspora members. It netted 2321 individual respondents.¹¹⁹ While the target sample was not achieved, the results captured are currently being finalised. There is, as of this writing, insufficient information to allow for any conclusion about its success. However, discussions with diaspora members revealed that the survey also presented challenges, such as privacy concerns, an ambiguity around the purpose of the survey given the partnership with the IOM.

¹¹⁵ 532 of the 2147 and 424 of the 1510 persons in attendance at the 2015 and 2013 conferences respectively, were diaspora members (source: Ministry of Foreign Affairs and Foreign Trade)

¹¹⁶ Sives, 2012

¹¹⁷ Sives, 2012

¹¹⁸ See Jamaica High Commission UK. Url: <http://www.jhcuk.org/citizens/diaspora-affairs/charitable-donations-under-the-charities-act-2013>

¹¹⁹ See MFAFT website <http://mfaft.gov.jm/wp/mapping-jamaicas-diaspora-project-handed-over-to-government-of-jamaica/>

Given that little information has been shared regarding the mapping exercise, there is no real way of understanding these complexities and whether these institutions cater to them. A failure of the mapping exercise hinders improvement in engaging diaspora members. The diaspora organizations aren't homogenous but are varied in needs, age, class and degree of loyalty to Jamaica.¹²⁰ Consequently, their relationships between the diaspora organizations, their host communities and the state need to be properly understood and sensitively managed.

Procedures for Charitable Donations

With the passage of the Charities Act in 2014, procedures for donations are more streamlined. Based on the provisions of the Act, charitable donations can now be more easily sent to recipients in Jamaica once they have been officially registered as a charitable organization. These charitable organizations, upon receipt of their Registration Certificates, are entitled to relief from Customs Duties, General Consumption Tax, Special Consumption Tax and additional Stamp Duty on donations that are sent from overseas.¹²¹

Donations of educational materials and supplies, as well as those for infrastructural development, must be cleared by the National Education Trust Limited (NET), to benefit from duty concessions. NET is the agency of the Government of Jamaica (GoJ) that mobilises financial and quality resource investments for schools, and Health for Life and Wellness Foundation is the charity arm of the MOH that mobilises investments for healthcare.¹²²

From our survey, however, the respondents cited the bureaucratic processes involved for donations as a major deterrent to contributing.¹²³ While available, this information is not well known among the diaspora. Most cite the rules as unclear, ambiguous, and not centralised (see *Figure 7*).

Additionally, there are multiple diaspora engagements and requests throughout the year by the Health Ministry, the Education Ministry, and schools through alumni associations, that all reach out to the diaspora independently for support. This lack of coordination can create duplicity of efforts and therefore inefficiencies. Further, it does not allow for prioritizing of needs and so may explain the frustration and negative perception held by many diaspora members who are reluctant to contribute. While this approach of reaching out to the diaspora independently might not deter already engaged participants, realizing the full potential of the diaspora's value to Jamaica requires reaching out to unengaged diaspora members as well. The absence of clear organization of engagement results in mixed messages to the diaspora, making the engagement process more difficult.

Knowledge Portal

The JDI pioneered the development of a diaspora web portal, jamaicadiasporaconnect.com, under an EC-UN project: Knowledge Networks for Connecting Jamaica and its Diaspora. This portal is the tool for communicating and sharing information with the diaspora. No information is available for an assessment of its development and usefulness for diaspora engagement. However, CAPRI's survey responses indicate that widespread knowledge of Jamaica's activities and offerings is limited within the diaspora population despite channels such as the jamaicadiasporaconnect.com.¹²⁴

Formal Recognition

Since 2008, the Governor General Achievement Award (GGAA) has been partnering with the Diaspora Conference to recognise persons who have been doing outstanding work in the diaspora and have been working to build the country.

Recognition of World Diaspora Day

Jamaica acknowledges World Diaspora Day through an annual celebration on June 16, since 2005. According to the Gleaner's editorial posted three days following the most recent celebration, "even less than the broader movement itself, the observation of Diaspora Day in Jamaica is not an event that has captured the popular imagination".

¹²⁰ See Bauer and Thompson, 2006; Foner, 2005; World Bank, 2016a

¹²¹ Ibid 125

¹²² Guidelines for making donations to through the NET and MOH are available on the MFAFT's website.

¹²³ See Figure 7

¹²⁴ Ibid 127



The editorial continued that “it is not surprising, therefore, that last Friday’s annual marking of the day was a little-noticed, low-key affair. It passed without great fanfare.”

Genealogy- Tracing your Jamaicans Roots

The Registrar General’s Department offers a service for individuals to trace their Jamaican roots. Genealogical research provides an opportunity for family reunification and for more in-depth information about one’s family history. The MFAFT markets this service to the diaspora on their website.

Global Immigration Card

Work is progressing on the creation of a global immigration card for Jamaicans living overseas. The card is one of the 18 EGC targets announced by the Government to encourage members of the diaspora to return, get involved, and invest in Jamaica. All persons born in Jamaica or of Jamaican parentage or heritage would be eligible to hold the card which would provide all the benefits of Jamaican passport holders (except the right to vote). The cardholders would also be given the right to stay for an extended period in Jamaica. It will become a loyalty card, intended “to increase affinity and to raise the level of consciousness of Jamaicans”.¹²⁵

¹²⁵ Ambassador Sharon Saunders quoted in the <http://jis.gov.jm/work-progressing-global-immigration-card/> by Elaine Reckwood, June 20, 2017

FIGURE 17: TIMELINE OF JAMAICA DIASPORA ENGAGEMENT STRATEGIES

	1993	Implementation of a Charter for Long Term Returning Residents
Implementation of a Return and Reintegration of Qualified Jamaicans for development Programme	1994	
	1998	Establishment of the Diaspora & Consulate Affairs Department
MFAFT assigned responsibility for Diaspora Affairs	2002	
	2003	Hosting of a Diaspora Symposium
First Biennial Diaspora Conference	2004	
Establishment of Diaspora Advisory Board	2004	
	2006	2nd Biennial Conference
Appointment of a Joint Select Committee of Houses of Parliament on Diaspora matters	2008	
3rd Biennial Diaspora Conference		
	2009	Incorporation of Jamaica Diaspora Foundation & JDI
	2009	Inaugural Jamaica Diaspora Future Leaders Conference
4th Biennial Diaspora Conference	2011	
	2012	Launched Diaspora Youth Connect Project (continuous project)
The Diaspora Mapping Project was launched	2013	
5th Biennial Diaspora Conference	2013	
Jamaica Diaspora Education Taskforce	2013	
	2015	Jamaica Diaspora Agriculture Taskforce created
	2015	6th Biennial Diaspora Conference
Jamaica Diaspora Crime Intervention and Prevention Taskforce created	2016	
	2017	7th Biennial Diaspora Conference

Undoubtedly, there are a number of diaspora engagement initiatives and institutions in Jamaica. However, there is no clearly outlined strategy, but rather, an ad-hoc melange of institutions and activities. All these initiatives and institutions have the potential to engage the diaspora, but appear to lack systematic measurement and evaluation of their activities, which results in duplications and inefficiencies. Furthermore, widespread knowledge about their activities and offerings is limited within the diaspora population despite channels such as the jamaicadiasporacconnect.com. CAPRI's own

assessment of these institutions indicates that most of them are not effective in achieving their intended purpose. Further review is necessary, however, to fully determine the underlying causes of their ineffectiveness.

Tensions remain regarding the role and functioning of the “new” formalized process compared with the pre-existing bodies.¹²⁶ More problematic than tensions within the separate diaspora bodies is the lack of coordination and collaboration between these new “official” diaspora organizations, pre-existing diaspora groups, and the state.

Government diaspora engagement initiatives and institutions also suffer from financial and human resource constraints. For example, MFAFT and JDI have only two workers to manage and facilitate a diaspora of at least 3 million. Financial and human resource challenges can be overcome by reassessing the roles of existing institutions with the objective of eliminating duplication and facilitating a more collaborative effort.

Another challenge facing Jamaica’s diaspora engagement efforts is the negative perception held by locals and the diaspora. The survey indicated that some diaspora members believe that the government views them as just a means of gaining a steady stream of income while some locals and governments see diaspora groups demanding support without the capabilities to deliver on mutual objectives. A survey of the local news media has revealed some discomfort at the idea of extending resources to the diaspora, as well as advocating positions for the diaspora’s inclusion. The rhetoric against such policies for inclusion gleans from the current economic issues of the country, and the requirement that non-taxpayers should not be afforded such benefit. ‘*No Vote for Diaspora*’¹²⁷ is an example of the headlines of articles posted by the popular newspaper The Jamaica Gleaner in 2016. Consequently, diaspora engagement will need to include locals as whatever policies and institutions are created will impact them.

¹²⁶ Sives, 2012

¹²⁷ See Jamaica Gleaner, April 2016: No-Vote for Diaspora Url: <http://jamaica-gleaner.com/article/commentary/20160424/no-vote-diaspora>

7. GLOBAL DIASPORA ENGAGEMENT BEST PRACTICES AND LESSONS

Our analysis has revealed that there is unrealized value from the diaspora. With the right policies, incentives, and investment opportunities, the Jamaican diaspora could play a greater role in the country's thrust for growth and development. In this section, we delineate the strategies used by countries around the globe to engage their diaspora successfully, and assess through case studies these policies in action. The case studies, therefore, serve an illustrative purpose and not as comprehensive reports on these countries, to provide a more useful understanding of the strategies employed.



We highlight the strategies in four leading diaspora engagement nations – India, Israel, Ireland and the Philippines. These countries have effectively engaged their diaspora and present modes which other countries have been replicating. Learning from other countries’ strategies of diaspora engagement is valuable to gain new ideas, understand the challenges they encountered and possible ways of overcoming these challenges. However, no engagement strategy can be a “one-size-fits-all” model for governments working to engage their diasporas more effectively. The Jamaican diaspora, just as any other diaspora, has a unique set of needs and capabilities based on its historical experience, and the present realities of its countries of origin and destination. Thus, the Jamaican government’s approaches must reflect these complexities.

The most successful countries at diaspora engagement implement strategies outlined in a paper written by Alan Gamlen.¹²⁸ He argues that countries, firstly, aim to produce a relationship through ‘**symbolic nation building**’ policies. Symbolic policies discursively attempt to produce a homogenous national diaspora, with close ties of allegiance to their homeland. They comprise of a broad range of symbolic initiatives and programmes aimed at (re)including the diaspora within the national population that the state represents and governs by increasing emigrants’ sense of belonging to a transnational community.¹²⁹ Secondly, countries aim to create objective capacities for the realization of power relations by building diaspora institutions – **institution building policies** – aimed at producing a state-centric ‘transnational national society’, and developing a set of corresponding state institutions. Institution-building policies furnish the state with technologies – systems and institutions – to ‘govern’ diaspora populations. Thirdly, the “finalized activities,” or “specific effects” of this transnational exercise of home-state power consist of the **extension of rights** to the diaspora. Policies extending rights to members of the diaspora fall under two broad categories: Political incorporation of immigrants and the extension of civil and social services to immigrants. Finally, policies for **realising the diaspora’s potential** from non-residents, based upon the premise that emigrants owe loyalty to this legitimate sovereign.¹³⁰

In this section we observe these policies in action in the four countries studied to determine the extent to which the four categories of diaspora engagement policies/strategies described above are employed and have contributed to the success of their diaspora engagement strategy.

7.1 INDIA



The Indian government’s diaspora policy focus has been motivated and influenced by an in-depth and expansive effort made to get to know its diaspora. This allowed the Indian government to tailor its symbolic and political incorporation strategies to the specific needs of the diaspora rather than to what has been chanted by isolated experiences. Through such a comprehensive analysis of the diaspora, India has been able to develop its own special models addressing the diaspora’s concerns in a mutually beneficial way.

The Government tasked a High-Level Committee on the Indian Diaspora to analyze the location, situation, and potential development role of the Indian diaspora. For two years, the five-person committee also studied various governments’

¹²⁸ Gamlen, 2006

¹²⁹ Gamlen, 2006

¹³⁰ Gamlen, 2006

diaspora efforts to extract relevant lessons for India.¹³¹ The Indian diaspora policy recognised early that there is no single, homogenous overseas Indian community.¹³²

India's initiatives to increase its diaspora's sense of belonging include the hosting of high-profile conferences and an annual celebration of an Indian Diaspora Day to mark the contribution of the overseas Indian community. Other initiatives include offering free genealogy services and programmes which promote awareness about India and its operations to overseas youths by providing a trip to India.

The information resulting from the High-level Committee on the Indian Diaspora led to the creation of a Ministry of Overseas Indian Affairs (MOIA).¹³³ The MOIA was established in 2004, dedicated to all matters relating to the Indian Diaspora around the world. However, this ministry was dissolved in January 2016 and was merged into the Ministry of External Affairs. According to the spokesperson of the Ministry of External Affairs, this decision was taken to facilitate the overall objective of "minimizing government and maximizing governance."

The Indian government manages the various affairs of the diaspora's engagement process by establishing the appropriate institutions for facilitating diaspora involvement. One such is the Overseas Indian Facilitation Centre (OIFC). The OIFC is a not for profit trust serving as a one-stop shop for economic engagement, investment and business. Other institutions include the India Development Foundation, created to facilitate diaspora philanthropy and lead overseas Indian philanthropic capital into India's social development effort, and The India Centre for Migration, a 'think-tank' focused on matters relating to overseas employment markets for Indians and Overseas Indian workers.

India's policy has also focused on extending rights to its diaspora with the intention that upgraded membership produces goodwill relationships with the diaspora, helping to sustain its diaspora's contribution. Expatriate Indian citizens have been allowed to vote in all Indian elections since 2010, if they have not acquired the citizenship of another country, as India does not permit dual nationality.¹³⁴

Given India's concerns and pressure from its diaspora, India developed its own model of engagement by introducing a number of different categories of the Indian Diaspora who are bestowed special benefits.¹³⁵ One such category is the Overseas Citizenship of India (OCIs). Although not 'dual citizenship', OCI offers a series of benefits such as multiple entries and multipurpose lifelong visas to visit India. OCI holders do not receive an Indian passport (although they receive a document that is similar in appearance) and have no political rights.¹³⁶ The scheme has proven to be very popular with 168,000 OCI visas issued in 2008 and over 575,000 as at 2013.¹³⁷ According to Thomas Abraham, chairman of the Global Organization of People of Indian Origin "The OCI status is more about emotions than economics." "There is a sentimental value, especially for people with children who want their children to stay connected with their country of origin." This is a way to enlarge the pool of engaged members of the Indian Diaspora, recognise their contribution and make them feel part of the global 'Team India'.

Having created a relationship with its diaspora, India has been successful at realising this diaspora's potential in many forms. One of the most popular modes of realising this potential is the issuing of diaspora bonds. India has raised US\$11.3 billion on 3 occasions through the issuing of bonds to the diaspora (see *Appendix 3, for a discussion of diaspora bonds issued by India and Israel*).¹³⁸ To promote other investments from Indian Diaspora, several provisions have been put in place such as special incentives for Bank deposits and special provisions for investments in the stock market.¹³⁹ As a result, Non-Resident Indian (NRI) deposit accounts have brought over US\$40 billion by the end of 2008 to India.

¹³¹ Newland and Agunias, 2013

¹³² Singh, 2010

¹³³ Dickinson, 2015

¹³⁴ Even though the High-Level Committee on India Diaspora endorsed the concept of dual citizenship, dual citizenship was not offered, on account of security and other concerns.

¹³⁵ Ionescu, 2006: Migration Research Series, No. 26

¹³⁶ Ho, Kickey and Yeoh, 2015

¹³⁷ Singh, 2010

¹³⁸ Ratha and Ketkar, 2007

¹³⁹ Singh, 2012_

The case of India demonstrates that successful strategies stem from knowing the diaspora the country wishes to engage. Broad generalizations are problematic since within each generational, educational, socioeconomic, and regional grouping lie unique needs, preferences, and expectations, which ultimately affect the success of any engagement. There are communities within communities, each differentiated by their ability and willingness to engage with India and with distinct expectations. The case of India also shows that while countries of origin need an institutional framework at the national level to communicate with their diasporas, coordinate policies, and provide support for and follow-up on engagement, this does not need to be the creation of a brand-new ministry-level diaspora institution.

7.2 IRELAND



Similar to the case of India, Ireland's Department of Foreign Affairs tasked the Worldwide Ireland Funds, an international charitable network, with the outlining of best practices in diaspora engagement, to identify viable strategies and models for Ireland.¹⁴⁰ Relative to the other countries assessed, Ireland's diaspora strategy has been dominated by *symbolic nation building strategies* aimed at symbolising and recreating an identity with Ireland. These include the Presidential Distinguished Service Award for the Irish Abroad initiated in 2012. The award recognises persons living abroad who have given sustained and distinguished service to Ireland or to Irish communities abroad. The Centenarian Bounty is another national award made by the Irish president to Ireland's diaspora which has reached 100 years of age.

The Certificate of Irish Heritage, introduced in 2011, recognise descendants of previous generations of Irish citizens in an official manner. While it does not confer political rights, it gives practical expression to the sense of Irish identity felt by many around the world, who may not be entitled to Irish citizenship due to the passage of generations. Applying for the certificate also provides an opportunity for people to re-engage with Ireland and to discover more about their family history and their Irish heritage.

Ireland Reaching Out (Ireland XO) is another innovative, volunteer-based non-profit initiative, which seeks to build lasting links between the Irish Diaspora and their parishes of origin in Ireland. Instead of waiting for people of Irish descent to trace their roots, Ireland XO volunteers identify those who left, and trace them and their descendants worldwide, inviting them to become part of their community. Ireland XO volunteers welcome returning Irish diaspora members to local areas, introducing them to the places and people connected to them, establishing what is hoped will be lifelong relationships built on shared cultural identity and heritage.

Rekindling the diaspora relationship entails continuous and consistent communication with the diaspora. Ireland does this through the establishment of the Global Irish Hub. The hub provides emigrants and those of Irish descent access to information on topics relevant to those of Irish heritage who wish to reconnect, including information on returning home, job opportunities, and how to stay in touch through sport, heritage, culture, associations and media outlets. The government also supports media coverage of diaspora issues. The media coverage of diaspora issues has resulted in a more positive response to the recent wave of emigration. In addition to viewing emigration as a public policy issue,

¹⁴⁰ Newland and Agunias, 2013

they have examined the impact of migration on those who have left and those left behind.

Managing relations with the Irish abroad is described as a “Whole of Government” activity. The Department of Foreign Affairs and Trade has traditionally taken the lead role in working with the diaspora but, increasingly, it is a responsibility that is shared across departments and state agencies. The Head of Government in Ireland, working together with the Department of Foreign Affairs and Trade, plays a key role in coordinating this “Whole of Government” approach to diaspora engagement. The creation of the new role of Minister for Diaspora Affairs, located in the Departments of both the Head of Government and Foreign Affairs and Trade, is intended to reflect the importance of this joined-up approach. The Minister of Diaspora Affairs will chair a new Interdepartmental Committee on the Irish Abroad with participation from external stakeholders and Irish embassies and consulates as required, to ensure that government works in a joined-up way to realise the objectives of the diaspora strategy.

Support for the Irish Diaspora abroad is done through the establishment of special committees and centres such as a Coalition of Irish Immigration Centres (CIIC). The CIIC is a national umbrella group for all of the Irish immigration centres in the US. The CIIC was established in 1996 to promote the welfare of Irish immigrants in the US at a national level. In 2014, the Irish government was able to secure agreement for the exchange of Irish driving licences for local licences in the Canadian provinces of Ontario, New Brunswick and Saskatchewan, with progress in a number of other provinces at an advanced stage. The recognition of the Irish driving licence is an important issue for the Irish community in Canada, as the completion of recognition agreements greatly enhances the employability of many new Irish migrants.

The case of Ireland has demonstrated the importance of delineating clearly the division of responsibilities inside and across government agencies, to establish sufficient buy-in from key actors. The case of Ireland also demonstrates that in extending rights to the diaspora for facilitating mutually beneficial relationships, credence is not only in the form of political rights but in addressing areas of major concern overseas such as increasing employability through the recognition of an Irish Driving licence in host countries. Another important element of Ireland’s success is the importance placed on public awareness of the initiatives being undertaken.

7.3 PHILIPPINES



The most common set of services offered to emigrants from the Philippines is in the context of deliberate labour export policies in which the state manages the recruitment, deployment, and protection of overseas workers. The Philippines pursues a strategy of large-scale contract labour deployment overseas to reduce unemployment and maintain a stream of remittance income. Their symbolic and capacity building strategies, therefore, have mostly focused on labor and support for circulation migration.¹⁴¹

¹⁴¹ Ragazzi, 2014

As in Ireland, the Philippine Government symbolically recognises the diaspora through bestowing of national awards, such as the Presidential Awards for Filipinos overseas. This award is bestowed by the president biennially, to give recognition to Filipinos and other individuals or organizations who contribute to Philippine development initiatives or promote the interests of overseas Filipino communities. The Philippines also awards its expatriates the status of national heroes and celebrates December as the month of overseas Filipino workers in honour of their returning workers. The Commission on Filipinos Overseas (CFO) is now trying to reach out to second and third generation overseas Filipinos through its Youth Leaders in the diaspora programme. This could take the form of study tours of the various regions throughout the country to reintroduce them to the culture, history and heritage from their parents and grandparents.¹⁴²

The responsibility for protecting and engaging the Philippines' diaspora largely rests with the CFO, which is directly under the Office of the President. The CFO is one of the longest-standing diaspora entities, established in 1980 by presidential decree to provide policy advice directly to the president on how to maintain and strengthen economic and cultural links with the diaspora.¹⁴³ The government also institutionalised diaspora engagement at the sub-ministry level by creating three special offices of the departments of labour and employment and foreign affairs.

The Philippine Congress has enacted various laws to provide an enabling mechanism for overseas Filipinos to continue to involve themselves in the affairs of the state. The Overseas Voting Act of 2013 was signed. Its amendment aims to increase voter turnout and participation among overseas Filipinos by lifting the previous requirement that Filipino emigrants had to have visited the Philippines within the previous three years to be eligible to vote. Dual citizens are also allowed to vote if they retain their Filipino citizenship.¹⁴⁴

The Philippine Government supports the integration of its expatriates abroad with a large range of services through its Migrant Welfare Fund, which is funded through mandatory overseas workers' fees. Their contribution entitles overseas Filipinos to various loan programmes for housing, calamity, and other general uses.¹⁴⁵ Since 1995, overseas Filipino workers are entitled to the benefits and loan entitlements of any regular Social Security System member if they meet specified requirements (such as number and duration of contributions made).¹⁴⁶ Since March 2005, the Philippine Health Insurance Corporation has facilitated healthcare benefits to overseas workers and their legal dependants without additional premiums.¹⁴⁷

The Philippines' policies aimed at tapping into the diaspora resources have mainly focused on remittances. These include the Overseas Filipinos Remittances for Development project. This project seeks to develop programmes at the sub-national and local levels with the support of local government units, mainly to facilitate the use of remittances for productive and job-creating investment.¹⁴⁸

An initiative of the CFO is to reach out to the diaspora through the BaLinkBayan, the Overseas' Filipinos one-stop online portal for diaspora engagement.¹⁴⁹ With the support of government agencies responsible for Agriculture, Tourism, Health, Education, Environment and Natural Resources, the BaLinkBayan online portal is intended to showcase investments, businesses, products, philanthropic activities, volunteer work and home-grown technologies recommended by the respective agencies in the towns, cities, and provinces throughout the country.¹⁵⁰

The CFO has worked with civil-society organizations, micro-financial institutions, and international institutions such as World Bank and United Nations Development Programme (UNDP) to support migrants and their families to attain higher standards of living. The assistance provided includes (a) financial literacy and entrepreneurship trainings for active migrants and their families back home; (b) individual and collective savings mobilization schemes targeting the migrants themselves and their families back home; (c) investments in products of already established industries or programmes of micro-finance institutions; and (d) business and enterprise development services for Filipino migrants.

¹⁴² See Nicholas, 2016

¹⁴³ IOM, 2013: International Dialogue on Migration, #22

¹⁴⁴ Nicolas, 2016

¹⁴⁵ Ibid 149

¹⁴⁶ Ibid 149

¹⁴⁷ Ibid 149

¹⁴⁸ Nicolas, 2016

¹⁴⁹ IOM, 2013: International Dialogue on Migration, #22

¹⁵⁰ 3rd Global Mayoral forum, 2016

The case of the Philippines demonstrates that the administration and involvement from the head of state seem to play a significant role in diaspora engagement activities. The Philippines has also augmented its consular offices to incorporate welfare and labor attachés to attend to distressed and abused workers, demonstrating the usefulness of existing capacities. This country's case also shows that formal institutions for diaspora engagement can usefully be augmented by initiatives from civil society, which is particularly advantageous in a financially constrained environment.

7.4 ISRAEL



The Government of Israel plays a central role in maintaining Jewish identity throughout the diaspora. Going to Israel is therefore a centrally important dimension of Israel-Diaspora nation building relations.

Israel maintains a close connection with diaspora youth by hosting a wide range of organized travel programs. Taglit-Birthright Israel is one of the most successful diaspora programs throughout the world and was launched out of a concern for the continuation of Jewish culture and heritage.¹⁵¹ The Birthright Israel program offers free ten-day educational tours of Israel for young adults aged 18-26. While this is currently the best-known travel program, the Jewish Agency for Israel operates many other “Israel Experience” packages for teens, college students, and post-college young adults.¹⁵² Since 2000, the program has brought over 500,000 young Jews on a free trip to Israel.¹⁵³ Post-trip research has shown that participants not only are likely to become more involved with their Jewish communities back home, but 90 percent describe themselves as feeling closer to Israel as a result of their trip and 30 percent have returned to the country on their own. Other travel programmes include missions (religious trips organised by Israel) and more recently conferences, regarded as a vital way to keep people informed and up to date.¹⁵⁴

The Israeli consulates in Los Angeles and New York, as well as Israel's embassy in Paris help promote Jewish community interaction by hosting cultural activities in Israel Houses, which may be in-person or virtual.¹⁵⁵ The consulates facilitate a wider reach with less effort and reduce the need for additional resources given their existing presence and interactions with the Jewish diaspora.

Since May 2015, the Israeli cabinet contains a Minister of Diaspora Affairs, directly responsible for managing relations between the Israeli government and their diaspora, as well as a Minister of Immigrant Absorption, whose ministry is tasked with helping to encourage Jewish immigration to Israel and successfully integrating those immigrants into Israeli society. Although Israel has established ministries dedicated to diaspora affairs, they nonetheless have more offices at the sub-ministerial level or special institutions elsewhere in government.

¹⁵¹ Aikins and White, 2011

¹⁵² Danny, 2009

¹⁵³ Brinn, 2016

¹⁵⁴ Aikins and White, 2011

¹⁵⁵ Newland and Agunias, 2013

The creation of diaspora institutions is done with considerations for facilitating trust between the diaspora and the government. Israel and its diaspora have developed an increasingly autonomous, quasi-governmental Jewish Agency for Israel. Its institutions and programs are governed jointly by government and diaspora representatives. At a more local level, Israel's Partnership 2000 is a prime example of building trust through twinning between Israeli municipalities and Jewish diaspora communities around the world. Such programs ideally have organizational structures that feature representation from both sides, whether on governing boards or professional committees consulting on program development and implementation.¹⁵⁶ This allows for the voice and influence of both diasporas and government representatives in key efforts such as identifying needs, setting priorities, and allocating resources.¹⁵⁷

Israel is extremely strict regarding overseas voting, allowing only civil servants on missions overseas, along with military personnel serving outside of Israel's borders (for instance, on naval vessels) to vote at national elections. However, the Israel government extends assistance to its diaspora through programs that train diaspora members directly. The Israeli Ministry of Immigrant Absorption offers programs and services to assist former residents of Israel who wish to start or transfer a business in Israel. The Ministry's Business Entrepreneurship Department provides business counseling services, training and guidance for entrepreneurs, business feasibility checks, preparation of business plans, business mentoring and guidance, tax counseling, and financial assistance for business investments through its twelve business counseling centers.¹⁵⁸

The most popular means of realising the diaspora potential worldwide has been the issuing of diaspora bonds. Some of the first diaspora bonds were the State of Israel Bonds issued in 1951. Israel has had a positive track record, consistently raising over US\$1 billion each year.¹⁵⁹

The case of Israel demonstrates the advantages of joint diaspora decision-making through the development of increasingly autonomous, quasi-governmental agencies in which the institutions and programs which are governed jointly by government and diaspora representatives are more successful at facilitating diaspora's contributions. Another lesson is the need to engage the next generation (youth) in efforts towards homeland development through trips, educational programs, student exchanges, etc. Engagement strategies work best when they involve those who have left and the ones who remain.

7.5 OBSERVED TRENDS AND LESSONS LEARNT

While not as sparse as the data collection on diaspora contributions, the research on diaspora strategies has been fragmented and largely descriptive. There exists a general disregard for concrete and measurable results of strategies employed, capacity required for their employment and the context in which they were employed, except for a few programmes.¹⁶⁰ However, despite a paucity of information on successful diaspora engagement strategies, the cases provided useful lessons for Jamaica from the trends observed. The trends and lessons learnt are outlined in this section.

¹⁵⁶ Newland and Agunias, 2013

¹⁵⁷ World Bank, 2016a

¹⁵⁸ Newland and Agunias, 2013

¹⁵⁹ Newland and Agunias, 2013

¹⁶⁰ Cohen, 2017

7.5.1 SYMBOLIC NATION BUILDING POLICIES

Attempts at (re)inclusion are expressed in the high-level celebration of emigrants, through bestowing them with prizes and accolades. As is currently the case in Jamaica, this stance is sometimes an attempt at asserting representative governance to demonstrate that expatriates are considered an offshore part of the national population, or an extra administrative district of the country's territory.¹⁶¹ India, Israel and Ireland attempt to reinforce claims of shared national identity by establishing or supporting programmes to teach national languages and history to diaspora populations, and prominently observing national celebrations and cultural events within diaspora communities. India, and more recently Jamaica, have held large conventions to symbolize a willingness to listen to 'constituents'; to meet or appoint diaspora 'representatives' and establish patronage relationships with them; to air state concerns and solicit feedback and help; and to broadcast messages to a captive audience.

The common thread running through all these policies is the attempt by countries to produce a communal mentality amongst non-residents, a sense of belonging to the home-state that renders expatriates governable.¹⁶² While it may be considered unnecessary, an act of recognition or expression of appreciation is likely to ignite a positive reaction from particular segments of the diaspora and would help highlight many of the efforts made on the part of particular individuals or organizations, which can otherwise go unrecognized. Having a mechanism through which to thank diaspora members will potentially increase engagement, raise awareness and generate substantial good will.¹⁶³

7.5.2 INSTITUTION/CAPACITY BUILDING POLICIES

A first step for most countries is the implementation of surveillance of the diaspora. Monitoring efforts are typically conducted through the foreign service or the immigration bureaucracy that aims to collect statistics on which to base plans towards emigrants. India and Ireland pioneered these efforts, by having an initial task force assigned to get to know their diasporas.

As the cases of India and Ireland have shown, a government that knows their diaspora well will be better placed to engage them. Often there is a wide gap of perception of development by the diaspora persons who wish to develop the local communities and the community's perception of development. Thus, there should be proper understanding and collaboration between them in order to bring significant change. What are the psychological, intellectual, and emotional attributes of the potential collaborators from the diaspora for the home institutions? How does the home community perceive the diaspora's involvement? Are the dynamics of cooperation between the diaspora community and those at home well understood? These are important questions to answer in the process of engaging the diaspora in development.¹⁶⁴

Having institutions in place to properly manage the engagement of the diaspora is important. The options adopted to date include the establishment of hybrid ministries where diaspora engagement is a core brief, the introduction of sub-ministry level institutions, the buttressing of consular and embassy networks, the erection of new regional or local diaspora engagement agencies, and the mobilization of foundations and advisory councils.¹⁶⁵ How institutions are created and how their activities are chosen are also critical determinants of success. During the planning phase, it is important to delineate clearly the division of responsibilities inside and across government agencies (as done in Ireland through the 'whole government approach') and to establish sufficient buy-in from key actors through continuous communication.

¹⁶¹ Gamlen, 2016

¹⁶² Gamlen, 2016

¹⁶³ Aikins and White, 2011

¹⁶⁴ Sighn, 2010

¹⁶⁵ Ancien, Boyle, Kitchen, 2009

7.5.3 POLICIES FOR EXTENDING RIGHTS- POLITICAL INCORPORATION OF EMIGRANTS

Governments enact policies for political incorporation of their diasporas either by allowing voting rights and political representation, or by offering special membership concessions.

Only a few countries grant unconditional and/or permanent voting rights to members of their diaspora, provide dedicated representation to expatriates in the legislative council, or allow them to run for office (See Table 7 below).¹⁶⁶ Even in those cases, these rights granted in principle may not be realized in practice. For example, even countries that allow expatriates to vote do not/are not able to utilize polling methods that would make expatriate participation practicable – in a number of countries, such as India and Israel, it is compulsory to return on voting day. In other countries the distribution of embassy voting booths corresponds so poorly to the distribution of the expatriate electorate that turnout is extremely low.¹⁶⁷

TABLE 7: POLITICAL INCORPORATION OF SELECTED COUNTRIES

COUNTRY	POPULATION (MILLION)	ESTIMATED DIASPORA SIZE (MILLION)	EMIGRANT POPULATION (MILLION)	DUAL NATIONALITY	CITIZEN ABROAD VOTING
India	1324	16	3.8	No	RV /PV
Ireland	4.7	70	0.8	Yes	NV
Israel	8.5	8	0.2	Yes	RV
Philippines	103	11	3.4	Yes	PV/EV
El Salvador	6.3	3	1.2	No	Yes
Mexico	127.5	12	11.3	Yes	PV
Jamaica	2.8	3	1	Yes	NV

KEY	
RV	Must return to vote
EV	Embassy voting
PV	Postal voting
UV	Indefinite, unconditional vote
NV	Cannot vote

This is not surprising, given the challenges particular to external voting such as the geographical location of voters, security in transporting ballot papers and securing against fraudulent practices. The process has also proven to be costly, and presents other administrative and logistical complexities with registration and verifying voter’s eligibility even for advanced diaspora engaging countries. Politically incorporating the diaspora, whether by allowing voting

¹⁶⁶ Bauböck, 2003

¹⁶⁷ See Østergaard-Nielsen 2003a in Gamlen 2006

rights, or political representation, have also raised sensitive political concerns in the country of origin primarily over the idea of involving individuals in decisions when they are not personally affected by the outcome. These methods have therefore been the least popular among the cases studied. In fact, the objective of such policies has been achieved in countries such as India through more economical and less combative means such as tailored special membership concessions.

All the cases assessed grant special membership concessions to members of the diaspora, which confer status upgrades but avoid reconfiguring legal definitions of citizenship. These include measures such as issuing the diaspora with long-term visas or identity cards with attached privileges. Other home countries take concessions one step further, extending a form of 'dual nationality'-- which is citizenship without the right to vote or hold a political office.

Special membership concessions have been among the most popular and successful forms of political incorporation of diasporas especially in the early stages of engagement, and therefore should be a primary consideration for countries wishing to extend rights to their diasporas.

7.5.4 POLICIES FOR REALISING DIASPORA POTENTIAL

Policies aimed at realising the potential of the diaspora are generally dominated by investment promotion strategies. Other strategies include mandatory payments, special economic zones, remittance and FDI capture, and knowledge transfer programmes.

In the Philippines, governments extract mandatory payments such as fees for emigrant workers recruited and deployed through mandatory government programmes. Other policies have ranged from rewards for remitting such as duty-free allowances in the Philippines and offering preferential interest rates in India targeting remittances with the aim of channelling them into investments.¹⁶⁸ The issuing of diaspora bonds to expatriates was popular and rewarding in India and Israel.¹⁶⁹ Another common approach is the establishment of high-level 'investor relations' offices and 'one-stop shops' that allow expatriates to bypass bureaucratic red tape associated with large-scale investment.¹⁷⁰

7.5.5 OTHER LESSONS LEARNT

Strategies employed by the various countries reflected their unique migration patterns and the objective of their engagement strategy. The Philippines' diaspora, for example, pursues a strategy of large-scale contract labour deployment overseas to reduce unemployment and maintain a stream of remittance income. Their symbolic and capacity-building strategies, therefore, have mostly focused on labor and support for circulation migration.¹⁷¹ India, by contrast, has given priority to encouraging diaspora entrepreneurs and highly skilled professionals to develop activities in their countries of origin. They have therefore provided their diaspora members with a broader range of rights, employed a lot of effort to building a sense of identity, and encouraging return.

Another lesson demonstrated by all cases assessed is that *if a diaspora strategy is to be sustainable, it must result in creating mutually beneficial relationships* and partnerships between the homeland and the diaspora. Among diaspora members that emigrated for mainly economic reasons, a perception of pervasive corruption and ineffective governance at home can also impede the government's ability to build trust. The Indian and Filipino diasporas are examples of a long-standing and economically driven diaspora whose trust had to be regained before the institutionalisation process could succeed.¹⁷² This trust must be built overtime, facilitated through joint decision-making and the establishment of quasi-governmental institutions.

Financing an engagement strategy is also an important consideration for the engagement process. Countries like Jamaica with very limited and dwindling financial resources face real spending and allocation constraints. While Jamaica's debt situation is currently improving, the largest budget allocation, at US\$2 billion (just over 25 percent of the 2017/2018

¹⁶⁸ Gamlen, 2006

¹⁶⁹ See Hugo, 2003; Van Hear, et al., 2004; IOM, 2005; World Bank, 2005

¹⁷⁰ High Level Commission on the Indian Diaspora, 2001

¹⁷¹ Ragazzi, 2014

¹⁷² Royal Geography Society (RGS) -IBG Annual International Conference, 2014 Url: <http://conference.rgs.org/AC2014/15>



budget), went to paying interest on the national debt. Consequently, one of the most pressing challenges to diaspora engagement is how to initiate programs that do not drain the already limited public coffers while bringing clearly identifiable benefits.

However, budgets alone are imperfect measures of state capacity. Spending more money does not necessarily ensure a higher-quality outcome. For many countries, technical know-how – the operational knowledge and skills needed to pursue goals effectively – presents a larger hurdle than money.¹⁷³ Analyst Michael Fullilove has noted that most diaspora institutions are underfunded.¹⁷⁴ A look at the budgets of the Philippines and India (as well as Mexico) support this observation. Institutions in charge of the diaspora portfolio in these countries have received a relatively small allocation from the national government.¹⁷⁵ Yet, as the cases demonstrate, these institutions have been successful at engaging their diaspora.

The staffing complement within the MFAFT dedicated to diaspora affairs, as well as other institutions such as the JDI were identified as a constraint on engagement efforts. As important as resources are for building the capacity of existing services and institutions dealing with migration and diaspora issues, facilitating efficient processes is equally important to reduce the resource requirements significantly.

While sparse and mostly descriptive, the information available allowed for the extraction of trends and important lessons from the cases presented that can be useful in guiding countries looking to successfully engage with their diasporas. Whether symbolic, institutional or political policies, the importance and extent of each is contingent on the stage of engagement, the specific needs of the engaging country and the diasporas they wish to engage, and the overall objective of the engagement.

¹⁷³ Ho, Hickey, Yeoh, 2015

¹⁷⁴ Newland and Agunias, 2013

¹⁷⁵ Newland and Agunias, 2013

8. CONCLUSION AND RECOMMENDATIONS

Jamaica has been in part an implementer of a number of globally recognised diaspora engagement strategies and diaspora facilitating institutions. Therefore, the creation of new institutions or programmes does not appear to be Jamaica's largest challenge. In fact, the issues lie with coordination, cohesion of exiting institutions, as well as awareness of their functions and existence. Before attempting a full-fledged strategy, therefore, Jamaica's priority should be on gradually strengthening its existing diaspora affairs department and diaspora-related institutions. With trust established



between governments and diasporas, the characteristics of diasporas well understood, and the objectives of diaspora engagement clearly articulated, partnerships for development involving diasporas can be more successfully mobilized.

For this reason, the recommendations prioritize improving the fundamental aspects of Jamaica's diaspora engagement strategy, while promoting a specific initiative that demands Jamaica's attention at this time of the engagement process. The following recommendations, informed by our analysis, should therefore guide Jamaica's Diaspora engagement strategy.

1. ASSESS AND RATIONALIZE EXISTING ENGAGEMENT INSTITUTIONS

As Jamaica seeks to develop its diaspora engagement policy, the priority should be on gradually strengthening its existing diaspora affairs department and diaspora-related institutions.

There is little evidence that Jamaica's institutions, extensive as they are, have been as effective as they could be. Neither are the roles of the institutions clear. In a developing country where financial resources are a serious constraint on engagement efforts, running efficient and effective institutions is important to reduce cost and maximize gains. A review must therefore be undertaken to analyse the existing institutions in place and recommend how they can be improved. Where there is duplication of roles, responsibilities and resources should be reassigned. Improved cooperation between the diaspora agencies and the Jamaican government is needed, recognizing that however much separation of their functions in the same field may be desired, it is impossible to successfully administer policies independently.

2. CREATE A SUSTAINABLE FINANCIAL PLAN

To confront financial and technical constraints, the government should employ strategies to work within existing structures and projects. One way is through partnering with the international community. The international community is an important source of both funding and technical know-how. A number of governments have requested financial and technical assistance from international financial institutions such as the World Bank and UNDP. The government should lobby in seeking financial and technical assistance from these institutions to support the existing efforts.

Consulates remain the most important interlocutors for diaspora populations. Consulates are in a unique position to gauge diaspora needs and partner with other actors in the public and private realms. As in the case of the Philippines, the composition of diplomatic staff should be supported to accommodate diaspora needs and interests.

Jamaica should also expand its network of Honorary Councils. Creating diaspora councils, usually a mix of community leaders and government officials, can also be an excellent source of funding and technical know-how. Councils typically advise the government on diaspora-related matters with very minimal cost for the government.

The government should also leverage financial support from the private sector, in particular institutions which have a vested interest in the diaspora such as institutions like VMBS, National Bakery and JN. Private-public partnerships augment tight government budgets by leveraging community contacts and resources. Quasi-governmental institutions are good examples in this respect because they use private resources to pursue decidedly public goals that deliberately blur the distinction between nongovernmental and governmental bodies. The JDI is one example of such public-private partnership model in Jamaica.

3. INTEGRATE WITH OTHER AGENCIES

The engagement of institutions with direct connection to the diaspora must be streamlined. The MFAFT should coordinate efforts with agencies and departments with experience and expertise in their respective fields that are either directly or indirectly relevant for the diaspora engagement process, such as the JTB, Customs Agency and the Registrar General's departments.

In addition, different ministries and organisations should not be approaching the diaspora independently as is done currently. This does not suggest that existing relationships should be severed, but coordination among local agencies should be a part of the process, to ensure that the overarching body with responsibility is aware of all efforts. This could take the form of regular reports between the agencies such as MOH and MOT and the MFAFT. To facilitate this, we recommend the creation of a central information sharing hub that streamlines the activities and facilitates a priority listing to allocate resources and contributions more effectively.

4. DEVELOP A COMMUNICATION/MARKETING STRATEGY

The government needs to develop a specialized communications team with clearly articulated and agreed objectives and channels. The government policy at the very least should involve the establishment of continuous dialogue with diasporas, to reconcile – or at least understand differing and diverging views. Communication with the diaspora should be coordinated with central responsibility for coordinating communications initiatives resting within the MFAFT department with responsibility for diaspora Affairs. The responsible team should aim for consistency and sustainability in the development and use of communications tools, and gain understanding of the different types and levels of communication required for different initiatives and groups. The key issue to address is the different messaging from different messengers (MOH, MFAFT, MOT), especially for philanthropy-related communication. The campaign should also aim to change the rhetoric from one where only the government appears to benefit to one where there is a creation of a mutually beneficial relationship with the diaspora.

5. IMPROVE (INITIATE) DATA COLLECTION

To pursue targeted diaspora-focused initiatives, Jamaica must commit to data collection and conduct a robust diaspora sizing and mapping exercise. The data collected should be uploaded to the MFAFT website as well as to the government's data portal. The government faces significant financial and human resource constraints; therefore, by granting external access to this data, further research into diaspora engagement strategies and evaluation of programmes could be undertaken with no additional cost to the government. The following strategies are recommended to increase accuracy of data collected while keeping cost down.

Complete/revamp, redefine the mapping project

The mapping exercise which was undertaken by the government needs to be reassessed and possibly revamped. This process should begin with a pilot in a single region such as New York or London. Conducting large-scale detailed mapping exercises is expensive and small errors can have large implications. Revamping this process on a smaller scale not only reduces the financial investment necessary, but it will facilitate learning without the risks involved in a large project. Interviews with some diaspora members, and some respondents to CAPRI's survey indicated a reluctance to participate in further surveys given the belief that the usefulness of their participation is yet to be demonstrated from previous surveys done. A phased approach also provides an opportunity for the government to rebuild the trust of

participants who have been a part of the process already and would likely find it a useless exercise, and to demonstrate its importance to new participants. Reaching back out to the diaspora will be a sensitive process and should be treated as such. Care needs to be taken to articulate the objective, to demonstrate the need, and to avoid repetition of information already gathered or that can be gathered more accurately by other means. The design of the survey instrument will be the most crucial step towards ensuring that only relevant information is gathered.

In addition to mapping the size, location and investment profile of the diaspora, the mapping exercise should compile inventories of diaspora skills and experience, and engage a wide range of diaspora members in listening exercises to understand what the diaspora has to offer, what it is willing to offer, and what it in turn expects from the government.

Partner with Embassies, Consulates and High commissions

The mapping exercise would be less strenuous if current resources are maximized. More detailed information about diaspora populations can be gathered in destination countries through cooperation with diaspora organizations such as professional associations, hometown clubs, and alumni associations. We recommend that the government partner with the embassies, consulates and high commissions which already have a presence and connection in these communities, instead of depending on an independent body as was done in the previous mapping exercise. Through the national representatives, the government will then support local authorities and local community development committees in seeking to identify the members of their diasporas, and identifying initiatives for building these relationships.

Embassies and consular offices can play an important role in gathering information, particularly about diaspora capacities and interests. The Jamaican High Commission should be able to gather certain types of information more easily by obtaining this information from contributors, through annual surveys. JET-UK, for example, provides a copy of their annual finance report to the Jamaican High Commission in UK.¹⁷⁶ These high commissions should be able to request this from other subscribing organizations more easily.

Modification of survey instruments to capture new data needed to measure diaspora

Some of the data collection should be a part of our existing collection mechanisms. While there might be a need for new instruments, existing data collection instruments such as the census data collected by STATIN and exit surveys administered by JTB can be modified to include and more accurately capture data pertaining to the diaspora. Experts in survey design and administration establish that the type of questions utilised determines the information you can collect, and the accuracy of that information. For example, the exit survey questions which report on annual travel statistics understates the diaspora visit and expenditure because the questions do not allow for a diaspora member to be properly identified if their country of origin passport is not used.

The UK and US census contained ethnic information on respondents who referenced their regions of origin, but not their country. The government should consider partnering with these agencies, through connections established by embassies and consulates, to explore the possibility of modifying the survey instruments to reflect ethnic information by country. This is an effort that could benefit other countries within the region. The government should therefore leverage this potential benefit by coordinating lobbying efforts regionally.

Establish centralized data collection and analysis for diaspora-related indicators

In addition to diaspora mapping, data should continuously be collected on all the contributions of the diaspora to Jamaica, for investment, tourism, exports, and philanthropy. Currently, only data relating to remittances are comprehensive and consistently collected. Other data are being collected by various agencies and ministries such as the JTB, the JDI and STATIN, MOH and MOE. Data sets disaggregated across ministries, relevant to the diaspora should be streamlined for central collection and analysis in the MFAFT/JDI. These ministries and agencies should be required to disaggregate data

¹⁷⁶ Seymour Mattis – Chair of JET-UK

collected to more accurately represent the diaspora's contributions. Periodic examination would be initially required to ensure completeness and accuracy.

6. BUILD MONITORING AND EVALUATING CAPACITY

Diaspora strategies need to be transparent and responsible agents need to be held accountable, in order to justify continuing to expand resources for them to be actioned. However, given the many intangible benefits of policy interventions, developing evaluative frameworks and metrics is difficult. An evaluation framework must include ways in which the diaspora might have contributed to the country to ascertain whether programmes undertaken only subsidized return that would have occurred anyway, even without government intervention. This effort will be supported by consistent data collection tools (*see recommendation #5*).

Unfortunately, no amount of planning can address unforeseen circumstances. Monitoring and evaluation is therefore necessary to ensure that policies implemented are effecting the desired results. Monitoring can be done by administering an online survey, embedded on a trusted website such as the MFAFT. The survey should request feedback on current policies. Diaspora members should be given adequate notice of the need for their participation and be updated on the results of these findings to increase their participation. The government should also seek support from the Embassy's and consular networks in registering complaints, and to fast track dispute resolution.

7. INCREASE EDUCATION AND AWARENESS

Sustainable, diaspora engagement strategies will fail without the support of locals, the diaspora and other government agencies. Therefore, consultation is not only necessary for diaspora members, but also with other government ministries that don't have direct responsibility for diaspora affairs, and the public.

Increase Diaspora Education

Jamaica has implemented a host of strategies to improve the diaspora experience, but the diaspora seems to be unaware of these measures. The bureaucratic processes involved with philanthropic contributions have been an area of contention widely publicized. Education about the processes in place such as the charitable arms of the MOH and MOE and the rationale for these processes should help to make it easier for contributors. There should also be support for individuals to get through these processes. Most of the frustration that arises could be reduced given the institutions already in place, which at a minimum should be equipped to provide guidelines that could reduce any unnecessary bureaucracy involved in the processes.

The diaspora currently utilises traditional media, so use of advertisement on the radio programmes and television sites which they have access to would be useful for sharing general diaspora information. The diaspora has indicated high usage of online mediums and social interfaces, and these mediums would be useful to share information as well. Educating the diaspora on the available modes of accessing information such as jamaicadiasporaconnect.com is also important for longer-term communication efforts with information specific to a more targeted audience.

Increase the Public's Education

The evidence has shown that there is some amount of negative perception, locally, towards engagement incentives

offered to the diaspora.¹⁷⁷ This is often misguided by incorrect or lack of information, or a lack of understanding about who exactly is a diaspora member and what their engagement really means. Beyond remittances, many persons do not understand or know the value of the diaspora's contribution. As in Ireland, the government should support a Public Awareness (PA) campaign to raise awareness around who is a "Diaspora", and their contributions to Jamaica as well as the initiatives being considered to support them. The data presented throughout this report should be used to support this campaign. However, there is little evidence that Jamaica's PA campaigns have historically worked. A study must therefore be undertaken to recommend which strategies are most effective for such a campaign.

Given that Jamaicans have a high propensity to migrate, initiating engagement of Jamaican residents would benefit long term diaspora support, if/when these residents themselves become diaspora members.

Increase Awareness across government Ministries and Agencies

The roles of different departments and ministries such as the Customs agency, the Registrar General's Department, and the Ministry of Tourism (MOH), will be relevant in effectively and efficiently facilitating a partnership with the diaspora. There should therefore be an effort to educate the various ministries and agencies about the diaspora engagement initiatives being undertaken and the importance of their roles in ensuring the success of these initiatives. Getting their support and corporation will help to facilitate a more collaborative approach to engaging the diaspora.

8. INVEST IN THE IMPLEMENTATION OF A NATIONAL DIASPORA BOND¹⁷⁸

There is ample evidence that the diaspora holds substantial assets that could potentially be mobilized for investment in Jamaica. The more pressing challenge appears to be the design and marketing of investment vehicles to attract this investment, and convincing the diaspora of the merits of such investments. As indicated in our analysis, financial instruments and vehicles that target the diaspora must be commercially viable, and not just pull on the diaspora's heartstrings. Investment not only presents the area of highest unrealised potential value, but unlike philanthropy and other areas assessed in this report, investment allows the diaspora to contribute to Jamaica while incurring benefits by receiving competitive returns.

The available data on the investment profile of Jamaicans abroad demonstrates the varied demands of the diaspora. Mapping the diaspora investment profile will assist in informing the precise investment tools to consider. Current opportunities for investment should be communicated in the interim. Three instruments already identified are the 'Citizen by Investment Programme', 'Angel Investors' and Diaspora Bonds.

The most successful investment instrument to date from the cases assessed has been the issuing of diaspora bonds. Our analysis has revealed that Jamaica is well positioned for meeting the qualifying indicators for issuing a diaspora bond on a national level. While it is in its early stages, JN Bank has already issued a diaspora bond product on the local market. We recommend, however, that in addition to the existing bond issued by JN bank, the government issues a national diaspora bond. Learning from Israel's and India's Diaspora Bond issues, it is recommended that feasibility study be done to initiate the process. The feasibility study, at minimum, would need to answer the following questions: What is the purpose of the bonds issue? Who will issue the bond – an already established institution or is there is need to establish a government entity for this purpose? What form of incentive is required (the potential yield), is patriotic discount warranted and how much? What variety of instruments will be made available? Will it be marketed solely to Diaspora members? Is there any niche to target, such as students abroad? Most importantly does Jamaica have the marketing capacity required? If not, what are the implications and possible alternatives?

¹⁷⁷ See Jamaica Gleaner, April 2016: No-Vote for Diaspora Url: <http://jamaica-gleaner.com/article/commentary/20160424/no-vote-diaspora>

¹⁷⁸ This recommendation does not negate the other areas of value, rather it highlights investment as a priority.

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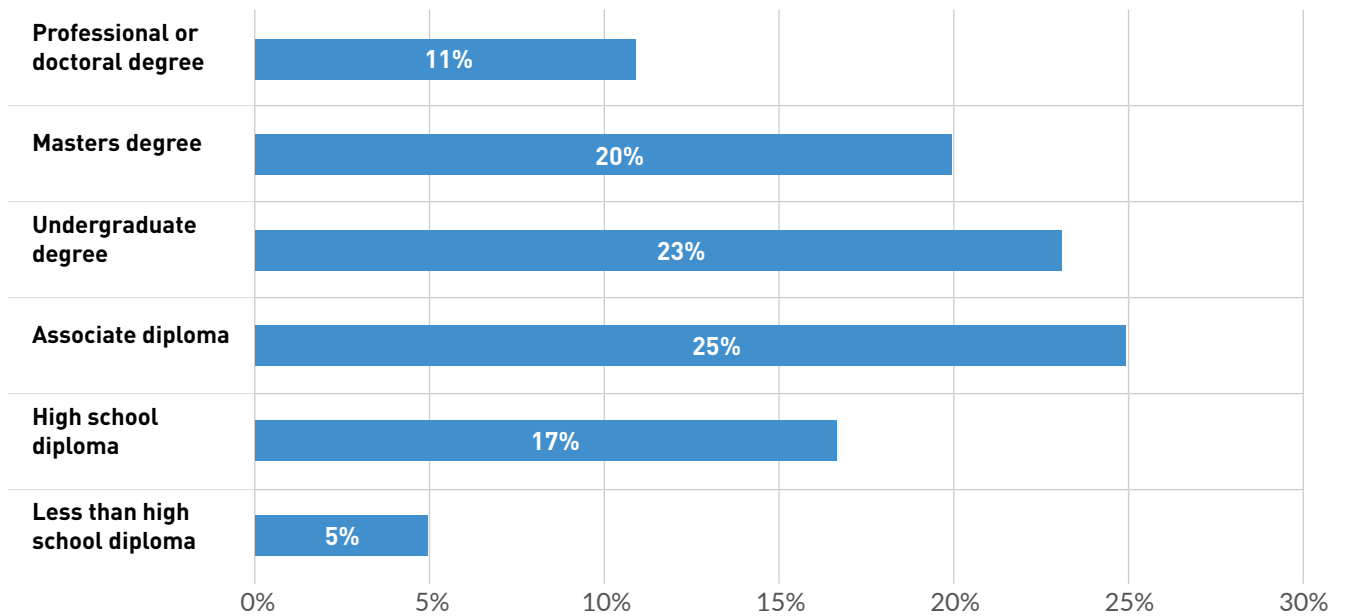
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APPENDIX 1

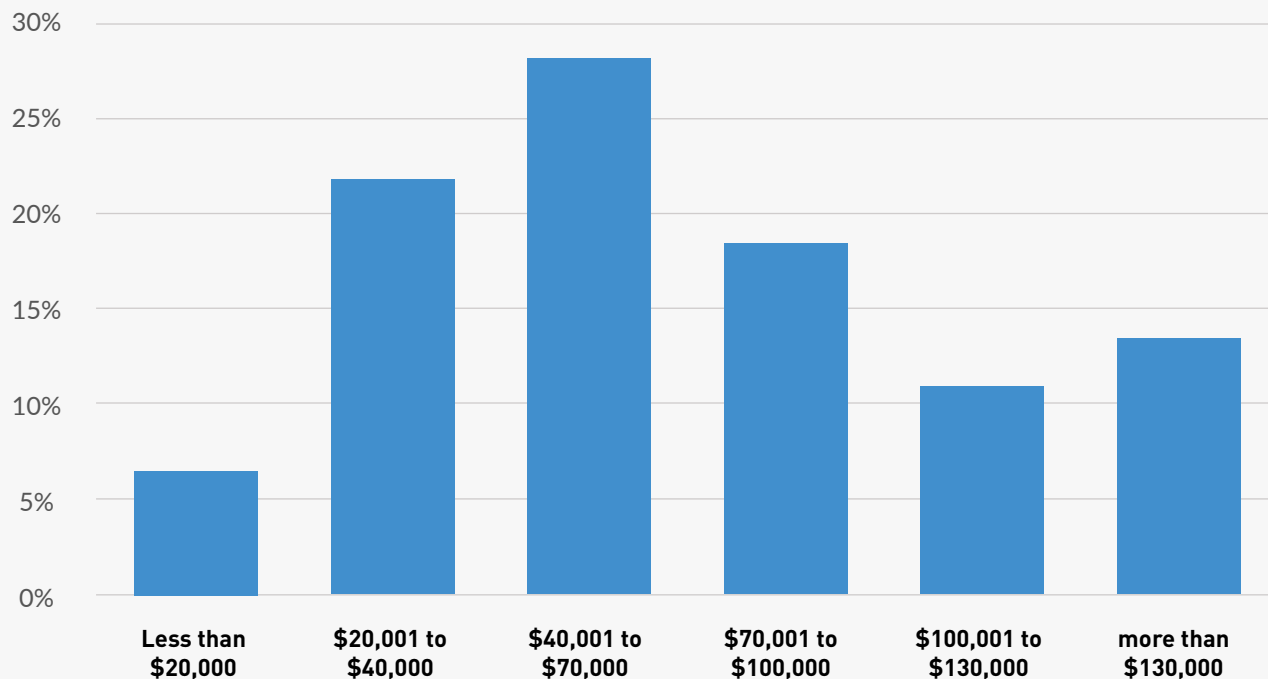
FIGURES SHOWING SELECTED RESULTS FROM CAPRI'S SURVEY

FIGURE 18: HIGHEST EDUCATION LEVEL ATTAINED BY THE DIASPORA



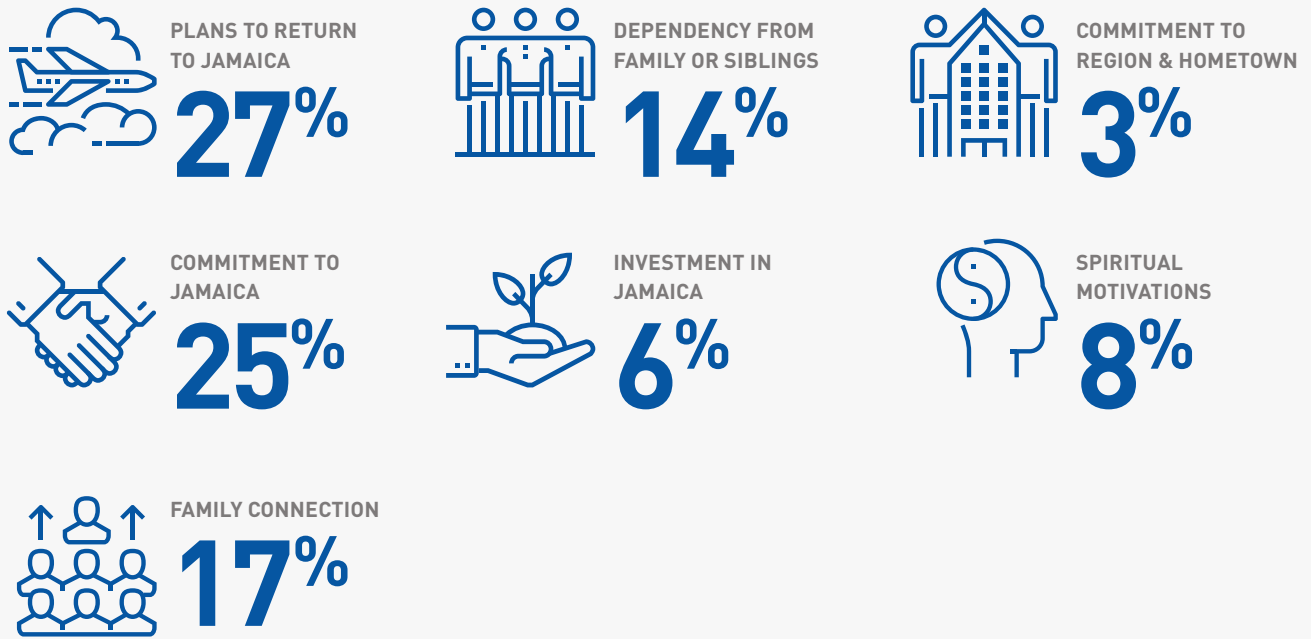
Source: CAPRI's Survey, 2017

FIGURE 19: DIASPORA ANNUAL INCOME LEVEL (US\$)



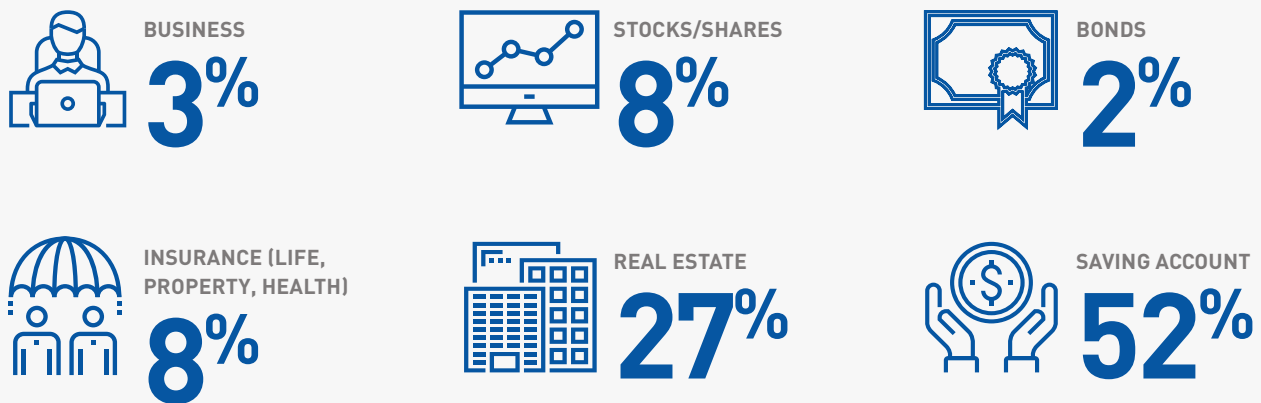
Source: CAPRI's Survey, 2017

FIGURE 20: DIASPORA MOTIVATION TO CONTRIBUTE TO JAMAICA



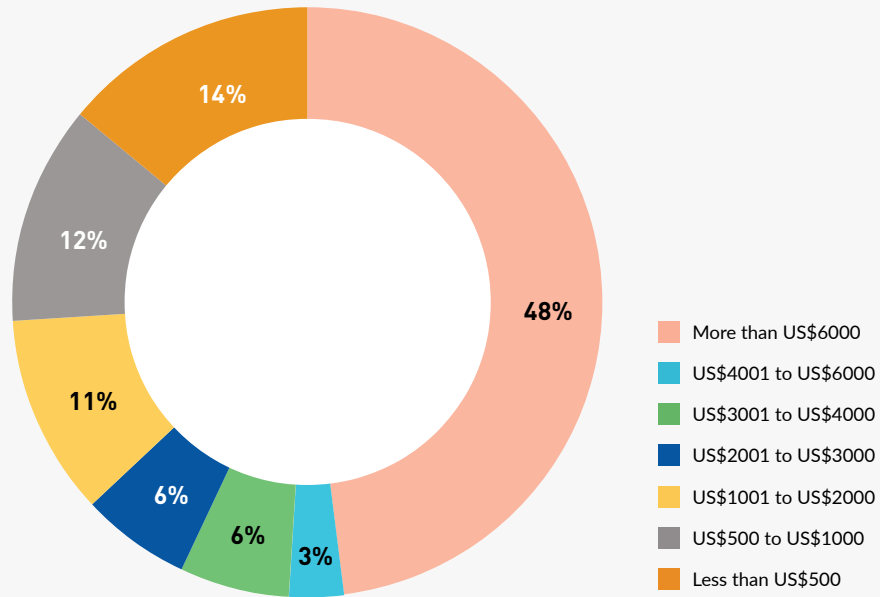
Source: CAPRI's Survey, 2017

FIGURE 21: CATEGORIES OF INVESTMENTS MADE BY THE DIASPORA IN JAMAICA



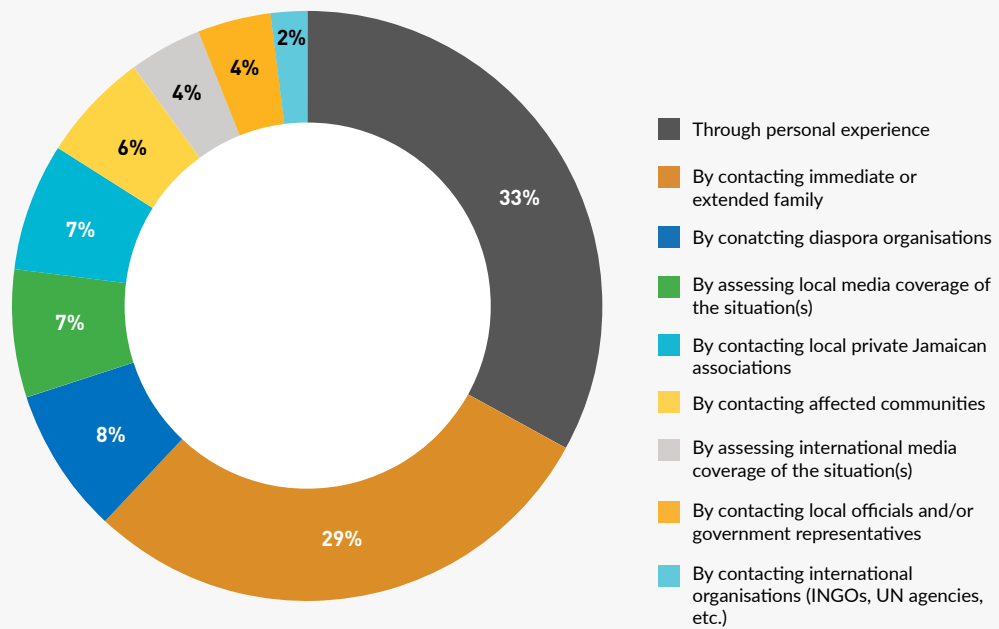
Source: CAPRI's Survey, 2017

FIGURE 22: AMOUNT OF MONEY INVESTED BY THE DIASPORA TO JAMAICAN



Source: CAPRI's Survey, 2017

FIGURE 23: HOW THE DIASPORA ASSESS THE NEED AND AREA TO SUPPORT IN JAMAICA



Source: CAPRI's Survey, 2017

APPENDIX 2

STATISTICAL ESTIMATION OF POTENTIAL REMITTANCES

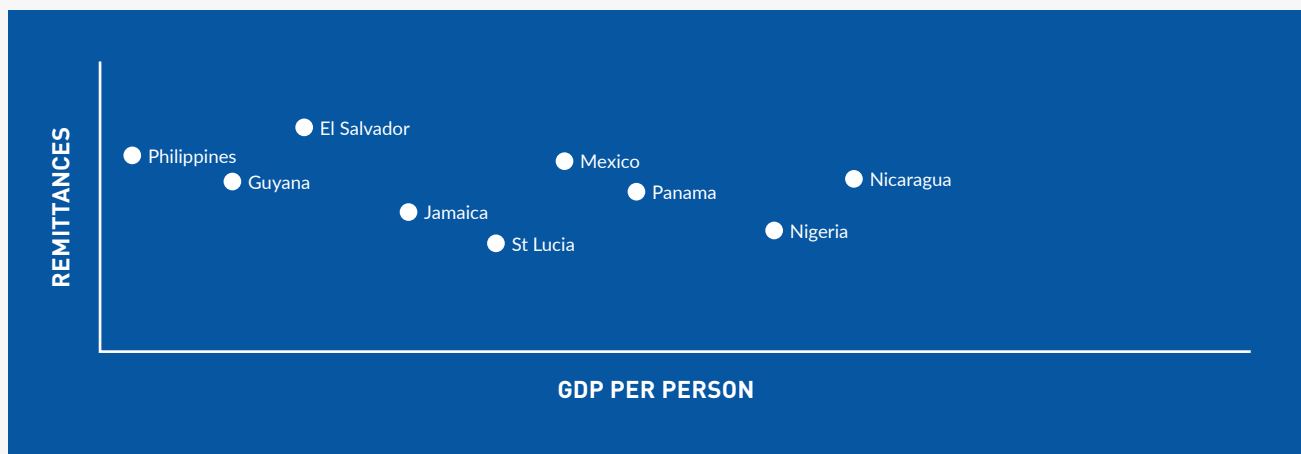
Having established an estimate of the value of the diaspora for sending remittances, we estimated if there is potential to increase the inflows annually. Most of the current literature on the determinants of remittances concentrates on the individual motives to remit, rather than on macroeconomic variables.

Surely, aggregate remittance flows will reflect underlying microeconomic considerations – such as pure altruism, pure self-interest, family agreements, etc. – which determine individual decisions about remittances. Nevertheless, it is reasonable to expect that there are some macroeconomic factors, both in the host and home country, which may significantly affect the flow of remittances. These macroeconomic factors formed the basis of our analysis, since host country governments would have the ability to affect the macroeconomic variables and therefore, impact remittances.

Extensive work has been done to determine the macroeconomic determinants of remittance for the Caribbean region and for countries in other regions.¹⁷⁹ The literature, therefore, provided a comprehensive list from which we began our analysis. The ultimate selection was based, however, on the availability of the data. The variables used were: domestic remittance per capita, domestic GDP, foreign GDP, domestic unemployment, foreign unemployment, real exchange rate, inflation. We then statistically analysed the similarities and the differences and recorded the changes, and the relationship between the variables considered using.

Figures 24 to 26, depicts the process for estimating the potential value of remittances.

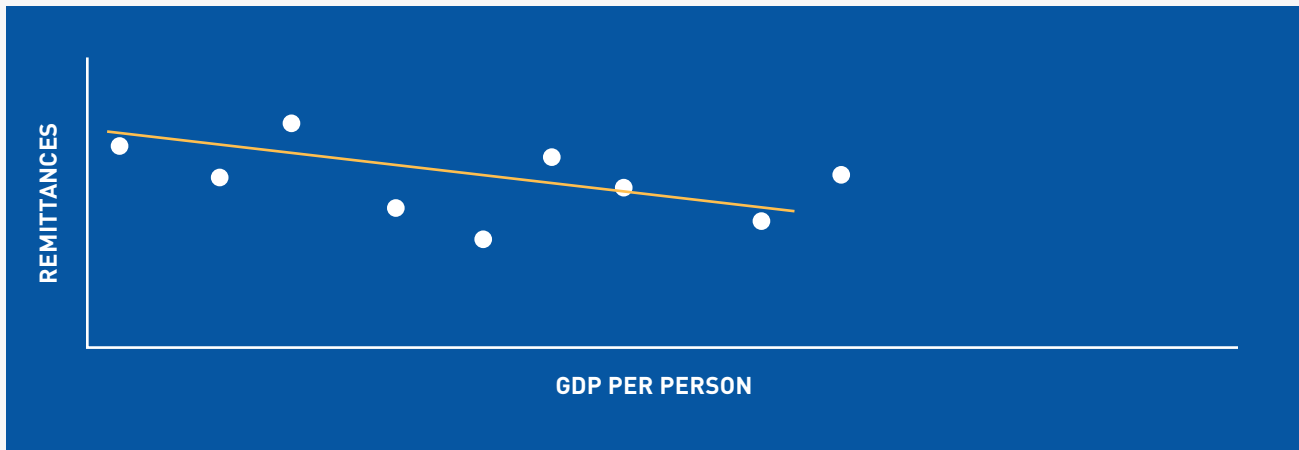
FIGURE 24: STEP 1 - ESTIMATING JAMAICA'S POTENTIAL REMITTANCE



Description: The dots in the diagram above represent each of the 23 countries selected. The position of the dots represents each country's remittance received as a function of their DP per person. This process is repeated for all the identified determinants of remittance for which data were available such as, local and foreign unemployment rates, real exchange rates and inflation rates.

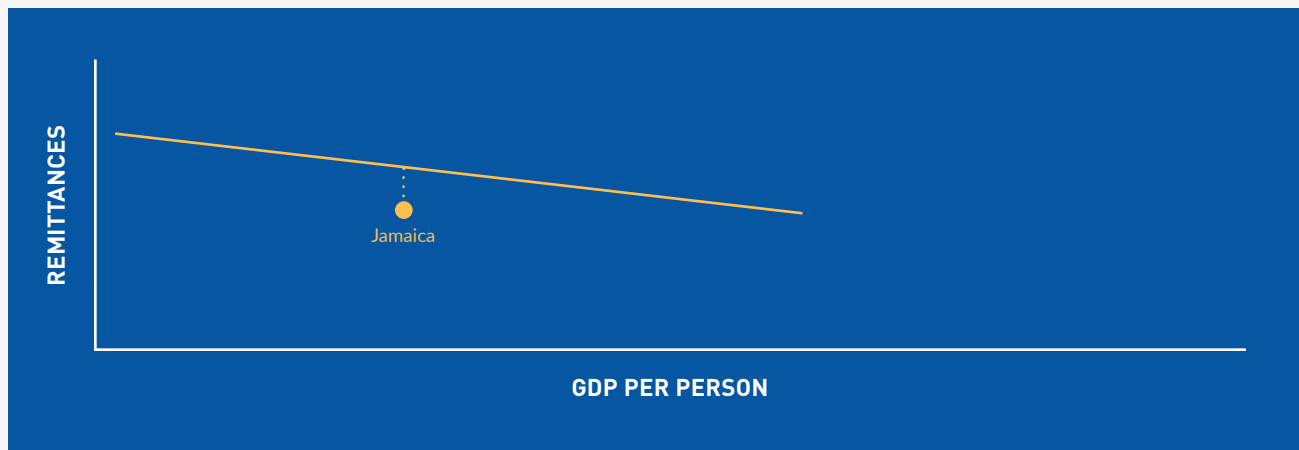
¹⁷⁹ See Lin, 2010; Alleyne, Kirton & Figueroa, 2008); Hasan, 2008; Gupta, 2005

FIGURE 25: STEP 2 - ESTIMATING JAMAICA'S POTENTIAL REMITTANCE



Description: Step 2 involves determining the average remittance per person received (demonstrated by the blue line) of the 23 countries selected as a function of the determinants of remittances (following from step 1, GDP per person is the determinant of remittance under consideration).

FIGURE 26: STEP 3 - ESTIMATING JAMAICA'S POTENTIAL REMITTANCE



Description: Step 3 involves identifying the Jamaica's position in respect to remittances received as a function of the determinants of remittance (in this case the level of GDP per person) relative to the average that was determined in Step 2. Jamaica's position relative to the average determined (represented by the blue line), is dependent upon the results from the analysis Jamaica being placed below the average is only for demonstration purpose.

For our statistical analysis, the R-squared for some models is significantly low.¹⁸⁰ Though R-squared is generally lower for data on multiple observations over multiple periods of time, R-squared figures lower than 10 percent (as was the case for our models) may indicate that the variables included only minimally explain changes in remittances per capita. One explanation for this occurrence is that remittances to Jamaica are more of a function of microeconomic determinants – personal and emotional connections – and its flows are less elastic to macroeconomic changes.

¹⁸⁰ R-squared is a statistical measure of how close the data are to the fitted regression line. ... 0% indicates that the model explains none of the variability of the response data around its mean. 100% indicates that the model explains all the variability of the response data around its mean.

APPENDIX 3

LESSONS FROM INDIA AND ISREAL'S DIASPORA BOND

One strategy employed by the cases analysed is the issuing of Diaspora Bonds, as a diaspora engagement strategy. A diaspora bond is a debt instrument issued by a country – or potentially, a sub-sovereign entity or a private corporation – to raise financing from its overseas diaspora. Israel and India have raised over US\$35 billion using these bonds.¹⁸¹ Drawing on their experiences, we discuss the rationale, methodology, and factors affecting the issuance of diaspora bonds for raising external development finance, as presented by Ratha and Ketkar (2007).

The case of Israel and India has demonstrated the underlying motivations and the implications on the outcomes for issuing a diaspora bond. Differences in the issuing of diaspora bonds in Israel and India are presented in Table 8.

TABLE 8: COMPARISON OF DIASPORA BONDS ISSUED BY ISRAEL AND INDIA.

ISRAEL	INDIA
Annual issuance since 1951	Opportunistic issuance in 1991,1998, and 2000
Development oriented borrowings	Balance of Payment Support
Large though declining patriotic discount	Small, patriotic discount, if any
Fixed, floating rate bond and notes	Fixed rate bonds
Maturity 1 to 20 years with bullet repayment	Five years with bullet maturity
Targeted towards but not limited to diaspora	Limited to diaspora
Direct distribution by Development Corporation for Israel (DCI) - (established for issuing)	State Bank of India (SBI) distribution in conjunction
Registered with U.S. SEC	No SEC registration

Source: Replicated from Ratha and Ketkar (2007)

¹⁸¹ Ratha and Ketkar, 2007



Many of these differences were attributed to the motivations behind the issue. Israel has always seen the DCI's diaspora bond issuance as a catalyst for economic development, while India has more depended on the diaspora in times of weakness, using diaspora funding more opportunistically. SBI's were non-negotiable fixed-rate bonds with a shorter maturity. This is due in large measure to Israel's desire to build ties with the Jewish that go beyond raising development finance.¹⁸² The restriction placed on the bond's sales to the Indian diaspora, may have been a marketing strategy, introduced with the belief that Indian investors would be more eager to invest in instrument that are available exclusively to them. According to the Ketkar and Ratha, the SBI perhaps believed that the Indian diaspora investors would show more understanding and forbearance than other investors if India encountered a financial crisis. Another explanation rests on the know-your-customer (KYC) argument: the SBI concluded that it knew its Indian diaspora investor base well enough to feel comfortable that the invested funds did not involve money laundering.¹⁸³

While the DCI's and SBI's diaspora bonds were quite different in many ways shown above, one common thread in their success was the in-house marketing capability.¹⁸⁴ DCI sold its bonds directly to the Jewish diaspora. Currently, there are about 200 DCI employees in the United States who maintain close contacts with Jewish communities in the various regions of the country so as to understand investor profiles and preferences. They host investor events in Jewish communities with the express purpose of maintaining ties and selling bonds. SBI's presence in the United States helped marketing of RIBs. Furthermore, where the Indian diaspora was known to favour specific foreign banks, such as the Citibank and HSBC in the Gulf region, the SBI outsourced to them the marketing of RIBs and IMDs. Not having their own marketing and distribution channels may, however, hamper the efforts of other countries in issuing diaspora bonds.¹⁸⁵ Other key factors for the success of diaspora bonds highlighted are the absence of civil strife in the home country, the ability to meet registration requirements and a sizeable first-generation diaspora.

¹⁸² Ibid 188

¹⁸³ Ratha and Ketkar, 2012

¹⁸⁴ Ibid 192

¹⁸⁵ (see Terrazas for other methods)

These cases ultimately demonstrate the significance of diaspora bonds as an engagement tool as well as the important considerations for its success. Motivations define the strategies employed and should therefore be given considerable thought. In terms of process, India was able to bypass U.S. SEC registration in the past. But that appears unlikely for the foreseeable future since U.S. investors are unlikely to be allowed to choose the law and the forum governing bond contracts. Finally, having a sizeable diaspora, especially first-generation migrants, is understandably an important factor affecting the issuance of diaspora bonds. Countries with strong and transparent legal systems for contract enforcement are likely to find it easier to issue such bonds. Absence of civil strife is a plus. While not a prerequisite, presence of national banks and other institutions in destination countries facilitates the marketing of bonds to the diaspora.¹⁸⁶

Diaspora Bond in Jamaica

Diaspora Bond issue is no longer a new phenomenon for Jamaica. In March 2017, the Jamaica National Bank issued a Diaspora Certificate of Deposit (CD) available in the UK, US and Canadian currencies. This bond offers Jamaicans living overseas a new opportunity to invest in their country, while getting good returns, through JN Bank's innovative JN Diaspora Certificate of Deposit (CD). Maureen Hayden-Cater, managing director, JN Bank, said a portion of the interest earned by the certificate of deposit will be used to fund small business growth in Jamaica. "The JN Diaspora CD allows you to earn a return on your investment and contribute to the growth and development of social enterprises within the SME sector," Mrs. Hayden-Cater stated.¹⁸⁷ "This is done through the Social Boost Enterprise Initiative of the JN Foundation in collaboration with the United States Agency for International Development (USAID)."

Given its recent distribution, the success is yet to be determined.

Our analysis has revealed that Jamaica is well positioned for meeting the qualifying indicators for issuing a diaspora bond on a national level. More importantly, the evidence presented demonstrates that Jamaicans overseas are interested. More research is still necessary however, to determine its feasibility. The JN Bank's bond issue is a good pilot to assess and learn from for the issuing of a bond as a national initiative. Learning from Israel's and India's Diaspora Bond issue, it is recommended that such an assessment and study address the following questions: What is the purpose of the bonds issue? Who will issue the bond – an already established institution or is there is need to establish a government entity for this purpose? What form of incentive is required – the potential yield – is patriotic discount warranted and how much? What variety of instruments will be made available? Will it be marketed solely to Diaspora members? Is there any niche to target, such as students abroad? Most importantly does Jamaica have the marketing capacity required? If not, what are the implications and possible alternatives?

¹⁸⁶ Aikins and White, 2011

¹⁸⁷ See JN Bank Website. see <https://www.jnbank.com/node/13110>

APPENDIX 4

STAKEHOLDER CONSULTATIONS

Over the course of this research project, CAPRI consulted with members of the diaspora as well business leaders who have been involved directly or indirectly with the diaspora. The individuals consulted are listed below.

Akeilia Lawrence-Maitland	Jamaica Diaspora Advisory Board Member, NE USA
Claude Duncan	Vice President Investment Promotion, JAMPRO
David Panton	Diaspora Member, Chair and CEO of Panton Equity
Enid Bissember	Returning Resident
Gary Rhule	Diaspora Member
Horace Hines	(Actg.) General Manager, Jamaica National Money Services
Irwine Claire	Jamaica Diaspora advisory Member; CEO of Team Jamaica Bickle
Jacinth Hall Tracey	Managing Director, Lasco Financial Services Limited
Lesleyann Samuel	President, Union of Jamaican Alumni Associations (USA) Inc.
Lincoln Downer	(Actg.) Director, Diaspora Affairs Department
Marcia Mclaughlin	Deputy Director of Tourism Marketing, JTB
Noel Greenland	Senior Vice President, Marketing and Operations at Grace Kennedy Remittances Service
Peter Reid	CEO, Victoria Mutual Building Society Operations
Philice Hall	Foundation Coordinator, Health for Life and Wellness Foundation
Professor Neville Ying	Executive Director, JDI
Seymour Mattis	Chair, JET-UK
Cheryll Messam	Alumni Relations Manager, UTech Alumni Relations Office
Celia Davidson-Francis	Director of Alumni Relations - UWI



NOTES

NOTES

ECONOMIC VALUE OF THE JAMAICAN DIASPORA

SUCCESSFULLY ENGAGING THE DIASPORA



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