Harnessing the Diaspora for Development in the Europe and Central Asia Region

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May 26, 2011

Background paper prepared for ECSPE
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Outline

1. Introduction

2. Review of the Literature on Diasporas and Development

3. The Size and Composition of the Diaspora Populations from the ECA Countries

4. Review of Current Diaspora Engagement Policies of the ECA Countries

5. Policy Recommendations to Increase Diaspora Engagement in the ECA Region
Unique aspects of ECA diaspora

• ECA diaspora is largest in both absolute and percentage terms of all development regions

• Of the total global stock of migrants of 215.8 million in 2010, 43 million emigrated from an ECA country

• 3.1 percent of the world’s population resides outside of country of birth but 10.7 percent of ECA population

• History diasporas in the ECA region is long and complex

• Now 30 countries versus 8 in 1990

• Many measurement and conceptual issues with ECA diaspora
Types of diaspora engagement

• Tracking of diaspora populations
• Assistance in destination country
• Dual citizenship
• Remittance sending
• Investment and entrepreneurship in homeland
• Diaspora voting and advocacy
• Philanthropy and volunteering
• Knowledge transfer to homeland
• Diaspora tourism and “nostalgia” trade
• Return migration and travel
A graph illustrating the relationships between Homeland, Diaspora group, and Host country.

- **Diaspora groups** – chronology, causes of dispersion
- **Homeland** – attitudes and policies towards diaspora
- **Host country** – treatment of minority groups, legal status
A Road Map for Diaspora Engagement

Identify goals and capacities (e.g., investment, knowledge, remittances).

Consultations
Research

Know your diaspora.

Coordination within govt
Capacity building

Build trust.

Sponsor cultural events, language promotion
Explain and get feedback on govt diaspora policy
Intervene with host governments
Flexible project implementation

Mobilize stakeholders (government, diaspora, civil society).

High-profile events
Diaspora spokespeople
Sponsor travel for opinion leaders, youth
Promote partnerships

Effectively engage diaspora in development.

Strongen existing diaspora institutions and programs
National
Regional
Local

Analyze census data
Inventory skills
Grant Dual citizenship
Provide services to the diaspora (documents, classes, social services)
Grant privileges to nonresident expatriates and descendants
Create or adapt government institutions (consular networks, ministries, councils)
Facilitate investment (one-stop centers)
Integrate diasporas into development planning and policy implementation

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Sources of data on the ECA diaspora

- United Nations Global Migration Database (mix of foreign-born and citizenship)
- World Bank Bilateral Migration Matrix (more comprehensive)
- ILO’s LABORSTA database (not all of ECA)
- Eurostat migration data
- OECD migration data (including brain drain)
- Foreign born and ethnic diaspora data in Soviet and post-Soviet censuses
- Russian census and migration data
- The Russian Federal Migration Service (not all labor migrants)
- American Community Survey (detailed)
• 10 percent of population originating in an ECA country reside outside that country, versus 3 percent globally
• Large diasporas could contribute to development
Destinations of Diaspora Populations from Selected ECA Countries

- Diaspora from CIS countries migrate within the region
- Western Europe and the United States are primary destinations for the diaspora from western ECA
- Differences in income levels in destination countries are important
Changing destinations of the ECA diaspora

- Russian diaspora is smaller but more in high-income countries

- FSU - decreases in most non-Russian states, increases in Russia, and small increases in Western Europe and US

- Western ECA -decreases in Argentina, Brazil, Australia, New Zealand, South Africa, Israel, and France and increases in the United States, the United Kingdom, Ireland, Spain, Italy, Cyprus, Sweden, Norway, and Finland.

<table>
<thead>
<tr>
<th>Region</th>
<th>Year</th>
<th>Total</th>
<th>Absolute change</th>
<th>Percent change</th>
</tr>
</thead>
<tbody>
<tr>
<td>FSU</td>
<td>early</td>
<td>13,943,667</td>
<td>-4,291,861</td>
<td>-31%</td>
</tr>
<tr>
<td></td>
<td>later</td>
<td>9,651,806</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other ECA</td>
<td>early</td>
<td>14,808</td>
<td>28,534</td>
<td>193%</td>
</tr>
<tr>
<td></td>
<td>later</td>
<td>43,342</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outside ECA</td>
<td>early</td>
<td>571,316</td>
<td>190,279</td>
<td>33%</td>
</tr>
<tr>
<td></td>
<td>later</td>
<td>761,595</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources and notes:
Gender differences by destination country

- In FSU, flows are predominantly male
- Overall, increases in female migration

Females to Western Europe, males to FSU

More males to Greece

Females to Western Europe, males to FSU
ECA countries both send and receive migrants

Net emigration of 18 million persons from the ECA countries

Of regions, ECA has the largest share of migrants going to other countries in the region (59 percent) and the lowest share going to high-income countries (41 percent)

Russia, the Czech Republic, Latvia, Slovenia, and Estonia are net recipients of migrants

Table 5: Net Diaspora Flows in the ECA Countries, 2010

<table>
<thead>
<tr>
<th>Country</th>
<th>Emigration</th>
<th>Imigration</th>
<th>Net migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>1,438,451</td>
<td>89,106</td>
<td>-1,349,345</td>
</tr>
<tr>
<td>Armenia</td>
<td>870,458</td>
<td>324,184</td>
<td>-546,274</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>1,433,513</td>
<td>263,940</td>
<td>-1,169,573</td>
</tr>
<tr>
<td>Belarus</td>
<td>1,765,877</td>
<td>1,090,378</td>
<td>-675,499</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>1,460,639</td>
<td>27,780</td>
<td>-1,432,859</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>1,201,191</td>
<td>107,245</td>
<td>-1,093,946</td>
</tr>
<tr>
<td>Croatia</td>
<td>753,529</td>
<td>699,947</td>
<td>-53,582</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>369,737</td>
<td>453,041</td>
<td>83,304</td>
</tr>
<tr>
<td>Estonia</td>
<td>169,213</td>
<td>182,464</td>
<td>13,251</td>
</tr>
<tr>
<td>Georgia</td>
<td>1,058,300</td>
<td>167,269</td>
<td>-891,031</td>
</tr>
<tr>
<td>Hungary</td>
<td>462,418</td>
<td>368,076</td>
<td>-94,342</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>3,719,766</td>
<td>3,079,491</td>
<td>-640,275</td>
</tr>
<tr>
<td>Kosovo</td>
<td>25,252</td>
<td>..</td>
<td>..</td>
</tr>
<tr>
<td>Kyrgyz Republic</td>
<td>621,076</td>
<td>222,731</td>
<td>-398,345</td>
</tr>
<tr>
<td>Latvia</td>
<td>275,177</td>
<td>335,022</td>
<td>59,845</td>
</tr>
<tr>
<td>Lithuania</td>
<td>429,016</td>
<td>128,855</td>
<td>-300,161</td>
</tr>
<tr>
<td>Macedonia, FYR</td>
<td>447,138</td>
<td>129,701</td>
<td>-317,437</td>
</tr>
<tr>
<td>Moldova</td>
<td>770,528</td>
<td>408,319</td>
<td>-362,209</td>
</tr>
<tr>
<td>Montenegro</td>
<td>..</td>
<td>42,509</td>
<td>..</td>
</tr>
<tr>
<td>Poland</td>
<td>3,155,509</td>
<td>827,453</td>
<td>-2,328,056</td>
</tr>
<tr>
<td>Romania</td>
<td>2,769,053</td>
<td>132,757</td>
<td>-2,636,296</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>11,034,681</td>
<td>12,270,388</td>
<td>1,235,707</td>
</tr>
<tr>
<td>Serbia</td>
<td>196,013</td>
<td>525,388</td>
<td>..</td>
</tr>
<tr>
<td>Slovak Republic</td>
<td>519,716</td>
<td>130,682</td>
<td>-389,034</td>
</tr>
<tr>
<td>Slovenia</td>
<td>131,895</td>
<td>163,894</td>
<td>31,999</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>791,618</td>
<td>284,291</td>
<td>-507,327</td>
</tr>
<tr>
<td>Turkey</td>
<td>4,261,786</td>
<td>1,410,947</td>
<td>-2,850,839</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>260,933</td>
<td>207,700</td>
<td>-53,233</td>
</tr>
<tr>
<td>Ukraine</td>
<td>6,525,145</td>
<td>5,257,527</td>
<td>-1,267,618</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>1,954,460</td>
<td>1,175,935</td>
<td>-778,525</td>
</tr>
<tr>
<td>TOTAL</td>
<td>48,872,108</td>
<td>30,507,020</td>
<td>-18,365,088</td>
</tr>
</tbody>
</table>

Sources and notes:
World Bank, Bilateral Migration and Remittances 2010, November 2010.
Host countries of the ECA diaspora

The ECA diaspora is concentrated in a few countries

Half reside in just four countries – Russia, Germany, Ukraine, and Kazakhstan

Sizable ECA diasporas in other countries of Western Europe such as Italy, Spain, the United Kingdom, Greece, and Austria and in the United States and Canada

Nearly half the ECA diaspora population resides in another FSU state, mainly Russia, and about 35 percent reside in a high-income OECD country

Table: Top Destination Countries of Diaspora Populations from the ECA region, 2010

<table>
<thead>
<tr>
<th>Destination</th>
<th>Total Diaspora from ECA</th>
<th>Percent of total ECA diaspora</th>
<th>Main sending countries (top three)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>48,872,144</td>
<td>100%</td>
<td>Russia</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>11,792,769</td>
<td>24%</td>
<td>Ukraine, Kazakhstan, Belarus</td>
</tr>
<tr>
<td>Germany</td>
<td>5,242,767</td>
<td>11%</td>
<td>Turkey, Poland, Croatia</td>
</tr>
<tr>
<td>Ukraine</td>
<td>4,932,325</td>
<td>10%</td>
<td>Russia, Belarus, Kazakhstan</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>2,886,178</td>
<td>6%</td>
<td>Russia, Ukraine, Uzbekistan</td>
</tr>
<tr>
<td>United States</td>
<td>2,300,921</td>
<td>5%</td>
<td>Poland, Russia, Ukraine</td>
</tr>
<tr>
<td>Italy</td>
<td>2,012,929</td>
<td>4%</td>
<td>Romania, Ukraine, Poland</td>
</tr>
<tr>
<td>Israel</td>
<td>1,794,384</td>
<td>4%</td>
<td>Russia, Ukraine, Romania</td>
</tr>
<tr>
<td>Spain</td>
<td>1,330,495</td>
<td>3%</td>
<td>Romania, Bulgaria, Ukraine</td>
</tr>
<tr>
<td>Belarus</td>
<td>1,078,648</td>
<td>2%</td>
<td>Russia, Poland, Ukraine</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>969,639</td>
<td>2%</td>
<td>Poland, Turkey, Lithuania</td>
</tr>
<tr>
<td>Greece</td>
<td>948,651</td>
<td>2%</td>
<td>Bulgaria, Romania, Georgia</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>830,116</td>
<td>2%</td>
<td>Russia, Tajikistan, Kazakhstan</td>
</tr>
<tr>
<td>Austria</td>
<td>818,388</td>
<td>2%</td>
<td>Bosnia, Turkey, Serbia</td>
</tr>
<tr>
<td>Canada</td>
<td>743,205</td>
<td>2%</td>
<td>Poland, Romania, Ukraine</td>
</tr>
</tbody>
</table>

Sources and notes:
Foreign-Born Diasporas in the former Soviet Union

- ‘Foreign-born’ rose from 20.9 million in 1959 to 30.3 million in 1989
- Largest diasporas were Belarus (20 percent) and Kazakhstan (17 percent)
- Smallest diasporas were three Baltic states and three Central Asian countries of Tajikistan, Turkmenistan, and Uzbekistan
OECD’s brain drain database now includes more ECA countries.

Globally, emigration rate of tertiary-educated is 5.4 percent.

ECA countries follow pattern of smaller and poorer countries having the largest percent of highly-skilled persons emigrate (except Kazakhstan).

Globally, 21 percent of migrants have a tertiary education. The overall educational levels of ECA migrants are generally much higher than this.
Considerable variation among FSU states in terms of ethnic diaspora populations

Largest were Russians with 25 million in FSU and 5 million or so outside

One-third of Armenians reside outside of Armenia, not including 5 to 9 million in Europe and USA
• Over 5 million persons migrated to Russia between the 1989 and 2002 censuses
• Main sending countries were countries where large numbers of Russian diaspora populations resided
• Many were ethnic diasporas but are now foreign-born diaspora
The ECA diaspora populations are a mix of older and newer populations.

Implications for level of education, earnings, citizenship and ability to assist home country.
The ECA diaspora populations in the United States are quite highly educated, more so than overall foreign-born. Also high levels of U.S. citizenship and English-language skills.
ECA diaspora populations are disproportionally represented in management and professional occupations, have higher incomes, and own more expensive homes.
Diaspora institutions in the ECA region

- **Ministry:** Armenia, Georgia, Serbia

- **Sub-ministry:** Russia, Latvia, Kazakhstan, Uzbekistan, Poland, Albania, Czech Republic, Romania, Bulgaria, Macedonia, Montenegro, Bosnia and Herzegovina

- **Other:** Ukraine, Lithuania, Azerbaijan, Tajikistan, Slovakia, Slovenia, Turkey, Hungary

- **No diaspora office:** Belarus, Estonia, Moldova, Kyrgyzstan, Turkmenistan, Croatia, Kosovo

See text and annex 4 for details.
Issues in ECA diaspora policy

- **Diaspora policies and institutions**: rather new in many ECA countries, many after 2000

- **Most link diaspora policy to foreign policy**: many diaspora agencies in Ministry of Foreign Affairs

- **Tracking of diaspora populations**: many cite as issue, some do decently (e.g. Bulgaria)

- **Dual citizenship**: some adopting

- **Remittances**: costs are high but declining, not cited as priority by many

- **Trade and investment**: lacking with emphasis on remittances

- **ECA diaspora associations in host countries**: well-developed for most
Typology of ECA countries by diaspora issues

- **Remittance-dependent:** Moldova, Tajikistan, Albania, Bosnia and Herzegovina
- **Return or engagement of highly-skilled:** Russia, Slovenia, Serbia, Poland
- **Diaspora to compensate for demographic decline:** Latvia, Estonia, Kazakhstan
- **Investment from diaspora:** Azerbaijan
- **Diaspora as EU representatives:** Turkey (was remittances for growth)
- **Diaspora wary of involvement:** Belarus
- **Cultural preservation:** Czech Republic, Slovakia
- **Enlargement of nation:** Hungary
- **Comprehensive diaspora policy:** Lithuania, Armenia, Georgia, Romania, Montenegro, Kosovo, Bulgaria
- **Recently developed diaspora policy:** Ukraine, Croatia, Macedonia
- **Lacking diaspora policy:** Kyrgyzstan
- **Hostile or ignoring diaspora:** Turkmenistan, Uzbekistan
Many ECA countries are highly dependent on remittances.

On average, remittances make up 0.7 percent of GDP.

Need to different diaspora policy based on level of remittances.
Examples of best practice in diaspora policy in the ECA region

- **Lithuania**
  - Department of National Minorities and Lithuanians Living Abroad (DNMLLA)
  - “The Inter-institutional program for cooperation with Lithuanian communities abroad for the year 2008-2012”
  - Targets old and new diaspora differently

- **Armenia**
  - In 2008, Ministry of Diaspora was established
  - Dual citizenship in 2007
  - Different focuses on financial flows, technology transfer and entrepreneurship

- **Montenegro**
  - The Diaspora centre within the Ministry of Foreign Affairs is the main institution coordinating and promoting Diaspora
  - Comprehensive “Strategy of Cooperation with Diaspora for Period 2011-2014”
Migration policies of main destinations for ECA diaspora

- **Russia:** from restrictive to attempts at regulating labor migration and encouraging diaspora, many illegal from FSU

- **Europe:** fears of massive migration are over but doors not completely open

- **Israel:** wary welcome of high-educated ECA Jewish population

- **United States:** broken migration policy but open to educated from ECA region
Areas for further research

• Improve data on size and characteristics of the ECA diaspora population

• Determine exact levels of involvement of ECA diasporas with home country

• Update information on ECA countries’ diaspora policies
Recommendations for ECA countries on diaspora issues

• Diaspora goals should be clearly defined and linked to development policy

• Better tracking of ECA diaspora populations, both quantitative and qualitative

• Draw on experience of other countries (e.g. Philippines, Mexico, other ECA)
Recommendations for ECA staff dealing with migration and diaspora issues

- Distinguish among ECA diaspora populations

- Link with other organizations, e.g. IOM, ILO, USAID

- Assist ECA countries in study of their diaspora populations

- Technical assistance in establishing diaspora organizations
Thank you