Unlocking the potential of diasporas: a new approach to development

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Australia is home to diasporas from countries all around the world, many of whom have come from fragile states affected by conflict. These diasporas are active contributors to development, peacebuilding and humanitarian response in their countries of origin. And Australia’s future development agenda stands much to gain from engagement with diasporas, who are often current and future thought leaders, investors, civil society organisers, development practitioners and peacebuilders. Because diasporas operate in ways that are often fundamentally different to international NGOs, yet inhabit an overlapping space, they offer fresh insights and potential solutions to challenges such as rising inequality, xenophobia and mass displacement. As Australian citizens, diasporas have experienced the challenges related to these issues first hand and can therefore demonstrate Australia’s interconnectedness with rest of the world, to the wider Australian community.

A striking feature of diaspora-related initiatives is their leverage of people-to-people links between friends, family and communities not only in their counties of origin but also in countries of transit and resettlement around the world. Members of the Oromia Support Group Australia (OSGA) – a Melbourne-based human rights organisation – are in daily contact with family members and colleagues in Ethiopia, in refugee camps in Kenya, and with those living in Europe and North America. Diaspora’s transnational networks are rapidly activated during times of emergency and also leveraged for international advocacy campaigning. This type of diaspora activity is decentralised, organic and highly responsive.

Remittances
Diaspora remittances, which currently represent more than three times the volume of overseas development assistance (ODA) annually, have long been recognised as significant sources of income to developing countries, contributing to household income, the establishment of small businesses, investment opportunities, and macroeconomic stability. The Somali community in Australia, for example, remits approximately $10 million to Somalia each year, contributing to the support of the more than 40% of Somali families who are dependent on some form of remittance for the purchase of basics such as food, education and healthcare.

In recent years, attention has increasingly been paid to the role of remittances in helping people cope in humanitarian contexts such as mass displacement and natural disasters. Recent coordinated fundraising efforts of the Australian-based Fijian diaspora, in response to Tropical Cyclone Winston, are a case in point. The importance of this finance is expected to increase with increased climate-related events. A less researched area of remittance flows is their effect on behaviours and value formation. As long-distance contributors to the family income, diaspora members play a role in household decision making which ranges from familial income distribution to the level of education of a sister and even a cousin’s involvement in an insurgency group. Diasporas therefore influence attitudes and behaviours at the very level where social change begins.

**Brain gain**

The influence of diasporas also extend to state level, with many returning to their countries of origin after the signing of peace accords to take up positions in government and contribute to post conflict reconstruction. Australia was home to

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1 Agunias, D and Newland, K, 2012. Developing a Road Map for Engaging Diasporas in Development: A handbook for policy makers in home and host countries. IOM and Migration Policy Institute.


3 Oxfam, Adesso and the Global Center on Cooperative security, 201X. *Hanging by a thread: the ongoing threat to Somalia’s remittance lifeline*.

many East Timorese leaders in exile, and a similar phenomenon can be seen with the
Australian-based South Sudanese diaspora, who have been returning temporarily or
permanently to work in the public sector and who have participated in UN brokered
peace negotiations.

The mobility of diasporas between countries of origin and residence is now
recognised as an asset in development, constituting a “brain gain” for their countries
of origin as they apply the knowledge and skills acquired in settlement countries to
the development challenges. The US and UK governments have both invested in
professional volunteering programs to foster this exchange. And the UK-based
African Foundation for Development has had success with consultants from the
diaspora supporting entrepreneurs and enterprise development in Ghana and Sierra
Leone\(^5\).

Development, humanitarian and peacebuilding initiatives

Australian-based diasporas also build schools and medical centres, train grassroots
peace builders, advocate for human rights and assist families and communities
seeking asylum\(^6\). Their intimate familial and community ties give diasporas high
levels of contextual knowledge and relationships of trust which enable them to
identify needs at the grassroots and provide culturally appropriate solutions. Their
readiness to accept risk, access to remote populations and ability to “fly under the
radar” enables them to operate in challenging contexts where no international
agencies are present and government services are very limited or non-existent\(^7\).

Because this work is generally small scale – and often not “professionalised” – it can
fail to attract the interest of the international development sector. And while many
projects have the potential to be scaled up and replicated elsewhere, to focus on

\(^5\) Chikeze, Chukwu-Emeka, 2011. “Developing Capacity: Diasporas as Transnational Agents for Development” in

\(^6\) Diaspora Action Australia, 2014. “Understanding Diaspora-led Development and Peacebuilding: Case studies of
five African diaspora organisations in Australia”. Available at www.diasporaaction.org.au

Working Paper, Overseas Development Institute. Available at https://www.odi.org/publications/8714-
international-localdiaspora-actors-syria-response
size is to miss the point: diasporas fill gaps in the international system and have a high capacity for innovation. An evaluation of the Danish Refugee Council’s Diaspora Programme, which successfully funded 21 diaspora-led projects in Somalia and Afghanistan in its first two years, found that diasporas were almost equally valued for their innovative thinking and advanced capacities as they were for their monetary contribution and cultural remittances.

**Influence in Australia**

As citizens and residents, diasporas also have an impact on the Australian society. Many raise awareness of humanitarian crises and human rights issues among the general public and advocate to the Australian government. In this they are potential allies for the international development sector as it seeks to build public interest in international development and demonstrate its relevance in Australia’s multicultural society.

These communities are however also affected by political instability in their countries of origin. When violence erupts, the tensions that typically increase among the diaspora mirror that of the ethnic or political conflicts overseas. In its most destructive aspect, these situations can give rise to extreme ideologies, but a more constructive approach is that of community leaders who consciously build campaigns of social harmony and reconciliation. In Victoria in 2013-14, a group of inter-tribal community and church leaders formed the South Sudanese Unification Committee, which fostered reconciliation for community harmony in Australia and for the potential to influence peacebuilding in South Sudan. Over the course of 18 months they travelled throughout the state, gaining the support of community leaders of all the South Sudanese tribal groupings living in Victoria. This culminated in a weekend leadership retreat and the formation of a new umbrella organisation that seeks to unite South Sudanese communities in Victoria.

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Another area of domestic-focussed activity is the settlement support diasporas provide to newly arrived refugees and migrants. As the ultimate destination of refugees is usually where their families are, diasporas provide financial support, information about visa processes and transit routes, and act as advocates and intermediaries in applications for asylum.

**Challenges**

The opportunities for engaging with diasporas to enhance development outcomes also come with a set of risks and challenges. Much attention has been paid to the role of some diasporas in prolonging conflicts by directly financing armed actors or maintaining animosities long after attitudinal shifts have occurred in their countries of origin. This creates significant challenges to governments in host countries and countries of origin. While not ignoring these realities, a growing body of work in recent years is focussing on constructive peacebuilding interventions and provides guidance in navigating the sometimes turbulent waters of diaspora politics. Even the most careful diaspora NGOs can face challenges to their real or perceived neutrality in a conflict. Some directly address these issues by aligning their practice with internationally accepted principles: the OSGA, for example, has developed the rigour and credibility of its human rights data gathering to the extent that it has recently been granted Consultative Status with the United Nations Economic and Social Council.

Even successful interventions can be problematic. Diasporas who return to countries of origin can encounter resentment among the people who never left, if they are seen to be competing for jobs or positions of influence. Some countries of origin have established diaspora desks to manage this reintegration, which can mitigate some risks. Finally, while a handful of diaspora organisations are already working effectively in partnership with NGOs, government and the private sector in Australia, many micro organisations struggle with resourcing and organisational development...

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challenges. In order to become viable partners, diasporas seek support to develop the transparency, accountability and good governance of their organisations.

A more diverse future agenda

Engaging with diasporas not only offers the possibility of new ways of working, but opens the way for a more culturally diverse approach to development that draws on the deep contextual and cultural knowledge of Australia’s multicultural communities, and furthermore breaks down perceptions of development as a project of the global north. In this regard diasporas have a legitimacy that “outsiders” – no matter how experienced – do not.

Partnering with diaspora organisations to deliver development projects is a useful beginning, particularly if the unique characteristics of these organisations are respected and nurtured. However, to truly maximise the potential of these partnerships it is necessary to look beyond the project cycle, towards a relationship that engages diasporas as people of influence both in their countries of origin and in Australia, recognising the wealth of knowledge that can be applied to solving some of development’s most intractable problems.

Because the locus of diaspora activity occurs in countries of origin, transit and settlement, the creation of a more enabling environment requires supportive policy frameworks in host countries as well as in countries of origin – ideally with collaboration between them. In Australia this needs to occur at both a federal level, through foreign policy and trade, and within state government multicultural and settlement services.

It may entail private and public sector collaboration to ease the currently restrictive regulatory environment for remittance transfer, or building relationships with chambers of commerce or investors within the diaspora to strengthen the business sector in developing countries.

Educational institutions also have a role to play in furthering thinking about enhancing the development potential of Australian-based diasporas, particularly in
meeting the challenges of refugee flows in the region or climate displacement in neighbouring Pacific states. The bulk of European and US research to date has focused on Africa, Asia and Latin America, leaving a gap in research.

Diasporas are innovators in the development and humanitarian landscape. Their people-to-people ties, transnational networks, flexibility and responsiveness are already being put to the task of long-term peace and development efforts in their countries of origin. They are the ultimate long term thinkers who address the complexities of state building in all its aspects; from governance, trade and infrastructure to security, human development, human rights and the maintenance of culture. Maximising the potential of their interventions therefore requires the attention of government, the private sector, philanthropy, academics and NGOs. Australia’s diaspora communities will continue their work regardless of whether these sectors engage them more fully, but given the exciting possibilities offered by such partnerships, passing up the challenge would be a missed opportunity.