

Source: Ministry of Expatriates' Welfare and Overseas Employment; International Organization for Migration (IOM). 2004. Institutionalizing Diaspora linkage: The emigrant Bangladeshis in UK and USA (Dhaka, IOM).



**Diaspora members also send remittance:** Despite a lack of data, it is often argued that diasporas remit significantly less money to Bangladesh compared to temporary migrant workers. However, a simple calculation can nullify this idea. It is evident that the major destinations for Bangladeshi diaspora members are the United Kingdom and the United States. From key informants, it has been assumed that in these two countries there are approximately 1,000,000 Bangladeshi diaspora members. This figure amounts to about 12 per cent of all Bangladeshi migrant workers who migrated since 1976. An analysis of remittance data of the last decade (FY2002/03 to FY2011/12) reveal that 21.5 per cent of total remittance to Bangladesh came only from these two countries. If only data for FY2011/12 is taken into consideration, 19.4 per cent of total remittance of that fiscal year came from the United States and the United Kingdom. These two diasporas that represent just 12 per cent of the total migrant population are contributing about 20 per cent of the total remittance. Thus, it can be shown that the Bangladeshi diaspora members provide a significant direct contribution to the economic development of Bangladesh.

Positive effects of brain drain on countries of origin	
Area of effects	Effects
Knowledge and human capital	<ul style="list-style-type: none"><li>▪ Brain gain.</li><li>▪ Transfer/sharing of skills/technology.</li><li>▪ Diaspora knowledge networks.</li><li>▪ Accumulation of broader/deeper knowledge/skills/experience.</li></ul>
Macroeconomic processes	<ul style="list-style-type: none"><li>▪ Returning entrepreneurship.</li></ul>
Trade / capital flows	<ul style="list-style-type: none"><li>▪ Remittances.</li><li>▪ Diaspora savings: bonds, deposits, loans, funds, etc.</li><li>▪ Diaspora effects and business networks:<ul style="list-style-type: none"><li>• Creation/strengthening of trade flows: merchandise and service (e.g., tourism).</li><li>• Creation/strengthening of foreign direct investment.</li></ul></li></ul>
Institutional processes	<ul style="list-style-type: none"><li>▪ Diaspora assistance in/pressure for institution-building.</li><li>▪ Returnee supply of/demand for institutions.</li></ul>

Source: UNCTAD. 2012. The Least Developed Countries Report 2012: Harnessing Remittances and Diaspora Knowledge to Build Productive Capacities (Geneva, UNCTAD).

**“Brain-drain” vs. “Brain-gain”:** It is often argued that brain drain, or loss of skilled human resources, has been a damaging factor for Bangladesh. But labour migration being overwhelmingly by less- to semi-skilled workers, many policymakers challenge this argument. Given the mismatch between the working age population and the number of jobs being created, a large number of people in Bangladesh see labour migration as a livelihood strategy. This research also shows that diaspora members who have been abroad long term, are naturalized nationals of another country, or were born abroad may face constraints in investing in Bangladesh but have not stopped contributing to Bangladesh. In a sense, migration of professionals or brain drain has had an insignificant impact on remittance flow. In addition, “social remittance”, or the gains to Bangladesh in

terms of knowledge, expertise, and social capital, has been an integral part of the contribution of Bangladeshi diaspora members to Bangladesh. The extraordinary developments made in communication technologies have played role in ensuring non-resident Bangladeshi professionals’ proactive role in the development of Bangladesh. These all together, have been playing role in offsetting the brain-drain and in some extent taking part as “brain-gain”.

**Support for Bangladeshi migrant workers by diaspora organizations:** In most cases Bangladeshi diaspora members tend to support short-term/fixed-term contract Bangladeshi migrant workers on an individual basis. There are also some instances when the undocumented Bangladeshi migrant workers





have received support from the Bangladeshi diaspora organizations or businesses. The support is given mainly in the following forms: financial support; temporary living space; arrangement of work under regular conditions; and providing information to those seeking legal support. In the United Kingdom, it has been found that in many of the restaurants owned by Bangladeshi diaspora members, a large number of short-term/fixed-term contract Bangladeshi migrant workers are employed. In addition, due to the strong kinship feeling among Bangladeshis, diaspora members who want to bring their relatives/friends to that destination country extend the support needed to

relatives and friends in Bangladesh. In recent years, however, due to the stricter immigration laws and policies in most destination countries, such practices have decreased significantly.

**Contribution of the diaspora:** Despite holding grievances about business climate in Bangladesh, Bangladeshi diaspora members are investing in productive sectors. Returning diaspora members have made significant contributions in the development of various sectors, such as construction, technology, and banking. They are playing a dedicated role in the technological advancement of in their homeland.

### Examples of contributions by the returning Bangladeshi diaspora members

Returning diaspora members have made significant contributions, particularly in the education, health, media, and telecommunication sectors. After working at Harvard University, in the United States, Prof. Omar Rahman, returned to Bangladesh, where he has contributed to the development of the Independent University, one of the leading higher learning institutions in the country. Dr Sardar A. Nayeem and Dr Jonaid Shafiq returned to their home country from Japan, and established the Japan-Bangladesh Friendship Hospital in 1993, which provides health care facilities to marginalized and underprivileged people. Two communication professionals – S.M. Ali and Mahfuz Anam – returned to Bangladesh to launch The Daily Star newspaper in 1991. The newspaper has become the country's leading English-language national daily. Prof. Iqbal Z. Quadir, who is the founder and director of the Legatum Centre at the Massachusetts Institute of Technology, returned to Bangladesh from the United States and started a company in collaboration with a Norwegian telecom company, Telenor, and financing from aid agencies and development banks. The company, Gonofone Development Corp, created Grameenphone, which became a leading telephone operator in Bangladesh.

### Bangladeshi diasporas play an effective part in the mobilization of technology at their homeland: A case study

Born in Kushtia, Bangladesh (1952), Abul Hussam is now a Professor of Chemistry and the Director for the Center for Clean Water and Sustainable Technologies (CCWST) in the Department of Chemistry and Biochemistry at George Mason University. Dr Hussam moved to the United States in 1978. He spent much of this career trying to devise a solution to the problem of arsenic contamination of groundwater in Eastern India and Bangladesh. The result: his SONO filter, which uses a “composite iron matrix” that is manufactured locally from cast-iron turnings, along with readily available river sand, wood charcoal, and wet brick chips. The filter removes 98 per cent of arsenic content as well as other mineral impurities that make water hard. A US\$35 unit serves two families and lasts at least five years. Hussam's device won the Grainger Challenge Prize (2007) from the US National Academy of Engineering, and most of the US\$1 million prize has gone to a Bangladeshi nonprofit organization – Manob Sakti Unnayan Kendro – that has produced and distributed 250,000 SONO filters to the poor people of Bangladesh, free of cost with support from donor agencies. SONO filters have been sent to India, Pakistan, Nepal, and Egypt.

### Challenges

- Uncongenial business climate: When Bangladeshi diaspora members come forward to invest in Bangladesh, they get exposed to an uncongenial business climate.
- Unpopular debt instruments: The government has debt instruments (e.g., bonds) with attractive benefits, but they have not been successful in marketing them among the Bangladeshi diaspora members. Another example that highlights this issue is the Bangladesh Fund of the Investment Corporation of Bangladesh.
- Initiation of innovative approaches: NRB Commercial Bank Ltd. has become the first private sector bank in Bangladesh specifically targeting non-resident Bangladeshis but such innovation is rather limited and suffers from inadequate investment policy review to increase investment competitiveness.
- Right to vote: There is a provision for postal voting, but due to resource constraints, this provision has not worked well. In addition, a recent reform by the Election Commission stipulates that, in order to vote, the person has to be present in Bangladesh during voter registration, making it more difficult to vote from abroad.
- Granting dual nationality: The granting of dual nationality is a significant measure adopted by home countries to formalize the sense of belonging of their diaspora members to their home country, both in a symbolic and in practical ways. Bangladeshis in some countries abroad, for example, the United States and the United Kingdom, can obtain Dual Nationality certificates but the process is regarded as tedious and drawn out. Complaints have also been over the fact that this certificate can only be obtained by diaspora members in North American and European countries, leaving out other countries where Bangladeshis are concentrated in large numbers.

## Recommendations

### Policy initiatives

- Defining diaspora considering the pattern and nature of migration, the behaviour of Bangladeshi migrants as well as that of people of Bangladeshi descent born overseas, and the characteristics of resource-mobilization in Bangladesh.
- Recognizing and mobilizing contribution of Bangladeshi diaspora members in migration and development policy strategies.

### Remittances from Bangladeshi diaspora members

- Awareness-raising activities to bolster remittance through legal channels.
- Developing facilities at airports in Bangladesh that gives diaspora members priority privileges and convenience of business communication.
- Promoting Bangladesh as a tourism destination among diaspora members.

### Productive investments by Bangladeshi diaspora members

- Facilitating networking among diaspora business and trade networks and local businesses.
- Promoting business ventures in Bangladesh by increasing client orientation and professionalism among the officials responsible for facilitating and processing investment-related formalities.
- Promoting investment opportunities in both financial savings and investment instruments as well as productive sectors through mass media campaigns.

- Including diaspora members in development activities in Bangladesh through innovative schemes such as matching each dollar of contribution made by a diaspora member with a dollar from the public exchequer.

### Bangladeshi diaspora knowledge network

The development of diaspora knowledge networks should be actively pursued in order to promote collaboration among experts of Bangladeshi origin for enhancing their contribution to their country of origin.

### Others

Making Bangladesh missions and labour wings responsive to the needs of diaspora and holding them accountable.

- The registering of returning diaspora members needs to be initiated, kept updated, and carried out in coordination with employers' and investment organizations in Bangladesh.
- Making the process of obtaining the Dual Nationality certificate efficient and widening the number of countries whose naturalized citizens of Bangladeshi origin can benefit.
- Investing in the postal voting system to enable eligible Bangladeshi diaspora members to exercise their right to vote.
- Engaging famous Bangladeshi diaspora members as “goodwill/country ambassadors” to promote investment, transfers of knowledge, and philanthropic activities among fellow Bangladeshi diaspora members.

