

# Dominica - Diaspora Policy Paper

## PART ONE: INTRODUCTION, OBJECTIVE, PROCESS

### 1.1. Authorization

By letter dated June 28th, 2004 the Prime Minister of the Commonwealth of Dominica endorsed the preparation of a Policy Paper on Dominica - Diaspora Relations. This endorsement authorized the Dominica Academy of Arts and Sciences (DAAS) to undertake this work as a matter of some urgency.(Appendix A). This initiative, under the direct sponsorship of the Ministry of Finance and Planning, obviously straddles the administrative and policy concerns of most, if not all, of the national ministries and agencies, and was intended to address a leading-edge policy of concern to several national governments around the world.

### 1.2. The Structure of this Paper

This paper speaks to several issue pertaining to the relationship which currently exists between Dominica and its nationals resident abroad (Diaspora) and how that relationship might be improved to the benefit of all Dominicans. These are addressed as follows:

1. **PART 1** identifies approaches and characteristics to co-opting Diasporas in the task of national development. It describes the approach adopted in this exercise to examine the Dominican situation and outlines some of the difficulties encountered, with suggestions for correction in the future. It challenges the Dominica policy-makers to adopt a proactive, positive approach to Diaspora relationships, and reminds nationals at home and abroad that success depends on mutual cooperation, compromise and commitment to the future of the nation.
2. **PART 2** presents some of the salient issues confronting Dominica today, with reasons for reaching out to its nationals abroad for their resolution. It raises the concerns of nationals abroad and of returned nationals (returnees). It illustrates that even without a comprehensive approach to interacting with its Diaspora, Dominicans abroad and those who have returned are making significant contributions to the economic life of the country. It highlights some incentives available to returnees, with suggestions for improvements, and emphasizes that returnee contributions of time, knowledge, skills etc are also major contributions to the development process. The present structure and function of Dominica's overseas missions are assessed and where gaps/shortcomings exist, suggestions are made for better delivery of more effective services to and with the aid of nationals abroad.
3. In **PART 3**, the paper develops a more detailed assessment of specific subject areas and offers particular recommendations appropriate to each. These focus attention on a range of issues deserving action according to urgency. They seek to elicit response from the mandated ministry/agency responsible for their administration.
4. **PART 4** provides an in-depth discussion on the potential role of the Diaspora as an agent of direct investment. It also considers how and under what conditions the Diaspora might act effectively to complement the formal role of an energized

# Dominica - Diaspora Policy Paper

foreign service in promoting development among the Diaspora and non-nationals alike.

5. **PART 5** concludes the paper with over-arching recommendations for the entire paper, complementing those presented in the body of PART 3. These are set within a time frame for adoption and implementation by the country as a whole. For ease of reference, the specific recommendations in PART 3 are again repeated in Section 5, PART 5. As such, they focus on clear-cut subject areas, and are so drafted as to require the attention and action of the appropriately mandated ministry or agency.

## 1.3. The Policy Issue

A nation's Diaspora is that part of its population that has emigrated overseas and is permanently resident in foreign countries. These emigrants may or may not hold citizenship in their respective host countries. Whether or not they do, they often seek the services of their home country, directly or through its representatives abroad (embassies, high commissions, consulates etc) in respect to their own needs and those of relatives and friends. Many of these emigrants may eventually form households involving persons from within or outside their national group and create families of second and subsequent generation members who by extension become nationals of the "ancestral homeland". Some of these emigrants may return home eventually while still in their "working years", and some may do so on retirement. However, the significance of this national resource cannot be ignored as for many countries, Dominica included, the numbers of its Nationals resident abroad (Diaspora) far exceed the population resident at home. How national governments and resident citizens regard their compatriots resident abroad and vice-versa, and what kind of framework for their mutual benefit can be developed, is the theme of this Policy Paper.

## 1.4. Related Experiences

Addressing this issue is neither new in the international context nor even ground-breaking within the Caribbean Region. Many countries which are subject to development constraints of one type or another have looked to their Nationals resident abroad as an effective means of overcoming their financial, investment, technological and human resource deficiencies. The most well-known case is that of the State of Israel, whose Diaspora is a source of population replenishment, national revenue, intellectual sourcing and political lobbying and activism in the metropolitan capitals where they reside. Other countries like India, the Philippines and Mexico see their nationals abroad as a resource to supplement their national efforts through investment, family remittances, trade and institutional networking. Ireland, for example, has called on her nationals abroad to spearhead the national economic transformation through a rapidly paced technological sector. There are examples that demonstrate the power of a Diaspora to significantly influence U.S. policy towards its homeland. Political activism of this sort offers a lesson to other Diasporas in the Caribbean if they would only come together on issues in common and affect metropolitan decisions favorably towards the region.

# Dominica - Diaspora Policy Paper

Within the Caribbean, the Government of Jamaica is already underway with a broadly-based approach to harnessing its Diaspora in the United States, the United Kingdom and in Canada as part of a planned, overall development program. This has not been an effort to scout around for low-cost capital to fund national infra-structural projects or to prop financial institutions or to finance speculative private-sector schemes. It is perceived as intrinsic to the total national development effort and in that context (political support, administrative provisions, adequate funding and public support), this initiative is already showing remarkable success. Similar efforts, though not as far advanced, are underway in Barbados, Trinidad and Tobago and St Vincent and the Grenadines.

While the nature of these initiatives may have elements in common, and may even eventually lead to some programs of cooperation among Caribbean nation states, the nature of relationship between "homelands" and their individual Diasporas will be as different as each is different. The pace of progress, the over-arching issues, the guiding priorities affecting each experience will be peculiar to each setting and individual relationship.

## 1.5. The Study Process

This draft Policy Paper is the result of an extensive and intensive study process as outlined in the Terms of Reference and Work Program developed by the Study Committee. (Appendix **B** and **C**). It required the following steps:

1. Compilation of background information on the present status of policies and regulations affecting Dominicans abroad and returning nationals.
2. Collection of background data on the structure and operation of Dominica's overseas representation, vis-à-vis other Caribbean states, as they impact their nationals and as their nationals might impact them.
3. Review of the literature on the nature, significance and potentials of Diasporas in general, and how they might be engaged in national development efforts.
4. Examination of the programs of foreign governments in mobilizing their Diasporas for mutual benefit.
5. Evaluation of the operations of foreign missions in their services of national representation overseas (diplomatic, consular, trade, investment, tourism, information services, cultural/educational/scientific functions).
6. Interviews with selected foreign consular representatives to discuss specific issues raised in their documentation.
7. Reviewed U.S., Canadian and British regulations pertaining to persons desiring to retire overseas or persons intending to invest overseas with particular reference to Dominica nationals.
8. Circulated three questionnaires as follows: Survey of Dominica Nationals Abroad; Survey of Returned Nationals; Survey of Overseas Missions. (Appendices **D**, **E**, **F**)
9. Proposed a public forum in Dominica to elicit resident nationals' opinions on Foreign (non-resident) nationals and returned nationals.

# **Dominica - Diaspora Policy Paper**

The Policy Paper incorporates the results of this exercise which was undertaken by a committee of four persons on a voluntary basis during the three months of July to September. Some observations are necessary. Because of a lack of funding, emphasis was placed on distribution of and reply to the Survey of Nationals Abroad by e-mail. This appears to have sidelined a number of persons who do not have internet access. In several areas, hard copies were distributed with a mail-in option. This option was not utilized. Whether due to the summer vacation season or simply apathy, the returns were not as heavy as anticipated. The forum proposed for Dominica did not occur. The Survey of Returned Nationals in Dominica yielded some useful results in giving actual experiences around which there is so much speculation. The request made to Dominica's consular representatives overseas up to the time of writing has gone without response. In an exercise such as this, the process and results to questionnaires yield their own message, with implications for how these issues are addressed in the future.

1. More extensive preparation needs to be done at home and abroad before proceeding with this initiative.
2. There must be clearer and more pronounced political support for the effort, with mandatory cooperation by all government agencies at home and abroad.
3. The next steps require proper administrative arrangements (a Secretariat, with assigned political responsibility, administrative capacity and proper funding, as a minimum).
4. The Diaspora communities need to be sensitized to the importance of the program and any suspicion as to motives for this work at this time should be addressed.
5. There are significantly large, but less organized communities of Dominicans resident throughout the Caribbean who are important to a Diaspora effort (USVI, Antigua, Barbados, Trinidad, Jamaica among others). An effective way must be found to engage them in the process.

Notwithstanding these difficulties, this Policy Paper offers a useful baseline resource document which is able to advise the process forward. The Recommendations map out a strategy which can be adopted for future action, and there are a number of specific proposals which government should act on immediately. (PARTS 3 and 5).

## 1.6. The Dominica Context

The situation of Dominica is well-known and does not require a lengthy recitation. However, some essential and relevant defining characteristics may be useful in setting an appropriate context for this paper. Dominica is a small, independent island state with limited natural resources which through exploitation and cultivation is incapable of providing the foundation for accelerated economic growth. Due to a combination of factors, including falling world prices and disappearing foreign markets for its exported agricultural staples, the slow emergence of production alternatives, the effect of natural

# Dominica - Diaspora Policy Paper

disasters which have redirected production assets and energies to infrastructural renovation, rising expectations of an increasingly younger population and a record of economic mismanagement, the economy is in disarray. The present reality is that of an over-powering public debt estimated to be in excess of 110% of Gross Domestic Product (GDP), high unemployment, high levels of taxation and a constant out-migration of the most productive and skilled members of the working population. In its pre-occupation with the task of stemming the tide towards increasing indebtedness, under a stringent International Monetary Fund (IMF) regime of slimmer administration, greater public efficiencies and austerity, there has to date been minimal efforts towards the necessity of an economic transformation based on articulated objectives, strategies, programs, priorities and projects. There is an urgent need to develop a new development framework appropriate to the island's capabilities, within regional and international arrangements of trade and commerce, embracing and taking advantage of twenty-first century technology and lifestyles and respectful of local aspirations. Failing this, the island will continue to feel the negative effects of global exposure without an ability to anticipate and respond to it. It will become the playground for adventurists wishing to take advantage of its desperate situation. It will increasingly feel the effects of social instability and a decline in availability and quality of public services.

Dominica should not try to catch up with the other islands of the region as with eyes on the ground it tries merely to follow in their tracks. It must learn from their successes and their failures; it must strike out in new directions and chart its own course, as it deems necessary. It must seize the new tools and technologies that are able to level the international playing field and use them to its advantage. It must leverage its international image to good advantage, using its influence to good effect. It must design a framework for action, involving both the private and public sector in a demanding requirement for private responsibility and public accountability. It must promote a culture of political differences without engaging in political divisiveness.

## 1.7. Diaspora Potentials

Most of these perceptions are not new. Now, we no longer have the benefit of time for endless delay, debate and postponement. While distance may lend enchantment to the Diaspora, it also allows some detachment and clarity of vision. Strong intervention by the Diaspora in the nation's economic life is unlikely to occur unless and until there are signs that the nation is serious in addressing these issues. (Appendix I, Summary of Diaspora Comments). The Integrated Development Plan (IDP) attempted to address some of these crucial issues, including that of institutional strengthening in the public and private sectors. It also proposed guidelines for social and economic development. To date, government has not adopted that document.

Few of these efforts have until now directly incorporated the Diaspora as a factor in the national effort of economic transformation and national development. The Diaspora has never been a lost branch of the Dominica family tree, despite the sometimes ambivalent relationship that might exist. On the one hand, the Diaspora has been viewed as "deserters" who were not around to share the burden and grief of the home society in

# Dominica - Diaspora Policy Paper

times of economic difficulty or natural calamity. On the other hand, it is regarded as a welcome source of public and private contributions of material and funds in both good times and bad. Visits by family and friends from overseas are always celebrated, participation in national events are always welcomed. Yet, those of the Diaspora who have returned home and have settled too comfortably on their hard-earned savings and pensions are too often regarded with resentment.

Whatever the changing circumstances and attitudes of residents at home, emigration and an increasing Diaspora will be a fact of life for some time to come. We would do well to examine how this part of our national family can be fashioned, moulded and influenced to the advantage of the nation as a whole. There are four policy options:

1. We can ignore the Diaspora but turning a blind eye to it won't make it go away. Even with a policy of "business as usual", the Diaspora will continue to have some effect by giving an impression, however false, of a good life overseas and continue to lure the young, educated, impressionable and ambitious, to the continuing detriment of Dominica.
2. Public policy may seek to actively discourage emigration by putting up obstacles of one kind or another. This is a short-sighted policy and may well be administratively difficult and cost-ineffective.
3. Adopt a policy of encouraging emigration of workers needed overseas under varying arrangements of a time-limited stay overseas; bounty-type payments by the overseas employers to the home government reflecting at least the real cost of training the employee. These payments as well as remittances may contribute greatly to development at home. To be effective, these charges must be such that "the market can bear" and be competitive with other potential employee sources. These arrangements, common in some countries such as the Philippines and India, are disruptive to and onerous on family relationships.
4. Develop an enlightened policy whereby national residents abroad are given an opportunity to promote the national agenda in a coherent way through representations abroad, investment funding and contributing their expertise. Secondly, on their return home, they are enabled to contribute to the national development effort whether as paid employees or voluntarily.

The evidence from our surveys is clear. Dominicans abroad would rush without reservation to assist locally with their knowledge, training, technical skills, networks forged overseas and connections, if the opportunity were given. There are instances of competent persons volunteering such services in the past, with not even an acknowledgement of the offer being received! This option also allows young and technologically savvy second and third generation Diaspora to get involved in short term assignments, and to continue the tradition and relationship with their "ancestral home".

This Policy Paper, the result of collaboration among some of the Diaspora, is focused on the last of these possible policy responses.

# Dominica - Diaspora Policy Paper

## 1.8. Building Bridges

It has been conservatively estimated that there are between 150,000 to 160,000 adult Dominicans who have migrated from the island since the 1940's. Initially enticed to meet labour shortages in the metropolitan centres of the United States, Canada and Britain, more recently (post 1980), most Diasporans possess a variety of higher education and achievement including professional status, and have settled comfortably in their various hostlands. As they now are starting to enter their retirement years and with still many productive years remaining, many are well-disposed to share their skills, experience, some disposable income and energy in furthering the development of their homeland.

Dominica, with a population of about 72,000 persons, most of whom are concentrated in the dependent age cohorts (under 16 years and over 65 years) may in some respects have benefited from the release valve of emigration. Unfortunately, it has often been the better skilled, the more ambitious, the most progressive who have left. Now, with a struggling economy and floundering production system, with management vacuums and technical shortages, with a burdensome public service and social systems under pressure, there is a premium on imaginative approaches, bold initiatives, knowledge of the international market place, access to research institutions and foreign decision-making networks. Without access to these resources, Dominica must remain in the backwaters of the development stream. Dominica must look outwards and enter a mutually beneficial relationship with its Diaspora.

**This symbiotic relationship is overdue and cannot long be delayed. But it must be one built on respect, dignity, understanding, cooperation and a staged approach within an agreed framework as to what is doable in the short, medium, and long term. It must be a relationship built on a trust that straddles political partisanship and engages the public in a respectful consultation towards attainable results to be shared among all segments of society. It is to be a long term relationship and not a "one shot deal" or addressed to a particular project. It must persist whether or not things get better or worse so long as the framework continues to be honored by Dominicans at home and abroad. It is an arrangement for the long haul, and mechanisms must be put in place to engage in a continuing link of emotional attachment, nation building and promotion of national interests among future generations of Dominicans, at home and abroad.**

## **PART 2: THE PRESENT SITUATION**

### 2.1. Crossroads

Dominica is at a crossroads. Never before has the country been confronted with such fundamental decisions on its future as it is now. A failure to take decisive action on a national level, simply exposes the country to the results of decisions by others, without direction and guidance, and without a real promise of progress. In the work undertaken

# Dominica - Diaspora Policy Paper

for this Policy Paper, several issues have been brought forward which demand attention. Among those mentioned are: attitudes to work and service; the leadership role of government; filling voids on human resource and skills; crime and social stability; health and social services infrastructure; and the role that nationals abroad can play in assisting the overall effort, to name a few ([Appendix G, Tabulations, Q12a](#)). From their places of residence overseas, Dominicans are prepared to assist in a variety of ways including contributing their ideas, skills and investment. On their return home, they have indicated their commitment in transfers of substantial financial resources which have gone into residential, agricultural, commercial and industrial activity ([Appendix H, Tabulations, Q8](#)). But much more can be done.

Such evidence as is available clearly illustrates that major and continuing contributions from nationals abroad are linked to changes in the current situation at home. These are chronicled in Appendices I and J. These perceptions may in part be due to exposure by returnees to the world outside and the demands of an organized "first world" society, creating difficulties in adjustment on their return. It may similarly be argued that it is the very characteristics of an informal, unhurried and casual lifestyle which fosters a desire by nationals abroad to "quit the rat race" and to return home. The problem then is that of deciding the place of Dominica in an increasingly competitive, modernizing and globalizing world, and the significance which should be given to preserving whatever attributes are considered worthwhile and typically Dominican. Whatever the point of compromise, few will advocate that there should be discrimination between Dominicans who have remained at home and those who now desire to return. Yet, the documented reports suggest this to be the case. In repatriating their personal belongings, in negotiating the purchase of property, in dealing with financial institutions, in setting rates with workers and tradesmen, returnees report that they are unfairly dealt with. On their return, returnees indicate that they are ready, willing and able to volunteer their skills, knowledge and services at minimal or no cost to the society. From comments received ([Appendix J](#)) there are many areas in which they believe that they can make a contribution.

## 2.2. A Welcoming Climate

One of the main catalysts for economic stimulation and development is the infusion of capital resources from outside the target area. These new investment sources give rise to direct and indirect growth charges which have multiplier effects in income and employment growth throughout the country. One of the main challenges for Dominica is that of attracting new investment funding by creating a welcoming climate which would entice the inflow of this new engines of development. This can be done through formal tools of legislation and regulation. This can also be encouraged by promoting an informal environment where potential investors are welcomed, respected and appreciated. Surveys of members of the Diaspora who have returned home on vacations, as well as some who have made the decision to retire at home, suggested that on both counts they have been disappointed. (One should be equally be sensitive to the common allegation, deserved or not, that too often the returnee has created this alienation by an air of superiority, know-it-all, incessant criticism and continuous demands.) To the observer, there is a need for a



# **Dominica - Diaspora Policy Paper**

community-wide initiative to break down the walls which apparently restrict true communication, understanding and interaction between Dominicans, for the good of the nation. To the observer, it also appears that the walls are higher and stronger the longer the individual remains away from home and loses touch with the society. If so, it is incumbent on all concerned to strengthen the lines of information and communication between the home society and national associations and individuals abroad, and the promotion of frequent "homecoming receptions" for foreign nationals. An equally necessary education for Dominicans at home on the trials and challenges of Dominicans living and working abroad may alter the perception of them as living the easy life in disregard for the pain and suffering of their compatriots at home. They may then be more sensitive to the life of saving and self-deprivation, of long working hours, of demanding workplace conditions, of biting cold and searing heat, of the insatiable search for opportunities of education and self-improvement. Maybe then, and only then, will it be realised that the experiences abroad have been no less trying and challenging than those experienced at home, only different.

## 2.3. Guidelines for Return

As more and more Dominicans reach the age when a return home appears feasible, it becomes necessary for them to be aware of the laws and regulations which will affect them in making such a decision. Not only should the regulations be made known, but embassy and consular staff at the missions overseas should be thoroughly briefed on how these provisions are interpreted by the processing officials at home. In fact, they should facilitate the process by advising such persons how they can take advantage of new developments and arrangements which have come into force since last they were in the islands. For example, because Dominica is a member of the Caribbean Community (CARICOM), someone carrying a Dominican passport enjoys certain privileges such as discounted hotel rates (CARICOM rates) at hotels within the area. Similarly, nationals of CARICOM countries who are accredited professionals may more easily find gainful employment in any of the member countries. These provisions should be widely publicised.

Returning nationals are subject to certain guidelines administered by the Ministry of External Affairs on their return home. They include the following:

- (a) Dominicans returning home permanently are allowed to import free of duty and consumption tax, all personal and household effects including one (1) vehicle, new or used.
- (b) A Dominican will qualify if he/she has attained the age of eighteen, and is returning permanently to Dominica; and has resided outside Dominica continuously for at least seven (7) years; and will keep such personal effects for his/her personal use; and will not dispose of them after duty-free concession is granted; and has not benefitted from these provisions before.
- (c) A family returning home may consist of a husband, wife and children below the age of eighteen as a household. However, only one member of the household will be eligible.

## Dominica - Diaspora Policy Paper

- (d) The returning resident will be required to attend a brief interview at the Customs and Excise department, and may be referred to the Ministry of Finance by the Comptroller of Customs.
- (e) In order to determine eligibility as a returning resident, all of the following documents will be required: a Dominican passport at least seven years old; satisfactory evidence that the applicant has resided outside Dominica for more than seven years; substantiation that the applicant intends to re-establish permanent residence in Dominica. (For an accurate referencing of these provisions, please consult the official documents).

One could take issue with several of these provisions, but for purposes of this paper, four concerns arise.

- Firstly, Dominicans who are natural offspring of nationals overseas and who seek to return to their "ancestral" home would encounter difficulties in meeting the seven years Dominican passport holder test. He/she would have to obtain a Dominican passport, then wait seven years before applying to relocate.
- Secondly, the requirement to attend at the Customs and Excise Department is onerous. Must this be done before arriving with personal goods and effects (ie) two trips to Dominica? If he/she arrives in Dominica with all his/her earthly possessions and is then subject to the interview the results of which are adverse to him, he is at the mercy of the process.
- Thirdly, should there not be a further provision for a Dominican intending to establish a qualifying business under legislated incentives, which would exempt him from all of these provisions?
- Fourthly, the nature and purpose of the "interview" by the Comptroller and the "referral" to the "Ministry of Finance" are not specified. Is the latter an administrative or political function?
- Fifthly, the limitation of one (1) vehicle per family deserves re-examination if there are two adults in the family.

The records of the Ministry of Finance indicate that in 2001, ninety (90) applications for returning residents were approved. For 2002 and 2003, comparison figures were ninety-two (92) and sixty-nine (69) approvals, respectively. It is perhaps appropriate to observe that the thrust of this regulation has long been superseded by developments at home. The only rational concern would be to ensure that whatever goods are subject to relief from customs duties are properly used by the applicant (i.e) not sold to a third party, thereby avoiding applicable duties. This matter can be very simply policed.

The surveys of both nationals abroad and returned nationals indicate that there is some interest in engaging in economic activity on the part of overseas Dominicans. In these cases, it should be widely advertised that the Government of Dominica allows a variety of exemptions and incentives to persons intending to invest in Hotels and other Tourism related accommodation, as well as in industrial activity. In general, both provisions are subject to a variety of qualifying tests and reviews which attempt to establish the

# Dominica - Diaspora Policy Paper

feasibility of the project, the financial capacity of the applicant, the benefits which would accrue to the economy in income generated and employment derived. Qualified applicants are permitted to import free of duties, plant and machinery, furnishings and supplies, necessary raw products, vehicles and ancillary/accessory equipment and to retain unavailable labour and management staff from outside. Profits from these operations enjoy a tax holiday and such other concessions as are negotiated, for a specified period.

Dominica continues to be primarily an agricultural island. There are suggestions that its future lies in seeking out agricultural niche markets including a foray into organic food production. If the intention is to enter the internationally competitive markets for such products, the entire organization of production of such commodities may have to be changed. This is new territory of research and development, management, distribution and marketing. A returning national with international experience in this field, wishing to enter this business is just as deserving of a liberal incentive program as is a hotelier or a garment manufacturer. Despite the obvious challenges posed by administration of two policy programs within the same sector, some attention to this need is warranted. The same argument holds for upscale restaurants that fill a need in the social fabric of the nation, but are not the recipients of incentives, even though they compete at some great disadvantage with hotels that do.

## 2.4. Representing Dominica Abroad

With limited financial resources, Dominica cannot maintain an extensive network of foreign missions. It has to rationalize where, at what level and to what purpose such a presence should be established and constantly monitor its foreign missions to ensure that objectives are being met, and its scarce resources are well spent. In this, the role of nationals abroad is important at two levels. Firstly, a prime objective will be to serve its overseas nationals with the most effective and efficient consular services. Secondly, it should seek to utilize the resources of its nationals to further the objectives of missions, as determined by government. The current situation presents a wide range of approaches adopted in pursuing our overseas representation, such as:

- (a) Individualized national presence (country-to-country).
- (b) Joint Representation through a common mission (OECS).
- (c) Roving representation covering several countries (OAS).
- (d) Missions to intergovernmental for a (United Nations).
- (e) Special purpose offices or contract services (Tourism Representatives).
- (f) Honorary consuls with limited functions (with or without remuneration).

Together, these emissaries have the potential, according to level of authorization, to provide individually or in various combinations, one or more of the following functions.

- (a) Primarily diplomatic functions.
- (b) Primarily consular services.

# Dominica - Diaspora Policy Paper

- (c) Trade, Investment and Tourism promotion.
- (d) Information, Educational, Scientific and Cultural exchanges.

These are not clean and clear divisions as diplomatic functions may relate to matters of trade, cultural exchanges may have a tourism agenda, consular offices may be active in educational opportunities for nationals. This paper argues that financial benefits can accrue to Dominica if it reassesses where its missions are located, what functions they can better perform, and what are the required resources to run a purpose-driven foreign presence. With the help and support of Diaspora in the major locations, our missions should actively combine "Trade, Investment and Tourism" and "Information, Educational, Scientific and Cultural" functions within its Embassies, High Commissions and Consulates, and require that they produce results to justify their existence and funding. From our surveys on the level of interaction between our overseas nationals and their representatives as indicated in responses, a better case can now be made for a planned and gradual establishment of functioning consulates in the larger metropolitan regions of the United Kingdom and North America, where there are concentrations of nationals. They should more than pay their way in service delivery to nationals and investment, trade, tourism and technical services to the island.

Once again, for this program to be effective, there must be a plan to be guided by, a program to promote and a vision of where we all fit into the march forward. Good, reliable, information is critical for a successful exercise of these new and improved roles. Our Survey of Nationals Overseas suggests that many of our nationals are tied to the internet, therefore there is little reason why the information cannot be disseminated. Consideration should be given to instituting a professional, politically independent and motivated National Information system to ensure that current, factual, well-presented news on developments at home get out by all media possible to our nationals overseas. Overseas missions should actively seek out and involve their nationals in assisting at events such as trade shows, tourism promotion events, hosting cultural events such as a Parade of local artists, dance troupes, musicians or sports teams.

The recourse to honorary consuls may be attractive in those cases where neither the number of nationals nor the "size of the market", or political/diplomatic significance would warrant a higher profile presence. This is a role that many retired professionals in the Diaspora may willingly assume, if they believe that they can make a difference. Such a network can validly be the eyes and ears of the nation in strategic locations, and such persons could monitor issues, provide market intelligence, contact and enlist professionals and experts, all to the service of a progressive Dominica.

Despite the obvious need for investment and skills, including appropriate technology transfers, to boost the development of Dominica, and the potential for assembling these from among or with the help of the Diaspora, there is no official policy in this respect. Equally absent are mechanisms to advise, inform and encourage nationals abroad to assist in development at home either as volunteers or as consultants. Only recently have consulates begun to advertise vacancies, consultant contracts and tender offerings among

# Dominica - Diaspora Policy Paper

nationals abroad. With limited outreach, there can only be limited response. One mission assigned to the entire British Isles and some European countries, and a joint (OECS) mission covering Canada is grossly inadequate to meet the potential functions of an energized program. Toronto, the largest metropolitan area in Canada, is without a Dominican presence and the island continues to miss out on the abundant investment, tourism, technical and trade opportunities that this market area provides. All other OECS and CARICOM nations have recognized this potential and are taking advantage of it. One might equally ask whether or not major areas (population centres, high technology concentrations, university conglomerations, etc) outside London, Ottawa, New York/Washington, should not be evaluated for establishing a presence through consulates with a multi-purpose mission or well-supported honorary consulates.

While these new initiatives abroad take shape, a concerted attempt must be undertaken to improve the reception being accorded to returned nationals at home. Unless this is done, negative reports from home may well staunch the flow of support homewards and frustrate efforts abroad. There may be some advantage in establishing a volunteer National Service Corps to enlist the services of all retirees in filling gaps and supplementing existing cadres in both the public and private sectors. Non-Governmental Agencies should benefit particularly from such a resource towards the advantage of the poor, elderly, the youth, the infirm and hospitalized. They could assist in current critical areas as head start programs, computer training, AIDS/HIV awareness, teen pregnancy, child and elder abuse, community programs, sports and culture.

## 2.5. The "Dualism" Factor

One cannot ignore the fact that many persons believe that spending time and effort on the Diaspora Relationship is taking resources away from pressing problems to be solved on the home front. This view is shortsighted. Nationals abroad are unofficial agents for sensitizing foreign governments, agencies and individuals to conditions and interests of the homeland. They can assist in establishing beachheads for the importation of products from home. They are promoters of the island as a tourist destination. They can source finance, investment, technology and markets for the development effort.

In the same vein, but from a different perspective, there has been a suggestion that relaxation of concessions for returning nationals discriminates against local residents who do not enjoy such privileges. This is a criticism, which might apply equally to anyone enjoying exemptions of one type or another under the various incentive legislation. The issue is whether or not any concession or tax relief is deserved and provides a net benefit to the national economy and society. In response, a program of encouraging the return of non-resident nationals is clearly in the national interest, especially if such persons are self-supporting, resettle themselves independently, and have their pensions remitted to them at home, for the following reasons:

- (a) It results in a greater revenue-earning capacity for the country (pensions, interest, dividends;
- (b) These earnings are even more beneficial than export or tourism since they are being

# Dominica - Diaspora Policy Paper

"earned" locally without the consumption of local resources, use of infrastructure or charges to administration or services;

(c) Whether spent or invested locally, these inflows give rise to employment and income spreads in the economy.

The concessions granted to returnees are a one-time benefit. They are subject to policing for abuse. They are not unreasonable or unusual considering the circumstances of the families involved. On the contrary, as will be shown, a case can be made to widen the provisions of the regulations without detriment to the national interest.

## **PART 3: OVERSEAS REPRESENTATION & RELATIONSHIPS WITH NATIONALS ABROAD**

To better design a regime that will address the Government's interest in improved overseas representation and enhanced relationships with nationals abroad, and for engagement and partnership with the Diaspora community for the mutual benefit of both Dominica and the Diasporans, we conducted the following review:

1. We did a survey of Returnees and Diasporans to identify, among other objectives, (i) their needs in Dominica when they return or visit, (ii) the Diasporan's needs in the foreign country, (iii) the extent of the Diasporan's interest in investing in Dominican stocks and bonds, and (iv) the Diasporan's interest in volunteering his/her technical skills
2. We reviewed documents of foreign governments on the issue of mobilizing their Diaspora for mutual benefit, especially the study, The Indian Diaspora
3. We reviewed the documents of foreign consulates on the services they provided their nationals overseas - like consular services, trade information, and joint venture information
4. We interviewed foreign consulate personnel to get better insights into some of the information in their documents, eg. on dual citizenship and Diasporan absentee voting
5. We reviewed US State Dept documents on US citizens retiring in foreign countries, eg. with respect to income tax, Medicare and Medicaid services
6. We collected background data on the operations and services of Dominica's overseas Consulates as they affect/impact the Dominican Diaspora.

Based on an analysis of the above data, we identified twelve (12) major policy areas that need to be addressed. These were:

1. Consular Services
2. Dual Citizenship and Absentee Balloting
3. Community Treatment of Returnees
4. Legal Requirements in the Repatriation Process
5. Economic Development

# Dominica - Diaspora Policy Paper

6. Police and Judiciary
7. Education
8. Health
9. Culture
10. Philanthropy
11. Organization
12. The Role of the Diaspora Volunteer

## Consular Services

The Dominica Consulates seem to be doing a good job servicing their constituents. Almost 90% of the respondents who used these services, primarily for passport issues, were satisfied. The remainder who were not satisfied were seeking services that were not routine, but were by no means unusual. These suggest issues that may lie ahead with expanded Consular services. Therefore, we think there is a need for our overseas missions to better serve overseas nationals outside the routine provision of passports. Responses from the survey indicate a need for more general, outreach interaction with the Diaspora population. It will allow the Consulates to know the Dominicans in their area for future contact. This will also improve the rapport of the Consulate with these overseas nationals, and help identify more avenues to improve services for them. For example, for passport renewal, some respondents say they get this done by relatives or friends at home; there is no need to seek the Consular service. To counteract this, it is recommended that there should be more general interaction of Consulates with the Diaspora population. This could be achieved through social functions, meeting visiting dignitaries, educational information and seminars for parents and students (on successful University applications and scholarships, for example), seminars on life in the Metro-country, seminars on navigating the judicial system, and information on jobs back home. This is nothing new. The Taiwanese hold these seminars/conferences periodically in major US cities for their Diaspora. The survey indicated a need for passport and birth certificate problems to be resolved more expeditiously. Additionally, there were comments that Consular information has been either inconsistent with that at home, incorrect, unavailable, or abnormally tardy. Embassies and trade offices should be able to provide would-be returnees with quick access to policies and procedures about land registration, housing, banking regulations, investment opportunities, business development, shipping, customs policies, etc. See for example, *Returning to Ireland - A Practical Guide* available in hardcopy or on the Internet. ([www.welfare.ie](http://www.welfare.ie) or [www.emigrantadvice.ie](http://www.emigrantadvice.ie)). It is recommended that immediate attention be given to the establishment of equipment and systems to permanently eliminate these problems. These are too important to Diasporans and Dominica, and are solved too simply to be left to be another source of inefficiency and frustration.

Consulates also need to be more visible; and they need to provide a more hospitable environment for immigrants in host cities, especially recent immigrants. To that end, it is recommended that Consulates provide a casual meeting room at the Consulate for its nationals - to share experiences, exchange general city information (about shopping,

# **Dominica - Diaspora Policy Paper**

services, and entertainment, for example), among other subjects and interests. There is also a sense that there needs to be more concern and sympathy for the human circumstances - sickness, death or business, for example - surrounding the urgent request for passports or passport renewal. In the US there are mechanisms for addressing such circumstances. We recommend that processes to take care of sudden urgent passport requests, for urgent business or death, for example, be researched and appropriate procedures implemented at our consulates to cope with these. It is also recommended that, as a humanitarian service, Consulates provide information on how to seek legal aid/advice for recent immigrants facing Metro courts, for immigration matters, for adoptions, for tax purposes, etc. Apart from the utility and need for these services, these are times when good works will beget big dividends in loyalty, goodwill and sympathy for the island and its programs.

Apart from general interaction, Consulates need to have more systematic interaction with Diasporans, so that Consulates can play a more dynamic and aggressive commercial role. Dominican industrial and commercial enterprises are too small to finance their own marketing and technology intelligence operations. Therefore, it is recommended that Commercial Missions seek the help of knowledgeable overseas nationals to strengthen their capability to play a more aggressive and productive commercial role - securing more foreign investment and aid for Dominica, getting more market intelligence on Metro opportunities for Dominican products, getting more technology intelligence that can be useful to Dominican entrepreneurs, or securing more market/marketing information for the Dominican tourist industry. But these must not be done at the expense of their Diasporan service functions.

In the US and other advanced countries, corporations and government agencies routinely go to college campuses to tell students about opportunities with them; and students are offered summer internships in those corporations or agencies. Dominican students are exposed to this pitch and the attendant opportunities, and this makes it very easy for them to enter the American mainstream if there is complacency on the part of the Dominica Government and Dominica business interests. And the most capable Dominican students - the ones that have won island scholarships, for instance, who excel at Metro universities - are the ones most aggressively courted by Metro business. If the Government and Dominica business do nothing, these people are lost to Dominica. America is great because it attracts so many of the world's brightest and most enterprising people. A major part of Dominica's current problem is that it loses too many of its brightest and most enterprising people. Therefore, it is recommended that Consulates facilitate the return of Diasporan students and other trained personnel to the island. This would involve consulate personnel talking to students on their campuses about Dominica developments and job opportunities and organizing summer jobs/internships at home for students.

## Dual Citizenship and Absentee Balloting

Many countries have granted dual citizenship to members of their Diaspora. Among others, these include Poland, Italy, Greece, Israel, Lebanon and Dominica. Most of these governments want to cultivate stronger interaction with their Diasporas. They want their



# Dominica - Diaspora Policy Paper

Diasporans to have stronger identity with their homeland. This will enhance their interest in visiting home or returning home to work or retire, with all the attendant benefits. It will also increase the likelihood of success of projects that benefit from large Diaspora input. Italy even wants to provide Diaspora representation in its Parliament. And with respect to Dominica in particular, a small and declining population threatens the viability of the economy and might also threaten the stature and nature of Dominican representation in the international arena. Therefore, a liberal interpretation of Dominican citizenship would be in the best interest of Dominica and the welfare of its people at home and abroad.

Then there is current Dominica law, which prohibits citizens from voting in a national election unless they have been resident in the island for 13 months. And to become a citizen you must be a resident for 7 years. The US has 5 years. What was the logic for 7 years? One would think that the small population and economic growth imperatives would point to 3 or 4 years. Further, the rugged terrain of the island and the isolation of most of its villages made its people self-sufficient and independent. And this rugged individualism and self-sufficiency may have been essential to survival in the old days. However, today, this is not enough to foster the economic development the island needs. It is not enough to form the necessary basis for broad-based teamwork and compromise, despite "coup de main." It is not enough to keep and bring to the island the skilled and enterprising people it requires, and the capital and aid it needs. With as small a population as we have, and with the economy as stagnant as it is, we need to have a more open, inclusive society. One that, in tangible ways, encourages its citizens to return home, encourages other nationals to settle here, encourages returned nationals to vote and participate in the political process, does not discriminate against the returnee in the market place, in banking and other services, or in any other sphere, least of all in the rights of citizenship and the vote.

While we have the rights of dual citizenship, such rights are not extended to the grand children of born Dominican citizens, as it is in most countries with dual citizenship. And it is circumscribed by the length of time one has to be resident in the island before you can exercise your right to vote. **We believe that once you are a citizen, the rights of citizenship must be identical for all citizens, including the vote.** Therefore, for the citizen returnee in the first place, there should be no 13-month residency requirement to vote. This thirteen (13) month requirement is an insuperable impediment for overseas nationals. It will erode interest in the country (contrary to a Diaspora strategy), and there is no sound argument against a "no wait" period for citizens to vote. The US, for example, has no waiting period for voting or absentee balloting for citizens registered in their voting districts. With as small a population as 72,000, we need to maximize participation in the political process through enhanced and wider, even liberal, voter registration and participation.

And, despite several arguments that may be advanced against absentee balloting, the same also applies here - we need to maximize participation in the political process - and absentee balloting facilitates that. With annual remittances of EC\$80,000,000, and an unspecified value in goods and services sent to family, friends and institutions, Diaspora citizens have a vested interest in the welfare of the island and its economic, social and

# Dominica - Diaspora Policy Paper

political development. And the survey indicated much interest by overseas nationals in exercising their franchise through the absentee ballot. Some 86% of concerned respondents among nationals abroad indicated that they would vote if the ballot were available. This opportunity or right would give further encouragement for Diaspora Dominicans to support the economic, social and political development of the island. Honest and efficient absentee balloting is common in many parts of the world, the US, UK, Ireland, included. There are the usual questions about something new - whether it is necessary, the organization to implement it and the resources required. But if we are to bring overseas nationals into a greater Dominica community, utilizing their contributions on one hand, we need to grant them this basic element of participation, and resolve those issues. The resources seem minimal, no need for real estate, no new machinery. Bottom line, we need to be sympathetic to Returnee and Diaspora interests in this as in other spheres.

For these reasons, it is recommended that:

- (i) the rights of citizenship should be extended to two generations beyond the born Dominican parent; currently it extends to one, the child of the born Dominican parent,
- (ii) the process should be simplified, streamlined, and requirements confined to essentials, with minimum payment for registration (\$1000 prostitutes the concept),
- (iii) voting rights should be automatic and no different from that of the born Dominican citizen; the 13 month residency requirement for voting should be abolished immediately,
- (iv) absentee balloting should be instituted; the Diasporan's voting district may be in question, but a simple solution is registration where she last voted or lived, or if she never lived/voted in Dominica, registration to be in the ancestor's district. For overseas nationals returning to the island, there should be a mechanism for expeditious registration in Dominica if all documents are in order.

Similarly, for nationals abroad, absentee balloting should be easily available. If in Dominica, the oversea national would need to be registered in the voter roles in order to vote at a voting station. The usual registration documentation would be required. The overseas voter receives his voter registration card and can then vote at his assigned polling station. Therefore, as long as you are registered you should be able to vote, and registration should not take any time if all documents are in order.

For absentee balloting, the citizen in the Metropole (US, Canada, UK, for example) would first have to register with his assigned consulate. The consulate would send out voting forms to be completed and returned before the election; votes would be counted on election day in the presence of four Party witnesses, and the results would be forwarded by email the same day to the Director of Elections in Dominica. The exact details should be embedded in an Absentee Balloting law.

## Community Treatment of Returnees

There have been complaints about the treatment of Returnees and Diasporans by the Dominican community. These include problems of dual pricing with higher prices for

# **Dominica - Diaspora Policy Paper**

overseas nationals, banks requiring much larger down-payments from overseas nationals for house purchase, and poor customer service at government offices, customs, and shops. This situation is unacceptable under any circumstance, and mere civility should dictate that such treatment not be tolerated. Beyond this, overseas nationals and Returnees bring in income, bring much needed investment, buy houses or build new ones, buy or start new businesses, bring in or buy cars and home appliances that need service, introduce new ideas, new knowledge and new approaches, raise standards, and generally create jobs and stimulate the economy. Therefore, these overseas nationals and Returnees should be encouraged, not vilified.

But the treatment of overseas nationals is the precursor to or parallels the treatment of tourists. If tourism is to be a significant factor in Dominica's economic development, treating our native tourists honestly and with respect is the first step to treating foreign tourists appropriately. We do not want our "potential ambassadors" returning to the Metropole with horror stories for other Dominicans and their metropolitan friends. Stories, not only about the banks, the builders and the vendors, but of the hold-ups of tourists as well. The role of the government is critical in stamping out such counterproductive and often illegal and criminal activity. This can be done by exhortation and publicizing expectations and current laws, instituting new laws where necessary, and applying the laws "without fear or favor." You break the law; you undermine the image and welfare of the whole country. And in the tourist business, image is welfare. In a fragile and vulnerable economy such as ours, striving to advance tourism as a major engine of growth, a crime against a visitor, especially a violent one, is a crime against the national welfare, breaking down in one foolish, selfish act, the country's efforts at promotion that spanned several years.

To effect a more cordial, more hospitable treatment of visiting Diasporans and Returnees - at airports, government offices, hotels, shops, etc. -- it is urgently recommended that the population as a whole be educated to the role of Returnees and Diasporans in the economic development of the island - providing jobs to build their houses, demand for goods and services, volunteering, and bringing in new ideas, income and expertise. More specifically, we recommend immediate customer service training of workers who deal with the public -- at airports, government offices, hotels, shops, etc. Most overseas nationals are accustomed to a high level of customer service and are not going to visit as often as they could if their treatment by the Dominican public is cavalier, unprofessional or rude. With such attitudes, how can Dominica compete with St. Lucia, St. Thomas, or Barbados, to say nothing of Puerto Rico, Guadeloupe and Cozumel. This is an issue for both the private sector and government. India is taking similar action for the same reasons.

## Legal Requirements in the Repatriation Process

In this area, there are two sets of issues - (i) those related to the conditions to be met or the content of the law regarding the return process, and (ii) those issues related to the implementation of the law and how it is applied. Let us address the latter first, it is the simpler to correct. With respect to implementation, there is concern about the knowledge

# **Dominica - Diaspora Policy Paper**

and authority of custom officers regarding the applicable custom duties and the need for returnees to go to the Ministry of Finance to ascertain and pay their levies. The process should be transparent enough to be effected at the customs.

There is a feeling that the process is too vague, and the details, with which both the returnee and the customs officer should be familiar, are not clear enough. It appears that there is a need for greater awareness and efficiency of customs officers - at airports and seaports - with respect to duties, tariffs and taxes applicable to returning nationals, so that the processing of their personal effects can be handled expeditiously, uniformly, and correctly. And in this light, we urgently recommend that a source-document be immediately made publicly available on the net or by mail, specifying in some detail: (i) the items a returnee is entitled to return home with, (ii) the numbers of these items, eg. one, two or three cars, one or two living room sets (living room proper and family room), (iii) what are the time implications, eg. must the items be part of the set before coming into the island and for how long before, and the time period after entering during which items can be brought in as household effects; and (iv) how long after entry must items be kept before they can be sold if import taxes are not to be recouped.

With respect to the content of the current law, there is concern with regard to a number of issues. First, that the seven (7) year residence abroad period is too long; second, the required interview in Dominica for returnees to settle conditions for return severely restricts returnee options; third, the five (5) year waiting period to sell a vehicle is also too long; and fourth, the approval process to sell the vehicle appears to be too high-level and therefore too complicated.

The seven (7) year residence abroad condition to qualify for repatriation treatment has four disadvantages for Dominica - (i) many of the young overseas nationals who you would want to attract would not have been abroad for as long as seven years and this condition would be an impediment; (ii) job contracts are often in 3 year stints and this condition would bar aspirants after the 1st or 2nd stint, (iii) after 6 or 7 years on the job most of the young professionals you want to attract have developed career paths that they would not want to abandon; and (iv) the 7-year condition would favor older professionals whose career is behind them, and this is not the population you want to select for specifically. Consequently, it is recommended that this requirement be reduced to a three (3) year residence abroad period to qualify for repatriation treatment.

The required interview in Dominica for returnees to settle conditions for return severely restricts returnee options and could allow unscrupulous officials to exploit returnees. With clear conditions for return, we recommend that the interviews regarding the return to Dominica take place in the Diasporan's country of residence under the aegis of the Dominica Consulate in that country. That would clarify conditions for return up front, allow returnees to make an informed decision, provide satisfactory documentation for returnee and customs officials, and eliminate confusion and dissatisfaction with the process, especially on arrival in Dominica.

The law allows only one vehicle for repatriation treatment. This seems quite restrictive.

# Dominica - Diaspora Policy Paper

The majority of potential Repatriates have 2-car households for reasons of utility. In Dominica they will need two cars for the same reason, no different from the average Dominican of similar demographics. The Returnee would therefore be burdened with the import duties and levies on the second car that he will need. Why one car when he needs two, is accustom with two, and his compatriots in Dominica need and use two. Therefore, we recommend that the number of cars allowed for repatriation treatment be increased to two.

The 5 year waiting period for a returnee to sell a vehicle that he returned with is too long. If the vehicle is new when the overseas national arrives, after 5 years on Dominican roads the physical deterioration of the vehicle would be substantial, and the dependability of the vehicle would be in question. Under these conditions, the retiree would want the option of selling the vehicle before this point is reached. Such a situation would be exacerbated considerably if the vehicle were already 2 or 3 years on arrival. To obviate this, it is recommended that, for repatriation treatment, a vehicle can be sold after one (1) year in the island and if it is more than three (3) years old. The approval process to sell a vehicle that came into the island as part of the household effects of a Returnee appears to be too high-level. This can only be done "with the approval of the Minister of Finance after consultation with the Comptroller of Customs," the type of high-level government approval process more suitable to selling technology or arms to a foreign buyer, or the establishment of a large factory in the island. It is recommended that, with the appropriate checks and balances, the decision regarding the sale of a repatriated vehicle be pushed down to the office where the relevant information resides, and that would seem to be the Customs Dept. The Minister of Finance should not be involved here.

## Economic Development

On the one hand, economic development was second only to health care as one of the critical concerns for the potential Returnee. On the other, the overseas nationals, you might say, are one of the reasons for the economic development problem. The problem of economic development and growth, and its interaction with the Diaspora, is quite straight forward. Economic growth is the generation of income and wealth from the efficient combination of land, labor, management and capital. And Dominica is short of all of these, especially of trained labor and skilled management. The latter are particularly important and critical. For, apart from their own intrinsic value in the process of development, a skilled workforce and resourceful management will find ways to compensate for land and capital limitations, classic cases being Switzerland, Hong Kong or even Barbados. And the importance of creative, professional, skilled people for a community's welfare has long been established and is well recognized. Ancient writings like *The Holy Bible* and *The Great Learning*, and more recently, *The Protestant Ethic*, *Puritan Boston*, *The Rise of the Creative Class*, and our own Arthur Lewis, all speak of the fundamental role of wisdom, learning and trained people for a community's wellbeing.

However, from the reports and experiences of untold Diasporans, Dominica seems always unconcerned about the need for trained Dominicans to return home to fuel the

## **Dominica - Diaspora Policy Paper**

development process. It isn't that Dominicans at home don't talk about the issue; it is a topic of discussion whenever the subject of Dominica's development arises. But after all the talk, nothing concrete is done. And this is where the overseas nationals come in -- most of Dominica's trained people are to be found among its overseas nationals. Little wonder then that the country's welfare and development suffer severely. And while it is not possible to bring all these trained and skilled overseas nationals back home, we can utilize their wisdom to provide guidance for social and economic development, their guidance on how to staunch the country's brain-drain so that trained people will return with their acquired skills, their experience and resources, and their capital for investment. Among the countries that recognize this potential, Israel has made Diaspora input a major pillar of its development process, while India as discussed in the report, The Indian Diaspora, is committed to exploit this avenue.

What could the overseas nationals do? The possibility of mobilizing Diasporan savings in metropolitan banks and other financial institutions for investment in Dominican stocks and bonds had been considered. However, the survey casts some doubt on how significant a vehicle this is. Only about half the survey respondents answered that question; but those who did quoted relatively small sums on average, a net of less than EC\$700 per household; and the returns required, averaging about 7%, though modest, were generally outside the realm of government bond returns, even in the US. We believe that the modest interest here is due to the more attractive investment opportunities available in the metropolitan countries, and the greater risk associated with Dominica stocks and bonds. We also think that this response might be a function of the unstable economic and political environment in Dominica and might improve with greater confidence in the political leadership. No doubt, some overseas nationals would be interested in investing in and establishing their own private businesses, but this is beyond the scope of this paper. At the recent Diasporan Convention in Kingston, the formation of the Jamaica Diaspora Foundation was proposed with the principal goals of strengthening links with the Diaspora and increasing the scope and impact of the contribution of the Diaspora to Jamaican development.

Despite the limited financial prospects, many of these overseas nationals have knowledge and experience with the institutions that mobilize and manage investment, and would be willing to volunteer this expertise. Overseas nationals could help redesign and streamline investment processes to attract capital and facilitate Returnees starting new businesses in Dominica (retail, services, manufacturing). These processes would be redesigned to be attractive to other investors as well. Overseas nationals could help redesign and streamline instruments and processes to attract and facilitate investment in Dominican stocks and bonds that would utilize whatever Diasporan investment potential available, but more important, would tap the investment potential of other investors as well, Dominica's population - local and Diaspora - being too small to generate the volume capital needed.

In addition, Dominica could tap Diaspora expertise to modernize and/or set up progressive institutions - in banking, finance, trade, taxation -- that would result in more favorable response to bond, stock, other investment initiatives in Dominica. For example,

# **Dominica - Diaspora Policy Paper**

we have overseas nationals who are at the top of their game in international banking, commercial banking, finance, international finance, and international trade. It is recommended that Government seek out overseas nationals for help in setting up progressive finance and trade institutions that would accelerate economic development. It is also recommended, that Government make increased use of Diaspora experts for assessment and advice on government and private sector projects.

We recommend further, that Government tap overseas nationals expertise for advice and information on tourism, energy, Science & Technology, and other emerging sectors, to help identify and secure opportunities in these sectors, eg. more cruise-ships, more stay-over business, conventions, IT equipment manufacturing, data processing, programming, consumer services, and wind/hydro/thermal energy. For example, in the area of tourism, we have Dominicans in important policy making positions in successful tourist islands that we could tap. They could help formulate plans to develop and publicize the tourist potential of the island - including the boiling lake, health spas, whale watching, deep sea fishing, and the Botanic Gardens.

Our Botanic Gardens in Roseau was once considered "the most luxuriant and beautiful of its kind in the West Indies." [Froude]. Another writer said, "Back from ... Roseau, there is a botanical garden that is more than interesting. [There] you are alive to the presence of supreme beauty." [Van Dyke]. Even today, this garden is still one of the most spectacular in the Caribbean. An effectively re-established Botanic Gardens would be a major addition to our tourist attractions. Such re-establishment would benefit substantially from Diaspora input. Consequently, we recommend, that Government facilitate the establishment of Diasporan Friends of the Gardens groups in the US, Canada and UK, who would liaise with universities and established botanical institutions to resuscitate the Gardens - institutions like Kew Gardens in London, the Botanical Society of America and the American Association of Botanical Gardens. These "Friends" would help raise funds and help oversee the redevelopment of the still hurricane-ravaged Botanic Gardens in Roseau. This is not unlike Friends of the PMH idea, but the objective is make it much more systemic, more universal by mobilizing the Diaspora. The same structure could be used for the Library and the Museum.

And while Dominica is limited in traditional natural resources, we have unlimited potential in energy, one of the few resources where we do have potential, and, in addition, one of the world's most valuable resources, and we do nothing about it.

In the area of energy, we need to expand the role of the Diaspora-inspired Dominica Sustainable Energy Corp to develop a network of interconnected wind and hydro-electric plants throughout the island to provide cheap power for Dominican industry - for tourism and manufacturing, and also to provide cheap electric power to consumers. The availability of this cheap power will help give us some comparative advantage in our other industrial sectors. We could also have Diaspora experts investigate and develop thermal power, if feasible, which would also feed into a national electric grid.

If we can harness the ample supplies of our energy resources, we will be in a position to

# Dominica - Diaspora Policy Paper

not only provide cheap power for Dominican industry and consumers, but we could also export energy to Martinique and Guadeloupe next door. And our energy supplies would be an inexhaustible resource, not like iron ore or other mineral resource, in a world where the main energy source, petroleum, is continually becoming more expensive. We recommend that Government approach our Diasporans to prepare and implement a plan for the phased development of the energy sector, and its integration into the complementary development of other sectors. We would expect these Diasporans to be willing and capable, with government help, of acquiring the help of other experts in the energy field (from US, Iceland, New Zealand, for example), whenever complimentary expertise might be necessary.

## Police and Judiciary

In the survey of Diasporans, there was a consistent concern with the problem of crime in Dominica. The recent attacks on tourists further dramatizes the issue. We need to confront and resolve this problem urgently. It will derail efforts for economic growth and development if it is not corrected. We have overseas nationals in criminology and police work in the UK and the US who are at the top of their fields, and who would be highly valuable consultants. Some have already shown their interest and commitment to the improvement in police effectiveness, as evidenced in the report on the **National Symposium on Crime**. The report has some valuable analysis and recommendations. We urgently recommend, therefore, that the Diasporans involved with the Crime Symposium, and others if necessary, be recruited for short, volunteer stints to review our Police procedures, make recommendations to modernize and increase the effectiveness of the Police force, and help implement these recommendations. The crime situation is too important to the development process, and the current state of affairs too critical for solutions to be delayed.

With top of the line Diaspora jurists in Jamaica, Canada, Trinidad, we recommend that Government recruit these Diasporan jurists on a short-term volunteer basis for help in modernizing our courts and laws to better cope with the 21st century legal environment. The object being the creation of a modern system for the control and management of crime, so that crime in Dominica is no more seen as the inevitable adjunct or consequence of modernization; that criminals are tried expeditiously; and, if convicted, can expect hard labor, training in some trade, and re-education and re-socialization to be functional and productive members of society.

## Education

There are a host of issues in the field of education, especially in secondary and tertiary education - the large numbers graduating, the level of training achieved, the training and qualification of teachers. It is recommended, urgently, that Government immediately recruit Diaspora experts to assess the problems, make recommendations and help implement programs for improvement. This initiative is particularly important since it will set the course that will determine Dominica's capacity to produce and retain as much of its own technical expertise as possible. In addition, it is recommended that Diasporans



# **Dominica - Diaspora Policy Paper**

be recruited to do short lecture stints on a volunteer basis in new and advanced methods and procedures for professionals and students at local training institutions.

Utilization of the new information technology, to link universities, colleges, libraries, research institutions and experts, is critical to the process of rapid economic development. That is the reason why there are "technology alleys" near MIT and Berkeley in the US; they are close to the information base at these universities, which provide the new ideas and systems for development. While we may be far from these sources of information, we need to have the capacity to effectively link with these and other sources of data to make information readily available for efficient, timely and proactive decision-making. Several of our overseas nationals are actively involved in this field of information technology, with some exploratory work already done on an integrated Information and Communication Technology (ICT) initiative for Dominica. We recommend that this ICT and similar initiatives be evaluated for their educational, social and economic utility; and implementation, as appropriate, be given priority.

## Health

The survey of overseas nationals indicated that one of the main concerns of those considering returning to Dominica, especially retirees, is the quality and availability of health services. Among the limitations, the island lacks experts in several critical fields (eg. Orthopedics, Urology and Radiology), hospitals are poorly staffed, nurses are leaving in droves, much of the equipment at the hospitals is old and outdated, medical supplies are always limited, hospital supplies are chronically short (patients carry their own bed sheets), facilities in terms of private or semi-private wards are non-existent. We urgently recommend that Government set up an expert committee to do a comprehensive review of the health problems of the island, make recommendations for their resolution, set up an apparatus to implement recommendations, and help supervise implementation. The expert committee would consist of renowned medical personnel in the Diasporan community, members of the local medical establishment, experts from Ross University and from UWI or other Caribbean island, and from US, Canada or UK, where appropriate. There are many Diasporan physicians and other health care professionals in Metro countries who would be open to the idea of volunteering their time and skills to do a short stint of work in Dominica. They could be sponsored by Metropolitan volunteer organizations and financed by charitable organizations, like the Ford or Rockefeller Foundations. Therefore, it is recommended that the recruiting of volunteer Diaspora specialists to do short lecture stints in advanced methods and procedures for physicians and para-medicals at the local hospitals. We further recommend that the Medical Department seek volunteer services of Diasporan MDs for short-term stints in fields where Dominican specialists are lacking, Orthopedics, for example, as is done for Africa and India by various volunteer organizations in the US, UK, Canada, or France. These could be organized through charitable organizations and universities in the metropolitan countries with the help and cooperation of our Diasporan physicians in those countries.

And while our focus here is on our overseas nationals, the process should not be confined

# **Dominica - Diaspora Policy Paper**

only to them. Our overseas nationals can also be the vehicle, in association with our consulates, to cast a broader net to mobilize volunteers from the West Indian and other communities in metropolitan countries, to work for short stints in Dominica. In fact, we recommend, that this process start with a program right here at home, to mobilize Ross University volunteers to help with the staff shortages in our medical facilities.

The relationship between a highly developed medical and health services sector in our nature island, and the promotion of health tourism is a very important avenue that we have not pursued. We recommend that Ross U, UWI and our Diaspora MDs collaborate in making Dominica the Health Tourism capital of the Caribbean, tying in with the island's renown for a healthy lifestyle and the longevity of its people. Instead of our people going to Martinique in emergencies, Martiniquans and others will come to us.

It is also recommended that hospitals and consulates provide information about local health services available to Returnees and visiting Diasporans, and how these can be accessed, and about metropolitan health insurance companies that pay for health coverage in Dominica for Diasporans retiring in Dominica or visiting. Culture.

Dominica's music bands and cultural groups are of the highest caliber and are well known in North America and the Eastern Caribbean. We recommend Government encourage and facilitate Dominican bands and cultural troupes visiting North America, UK and the Caribbean to spread more cultural awareness of the island, enhance its image abroad, and earn foreign exchange for the island. For example, civil-servant band or troupe members could be given the opportunity to take their vacation at a time when their services would be needed in North America, or they could be given leave without pay if vacation time were not available.

Additionally, there are several outstanding individual members of the Dominican Diaspora who could be roving ambassadors of Dominican culture. They are versed in the area of Dominican art and culture, and, not unlike our music bands and cultural groups, they would bring a taste of Dominican art and culture to audiences - Diaspora and others - in the foreign capitals from which so many of our tourists come. This could be done through presentations or art shows that these ambassadors would mount or organize. They would also seek funding from charitable organizations in the metropolitan countries to support art and culture in Dominica and their programs outside Dominica. These ambassadors could be honorary or retained and would be appointed by Government. Therefore, we recommend that Government commission a number of qualified overseas nationals as cultural ambassadors to bring Dominican art and culture to foreign audiences and to seek support for art and culture in Dominica.

## Philanthropy

The large amount of remittances and goods in kind sent home by overseas Dominicans is abiding testimony to their largesse, generosity and goodwill. It is in this spirit of generosity and goodwill that overseas Dominicans have traditionally been sympathetic to

# **Dominica - Diaspora Policy Paper**

the needs of various institutions in the island, especially in times of disaster. To meet these needs, Dominicans abroad have sent equipment, supplies and funds to various institutions in the island, including hospitals, nursing and geriatric homes, and schools, among others. But adverse experiences of the Diaspora are eroding this generosity and goodwill and limiting in-kind charitable donations. The major concerns are the complex and time-consuming, case-by-case process to get duty-free concessions, the unsavory implication of trying to beat the tax system for personal gain, shipment of items not needed locally, or too old, or which cannot be serviced locally, abuse at the local end (disappearance or misappropriation of donated equipment and supplies). Some of these problems, for example, abuse at the local end, are ethical problems and have to be dealt with through moral suasion and the courts. Others are more amenable to organizational and process changes. For example, the complex and time-consuming, case-by-case process to get duty-free concessions for charitable in-kind donations can be resolved with a government list of registered organizations which qualify to receive tax exemptions for charitable donations. Paperwork and IDs will be required at customs to take possession of goods. To resolve or partially resolve the problem of items not needed locally, or too old, or which cannot be serviced locally, the donor would need a document from the recipient in Dominica indicating the items that are required to accompany the shipment on arrival, otherwise customs duty and taxes must be paid.

In sum, it is recommended that (i) the processing of charitable donations be streamlined with the creation of a government list of charitable organizations that qualify for exemptions from taxes and duties, and (ii) shipping documents include a letter from the donor indicating that the items are charitable donations, and a letter from the recipient indicating that the items are required. And that, once the process has been established and in place, it is recommended that the regulations be clarified and publicized for both donor and customs officials, as is the case for returnee household effects.

US tax exemptions for charitable donations to a foreign country is generally not allowed under current US tax laws, except for certain charities in Canada, Mexico and Israel. The primary reason appears to be the lack of jurisdiction over the auditing of foreign charities. However, the same regimes that apply to Canada, Mexico and Israel could conceivably be applied to Dominica. (DAAS is already registered as a non-profit organization in the US to serve both resident and non-resident Dominicans.) It might involve the US vetting a list of charitable Dominica organizations like the Red Cross, the Boy Scouts, and Friends of PMH, to establish their legitimacy. Such a regime would enhance the ability of Diasporans to assist the island even more, since it is from the US that a significant part of Dominica's charitable donations come. Similar regimes could be established for Diasporans in Canada and the UK. We recommend, therefore, that the Dominica Government seek to establish originating-country tax exempt status for charitable donations from the US, Canada and the UK, as the US has done for Canada, Mexico and Israel.

## Organization

Because a dynamic, formal role of the Diaspora is a potentially powerful force for

# **Dominica - Diaspora Policy Paper**

Dominican economic development, and because it is so new a concept and so fragile an idea, it will need supervision and guidance from the highest office in the land at its inception. Down the road, as convenient, it should be transferred to Foreign Affairs, its more natural home. Therefore, it is recommended that at the inception of the Diaspora program, its management be located in the Prime Minister's office. While the Greek, Italian and Polish Governments have their Diaspora departments within their Ministries of Foreign Affairs, Japan's Diaspora Council and Korea's are in the PM's office, with India planning to locate hers as an autonomous body under the Chairmanship of the PM.

Many Returnees in Dominica find conditions totally different from what they left, and almost as alien as the country they migrated to 30 or 40 years earlier. They have little or no support organizations and are often at a loss for information on issues like building or buying a house, buying a car, or getting good legal advice. To make the Returnee experience a productive one and to minimize disappointment and frustration, we recommend that Government encourage and support the formation of a Returnee organization in the island - to facilitate the resettlement process, share ideas on problem solutions, and provide mutual support.

In metropolitan countries, the political process is sensitive to strong lobby activity. This is the reason why lobbying groups, such as the Environmental lobby, the American Association of Retired Persons (AARP), and the Israel lobby, have been effective defenders and promoters of their individual interests in the US. We overseas nationals from the Caribbean have two broad areas in the political process requiring lobby activity for our protection - the general area of the rights of Dominican and Caribbean immigrants, and the general area of metropolitan trade and political relations with Dominica and the Caribbean. However, we have not played any significant role in either of these areas, to our disadvantage.

The lack of influence of our islands on decisions concerning banana exports to our traditional UK market is one example of our individual small island powerlessness in matters of international trade and politics. Perhaps aggressive lobbying by Caribbean peoples in the UK and the US might have provided trade regimes more satisfactory to Caribbean banana producers and to Dominica and our relatives at home in particular. Therefore, we recommend that Consulates take some initiative in encouraging the organizations of the Dominican Diaspora to play a more active role in the metropolitan political process, when appropriate, lobbying the US/UK/Canada Governments for policy favorable to Dominica, with email campaigns and pooled funding of political parties; and this to be coordinated with other Caribbean Diaspora organizations. The corollary to such activity is the potential impact of such organization on the stateside interests of our immigrant communities, for example, in the areas of immigration law, and school and educational facilities, programs and funding. Therefore, we recommend Consulates take some initiative to facilitate the creation of umbrella Dominican/Caribbean Diaspora organizations in each Metropolitan country, to help leverage the political power and financial resources of the Caribbean community as a whole. Such a Diaspora strategy on the part of the Dominica Government would benefit both the overseas nationals and the island.

# Dominica - Diaspora Policy Paper

## The Role of the Diaspora Volunteer

There is an underlying emphasis on Diaspora *volunteerism* in most of the recommendations here. This is based on a number of premises. First, in Dominica's current predicament - its financial straits, its shortage of investment capital, its shortages skilled and professional staff, for example. - it needs all the volunteer help it can get; second, there is a body of Dominicans out in the metropolitan countries willing and able to volunteer their skills; third, the primary role of these Diaspora volunteers is to seed the process of development (for example, do preliminary studies like the Diaspora Paper, or help find funding or potential investors); fourth, overseas nationals can help identify, where possible, suitable consultants to implement projects; and fifth, overseas nationals can help Dominica transition from a donor/contributions-dependent community today, to an opportunities-packed economy tomorrow -- donations, contributions and volunteers still welcome. And these opportunities will include bond offerings by the Government, and by public corporations such as electricity and water, and general investment in private projects.

The role of the volunteer then, which we recommend, is to seed the process of transition from "contributions today" to "opportunities tomorrow," including participation in bond and security offerings, not to undertake major projects in a volunteer capacity. And we do have volunteers to do that. What we need, however, is a cadre of Dominicans at home with the right motivation, determination, and strength of mission to aggressively pursue a development strategy that will successfully utilize the diverse capacities of these volunteers to help launch the country on a path of sustained growth.

However, we need to note here a major issue that will impact the willingness of Diaspora volunteers to throw in their lot with Dominica. Most of these overseas nationals, to say the least, lead comfortable metropolitan lives. Their involvement with Dominica is motivated by a desire to give back and help, not only their families back home, but the country as a whole; they want to be proud of the island and will contribute and volunteer their services to improve it.

Nevertheless, and in tandem with this, it is no encouragement to these volunteers that when *no funding* is available for a project, we look to them for help, but when funding is available we seek out foreign consultants. When a contract for a job goes to a foreign firm rather than to a similar or better-qualified Diaspora firm that understands the environment, it undermines our capacity to mobilize these volunteers to seed the development process. Equally important, these qualified overseas nationals would not be getting a fair deal. We need to consciously deal with the "Prophet has no honor" syndrome.

At the same time, we need to address the tendency of granting agencies to condition grants and aid to the employment of their own consultants. Clearly, this is not in the interest of the Diaspora consultants who can do the job. And neither is this in the interest of Dominica, since too often the foreign consultants are not aware of or sensitive to local

# Dominica - Diaspora Policy Paper

conditions impacting these projects. Therefore, we recommend that when development projects are open for contract, the granting party - government or private - should seek out qualified Diaspora consultants to participate in the project as a matter of priority. And we raise this here because it is one that needs to be addressed in the interest of both our overseas nationals and Dominica.

## PART 4. DIASPORA PROMOTIONAL AND INVESTMENT ROLES

### 4.1. The Investment Environment

As part of the Draft Diaspora Policy Paper, it was decided to undertake an exploratory investigation into what functions might be undertaken by nationals overseas whether as private individuals, or as designated promoters or through overseas missions in generating interest among foreign investors in Dominica and similar jurisdictions. Candid discussions were held with a number of reputable business persons in Canada, some of whom had actually been to Dominica, others had been to one or more of the Organization of Eastern Caribbean States (OECS), and still others had investment involvements in small tropical micro-states, not dissimilar in their development challenges as those confronting Dominica. Those persons have contributed their ideas under no commitment to invest in Dominica but have agreed to share their knowledge and experience in the hope of assisting the Dominica - Diaspora initiative.

Most discussions start with the premise that we are moving to a world without borders for transfers of investment, technology, skills and even human resources. This is typified by the concept of "business at the speed of thought". Investors are no longer willing to be kept waiting in ante-rooms until ministers deign to grant them audience. They cannot afford a six-months turn-around time on requests for simple information. They are unwilling to be held hostage to irresponsible industrial action when the authorities vacillate because of political repercussions. Plant and machinery are often the least cost component of investment and will seldom be the determinant of whether an investor stays or goes. Transactions cost, the cost of actually doing business, the cost of delivery, of meeting deadlines, of linkages with complementary products, of market promotion are much greater factors in deciding to invest, in success or failure.

A company, which chooses to locate its operation far from high consumption areas, in economically challenged jurisdictions, with weak or bureaucratic regulatory regimes may do so for a variety of reasons. This might include factors such as low wages, abundant labour supply, available technical skills, modern ports and airports, excellent access to the electronic highway. For some investments, it may be for reasons of unique natural endowment, low expense and high exposure. The ways in which these elements come together and are packaged to create a saleable location are as much a personality fit as they are an economic fit. People and business must feel comfortable with each other and that relationship cannot be taken for granted. When that confidence exists, success is the result of a combined willingness to exercise initiatives, to push the envelope, to be innovative, to run ahead of the pack. In a fast-paced, technologically driven world, the

# Dominica - Diaspora Policy Paper

current becomes dated overnight and no one wants to be caught in the doldrums because of slowness in responding to change.

## 4.2. A Minimum Information/Delivery System

Microstates like Dominica have limited resources and those that they have must be intelligently utilized. Decisions pertaining to the best options for use of resources may not be the best decisions, if they are made only within the context of nationals resident at home. The existence of a widely dispersed Diaspora some of whom are located within some of the major metropolitan centres of the world allows for a more comprehensive pursuit of choices and for harnessing their own and other resources towards an appropriate pattern of growth. The issue then becomes, how can these energies be harnessed and put to use in a logical and functional manner. We have made the following assumptions:

1. That a more thoughtful staffing of foreign missions might be a means of attracting interested foreign direct investment (FDI).
2. That empowered and enabled non-resident nationals with relevant training and experience could be co-opted to serve as national development ambassadors.
3. That an essential pre-requisite for both of these functions (especially if done on a combined, OECS basis) is the existence of a coherent national development plan having widespread community support.
4. As part of this planning exercise there must be a reputable statistical foundation for sector programs and projects, which are proposed within the natural resource, production, human resource and institutional constraints of the country. These factors must be capable of regular updating for monitoring and review of the performance of the plan.
5. That there are some basic relationships between sectors which must be identified and understood as a background to selecting feasible projects which have the greatest income and employment generation effects.
6. That government has an obligation to provide regular updating on the performance of the economy and its own operations including:
  - o (a) assets
  - o (b) liabilities
  - o (c) gross domestic product
  - o (d) net national product
  - o (e) balance of trade
  - o (f) balance of payments
  - o (g) revenues by sources
  - o (h) expenditures (capital and recurrent) by heads
  - o (i) Balance sheet on para-statal operations
7. Periodic assessment of the performance of the social services sectors (Health, Education, Welfare, Justice and Protective Services, etc).
8. That nationals resident overseas who are established consultants or who have proven technical competencies should not be disqualified from bidding or tendering on projects (regardless of financing sources).

# Dominica - Diaspora Policy Paper

With such a framework in place, any intelligent person can inform himself/herself on conditions and programs underway to address development challenges, and thereby make an initial assessment on the contributions that they might make in that jurisdiction, together with the likely risks. Overseas missions and designated representatives may supplement this information with special purpose data pieces on legislation, promotional/incentive literature from such sources as the National Development Corporation (NDC), Dominica Hotel and Tourism Association, Employer's Organizations etc. Not to be ignored is the necessity for information on the quantity and quality of labour within the country and the capacity of the education and training system to increase the quantity, expand the range of skills, to deepen proficiencies at rates which support industrial, commercial and institutional requirements. The factors necessary to promote stability of labour must be examined and evaluated in discussions with both labour and employers' organizations. These include, hiring and firing practices, wage rates, benefits, job training, promotions and such incentives as housing allowances, and modernization of grievance, mediation and arbitration procedures.

## 4.3. A Pragmatic Framework

The preparation and formal adoption of a cogent and coherent development plan is essential for a responsible approach to economic transformation and sustainable growth. Without it, any proposal to undertake large scale development projects within small micro-states like Dominica is adventurist, foolhardy, ill-conceived or a combination of all three. By definition, micro-states do not have the luxury of size, extensive resources, surplus skills. Small failures reverberate with disastrous effects throughout the economy and society. Miscalculations are not easily corrected. Swift recourse to redundancies or back-up systems is impossible. Environmental damages even on a small scale may be catastrophic and long-lasting.

On another level, because of limited resources, it is essential that whenever investment (private or public) occurs, there should be an effort to derive the maximum spin-off benefits whether through vertical or horizontal integration. For example, the discarded pith from pressed sugarcane could be the basis for the manufacture of ceiling material (vertical integration). With two large hotels in place, a golf course may become feasible (horizontal integration). Without a plan which sets out the framework for similar types of cooperation and integration, together with necessary incentives, potential opportunities might never be realized. Worst yet, private decisions in a financially-strapped economy might even work at cross-purposes with each other!

In our discussions and attempts to discover a minimum acceptable framework we have come up with an illustrative context such as described above. In an attempt to take the discussion one step further and to see how this might translate on-the-ground format, a *Draft Programming Concept* has been tested which yielded sample results as demonstrated in [Appendix L](#). An approach such as is illustrated provides an information base upon which trade, investment and promotion officers in consular offices overseas can properly market the country, can respond to common and relevant enquiries, can make presentations to interest groups. Nationals abroad can use it for making their own



# Dominica - Diaspora Policy Paper

investment decisions and for approaching third parties to do the same.

## 4.4. Direct Diaspora Investment

It has commonly been assumed that nationals abroad are a ready, willing and able source of development capital and charitable donations that aid development at home. Further assumptions are that this capacity increases, the longer the national remains overseas and establishes him/her self in the adopted country. These assumptions must also take into account that the willingness and ability to transfer funds from secure and profitable portfolios in metropolitan countries to speculative, unstable and low-yielding ventures overseas may decrease as linkages with the homeland fade (parents pass away), and as second generation offspring consolidate their ties to the new country of residence.

## 4.5. Questionnaire Indicators

Some of these indications may tentatively be drawn from the survey conducted of nationals abroad, with strong qualifications placed on the definitiveness of these conclusions because of the small sample size. Of all respondents, the greatest proportion of emigrants who had emigrated earliest were Dominicans resident in Canada, 41% of whom had emigrated in the 1951 - 1970 period. During 1971 - 1990, 91% of the respondents had emigrated. This is in contrast to 17% and 54% respectively for their counterparts in the USA, and 20% and 48% respectively for Dominicans in the UK. (Attachment 3, Q1). Of the respondents in Canada, 91% had full citizenship of their new country, and this national group indicated the lowest intention to return home to settle at 5% (Q15), although they indicated the greatest willingness to volunteer their services (68% (Q18). Also, the responses in Q10 show that Dominicans in Canada made the lowest level of contribution to supporting family members at home in 2003, whether expressed in numbers or monetary value (Q11).

In contrast, the responses suggest that Dominicans resident in the UK nurture a greater affinity for Dominica, and a greater desire to return home, notwithstanding a relatively long period of residence abroad. Forty-eight percent (48%) of respondents had emigrated in the 1951 - 1990 period. Though relatively well-settled, 87% having UK citizenship, and having attained high employment and occupational levels (Q25), their high sense of home is demonstrated by strong bonding of various kinds (67%), knowledge and use of consular services (87% and 53% respectively), and a strong support for relatives at home (73%, Q10).

Somewhere in-between the two, the responses from Dominicans resident in the USA suggest relatively newer emigrants overall, with the lowest citizenship rates (54%, Q2). However, they have the highest proportion of professionals, moderate levels of financial support for relatives at home (50%,Q11), and the highest intention to subscribe to a possible bond offer, 75% in Q12(a), despite this evidence of "doing well", the respondents in the USA indicate the highest desire to return home, for reasons not evident in the data, except perhaps for uncertain citizenship status.

# Dominica - Diaspora Policy Paper

Historically, Dominicans abroad have not hesitated to subscribe to share offerings in public companies at home. One needs only to review their participation in companies like Dominica Coconut Products (before its sale), Dominica Electricity Corporation (before its sale), Marpin Telecom (before its present financial difficulties), Fort Young Hotel (before its restructuring), and the National Commercial Bank (whose performance appears to be a subject for scrutiny). In all cases, these ventures were promoted on the basis of attractive returns, competitive investment, sound management practices and a responsible governmental oversight through appropriate regulations and a conducive economic climate. These promises have not been realized in all cases. From our survey responses to Q11, it is clear that the expectation of dividends from a proposed bond issue are suggestive of highly risky ventures (42% of respondents expecting a return of 5% pa and above). Therefore, it would appear that to attract substantial and sustained investment by non-resident nationals who have access to more secure and higher yielding alternatives in their hostlands, development proposals at home must assure:

- a stable economic climate
- an effective regulatory environment
- a feasible development proposal
- sound management practices
- accountable and transparent operations
- arms length political involvement.

From the responses received in our survey, there are indications of some capital available to be mobilized in the metropolitan countries among the non-resident nationals. It is not clear how much of these funds are savings required to address the needs of retirement years, as opposed to discretionary funds available for investment. At least in the United States and Canada, the growing costs of health care which is being off-loaded from the public system to individuals, combined with an aging first generation emigrant group is sobering. Conscious and concerted efforts have not been undertaken to involve second generation nationals in the interest of Dominica, despite the fact that they are likely to be better educated and higher income-earners than their parents. Accordingly, the answers to the Survey, Q19(a) and (b) showing an interest by 72% of second generation children in vacationing at home and a 21% interest in settling is not surprising.

## 4.6. Calculating Investment Potential

It has been estimated that there are roughly 150,000 adult Dominicans resident abroad. This does not include children who may have grown into adulthood and may have formed households of their own, or persons of other national groups who may be joined to Dominicans by marriage. Assuming a 33% conversion of individuals to households (50,000 households), and a willingness to invest based on a \$1000 (EC) p.a. modal value from our survey (Q13), there is a likelihood of a steady and sustained investment potential of \$50,000,000 conservatively assuming the investment climate previously described, and a sound conceptual and promotional approach.

# Dominica - Diaspora Policy Paper

This figure is not inconsistent with estimates provided by local financial institutions. It is reported that approximately \$80,000,000 (EC) is transferred annually via Cable and Wireless to Dominica from nationals abroad. If this amount is assumed to include monies to support relatives at home, as well as funds for such purposes as family support, land purchase, home building and renovation etc, as well as savings, it is not unreasonable to conclude an investment potential such as we have estimated. It has also been reported that without an appeal or promotion, an estimated \$4,000,000 was deposited in local institutions within the island by Dominicans abroad in 1996. By 2001, this figure had grown to \$12,000,000 or at a simple averaged rate of increase of \$1,500,000 pa. This rate projected would suggest a potential deposit of \$16,500,000 by 2004. We conclude that these funds might more properly be intended for capital goods such as land purchase, housing renovation or new home construction, in anticipation of retirement. If so, these monies are technically not available for true investment purposes and should be subtracted from the potentially available capital leaving an estimated \$33,500,000.

The fact that such funds might conceivably exist does not make it available. Much will depend on the instruments that might be used to invite investment including their degree of security and rate of return. Secondly, investors may be deterred by a local taxation regime on earnings, if that were to be similarly subject to risk of double taxation in their former host countries from which they will continue to draw their pensions and where they might be obliged to report such "foreign earnings". If relief were given locally in this respect, investment might prove more attractive.

Finally, it is not clear what is the relative appeal of pure investment over volunteering of time and skills or donations and charitable support for deserving causes and institutions on the island among non-resident nationals. These are as developmental in nature as are mega-projects since they relieve government and private local funds from having to provide them. The funds so released can then be applied to local projects. Donations to a school, hospital, fishing cooperative; instructors in nursing, computer programming, trainers in the hospitality industry; funding for a road/bridge construction, playground or sanitary convenience; books for a library, equipment for a laboratory, computers for a college are all developmental in nature provided they feed into, support and contribute to a nationally designed framework for progress. It is here that the data from the Survey indicates that Dominicans abroad are most ready and willing and able to come to the rescue. It is here that the authorities and agencies at home might urgently identify opportunities for contributions, support and service.

## PART 5. RECOMMENDATIONS

(Also shown as **Tabular Summary**) 1. That Government receive for urgent consideration and endorsement the subject Policy Paper on Dominica - Diaspora Relations, and commit to introduce enabling legislation and/or regulations to give effect to these recommendations at the earliest possible opportunity.

### 2. Short Term (2004 - 2005)

# **Dominica - Diaspora Policy Paper**

- 2.1. Government establish an Inter-ministerial Secretariat to be located in the Prime Minister's Office to be responsible for managing and promoting the issues related to Diaspora Affairs.
- 2.2. Government establish a Committee of persons drawn from the Diaspora, the local community and a representative from Overseas Missions to present applicable measures for action by Government.
- 2.3. That Government consider for immediate action all of the recommendations included in **PART 3** to this submission.
- 2.4. That Government promote a national discussion at home and abroad on the Role of the Diaspora (including Returnees) in the National Development Agenda.
- 2.5. All embassies, High Commissions, consulates and honorary consuls be instructed to initiate immediately a Registry of Dominican nationals within their respective areas of jurisdiction with such appropriate optional information to be determined later. Also, overseas missions be required to maintain a Registry of Dominican Professionals, including consultants and technical, business and service competencies for reference by Government and agencies at home.
- 2.6. Government prepare for public discussion a series of brief background statements on current issues of concern to the Diaspora (and presumably to resident at home also), including but not limited to:
  - (a) Trade, Tourism and Investment promotion overseas;
  - (b) Immigration/Emigration, Skills requirements;
  - (c) An agenda for Health Services;
  - (d) Youth Unemployment and Crime;
  - (e) Volunteering and the Public Service
  - (f) Investment Opportunities at home.
  - (g) Rationalizing the role and function of Overseas Missions
- 2.7. As part of National Independence Week, 2005, Government convene a Conference of the Diaspora at which sessions relating to the above (Recommendation 2.6) will be held and appropriate officials will be invited to provide reports to the conference sessions on these subjects.

## **3. Medium Term, (2005 - 2008)**

- 3.1 That government undertake, as a matter of urgency, the preparation of a credible and practical course for the national development effort which addresses:
  - (a) Reduction/elimination of foreign indebtedness;
  - (b) Increase in national income/employment through aggressive production, marketing and trade;
  - (c) Optimise the use of natural resources;
  - (d) Reduction of bureaucracy in the public sector and promotion of cooperation and linkages in the private sector;
  - (e) Considerations for the delivery of the best possible social services with particular attention to rural communities, the poor, the elderly and the young.
- 3.2. Promote Direct Diaspora Investments in those sectors and to those projects, under whatever incentives and preferences as can be justified. Alternatively, through the promotion of appropriate and attractive financial instruments (Bonds, Debentures, Trusts)

# **Dominica - Diaspora Policy Paper**

suitably secured, offer the Diaspora a credible basis for confident investment at home.

3.3. Develop a clearly formulated policy on Foreign Direct Investment (FDI) and its place in the national development effort, including:

- (a) Non-sensitive sectors (within free trade parameters);
- (b) Land ownership constraints;
- (c) Minimum capitalization;
- (d) Employees and management regulations;
- (e) Repatriation of profits;
- (f) Share participation by nationals

3.4. An articulated agenda under which foreign missions and designated representatives in the Diaspora might promote foreign investment.

## **4. Long Term. Post 2008**

4.1. Undertake a concerted program of defining Dominica by its unique features, history, folk and national heroes, myths and legends, culture and other attributes that together form and strengthen the links between an ancestral home and its sons and daughters abroad.

4.2. Assist public and private efforts of exchanges between Dominicans and nationals abroad in student exchanges, educational tours, cultural and sports (including a program of accrediting children of the Diaspora to represent Dominica at international sporting and cultural meets)

4.3. With the aid of the Diaspora contacts in foreign news agencies and training centres, work towards establishing a professional Dominica Information Service (radio, television, magazines, audio/visual tools, documentaries) which chronicle and publicize the day-to-day story of Dominica for its nationals abroad.

4.4. Develop a program of coordination and liaison between Dominica and other regional governments pursuing similar efforts of empowering their overseas Diaspora to act (lobby) in concert overseas in matters of common interest.

## **5. Specific Recommendations from PART 3**

The following recommendations are focused on specific subject areas and are set primarily in the context of the implementing agency.

### **5.1. Consular Services**

- (a) More general interaction of Consulates with the Diaspora population.
- (b) Immediate attention be given to the establishment of equipment and systems to permanently eliminate these problems [of information and data availability.]
- (c) Consulates provide a casual meeting room at the Consulate for its nationals - to share experiences, exchange general city information.
- (d) Processes to take care of sudden urgent passport requests, for urgent business or death, for example, to be researched and appropriate procedures implemented at our consulates to cope with these.
- (e) As a humanitarian service, Consulates provide information on how to seek legal

# **Dominica - Diaspora Policy Paper**

aid/advice for recent immigrants facing Metro courts, for immigration matters, for adoptions, for tax purposes, for example.

(f) Commercial Missions seek the help of knowledgeable overseas nationals to strengthen their capability to play a more aggressive and productive commercial role.

(g) Consulates facilitate the return of Diaspora students and other trained personnel to the island.

## 5.2. Dual Citizenship and Absentee Balloting

(a) The rights of citizenship should be extended to two generations beyond the born Dominican parent.

(b) The process should be simplified, streamlined, and requirements confined to essentials, with minimum payment for registration.

(c) Voting rights should be automatic and no different from that of the born Dominican citizen; the 13-month residency requirement for voting should be abolished immediately.

(d) Absentee balloting should be instituted.

## 5.3. Community Treatment of Returnees

(a) The population as a whole be educated to the role of Returnees and overseas nationals in the economic development of the island.

(b) Immediate customer service training of workers who deal with the public.

## 5.4. Legal Requirements in the Repatriation Process

(a) A source-document be immediately made publicly available on the net or by mail, specifying in some detail (i) the items a returnee is entitled to return home with, (ii) the numbers of these items, (iii) what are the time implications, and (iv) how long after entry must items be kept before they can be sold if import taxes are not to be recouped.

(b) A three (3) year residence abroad period to qualify for repatriation treatment.

(c) The interviews regarding the return to Dominica to take place in the overseas nationals country of residence under the aegis of the Dominica Consulate in that country.

(d) The number of cars allowed for repatriation treatment be increased to two.

(e) For repatriation treatment, a vehicle can be sold after one (1) year in the island and if it is more than three (3) years old.

(f) With the appropriate checks and balances, the decision regarding the sale of a repatriated vehicle be pushed down to the office where the relevant information resides, and that would seem to be the Customs Dept.

## 5.5. Economic Development

(a) Government seek out knowledgeable overseas nationals for help in setting up progressive finance and trade institutions that would accelerate economic development.

(b) Government make increased use of Diaspora experts for assessment and advice on government and private sector projects.

(c) Government tap Diaspora expertise for advice and information on tourism, energy,

# Dominica - Diaspora Policy Paper

Science & Technology, and other emerging sectors, to help identify and secure opportunities in these sectors.

(d) Government facilitate the establishment of Diaspora Friends of the Gardens groups in the US, Canada and UK, who would liaise with universities and established botanical institutions to resuscitate the Gardens. The same structure could be used for the Library and the Museum.

(e) Government approach our overseas nationals to prepare and implement a plan for the phased development of the energy sector, and its integration into the complementary development of other sectors.

## 5.6. Police and Judiciary

(a) Overseas nationals involved with the Crime Symposium, and others if necessary, be recruited for short, volunteer stints to review our Police procedures, make recommendations to modernize and increase the effectiveness of the Police force, and help implement these recommendations.

(b) Government recruit these Diaspora jurists on a short-term volunteer basis for help in modernizing our courts and laws to better cope with the 21st century legal environment.

## 5.7. Education

(a) Government immediately recruit Diaspora experts to assess the problems, make recommendations and help implement programs for improvement.

(b) Overseas nationals be recruited to do short lecture stints on a volunteer basis in new and advanced methods and procedures for professionals and students at local training institutions.

(c) Information and Communication Technology (ICT) and similar initiatives be evaluated for their educational, social and economic utility; and implementation, as appropriate, be given priority.

## 5.8. Health

(a) Government set up an expert committee to do a comprehensive review of the health problems of the island, make recommendations for their resolution, set up an apparatus to implement recommendations, and help supervise implementation.

(b) Recruiting of volunteer Diaspora specialists to do short lecture stints in advanced methods and procedures for physicians and para-medicals at the local hospitals.

(c) The Medical Dept also seek volunteer services of Diaspora MDs for short-term stints in fields where Dominican specialists are lacking.

(d) A program right here at home, to mobilize Ross University volunteers to help with the staff shortages in our medical facilities.

(e) Hospitals and consulates provide information about local health services available to Returnees and visiting overseas nationals, and how these can be accessed, and about metropolitan health insurance companies that pay for health coverage in Dominica for overseas nationals retiring in Dominica or visiting.

# **Dominica - Diaspora Policy Paper**

## 5.9. Culture

(a) Government encourage and facilitate Dominican bands and cultural troupes visiting North America, UK and the Caribbean to spread more cultural awareness of the island, enhance its image abroad, and earn foreign exchange for the island.

## 5.10. Philanthropy

(a) The processing of charitable donations be streamlined with the creation of a government list of charitable organizations that qualify for exemptions from taxes and duties, and shipping documents include a letter from the donor indicating that the items are charitable donations, and a letter from the recipient indicating that the items are required.

(b) Once the process has been established and in place, the conditions need to be clarified and publicized for both donor and customs officials, as is the case for returnee household effects.

(c) Dominica Government seek to establish originating-country tax-exempt status for charitable donations from the US, Canada and the UK, as the US has done for Canada, Mexico and Israel.

## 5.11. Organization

(a) Government encourage and support the formation of a Returnee organization in the island - to facilitate the resettlement process.

(b) Consulates take some initiative in encouraging the organizations of the Dominican Diaspora to play a more active role in the metropolitan political process.

(c) Consulates take some initiative to facilitate the creation of umbrella Dominican/Caribbean Diaspora organizations in each Metropolitan country, to help leverage the political power and financial resources of the Caribbean community as a whole.

## 5.12. The Role of the Diaspora Volunteer

(a) The role of the Diaspora volunteer is to seed the process of transition from "contributions today" to "opportunities tomorrow" - including participation in bond and security offerings - not to undertake major projects in a volunteer capacity.

(b) As an adjunct, when development projects are open for contract, the granting party - government or private - should seek out qualified Diaspora consultants to participate in the project as a matter of priority.