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Article

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Research in Globalization

Provided in Cooperation with:

Elsevier

Suggested Citation: Kessy, Ambrose T.; Shayo, Hildebrand E. (2022) : Tanzania's diaspora engagement: The need for a paradigm shift in diaspora engagement and investment policies, Research in Globalization, ISSN 2590-051X, Elsevier, Amsterdam, Vol. 5, pp. 1-10, <https://doi.org/10.1016/j.resglo.2022.100095>

This Version is available at:

<https://hdl.handle.net/10419/331022>

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Tanzania's diaspora engagement: The need for a paradigm shift in diaspora engagement and investment policies

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ARTICLE INFO

Keywords:

Diaspora
Remittances
Development
Engagement
Diaspora investment
Tanzania

ABSTRACT

African countries' attitudes towards their diasporas, including Tanzania, have altered substantially during the past decade. Diasporas were not considered as a strategic resource that countries of origin might leverage for growth. This is no longer the case. Diasporas are widely perceived favourably as productive actors: as countrymen and women living abroad who can help their homelands thrive and many countries have successfully engaged and integrated diaspora issues into the process of national development. In this case, this article reviews key policies and initiatives adopted by the Government of Tanzania (GoT) to establish diaspora engagement in the national development policies and plans. It attempts to interpret these efforts within the framework of Tanzania's modern social, economic, political, and cultural circumstances. Tanzania's experience illustrates a breadth of measures aimed at increasing diasporas' participation in national economic endeavors. While these initiatives are appreciated, some significant challenges remain unsolved. The paper concludes by arguing that Tanzania has not been too late to re-engage with the diasporas and more efforts need to be made. Some recommendations are offered to improve the effectiveness of current measures to assist policymakers in enacting favorable policies that will maximize the diaspora's potential for national development.

1. Introduction

Several countries are now exploring the potential of their diaspora to contribute to local development processes. These nations have various obstacles in engaging their diasporas successfully, including a lack of knowledge and resources (Fransen & Siegel, 2011). Diaspora communities thrive in the globalized period, owing to the sophisticated communication networks and means of mobility that connect its members to their homelands in apparently parallel and unbroken transnational environments (Thandi, 2014; Welde et al., 2020). For a long time, diasporas have not been viewed as a resource that countries of origin could use for development purposes (Chikanda et al., 2016; Wetengere & Shule, 2014). This is not the case anymore. Over the last decade, African countries' perceptions of their diasporas have shifted significantly. Diasporas are increasingly viewed positively as constructive actors: as countrymen and women living abroad who can contribute to their homelands' development efforts (Utouh & Mutalemwa, 2015). However, the policymakers' perceptions of diasporas' capacity to advance development are essentially bimodal. Some regard diasporas as unimportant at best and intrusive at worst. Others fixated on the

staggering number of remittances and the possibility of reversing the brain drain, eagerly applaud rhetoric and strive to profit on these resources, particularly in light of declining foreign aid funding (Brinkerhoff, 2016).

Countries that have effectively engaged their diasporas employ a "roadmap" method that includes establishing objectives, mapping diaspora geography and talents, and establishing a trusting connection between diasporas and governments in both the origin and destination countries (Utouh & Mutalemwa, 2015). African countries have critical challenges in acquiring the resources and capital necessary to achieve social development goals such as the Sustainable Development Goals (SDGs). As a result of these challenges, numerous African countries are looking for novel sources of investment capital to supplement their traditional internal and foreign resources (Welde et al., 2020). Diaspora investment is an emerging phenomenon and a much-needed area in transnational studies to re-globalize the world in economic and social perspectives. Understanding diaspora decisions enables economies to build strategies for collaboration and partnership between source and destination economies. This understanding is expected to generate new opportunities for multinational corporations and migrants and

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important opportunities for emerging economies (Zapata, 2021).

Tanzania as a country and its diaspora is progressively improving but to a large extent the second generation of the diasporas feel out of touch with the country (Utouh & Mutalemwa, 2015). The government has also seen the need to set up policies that will enable the diasporas to be involved in their home country activities. This aims to facilitate the return of the second generation of diaspora. Some of these efforts have included a consideration for establishing a direct connection between the government and the diaspora and recognize their existence as part of the larger Tanzania community (Londo, 2020).

The purpose of this article is to examine the need for a paradigm shift in the diaspora engagement and investment for economic development through the lens of Tanzania case study. The article attempts also to offer some insights to the government for the need to have a policy to unleash the diaspora's potential by turning remittances into investments. This paper is therefore divided into six sections. Section two after this introduction presents data collection and analysis of the findings. Section three provides an overview of the diaspora genesis, meaning, engagement and remittances. Section four presents the study's key findings by examining the governance and regulatory structures for diaspora engagement in Tanzania and the connection between remittances and development in Tanzania. Section five discusses the importance of diaspora engagement and the potential development opportunities. The article concludes with some policy implications about the diaspora and economic development in general.

2. Methodology

This paper is mainly based on critical literature assessment, data collection from authorities supposedly to oversee the affairs of the diaspora such as the Bank of Tanzania (BoT), National Bureau of Statistics (NBS), Tanzania Investment Centre (TIC), Ministry of Foreign Affairs and East African Co-operation (MoFAEAC). Some interviews were also made with ten government officials from BOT, MoFAEAC, and the Parliament of Tanzania. The study focused on the analysis of both primary and secondary sources such as government programs, policies, laws, decrees, and key papers produced by national and international financial organizations aspora desks, relevant peer review journals, registered remittance vendors, Western union money transfer records, World Banks reports, proceedings, and conferences on diasporas. These reports were thematically analysed to establish consistencies, opinions, and views on the government initiatives as well as diasporas demands.

3. Diaspora genesis, meaning and engagement: A survey of the literature

3.1. Diaspora: Genesis and its meaning

The term diaspora refers to persons who live outside the borders of their home country yet maintain strong sociocultural ties and continuity with their homeland's indigenous population (Riddle, 2008; Sahoo & Pattanaik, 2014). The term has a distinct historical connotation of 'scattering' or 'dispersing' (Zapata, 2021). Diasporas are no longer what they once were. The name was used to a few typical communities that retained their identity despite painful dispersal in the distant past. Today, it is viewed as a more fluid manifestation of identity (Gamlen, 2014; Mohapatra & Tripathi, 2021). It was initially used in reference to Jews deported from Palestine. The term 'diaspora' connoted violence, solitude, destruction, and exile (Gevorkyan, 2022). However, the meaning and concept of the term are never static. It varies with time and period. For instance, whereas slavery and indenture were the most heinous forms of exploitation during the colonial period, it currently encompasses all forms of labor recruitment (Mohapatra & Tripathi, 2021; Pradhan & Mohapatra, 2020; Ratha & Mohapatra, 2007). Diaspora is derived from the Greek translation of the Hebrew Bible, which referred to the Jewish people's dispersion from ancient Israel. It carried

a derogatory meaning, as it was connected with Jewish punishment for defying heavenly rules and decrees, and was widely characterized by dispersion resulting to 'exile' and continuing yearning for an idealized homeland and 'return' to it (Bamberger et al., 2021). The term diaspora was coined in the third century from the Greek word 'διασπορά', which means "a dispersion or spreading of seeds." Originally, the phrase only referred to the Jewish dispersion. Since the early 1990s, several dictionaries have widened the word to encompass any group of individuals residing outside of their native country. This expanded definition reflects the evolving volume and character of global migration (Riddle, 2008, p. 30).

A diaspora is a group of emigrants and their descendants who maintain ties to their country of origin. The State Department of the United States defines diasporas as migratory groups that have the following characteristics: Dispersion across sociocultural and at least one political boundary, whether voluntarily or involuntarily. A communal memory and myth about the homeland; a commitment to preserving the homeland by symbolic and direct action; and the presence of the problem of return, but not necessarily a willingness to do so (Ratha & Plaza, 2011). Estimates of U.S.-based diasporas are derived from the census' "place of birth for the foreign-born population" data. Numerous nations identify immigrant children depending on the ethnicity of the parent, resulting in inflated estimates of the immigrant population. A person's place of birth, date of emigration, and self-identification all factor into the equation (Ratha & Plaza, 2011). The word diaspora can also be defined as a group of people living in specific communities. In this case diaspora communities can be defined by the dispersion of ethnic and national groups across international borders. Perhaps the most widely acknowledged characteristic of socio-cultural diasporic societies is their migratory origin. This criterion, in broad terms, distinguishes the majority of diaspora populations from self-identified national minorities. On the one hand, this latter group include communities whose national identity has been cemented within the context of pre-existing nation-states (Olsson, 2012).

Gevorkyan (2022) contends that the diaspora age is a generally unrecognized factor. According to him, the "old" diaspora consists of citizens of the host countries to which they or their ancestors immigrated several generations ago. The "old" group preserves sentimental inclinations to aid foreign countries of origin. The "new" diaspora consists primarily of post-1990s independence immigrants and more recent labor migrants. This means, the 'old' diaspora and the 'new' diaspora share ethnic or religious roots, and the members of the 'old' diaspora have cultural (and in some cases material) links to their native country (which may not be their birth country). The 'old' diaspora represents a more established and possibly motivating interest in development activities in the homeland land through humanitarian help or other 'soft' (for example, educational and cultural exchanges) initiatives (Gevorkyan, 2022; Gevorkyan, 2016). Depending on the effectiveness and strength of the link between the two entities, the 'old' diaspora's relationship with its country of origin can result in substantial positive development feedbacks due to the fact that it typically has greater institutional business leverage (Gevorkyan, 2022). Today, the term 'diaspora' refers to virtually any population that is considered 'deteritorialized' or 'transnational', that originated in a country other than the one in which it now resides and whose social, economic, and political networks extend beyond the borders of nation-states, if not the entire globe (Wetengere & Shule, 2014). The majority of migration research focuses on the effects of permanent migration on a host country's economy. Both the country of origin and the country of destination are influenced by migration. Consequently, an effective policy instrument must handle the issues of both types of economies (Gevorkyan & Gevorkyan, 2012).

3.2. Diaspora engagement and policies

Until recently, diaspora engagement efforts were frequently

disjointed: numerous origin-state entities targeted or interacted directly or indirectly with emigrants and their descendants in a variety of ways (Gamlen, 2014). There are several formal and informal ways for governments to engage with diasporas, ranging from enacting friendly exit/entry laws and regulations to expanding international broadcasting directed at diasporic populations (Ding, 2015). The critical importance of engagement with diasporas cannot be overstated. For example, Beijing's politicians recognize that the success of diaspora engagement initiatives is contingent on the state's capacity to communicate with and influence abroad Chinese via a variety of channels. From recruiting overseas Chinese remittances and gifts to welcoming their direct investments, from promoting scientific interchange and technology transfer to courting abroad Chinese talent to return home, China's diaspora engagement strategies have been directed by its soft power strategy (Ding, 2015). Policymakers have been more interested in investing in expatriate populations. Due to their emotional attachment to their nation of birth, they are frequently more ready to develop and contribute to the country's economic and social position without regard for financial gain. Policymakers frequently regard diasporas as distinct communities anchored in a national 'home' and united by a shared identity (Williams, 2018).

Good governance of diasporas is based on how diasporas contribute to the establishment of institutions capable of fostering development and stability. This is evident in Somaliland, where 'millions of dollars in investment by the Somali diaspora' has contributed to the region's economic resurgence (Carment & Calleja, 2018). When developing successful diaspora policies, one must keep in mind the policies' scope. All diaspora policies are predicated on the assumption that, beyond state and citizenship limits, a shared national life obligates the state to be accountable not just to its own people, but also to co-national communities and persons residing abroad. On the other hand, what this obligation comprises precisely and how it should be carried out are open to interpretation. Thus, diaspora policies are dialectical processes shaped by numerous parties' disparate objectives and strategic interests. They are diversified and dynamic (Gazsó, 2017).

In Africa, the ideas behind diaspora engagement policies are novel concepts and practices. African diaspora was acknowledged by the AU in late 2003, Nigerian diaspora in the 1990s, and Ethiopia in the same year that the AU developed integration with worldwide African diaspora communities. Beyond physical boundaries, Nigerians and Ethiopians and those living abroad have made major contributions to the process of general development by assisting their home communities (Welde et al., 2020). Engagement and the conflict-reducing effects of diaspora activities are contingent on the goals of the home and host states. Engagement measures may be less successful in fragile countries than in middle-income countries, where macroeconomic conditions are deteriorating and corruption is rampant (Carment & Calleja, 2018).

Countries that actively engage diaspora in service of development frequently adopt and adhere to a diaspora strategy or policy. A diaspora strategy is a formal and explicit policy initiative or series of policy initiatives enacted typically by a sending state or its peoples with the objective of strengthening and developing relationships with expatriate communities, diasporic populations, and other foreign constituencies with which they share a special affinity (Chikanda, Crush, & Walton-Roberts, 2016; Kahali, 2017; Sahoo & Pattanaik, 2014). The majority of low and middle-income countries in the global South adopt diaspora initiatives. Armenia, India, Mexico, China, Chile, Argentina, South Africa, Jamaica, El Salvador, Nigeria, South Africa, Tunisia, Ghana, and Morocco are just a few of the countries that fall within this category. Numerous studies have revealed that African countries' efforts to create diaspora policies have been lengthy. For example, the true policy shift and the first attempt to institutionalize a comprehensive engagement with the diaspora occurred in 1993, when the Ministry of Foreign Affairs was renamed the Ministry of Foreign Affairs and Senegalese Abroad and the General Directorate of Senegalese Abroad was established within the Ministry (Smith, 2020).

The diaspora is an important element of the country's foreign policy (Carment & Calleja, 2018; Chikanda, Crush, & Walton-Roberts, 2016; Sahoo & Pattanaik, 2014). The diaspora may assist a country in acquiring soft power in the international arena, which is sometimes referred to as 'smart power' (OECD & ILO, 2018; Ratha & Mohapatra, 2007). Implementing a comprehensive diaspora policy may be harnessed and tangible results achieved. Indeed, diaspora is favorable not just for propagating and consolidating soft power, but also for developing and acquiring hard power, i.e., power's economic and military dimensions. In today's world, diasporas wield considerable influence over what people believe and observe about their homelands, so benefiting a country's 'nation branding' (Page & Plaza, 2006; Williams, 2018). Additionally, they are an effective means of communicating messages and narratives about their homeland in the host country, and hence may be considered as a 'low-cost foreign policy tool'. In international relations, experts view the diaspora as a transnational lobbying force that works to advance the interests of their various original countries overseas (Mohapatra & Tripathi, 2021). Consequently, a diasporic institutional environment for diaspora engagement policies is required (Fransen & Siegel, 2011). Such effective policies need a high degree of coordination across ministries, international organizations, and the diaspora. However, it is impossible to generalize about diaspora engagement since it takes on so many diverse forms and encompasses so many different domains. It extends from merely intimate family relationships to multinational financial markets. Diaspora organizations consist of associations of migrants from the same region, ethnic affinity groups, professional associations, philanthropic organizations, and nongovernmental development organizations (Newland & Patrick, 2004).

More rich countries in the global north with sizable diaspora populations, such as Israel, Scotland, and Ireland, as well as more industrialized states in the South, such as Australia, New Zealand, South Africa, and Singapore, have expressed interest in developing effective diaspora regulatory frameworks (Sahoo & Pattanaik, 2014). The Philippines is one of the few national governments with a cohesive policy for addressing the diaspora. Some scholars have argued that no other country in the South is better positioned strategically than the Philippines to profit from the potential development advantages of international migration, with 10 % of the people living in over 200 countries. They make a bold conclusion that despite recent success, increased institutionalization of diverse efforts at all levels of government is necessary (Chikanda et al., 2016).

4. Tanzania regulatory framework, diaspora engagement, remittances and development

4.1. Tanzania regulatory framework for diaspora engagement

Tanzania currently does not have a well-defined and effective diaspora policy which is a barrier to diaspora involvement. A policy framework is necessary to connect national development requirements to diaspora resources and direct relevant initiatives more systematically. The establishment of a diaspora desk in a government that is mandated to serve the diaspora could be indicative of a government's commitment to engage its national abroad in its development plans and processes and attests to improved relations between home governments and their nationals abroad (Ionescu, 2006). Due to the Government of Tanzania's high regard for its diaspora, a specialized Diaspora Engagement and Opportunity Department (DEOD) was set up in 2010 at the then the Ministry of Foreign Affairs and International Development (MFAIC). A diaspora coordinator was appointed to coordinate diaspora affairs. Likewise, Tanzania's implementation strategy for the national five years development plan 2016/17–2020/21 on its financing strategy segment underscored the potential that could be tapped from diasporas (United Republic of Tanzania, 2016).

However, in the absence of a central institution dealing with all

issues pertinent to diaspora engagement, diaspora members may not know which channels to use to become involved or receive comprehensive information relevant to their needs (Chikanda, Crush, & Walton-Roberts, 2016; Franssen & Siegel, 2011). Moreover, the lack of a strong diaspora coordination office encompassing all government initiatives affecting the diaspora leads to mismatched directives and practices. Tanzania should follow the examples of other countries which have government agencies charged with coordinating diaspora affairs at the national level, such as Benin, Burkina Faso, Egypt, Ethiopia, Ghana, Kenya, Morocco, Nigeria, Rwanda, Senegal, Tunisia (Londo, 2020; Lufuke, 2017; Msuya, 2021; Wetengere & Shule, 2011). Thus, a well-defined and well-publicized national policy will serve as the foundation for conducting a government's diaspora-related initiatives. It has also been observed that when developing a national diaspora policy, all essential parties, including diaspora communities, local institutions, international development partners, and government policymakers, must be included (Utouh & Mutalemwa, 2015).

4.2. Assessing Tanzania's efforts to engage its diaspora

The findings from the literature are also consistent with the results of interviews conducted with officers at the Bank of Tanzania, who stated that the number of Tanzanians who may be considered diaspora is unknown and based primarily on estimations. Similarly, interviews with officials at the Ministry of Foreign Affairs (Foreign Affairs Diaspora Desk) revealed that the government lacks a specific criterion to identify its relevant diaspora residents. Due to the absence of a precise criterion for defining who constitutes a diaspora, many prospective diasporas are poorly recorded. It was also observed from the interviews that the absence of a formula is the overwhelming obstacle preventing the completion of the so-called diaspora database, which is also connected to the problem of dual nationality.

Further interviews with a few Members of Parliament and Ministry of Foreign Affairs officials reveal that Tanzania has a small number of diasporas who have left the country for political reasons. Consequently, most of the so-called diaspora falls into another group. However, as there is little incentive for Tanzanians living abroad to perceive the benefit in registering at high commissions abroad, this problem has confounded the estimation of the diaspora population. In the past, when the government paid for its citizens to study or go abroad, it was easy to identify them since their salary or sponsorship funds were routed via such agencies. Since this is not the case, each individual's decision to study, do business, or dwell abroad complicates matters. To address this challenge, the the Ministry of Foreign Affairs and East African Cooperation organized and participated in the Sixth Tanzanian Diaspora Conference in December 2019 in Zanzibar. His Excellency Dr. Ali Mohamed Shein, President of Zanzibar and Chairman of the Revolutionary Council, launched the conference, which drew over 300 attendees from various countries, government officials, and the commercial sector. The conference's subject was "Developing Diaspora and Investor Partnerships as Development Partners in the Country" The Ministry is currently processing and analyzing data in order to create policy recommendations on how to increase Tanzanian diaspora engagement in the design and implementation of development initiatives in the nation. The current initiatives include examining legal and institutional difficulties, private sector engagement, and Tanzanians' competence and willingness to contribute to their country's growth. The study found that a lack of data on Tanzanians residing abroad forces the Ministry to continue building a database of their traits and competencies prior to creating policies, ensuring that policy declarations reflect reality. While the Ministry continues to expand the database, concerns concerning the diaspora will be incorporated in the draft foreign policy (United Republic of Tanzania, 2020). The Ministry, in consultation with partners inside and outside the government, as well as the Diaspora, is developing a specific document that will give policy direction for matters pertaining to them. Other policy and legal challenges regarding the

status of diaspora that have impeded the Diaspora's ability to contribute to their nation's economy will be addressed by the new guidelines.

Tanzania has embarked on a few strategies to engage with her diaspora. For example, the Ministry of Foreign Affairs and East African Cooperation has started coordinating issues relating to diaspora communities in order to increase their contribution to national development. Similarly, in August 2020, the Ministry coordinated a diaspora conference in the United Kingdom (UK) and the Republic of Ireland with the slogan "Man for Our Unity is Our Shield", (translated to Swahili as "Mtu Kwao Umoja Wetu Ndiyo Ngao Yetu", which was held online. The conference enabled diaspora and stakeholders from the public and private sectors to exchange business information on services and products produced in the country for marketing abroad and encourage diaspora to invest in the country.

4.3. Tanzania diaspora remittances and development

Policymakers in Tanzania acknowledge that remittances play a significant role in the economic growth of developing and least-developed nations, hence giving direct benefits to households. The information from interviews with central bank officials, the Ministry of Finance (MoF), and a few members of parliament reveal that few individuals in Tanzania have a detailed understanding of the significance of actual remittance flows to the national economy. Tanzania has seen a significant increase in recent years in remittance inflows. Since 2010, migration from Tanzania has accelerated, resulting in a global expansion of the Tanzanian diaspora. It is now well ahead of other neighbouring countries in terms of remittance revenues, including Rwanda, Burundi, and Uganda. In 2014, the estimate increased to around US\$ 27 million, up from US\$ 11 million in 2005. Since independence, the country's socio-political developments have been the primary cause of this phenomenon (Msuya, 2021). Like the majority of sub-Saharan Africa, data on remittances are of poor quality due to inadequate reporting by banks and Money Transfer Operators (MTOs) and the prevalent practice of transferring remittances via informal social networks. The varying figures provided by various organisations indicate a lack of knowledge regarding remittance movements (Hansen, 2012).

It should be emphasized that the precise quantity of remittances received in Tanzania is difficult to obtain. For example, Hatibu (2007) observed that there were only around 200,000 Tanzanians living in the diaspora across the world. Prior to the fall of Ujamaa in the late 1980s, these were the records; however, it is currently difficult to get estimates. Nonetheless, Tanzania has made several measures to enable the diaspora's remittances for productive investment. The international payment network for mobile devices TerraPay has been granted regulatory authorization by the Bank of Tanzania (BOT) to begin offering international money transfer services to Tanzanian mobile wallets. According to TanzaniaInvest.com (2017). This is the first license of its type in Tanzania, enabling TerraPay's global partners to pay money directly to Tanzanian mobile wallets. TerraPay can transfer money to all of Tanzania's popular mobile wallets via a relationship with Tanzanian mobile money aggregator Selcom. Tanzanians living in the United Kingdom, France, Italy, Canada, the United States of America, and South Africa can now send money straight to their Vodacom M-Pesa, Tigo Pesa, Airtel Money, and Zantel Ezy Pesa mobile money accounts. Similarly, several commercial banks licensed in Tanzania have reported an increase in interest from the Tanzanian diaspora in investing in secure and high-yielding projects in Tanzania, noting an increase in default by friends and relatives who send money home for projects. To meet this need and to encourage diaspora members to deposit their cash with Tanzanian banks rather than foreign institutions, these banks have established the Tanzanite Account, a specific savings account for expatriate Tanzanian clientele. Commercial banks, in partnership with investors firms established in Tanzania, have also launched a campaign to attract Tanzanians residing abroad to invest in the country through a variety of investment instruments/products (Utouh & Mutalemwa, 2015).

The Social Security Funds in Tanzania have made some efforts to engage with diasporas. For instance, the National Social Security Fund's Welfare Scheme for Tanzanian Diaspora (WESTADI) is directed at Tanzanian citizens living abroad. Members of the Scheme are required to make a minimum annual contribution of \$ 300 in exchange for two primary benefits. These include: medical services: members and dependants and or family members left at home will receive medical treatment while in Tanzania. Members will get outpatient and inpatient medical services from reputed medical service providers, dubbed the Social Health Insurance Benefit; and (ii) repatriation services: members will receive transportation for a dead member and a return ticket for one accompanying person (ii) an airline ticket for a terminally ill member and an accompanying person; and (iii) an airline ticket for a distressed member returning home (Utouh & Mutalemwa, 2015).

Various reports and studies have also indicated that Tanzanian diasporas have been playing a major role in contributing to the country's economic development (Magai, 2020; United Republic of Tanzania, 2021). Remittance transfer strongly linked to diaspora is a historic incidence and it is not a new trend in the world as is linked to migration, which has forever been part of human history. There is potential for remittances to have a beneficial effect on fragility, but this must be established within an effective policy context. The Ministry has encouraged diaspora to contribute to development in the country. As a result of these efforts, Diaspora's contribution has continued to increase, which according to Bank of Tanzania data, the amount sent by Diaspora to the country (remittances) increased from US\$ 400 million in 2020 to US\$ 569.3 million in 2021. Diaspora have also invested 3.9 billion Tanzanian shillings in the UTT AMIS fund and purchased homes worth Sh2.3 billion Tanzanian Shillings of the National Housing Corporation and the Hamidu City Park project in Kigamboni, Dar es Salaam. In March 2022, the UK Healthcare Diaspora Association (TUHEDA) provided medical equipment worth Sh100 million to the Revolutionary Government of Zanzibar. TUHEDA has been a catalyst for strengthening cooperation between Tanzania and the United Kingdom, with discussions currently underway on the signing of the Memorandum of Understanding between the two countries. It will enable Tanzania to benefit from the exchange of skills, access to medical equipment and training for nurses and doctors. In addition, the Tanzanian Diaspora Hub (Tanzania Diaspora Hub) plans to invest in the country of approximately 400 million shillings in the fishing and agricultural sectors in the Tanga, Njombe and Singida regions. In April 2022, the Ministry coordinated and facilitated the visit of a Canadian-based investor who plans to invest \$15 million in road construction using 'geopolymer' technology, which uses mine and industrial artefacts. The factories that make alumina and mirrors. The technology is an alternative to the use of concrete in road construction in the country. I would like to recognize the contributions of other Diasporas that were made to other socio-economic sectors that have helped bring about development (United Republic of Tanzania, 2022).

Interviews with central Bank Officials indicate that judgement on remittance reports filed by financial institutions is difficult to validate. This suggests that remittance that could have been entering Tanzania is underestimated. Diaspora uses other means to send money to their relatives that cannot be captured by the banking system. For instance, an officer who asked to remain anonymous claimed that there are those who will credit money into an account held let say in bank X in UK, and relatives of that person are given an equivalent amount at a spot-on exchange rate in Tanzania either through cash or bank deposit or mobile money. On such transactions, the central bank will never know or have data on such transactions. Such transactions back in Tanzania are used to pay for instance school fees, buying various items such as households and even cars, paying for health and buying pieces of land. They admitted capturing such information continues to be a challenge for them. According to these officials, despite the importance of remittance flows, their statistics have not been properly collected. Currently, the BoT gathers monthly statistics on remittance inflows via legitimate

channels, such as commercial banks and other recognized foreign remittance service providers in Tanzania. The stated amount does not include informal remittances or transfers in kind. Accordingly, a diaspora remittances survey will constitute an extra step in the government's attempt to enhance remittance statistics and to understand the remittance environment in general.

Similarly, the Minister for Foreign Affairs and East African Cooperation (Ms Lliberata Mulamula) recently told Parliament that Tanzania received \$569.5 million in diaspora remittances in 2021, up from \$400 million in 2020. This was the result of the Ministry's efforts to encourage the Tanzanian diaspora to contribute to the country's growth. She noted that the diaspora group has also invested Sh3.9 billion in UTT Amis and Sh2.3 billion in a project known as Hamidu City Park, which is being carried out by the National Housing Corporation in Kigamboni, Dar es Salaam. In an apparent effort to increase the participation of Tanzanians in diaspora in their country's development efforts, the government prioritized awarding them a special status in its current review of its foreign policy. While Tanzania's diaspora remittances have been increasing, the country still lags behind its regional rivals, with Kenya topping the pack after receiving \$3.7 billion in diaspora remittances due to its dual citizenship legislation last year. It should be mentioned that Tanzania does not permit dual citizenship, and some legislators have vehemently debated this point. For instance, while debating the recent Ministry of Foreign Affairs' budget, some legislators argued that Tanzania should embrace dual citizenship, claiming that the adoption would not harm the country's peace and security. Some members also stated that the government's refusal to accept dual citizenship deprives the country of foreign revenue and denies its citizens certain rights.

Consequently, most African countries lack effective systems for formalizing and appropriately using the potential value of remittances. Compared to countries such as India, Malaysia, or Mauritius, Tanzanian diaspora and the way they interact with their home country are quite distinctive. This is due to the government's failure to precisely assess the magnitude of remittances to the country. According to the few respondents interviewed for this study, it is estimated that informal channel flows are greater than reported flows.

5. Diaspora engagement and development: opportunities and challenges

5.1. The need for a paradigm shift in the diaspora engagement and remittances policies

Tanzania has no significant history of foreign migration and a very tiny diaspora of about 200,000 individuals, or about 0.5 percent of the population (World Bank, 2005). Regional movement into and out of Tanzania is made possible by the East African Community, which provides a political and economic framework for labor mobility between Kenya, Uganda, and Tanzania (Adepoju, 2008). The tiny size of the diaspora reflects the fact that Tanzania is predominantly an agricultural country that has primarily been a destination for immigrants from other East African countries; out-migration has never been an established method for sustaining one's livelihood. It also reflects the reality that Tanzania is a peaceful nation that has not produced significant refugee flows. In addition, from the late 1960s to the early 1980s, leaving Tanzania was viewed as a challenge to the socialist state's goals, making it impossible for most of the people. Since part of its general development objectives, the government often prevented individuals from migrating inside the country, as they were obliged to reside in specific districts or villages (Hansen, 2012). It should be emphasized that measuring the precise extent of a country's diaspora is a difficult task. Middle East and North Africa, for instance, has one of the most complicated migration patterns of any growing region. It is both a sending and receiving location for labor, with outflows to Europe and North America and inflows to the oil-exporting economies of the Arab Gulf. Most of the intraregional migration occurs in the Gulf States. In

these regions, the majority of emigrants are contract workers or trained professionals and managers (Page & Plaza, 2006).

The Tanzania's political and economic changes of the 1980s and 1990s have made it easier for Tanzanians to emigrate and, conversely, for the diaspora to invest and engage in their home country. The desire to live, study, and work overseas is rising, particularly among young people, yet only a tiny percentage of the population has access to international migration. According to previous research on migration and development in Tanzania (Hansen, 2012), less than three percent of the population possessed a passport, and poverty precluded the vast bulk of the people from leaving the country in the early 2010s. The elites in the political, intellectual, and economic spheres had the greatest access to global movement (Beegle et al., 2011). Politicians, high-ranking officials, private businesspeople, and university administrators typically send their children overseas for further education. In general, however, mainland Tanzania had not adopted international migration as a means of subsistence, with the vast majority still residing in their birthplace village or area (Hansen, 2012; Wetengere & Shule, 2011).

While there have been new efforts by the government to engage with its diaspora, it should be noted that Tanzania since independence (1961), has never had a clear strategy to identify its diaspora. This is also a common problem shared by other African countries. Moreover, the African diaspora is not a single entity. Members encompass a wide range of mobility experiences (voluntary or forced migrants) and generations (African-born migrants or foreign-born descendants) and are dispersed worldwide. Some members feel connected to their homelands and wish to lend support. Others do not. Even if they send remittances, some members may not be compelled to support national or institutional development (Olsson, 2012). Similarly, many countries in Sub-Saharan Africa have underscored the role of diaspora engagement in development, but many of these countries continue to lack the capacity to design effective framework or policies and execute them on a meaningful scale such as through diaspora bond (Ding, 2015; Olsson, 2012; Wiebelhaus-Brahm, 2016). This explains the disparity between schemes that appear to be beneficial on paper and genuinely effective policies and programs that accomplish anything. Rwanda, for instance, has a well-defined diaspora strategy. Rwanda's diaspora strategy is centered on three pillars: cohesiveness of the Rwandan diaspora, equipping the Rwandan diaspora with correct knowledge about their birthplace, and most crucially, the Rwandan diaspora contributing significantly to Rwanda's socioeconomic growth (Wetengere & Shule, 2011). Similarly, the Republic of Benin established a National Policy Plan for Beninese Abroad in 2001, which included a National Policy Declaration and the establishment of a ministry responsible for relations with Beninese abroad, as well as a national agency for Beninese abroad (Ionescu, 2006; Utouh & Mutalemwa, 2015).

The findings have shown that Tanzania lacks a diaspora policy and a lack of specified clarity about what is required to maximize the diaspora's potential poses a barrier to engagement. It is only Zanzibar that has a Diaspora Policy (2017). The Zanzibar policy recognizes that the diaspora's intellectual capital and talent transfer are critical components of their nation of origin's development. This means that the government of Zanzibar strives to create a functioning mechanism that will enable Diaspora members to transfer talents to their home country of origin (The Revolutionary Government of Zanzibar, 2017). According to some scholars, while Tanzania has been largely reliant on foreign aid, which has been proved to have a detrimental influence on the economy, she might have reaped significant benefits from its Diaspora (Msuya, 2021; Tarimo, 2019). Remittances from the diaspora have been proven to have a considerably greater influence on the local population's livelihood than foreign aid in the following ways. (Wetengere & Shule, 2014).

The study has also found that there are several challenges in managing diaspora in Tanzania. The most contentious topic has been the argument over Tanzanian citizenship, which prohibits residents from acquiring foreign citizenship in addition to their Tanzanian citizenship (Beegle et al., 2011; Londo, 2020). This complicates matters for the

diasporas, who become citizens of their paternal host countries just by virtue of being born there. While these diasporas may wish to maintain ties to their ancestral homelands, they will be regarded as foreigners in Tanzania and will require a visa to enter the nation. Without the option to establish direct ties to their ancestral homelands, the diasporas lose interest in attempting to integrate into the community of their ancestors (Glick Schiller & Fouron, 2001; Londo, 2020). Additionally, Tanzania is still in the very early phases of defining how it might benefit from its diaspora and how to redirect diaspora efforts toward the country's development through remittances. Not until 2005 did proposals for the formation of national diaspora states enter the political and public conversation (Msuya, 2021).

The results of this study are encouraging in that the government has made some progress in resolving the above challenges by eliminating certain needless criteria for foreign-trained professionals. Once these impediments are removed, the second generation of diasporas may choose to return to their ancestral home countries in search of work in both the public and private sectors (Martin, 2019). As a result, the Tanzanian government's general education and professional skill level will be strengthened. Establishing public policies on diasporas may make a significant contribution to the development of developing countries by improving the contribution of immigration. While many developing countries have plans in place to maximize the benefits of emigration, few have comprehensive immigration programs. This may be partly because immigration is not a policy priority, as it is frequently new and must compete with a plethora of other important policy problems. Excluding immigration from development goals, on the other hand, frequently constitutes a squandered opportunity for developing countries (OECD & ILO, 2018). It may be useful for governments to adopt the strategies provided by Kunz (2012) in the governance of diaspora. The first technique entails the use of a comprehensive system designed to collect information on diasporas and their activities. Engaged in this information collecting and sharing effort are governmental, non-governmental, and academic organizations. To acquire the economic and political support of diasporas, another option is direct "courtship." This includes recognizing the efforts and accomplishments of expatriates, supporting diaspora activities, adopting policies and programs to broaden the reach of national regulation to encompass emigrants, and incorporating the diaspora in development and political processes. Kunz (2012) contends that the discovery of the diaspora is not as easy as governments reaching out to its expatriates as a foreign policy tool. Rather, it is a reflection of a deeper change in the logic of governance that necessitates the emergence of new actors based on an awareness of these players as both objects of knowledge and government and active subjects.

The majority of African countries, including Tanzania, lack effective methods for formalizing and fully exploiting the potential value of diaspora remittances, referred to as diaspora bonds (Utouh & Mutalemwa, 2015; Wetengere & Shule, 2011).

5.2. Diaspora remittance governance

In 2010, African migrants sent at least \$40 billion back to their home continent. It is expected that the actual size of remittance flows, including unregistered remittances, is far greater. Remittances are the most tangible link between migration and development. In Cape Verde, Senegal, and Togo, remittances make for more than 10 percent of GDP. In Lesotho, remittances account for close to 30 percent of GDP. In Egypt, remittances surpass Suez Canal revenues, but in Morocco they surpass tourism earnings (Arthur et al., 2020; Chrysostome & Nkngolo-Bakenda, 2019; Ratha & Plaza, 2011). Internal migration and remittances inside countries continue to be under-reported in comparison to international migration. Empirical research demonstrates that remittances are more than just monetary transfers, since they also entail other culturally specific phenomena. For example, remittances in Asia entail family or personal decisions; in Africa, these decisions are made

collectively by extended families or towns; and for Mexicans, social networks in host countries are critical (Hernández-Casildo et al., 2020). In the International Monetary Fund's Balance of Payments Statistics Year Book, remittances are calculated as the total of three distinct items: personal transfers, employee remuneration, and migrant transfers (for example, capital transfers between resident and non-resident households) (Hernández-Casildo et al., 2020; Page & Plaza, 2006; Ratha & Mohapatra, 2007).

For a variety of reasons, diasporas are gaining increased attention. Apart from security issues about terrorism and civil disturbance, developing country governments and foreign funders are taking note of diasporas' potential economic development contributions (Brinkerhoff, 2006). The Diaspora's remittances and the means via which they are sent continue to generate concerns, most notably over their usage. Because remittances are personal cash, governments lack the ability to direct their usage for specified reasons effectively. On the other hand, governments can encourage the flow of diaspora remittances by lowering the cost of transferring money and increasing access to savings, loans, and health insurance programs associated with diaspora remittances (Brinkerhoff, 2006; Carment & Calleja, 2018; Welde et al., 2020). They can potentially lower government borrowing costs by collateralizing future remittance flows. Additionally, they can issue diaspora bonds to tap into diaspora savings. However, governments must first work to enhance the quality of migration and remittance statistics. An increasing amount of research shows that diasporas and nation networks overseas are major trade and investment information (Page & Plaza, 2006).

At present, many countries, both in advanced and emerging economies, depend on remittances in various forms such as economic, social, and technological remittance (Page & Plaza, 2006; Pradhan et al., 2008). Agreeing to Page and Plaza (2006), remittances from the diaspora have been increasing at a relatively fast pace in recent years, views supported by Ratha and Mohapatra (2007) contending that diaspora's remittances are now the most important of all sources of external finance. Remittances initially drew the attention of donors and governments in the countries of origin. Nowadays, larger contributions are more frequently acknowledged and sought for. Diasporas can contribute to development in a variety of ways, including investment, charity, skills transfer, and advocacy, with special applicability, both positive and negative, in conflict-affected communities (Brinkerhoff, 2016).

Improved data collection on remittances is beneficial because it is difficult to estimate their influence on the economy or fully achieve its developmental potential without correct information on remittance flows. As a result, the quality of statistics on diaspora remittances and the movement that precedes remittances is rather low (Msuya, 2021; Welde et al., 2020). There are no yearly data on the movement of individuals at a greater frequency, which makes it difficult to analyze the impact of recent events such as the global financial crisis (Hernández-Casildo et al., 2020; Page & Plaza, 2006; Ratha & Mohapatra, 2007). There are no outbound migration statistics available in many countries making data on bilateral migration and remittance flows for policy formulation difficult (Brinkerhoff, 2006). Remittances are spread more equitably throughout poor countries than private capital flows. In 2007, the top three remittance recipients—India, China, and Mexico—received a combined total of more than \$25 billion. However, when the size of the economy is considered, smaller and poorer countries tend to get substantially greater remittances. In terms of remittances as a percentage of GDP, the top beneficiaries were Tajikistan (36 %), Moldova (36 %), Tonga (32 %), and Kyrgyz Republic (27 %). In 2006, remittances as a percentage of GDP were 3.6 percent in low-income countries, compared to 1.7 percent in middle-income ones (Ratha & Mohapatra, 2007).

The contribution of Tanzania's diaspora in terms of remittances has frequently been disregarded by the government, international community, and policymakers. This may be due to the absence of a significant heritage of international migration to the richest countries in the West

(Magai, 2020). A World Bank economist, examined the hierarchy of diaspora participation for the 'home' country's development in 2009 and hypothesized that at the base level, diaspora remittances are highly substantial, followed by charitable donations, investment, and finally, knowledge and innovation and institutional transformation (Kahali, 2017). Tanzania might utilize the diaspora's investment potential by emulating India. For instance, the government of India allowed all banks in India to facilitate savings deposits with special incentives for the Indian diaspora for saving in convertible currencies, a portion of which could be repatriated, or in rupee accounts (ordinary or external rupee accounts), with limited withdrawal rights by family members, and being used domestically, were considered 'international workers' remittances. A registered Indian citizen living abroad is granted a multiple-entry, multi-purpose, lifetime visa to visit India and is exempt from registering with the Foreign Regional Registration Officer for any duration of stay in the country. (Kahali, 2017). Consequently, Tanzania must collect more precise data on its diaspora and remittances flow, as it is difficult to quantify the effect of diasporas on the economy or to fully realize their developmental potential without reliable data.

5.3. Remittances and development

Several empirical studies have examined the link between remittances and development to the less developed countries (Chenery & Strout, 1968; Nwaogu & Ryan, 2015; Pradhan et al., 2008). Despite the growing importance of remittances in overall international capital flows, the link between remittances and economic growth has not been thoroughly investigated in order to identify the most effective techniques for engaging diasporas in their home countries (Burnside & Dollar, 2000; Chenery & Strout, 1968). In contrast to private capital flows, remittances tend to increase when the economy of the receiver experiences a recession due to a financial crisis, natural disaster, or political strife. During difficult times, migrants send extra money to their relatives and friends. Consequently, remittances help to the stability of recipient economies by compensating for foreign exchange losses caused by macroeconomic shocks and thereby smoothing consumption. For instance, the proportion of personal consumption expenditures covered by remittances increased in Indonesia, Mexico, and the Philippines during the global financial crisis, and in Central America following natural catastrophes (Ratha & Mohapatra, 2007). Remittances, investment in local communities, and cyclical movement of skilled laborers all help to strengthen their position and persuade home country governments to form strategic relationships with them (Williams, 2018). Some of these strategic alliances have been observed through tourism. For instance, in 2003, the worldwide migrant diaspora population surpassed 232 million, up from 77 million in the 1960 s. By 2019, the figure was estimated to be 272 million. With its rapid expansion and prevalence across several national economies, diaspora tourism represents a substantial worldwide opportunity for destinations (Otoo et al., 2021). However, the extent to which remittances are utilized for investment objectives may exhibit procyclical behavior similar to that of other investment flows. In poor countries, remittances are more likely to be countercyclical.

The scholarly research on diaspora home-country investments (Arthur et al., 2020; Brinkerhoff, 2006; Chikanda et al., 2016) has been dominated by the emphasis on financial remittances as a type of migrants' capital and savings flow within the migration and development nexus. Diaspora investments are defined as cross-border business-directed investments made by diaspora in their home nation. Beyond remittances, the investments of diasporas are highly diversified in their forms, sources, generators, and impacts. In order for diasporas to boost economic growth in their home countries, empirical research indicate that investing cash in existing firms and/or launching new enterprises are becoming increasingly popular strategies (Delahaye & Tejada, 2019). A number of scholars have examined the significant role that diasporas can play in the development of their home countries and have

concluded that the governments of developing countries, which are the home countries of many diasporas, as well as the governments of their host countries, the developed countries in general, and international institutions of development should pay special attention to diasporans in order to harness their resources to the development effort (Chrysostome and Nkongolo-Bakenda, 2019). Economic and non-economic benefits of diasporans' involvement in their home country include remittances, transfer of skills and technology, promotion of entrepreneurship and creation of Small and Medium Enterprises (SMEs) and new jobs, stimulation of international trade, promotion of democracy and good governance, and community development. Numerous experts have emphasized the significance of remittances (Arthur et al., 2020; Catrinescu et al., 2009; Chrysostome & Nkongolo-Bakenda, 2019). Some of them indicated that the quantity of diaspora remittances to poor countries exceeded the amount of foreign international support for development by more than double. It is also widely established that migrants who travel abroad frequently acquire information and abilities that are missing in their home nation. When they return to invest or establish a new firm, they transfer this gained human capital back to the place of origin, so transforming "brain drain" into "brain gain." Diaspora investors and entrepreneurs also function as transnational knowledge links, facilitating the transfer of technology and production expertise from the place of origin to the country of resident (Riddle, 2008).

The influence of diaspora participation on the economic growth of their home country has attracted a considerable deal of scholarly attention during the past decade (Chrysostome & Nkongolo-Bakenda, 2019). Contrary to foreign aid, remittances have a trickle-down effect, particularly in Low- and Middle-Income Regions. This is because they go out to impoverished, rural communities and are mostly accepted by women. Remittances from the diaspora have been proven to greatly influence the local population's livelihood than foreign aid (Wetengere & Shule, 2011). Today, it is widely accepted that diaspora engagement in the home country may contribute to the country's development by fuelling investments through remittances, enhancing international trade flows, allowing the transfer of technology, and encouraging diaspora entrepreneurship. The majority of developing countries, foreign aid traditionally used to support national development goals and agendas has been impacted, necessitating the creation of new measures to bridge the gap. The appeal for private investment and the deployment of novel financing mechanisms, including the establishment of particular policies and incentives targeted at attracting foreign direct investment (FDI) from private capital sources, have been central to this new thinking (Lumbila, 2005; Pradhan et al., 2008). The concept that remittances are mostly used for extravagant spending has been debunked. Additionally, there is reason to reject the trend toward characterizing housing, sanitation, health care, food, and education as unproductive and non-developmental. After all, improvements in well-being and human capital tend to boost productivity, individual choice, and civic engagement (De Haas, 2005). However, some researchers (Gevorkyan & Gevorkyan, 2012; Pande, 2014) have emphasized that in the absence of precise data on the diaspora's potential and necessary infrastructure to accomplish such a fruitful engagement, most of the economic development discussion leans toward what may be termed "diasporization".

Despite the potential impact of the diaspora on growth, the interruptions produced by the COVID-19 epidemic cannot be overlooked. While some research indicates that diasporans continued to send funds to family members and/or friends/relatives in their home countries, like as Kenya, some studies suggest that the epidemic did not significantly alter the cost of remittances or access to financial services in Kenya (Kpodar et al., 2021). The COVID-19 pandemic has had a significant negative influence on economic activity in both developed and developing countries, in contrast to the Global Financial Crisis, during which only developed countries were severely affected, while many low-income developing countries were comparatively unaffected. While rich economies were able to give substantial fiscal and monetary support to their populations, developing countries, especially low-income

countries (LIC), were unable to do so due to restricted policy flexibility. Consequently, the impact of the pandemic on output was significantly greater for the latter group (Kalantaryan & McMahon, 2020; Kpodar et al., 2021). For the case of Tanzania, the impact cannot be established figures as the government is struggling to engage and document its diasporas and remittances.

By establishing social capital, values, trust, and social networks, the diaspora may function as 'agents of change' for development. Diaspora members have been variably portrayed as entrepreneurs, information brokers, trust builders, investors, negotiators, and early adopters ready to take economic, social, and political risks (Ding, 2015; Wiebelhaus-Brahm, 2016). Understanding diaspora as 'agents of change' is predicated on the concept that conventional mechanisms of international collaboration confront numerous challenges, including the spread of great powers, economic instability, and a lack of faith in global institutions' ability to solve public problems (Carmen & Calleja, 2018). According to the World Bank's 2019 Migration and Development report, remittances to Kenya increased to USD 2.72 billion in 2018 (up from USD 1.96 billion in 2017), comparable to more than 3 % of Kenya's GDP. Additionally, remittances to Uganda increased to USD 1.24 billion in 2018 (up from USD 1.17 billion in 2017) - or 4.5 percent of the country's GDP. On the other hand, Tanzania's remittances were substantially lower - USD 430 million, an increase of just USD 25 million over the previous year and accounting for 0.8 percent of GDP (Tarimo, 2019). The World Bank, on the other hand, expects a considerable decline in remittances as a result of the spread of Covid-19, from \$714 billion in 2019 to \$572 billion in 2020, a 19.9 percent decline. In low- and middle-income countries, the reduction is expected to go from \$554 billion to \$445 billion, a 19.7 percent decrease. The Bank also forecasts a 23.1 percent fall in remittance inflows to Sub-Saharan Africa, from \$48 billion in 2019 to \$37 billion in 2020 (Kalantaryan & McMahon, 2020). What is certain is that a general drop in remittance flows will have varying consequences for different countries, and particularly for ethnic communities within countries.

Similar research has been conducted by others (Newland & Patrick, 2004), demonstrating that remittances have a direct impact on poverty reduction, as they tend to flow directly to poor (but not necessarily the poorest) households and are primarily used for basic needs such as food, shelter, education, and healthcare. The authors argue that the typical observation that remittances are not utilized for 'productive' investment overlooks the fact that poor households sensibly prioritize these fundamental requirements, which reflect both an investment in human capital and necessary consumption. Additionally, spending on essentials has a multiplier effect on the community. Nonetheless, remittance growth for low- and middle-income countries decreased to 4.7 percent in 2019 from an impressive 8.6 percent in 2018. Cyclical variables impacting remittance growth include (a) economic growth in source countries, (b) oil prices, and (c) currency exchange rate fluctuations. Since the mid-1990s, remittances have surpassed government aid by a ratio of three (Ratha et al., 2019).

Although it is widely acknowledged that diasporas are vital to the national economy, there is still controversy as to whether or not remittances have a substantial influence on a country's economy (Magai, 2020). While some studies have found a positive correlation between remittances and development, other studies by (Davis & Lopez-Carr, 2010) and (Catrinescu et al., 2009) found a negative correlation between remittances and economic growth in their own countries. However, other research indicates that remittances might have a negative effect on national economic growth over the medium and long term (Catrinescu et al., 2009). Similarly, even though studies demonstrate the favorable influence of diasporas on economic growth (Chenery & Strout, 1968; Nwaogu & Ryan, 2015; Pradhan et al., 2008) there is a discrepancy in the meaning of the term diaspora and inconsistency in a vast number of unstructured and occasionally overlapping studies on the diaspora phenomena in the business and management field (Panibratov & Rysakova, 2020). In order to bring more clarity to the existing and

future development, it is necessary to improve the overall structure of diaspora research through clarification of the existing definitions of diaspora, creation of the criteria for identifying someone as a member of a diaspora, and systematization of existing research streams.

6. Conclusion and policy implications

The article concludes that Tanzania has not performed well in identifying and engaging with her diasporas. This is because the government has not actively conducted a tracer study and developed a diaspora policy to engage its diaspora. In this regard, the findings indicate that the government has repeatedly neglected the contribution of Tanzania's diaspora in terms of remittances. Tanzania's capacity to steer remittances toward investment and development indicates that it is not the remittances themselves that matter, but rather how they are mobilized and utilized for economic development. A diaspora that is poorly structured will have a negligible influence on development. Tanzania also offers hope to other governments that it is imperative to engage diasporas to promote development with effective government-led initiatives.

This research has several implications for understanding the link between diaspora involvement and remittances. The absence of a well-formulated and implemented diaspora policy hinders diaspora engagement and inhibits the nation from reaching its potential capacity to collect remittances from its diasporas. Second, a policy is crucial to link national development needs with diaspora resources and to guide respective activities more systematically. However, this will require the high commitment to design a mechanism that provides incentives for Tanzanian nationals abroad to register as diasporas. This can assist in collecting data and accurate information about areas of specialization, skills, family size, sex or gender, and sectors these diasporas serve. Third, the government should reconsider undertaking a diaspora remittances survey, which would be an additional step in the government's effort to improve remittance statistics and understanding the remittance environment in general. In addition to receiving remittances from the diaspora, the government should establish and publicly disseminate a national diaspora policy with appropriate laws and regulations.

CRedit authorship contribution statement

Ambrose T. Kessy: Conceptualization, Methodology, Writing – original draft, Supervision. **Hildebrand E. Shayo:** Investigation, Writing – review & editing.

Declaration of Competing Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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