



2015 GLOBAL DIASPORA WEEK LAUNCH EVENT

October 9, 2015

Notes

Session Title: Diaspora Entrepreneurship

Speaker: Led by Dr. Liesl Riddle, George Washington University

Session Summary:

Dr. Liesl Riddle started the session with a brief slideshow explaining her background and how she has dedicated her career to studying all aspects of diaspora entrepreneurship. We were told to partner up and complete a four question worksheet. The worksheet consisted of two categories one with the heading *Opportunities/Advantages* and the second with the heading *Challenges/Disadvantages*. Under each category we were challenged to come up with two (or more) key points. After a few minutes, Dr. Liesl asked for volunteers to share what they wrote down with the group. And so began our discussion on Diaspora Entrepreneurship. We began with the opportunities/advantages and transitioned over to the challenges/disadvantages. It was interesting to note that often times a similar answer fell under both opportunity and challenges faced by diaspora entrepreneurs.

Key Themes:

- Theme 1: Diaspora investments tend to be more stable, less likely to flee if/when conflict erupts
- Theme 2: Diaspora entrepreneurs bring back ideas and experiences from other markets and have positive spillover affects
- Theme 3: Navigating the cultural nuances easier for diaspora compared to foreign investors
- Theme 4: Knowledge of landscape/infrastructure in a country helps with investment

Notable Quotes/Soundbites:

- Main obstacle to diaspora investment is the time/uncertainty it takes to make the investment.
- No one stop shop for the information a potential diaspora investor needs to make investments back home.
- Many governments apply pressure to diaspora groups to be more involved but then don't have a diaspora re-integration policy which makes it very difficult to navigate the business culture.

- Business climate and overall business acumen not always conducive to starting “small businesses.” Often times government programs are used to dealing exclusively with big businesses with seemingly endless capital.

Best Practices/Recommendations/Suggestions:

- Formation of an agency or branch of government to draw attention to the benefits of diaspora investments.
- It is important when investing back home to have laser beam focus on exactly what is needed for your business development project.
 - Often times the system that supports the creation of small businesses is a work in progress. Simple things that we can take for granted in the west that are missing back home and often detract from a new business being created.
 - Needing a tool or service that is not readily available often times forces the new business to try to build that business or service as well. Very slippery slope, be careful!

New Partnerships or Commitments & Follow-up Action Items:

- Current diaspora that actively invest back home should be encouraged to assist in the creation of an investment strategy to grow the popularity of diaspora investing.
- A government wanting to encourage diaspora investment can connect the individual investors with each other. Possibly, setting up a light hearted investment raising competition.

Discussion Topics/Audience Questions:

- There was a discussion about whether or not tax breaks or advantages should be given to diaspora investors. That raises two big questions;
 1. How do you define diaspora?
 2. If other investors are coming in to a country not asking for favorable conditions why would any government attend to the wants/needs of a diaspora investor asking for favors?
- Threatening competition & mistrust from local community to an “outsider”
- Corruption