

A Diaspora Management Framework for the 21st Century¹

Masud Chand²

Department of Management, W. Frank Barton School of Business, Wichita State University

ABSTRACT

Modern diasporas have played vital roles in driving trade, investment, and ties between their countries of origin (COO) and countries of residence (COR). In this paper, we develop a multi-level theoretical framework that helps countries engage with their diasporas in a mutually beneficial relationship. It also explains how COR policies can affect this relationship. We use institutional theory and social identity theory to explain how this constantly evolving framework can be created and maintained, and how it relates to the diaspora's motivations and activities vis-a-vis the COO and the COR. The framework helps analyze and explain the setting up and maintaining of a diaspora management process in a dynamic setting that is constantly in a state of flux. It can be an important tool for COO and COR governments in leveraging the diaspora as a strategic asset that can help provide a competitive advantage in attracting global talent.

Keywords: Diaspora, human capital development, institutional theory, country-of-origin, country-of-residence

INTRODUCTION

Diasporas have played crucial roles in driving trade, investment, and cultural and political ties between their countries of origin (COO) and countries of residence (COR), including investing in their COOs (Buckley, Wang, & Clegg, 2007; Buckley & Meng, 2005; Geithner, Johnson, & Chen, 2005), providing transnational social networks that facilitate trade and investment (Chand, 2010; Khanna, 2007; Saxenian, 2002), enabling institutional and human capital development in the COO (Saxenian, 2006), introducing the culture of the COO in the COR (Chand & Tung, 2011), sending remittances to the COO (Vaaler, 2011), and facilitating technology transfer and capacity development in the COO (Lin, 2010). The globalization of the world economy (despite more recent protectionist sentiments in some parts of the world), the declining costs of travel and communication, and changing laws and regulations in different countries have made it easier for members of an ethnic diaspora to establish a dual presence in their COO and COR to take advantage of economic opportunities in both countries (Chand & Tung, 2019). We use the term diaspora in this paper in line with Cohen's assertion (1997:26) that a diaspora can emerge from a

¹ Manuscript received on December 13, 2021. Revised on January 31, 2022. Final version accepted: March 23, 2022

² Email address: masud.chand@wichita.edu The author certifies that the paper is an outcome of independent and original work, acknowledges all sources from which ideas and extracts have been taken, and is responsible for any errors that may be discovered. The author thanks the editor of CYRUS Global Business Perspectives (CGBP), and anonymous reviewers for their insightful comments and suggestions.

“growing sense of group ethnic consciousness in different countries, a consciousness that is sustained by, amongst other things, a sense of distinctiveness, common theory, and belief in a common fate.” We develop a multi-level theoretical framework that will help countries engage with their diasporas in a synergistic relationship.

The importance of diasporas to the economic development of both their COO and COR is manifold. According to the World Migration Report (2020), there were nearly 272 million immigrants around the world (IOM, 2019). The number of diaspora institutions (defined here as government established units such as ministries or departments that deal with matters related to emigrants and their descendants) is also growing rapidly worldwide. In June 2013, the world’s first ‘Diaspora Ministerial Conference’ held in Geneva convened by the International Organization for Migration (IOM) drew 548 high-level government participants from 143 countries as well as 40 representatives from migration-focused international organizations. Diaspora institutions are now found in more than half the member states of the United Nations, and their establishment is increasingly recommended by migration-focused international organizations (Gamlen et al, 2013; Gamlen, Cummings, & Vaaler, 2019). Given the rapid growth and spread of diaspora institutions, and the effect that the diaspora has on international business-related issues such as cross-border trade, investment, remittances, and the flow of ideas, it is incumbent on international management scholars to better understand this growing phenomenon.

The paper aims to achieve two major objectives. First, we will develop a theoretical framework for diaspora management, from the point of view of the COO, that will help clarify the objectives of both sides, as well as provide insights as to how these can be achieved for mutual benefit. This framework may, at least initially, be coordinated by the government, but will include and rely on other important actors such as diaspora organizations, professional groups, non-governmental organizations (NGOs), and alumni networks. Second, we will utilize institutional theory and social identity theory to help explain how expectations and policies of the COR can affect the creation and workings of this framework. The framework also helps answer the call by Barnard et al. (2019) for more research on understanding migrants and migration policies in international business research.

In developing a diaspora management framework, this paper will look at diaspora related policies across a number of countries. It will synthesize themes that underlie these policies and use these to create different parts of the multi-level framework. In the next part of the paper, we examine the different actors in the framework. We examine the different policies that affect them and analyze how these interact with each other. Based on our analysis of these actors and policies, we suggest the different components of the diaspora management framework. We then propose our framework that brings together these actors and policies, explain how they interact at different levels, and how their interactions could affect the doing of business across borders. We use institutional theory and social identity theory to explain how this constantly evolving framework can be created and

maintained, and how the stakeholders involved need to constantly balance their needs with those of others, continuously building and maintaining coalitions to achieve their objectives. In our discussion section, we analyze how COR acculturation policies could affect the diaspora management framework, and how COO diaspora engagement policies could complement these for mutual benefit. We explain how the diaspora could benefit from the framework, and how the framework could help manage relations between the COO and the COR. We conclude by pointing out the limitations of the framework and how it could be further improved.

ORGANIZING AND MANAGING THE FRAMEWORK

The diaspora, the COO, the COR, and their various immigration policies dynamically interact with each other on a continuing basis to explain the success of the diaspora in the COR, as well as its level of engagement with the COO. For most countries, a formal diaspora management framework will be both a relatively new role coordinated by the government (but including and relying on other important actors) and a constantly changing process that will be both dynamic and cut across different levels of government and society in practice. An efficient diaspora management framework requires several different actors with related but sometimes disparate objectives to work together to be effective. The COO, the COR, and the members of the diaspora comprise the most important actors in the framework. They often work with and through other actors and organizations, including professional and alumni organizations with numerous diaspora members, chambers of commerce with businesses who have cross-border trade and investment, NGOs, COO institutions/programs designed to retain and attract talent in the COO itself, and families of the diaspora in the COO.

The formation of a diaspora management framework could face resistance from different constituencies at home (explained later in this section) and will require constant and dynamic coalition building. This process can be partially explained by neo-institutional theory. Neo-institutional organization theory posits that organizations have social pressures to adopt practices that are considered situationally appropriate (DiMaggio & Powell, 1991; DiMaggio & Powell, 1983; Perlitz et al., 2010). This is related to the ideas of old institutionalism, where value-based coalitions are important in addition to power and informal structures (Phillips & Tracey, 2009). These pressures result from social norms and values that create expectations of organizational design and purpose (Lawrence, 1999). Organizations that adapt to these pressures have an advantage in gaining legitimacy, resources, and survival (Meyer & Rowan, 1977).

Since the formal use of diasporas as strategic assets is new to most countries, a framework designed to take advantage of them will often run into multiple obstacles. For example, India and China do not grant dual citizenship to their diaspora members - powerful constituencies in both countries argue that the benefits of citizenship should not be extended to those who have left voluntarily. In a diaspora management framework, the diaspora will need to adopt situationally appropriate practices and support policies that further its objectives. This will often have to be done in

conjunction with a diverse set of actors (such as cross-national professional and alumni groups and chambers of commerce). This could lead to a constantly changing dynamic, as policies of the COO and COR both undergo constant change, and as the basis for push or pull decisions for individual immigrants change simultaneously.

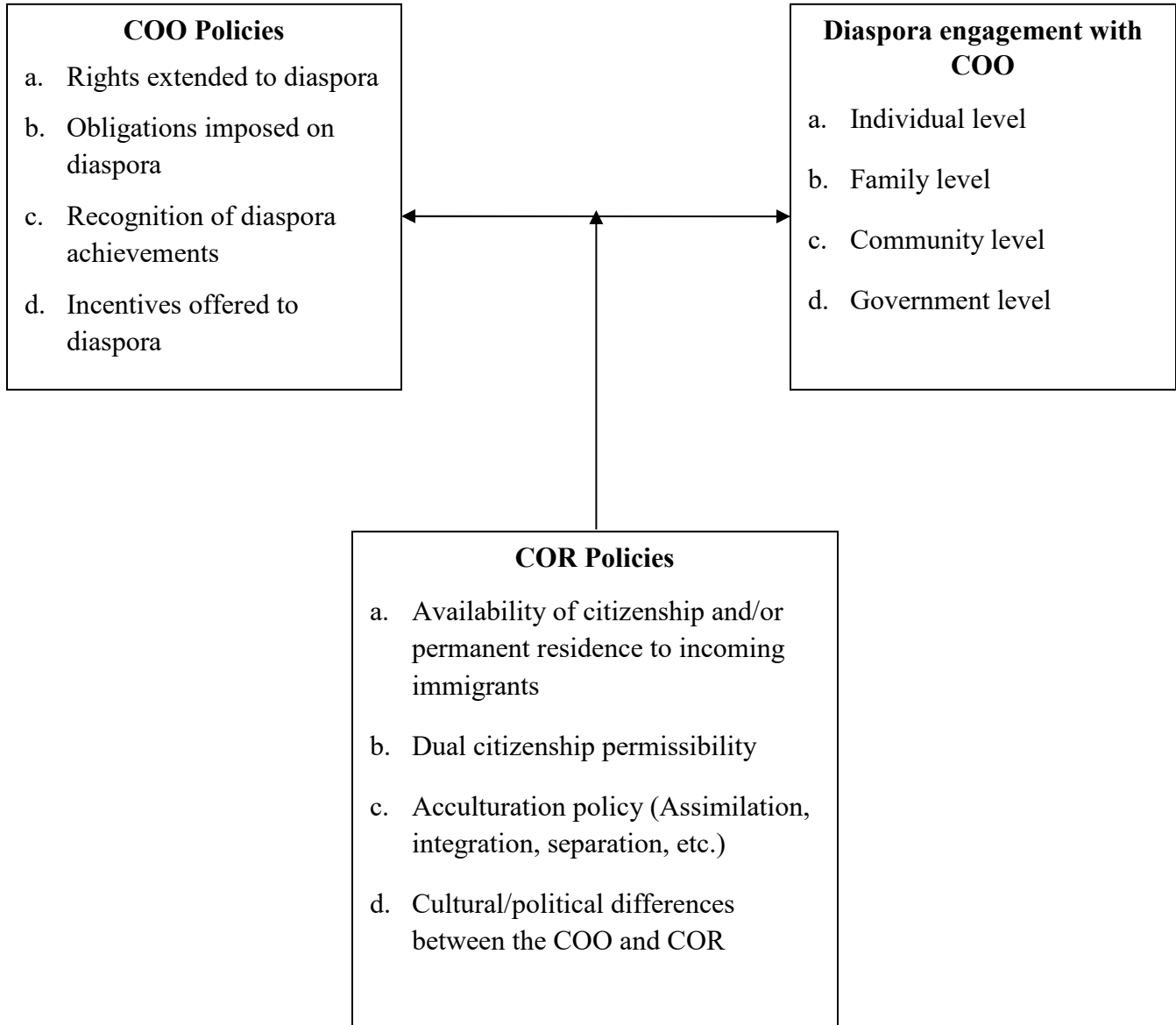
In developing organizations, three types of institutional isomorphism can be seen (DiMaggio & Powell, 1983): coercive isomorphism, where a powerful stakeholder (e.g., the government) imposes certain patterns on the organization (e.g. new laws regarding citizenship or diaspora rights); mimetic isomorphism, where organizations in a changing environment emulate organizations that they see as successful (e.g. countries looking to successful diaspora organizations in other countries to model their own); and normative isomorphism, where professional organizations (e.g., successful diaspora groups and expatriate networks) can expand appropriate organizational forms and practices (Perlitz et al., 2010). A diaspora management framework would be exposed to all three pressures - the initial coordination of these diverse actors, most of which are not government entities, has to be undertaken by the government (often through laws and regulations dealing with the diaspora); ideally they could study and try to adapt for their diaspora's situation some of the more successful national diaspora policies (e.g., Israel or China's); and learn from best practices across diaspora related activities and organizations at different levels (e.g., The Indus Entrepreneurs - TiE- in the Silicon Valley, All-China Federation of Returned Overseas Chinese -ACFROC in China, American Israel Public Affairs Committee –AIPAC in the US). Emerging and transitional economies face additional challenges in maintaining such a framework as the institutional context itself is less certain and isomorphic pressures are weak - as these countries develop more robust institutions, institutional pressures are strengthened and result in new organizational designs (Karhunen, 2008).

This could over time help make the process of creating and managing a diaspora framework both more systematic and inclusive. Because creating and engaging a diaspora framework is still an emerging process, informal norms and practices are weak, thus pointing to a constantly changing and evolving process that will be in a state of dynamic flux for the foreseeable future. Formal institutions also affect the intention to engage in entrepreneurship (Maleki et al, 2020). This makes it even more important for actors that have successful cross-border diaspora engagement templates at various levels (e.g., groups such as Indian Institute of Technology (IIT) alumni organizations, ACFROC, TiE, etc.) to share their best practices with others in the COO and help create more effective diaspora management frameworks that support entrepreneurial capacity development.

The complexity of the different pieces of this framework, along with the challenges in maintaining it, means that it will be constantly evolving and adapting. The ability to cope with often changing contextual forces, which the framework will face, is an important determinant of competitive advantage (D'Aveni, 1994), and will help partially determine the competitive advantage that

countries have in engaging and leveraging their diasporas for mutual benefit. The framework is illustrated in Figure 1 (the different components are each explained in the next section).

Figure 1 - Diaspora Management Framework



The framework can help clarify the following questions:

- 1: How can the COO engage with its diaspora in a mutually beneficial relationship?
- 2: How can COR policies affect this relationship?

Maintaining this framework would require the government and the different actors involved to constantly balance their needs with those of other actors, and continuously build and maintain coalitions to achieve their objectives. For example, the diaspora may want to have property rights in the COO. This would mean that they have to lobby the COO government to make changes in laws and may require them to build coalitions with like-minded groups, such as professional associations and alumni groups that span multiple countries and mobilize friends and family in the COO to present their case. Diaspora groups and professional associations affiliated with them will over time gain legitimacy in the COO if they are seen to be doing good for the homeland. This could be achieved in many ways - they could be seen as providing remittances, directing foreign direct investment (FDI), and helping with human capacity development. For example, India was the highest recipient of diaspora remittances in the world in 2018 with \$ 78.6 billion (IOM, 2019). In terms of FDI, the example of the Chinese diaspora stands out- during the 1990s and 2000s, it contributed an estimated 50-70% of all FDI that went into China (Brown, 2017).

On the other hand, increased legitimacy and connections with the COO could be seen as an act of questionable loyalty or intent by the COR. One way of dealing with this is to build coalitions with like-minded groups in the COR, such as businesses that have operations in multiple countries, and point out the benefits in terms of trade, investment, human capital development, and 'soft power' that accrue to the COR because of the actions of the diaspora. Thus, the diaspora could in fact, be a bridge-builder and trust facilitator between COO and COR. Ideally, the diaspora should be seen as a strategic asset that can be leveraged by both the COO and the COR, and the diaspora management framework can help explain how this can be done in a way that benefits all the three main actors - the COO, the COR, and the diaspora itself. This of course, is constantly affected by changes in policy of both the COO and the COR, as well as the changing economic and social conditions in each.

COMPONENTS OF A DIASPORA MANAGEMENT FRAMEWORK

From the COOs perspective, a diaspora management framework must be cognizant of the following issues:

What rights will be extended to the diaspora?

COO policies need to address the rights that the diaspora will have, as well how these rights will be enforced. These policies can include issues related to assistance provided to the diaspora in the COR, access to services in the COO, and the availability of dual citizenship and political rights. For example, will people moving overseas be provided with an orientation as to what to expect in the COR and the services the COO will provide? In the case of India, a pre-departure orientation for migrant workers going to the Middle East for the first time with educational qualifications below the Matric level (equivalent to 10th Grade in the American system) was introduced in 2017 (Bhaskar, 2017). The orientation emphasizes worker safety and acquaints workers with rules and regulations in the host country (Jacob, 2018).

Another important question is access to social services in the COO. Will emigrants get to benefit from social services and pensions/ health care at home when they choose to return? Will they suffer from possible double taxation? Signing bilateral or multilateral agreements/treaties with the COR could help deal with this issue. For example, the US, as of 2019, has signed International Social Security agreements, often called "Totalization agreements", with 30 countries. These agreements aim to eliminate Social Security dual taxation and help extend benefit protection for workers whose careers have been partially overseas (Social Security, 2019).

Would the COO help with labor disputes in the COR? This would be especially important in countries with large numbers of transient diasporas, such as the Gulf Arab countries, and countries with large numbers of diaspora members in them, such as India, Pakistan, Bangladesh, and the Philippines. Would the diaspora be allowed to own real property in the COO? Would dual citizenship be allowed? If so, would this extend to children of emigrants born overseas? If not, would former citizens be allowed some sort of 'overseas citizenship' of the COO? The question of dual citizenship could become even more important as different generations grow up in the COR. If later generations growing up in the COR have COR citizenship, would access to COO citizenship help them maintain ties to the COO? Would there be a separate government department to handle diaspora issues? Would voting be extended to the diaspora? Should there be separate diaspora representatives? For example, India, through its Overseas Citizenship of India (OCI) scheme (which, despite the name, is not a citizenship since India does not allow dual citizenship, but similar to permanent residence), allows OCIs to own property in India, enter and exit freely, and practice most professions, though it does not allow political rights such as voting or holding high government positions. France allows its overseas citizens to vote for 11 reserved deputies in its National Assembly (France Senate, 2019).

The answers to these questions would have important implications for businesses. If the diaspora can own real property, it could boost property transactions from the COR, thus driving up the demand for international banking and financial services. If voting rights and/or some form of citizenship is extended to the diaspora, it could also make financial and property transactions easier (since many countries restrict the acquisition of real property by foreigners), driving up property demand in the COO and facilitating cross-border ties between the COO and the COR. If the COO government decides to provide orientation services to emigrants, it could help increase demand for cross-cultural training programs and services.

What obligations would be imposed on the diaspora?

COO policies in this regard need to address the duties that will be imposed on the diaspora, as well as how these would be enforced. A key question would be if the diaspora does not fulfill its obligations, would some of its rights be forfeited? Another important issue here would be taxation: Would there be a global tax on citizens? If so, how would overseas citizens be brought into

compliance? To what extent would COR taxes count against the COO tax burden? To what extent does this need to be addressed by treaties between the COO and COR? For example, the US imposes a global tax on its citizens, though this can be partly offset by taxes paid to the COR. An important issue for certain countries (such as South Korea, Taiwan, and Israel) would be the issue of mandatory military service: should that extend to the diaspora? If so, how would those not doing it be impacted in the COO?

These questions could have important business implications. If overseas citizens are liable for military service, regulations have to be developed as to what these obligations would be, and the possible financial penalties that could be enforced (for example, not allowing overseas citizens to access certain commercial loans or public housing) for avoiding military service. Could overseas citizens be allowed to contribute in a different way in lieu of military service? For example, Turkey in 2019 adopted a law that would allow Turks overseas to pay a certain amount to be exempted from long-term conscription (Daily Sabah, 2019). A global tax on citizens could increase regulations and indirectly increase the diaspora's cost of doing business with their COO.

What incentives would be offered to the diaspora?

Incentives would be voluntary programs that give the diaspora certain benefits if they choose to participate in them. These could be in the form of special economic zones or export promotion zones (SEZ/EPZ) which would provide favourable tax treatment for diaspora investments, import or customs rebates for diaspora members moving back to the COO for the long term, national bond programs with diaspora quotas offering high interest rates, voluntary skilled expatriate networks that help leverage diaspora talent for COO institutional capacity development, and fellowships/scholarships designed to attract the diaspora to study or do advanced training in the COO.

These incentives can help facilitate trade and investment across borders. For example, in the case of China, SEZs were key to attracting FDI from the diaspora. The Chinese diaspora played a vital role in the success of the SEZs by helping attract capital, technology, skills, generating knowledge spillovers, and over time helping to build local manufacturing capacity (Zeng, 2011). Incentives such as quotas for government bonds and specialized diaspora bonds help the government raise money (often in convertible currency), while fellowships/scholarships help increase the inflow of money into the economy as family members often benefit from transfer of funds from overseas relatives. India and Israel raised over US\$35 billion in the first decade of the twenty-first century in diaspora bonds. These diaspora bonds represent an important source of capital for the COO, especially when access to other foreign capital markets is restricted. For diaspora investors, these bonds allow them the satisfaction of assisting their COO while simultaneously providing a favourable investment opportunity (Ketkar & Ratha, 2010).

To what extent should diaspora achievements be recognized and celebrated in the COO?

Another issue that the COO needs to decide on is the extent to which it recognizes the diaspora and celebrates its achievements. This is an important question especially for emerging economies. Recognizing the diaspora and celebrating its accomplishments helps it stay connected with the COO. However, it also brings forth the question of whether this indirectly helps cause brain drain - if people overseas are successful and given a red carpet in the COO, the feeling may be that those who want to be successful should move overseas. While a certain amount of national and ethnic pride for the accomplishments of overseas citizens is a positive and indeed inevitable, a legitimate question for any government would be that if people at home see most people who are successful actually living overseas, the primary aim of the more educated and people with means might become to move overseas. Since a certain level of brain drain is often inevitable from developing countries, this argument must be balanced against the real-life challenge of ensuring that the diaspora stays engaged with the COO. For emerging economies, a rising number of returning emigrants with higher levels of social and human capital help create “dual beachheads of business” (Saxenian, 2002) in both their COO and COR. For businesses in emerging economies, this is an important issue since acquiring talent is a major challenge and a policy that facilitates brain circulation could help local businesses and multinational corporations (MNCs) in attracting world-class talent.

How should the COO government connect with the diaspora?

A key question for COO governments is the structure of their formal relationship with the diaspora. This could be done through a combination of an exclusive ministry for diaspora affairs, expanded consular units in embassies devoted to diaspora services, and diaspora specialized units in ministries like foreign affairs, education, and land development that cater to the needs of diaspora families. For example, Israel has a dedicated ministry of Diaspora Affairs, India has a dedicated division for Overseas Indians within the Ministry of External Affairs, while China has an Overseas Chinese Affairs Committee. Both India and China have state and provincial governments with their own dedicated diaspora liaison units. Another important question would be the extent of services that would be provided to the diaspora, especially in the COR. For example, Mexico’s consulates in the US provide a multitude of services to its diaspora, including education programs, English language training, financial literacy, identity documents, and money management skills (Chand, 2016).

Businesses and development organizations can find value in government-organized diaspora institutions by using them to access the diaspora for contacts, knowledge transfer, and talent. An example of this would be the Taiwanese diaspora's role in transforming the Taiwanese economy. The Taiwanese government in the 1980s worked with its diaspora in Western countries, collecting input through various forums, and used this to formulate and implement numerous development programs (Isenberg, 2010). Similarly, the Chinese diaspora has worked with the Chinese government in establishing social organizations that promote entrepreneurship (Kshetri, 2007). Entrepreneurial firms established by diaspora Indians helped improve service quality and move up

the value chain (Saxenian, 2006). At a multilateral level, The Hague based IOM that helps with the “MIDA (Migration for Development in Africa) Ghana Health” project provides a good example of how to engage the diaspora in a mutually beneficial relationship. This project aims to engage the European Union based Ghanaian diaspora to improve health care in Ghana. The diaspora is engaged in line with Ghana’s healthcare strategy, and projects selected in partnership with Ghana’s Health Ministry and other healthcare stakeholders (Chand, 2016). The COO and the diaspora, however, should be cognizant that long-term engagement could be a sensitive issue for the diaspora's relationship with its COR, and should work with the COR to ensure that there are no misunderstandings and that the relationship benefits all sides.

The COO perspective on the diaspora management framework is summarized below:

Table 1 - The COO Perspective

Key Question	Policies	Examples
What rights will be extended to the diaspora?	Orientation for emigrants, social services for diaspora members, help with COR labor disputes, property ownership, dual citizenship, voting rights	Government sponsored orientation for emigrants (India), consular assistance in labor disputes (India), overseas voting rights (France)
What obligations would be imposed on the diaspora?	Global taxations of citizens, mandatory military service, mechanisms to enforce obligations and penalties	Bilateral treaties to prevent dual taxation (US), exemptions or alternate pathways for military service for diaspora (Turkey)
What incentives would be offered to the diaspora?	Diaspora bonds, dedicated EPZs/ SEZs, favorable import rules for moving back to COO, creating and managing a skilled expatriate network	Floating long-term bonds aimed at the diaspora (Israel/India), setting up EPZ/SEZ with diaspora involvement (China)
To what extent should diaspora achievements be recognized in the COO?	Government recognition/celebration for diaspora achievements, local treatment for non-citizen diaspora	“Diaspora Days”, publicizing works/ achievements of non-citizen diaspora members (India)
How should the COO government connect with the diaspora?	Dedicated diaspora ministry, expanded consular units specializing in diaspora affairs, specialized units in key ministries, maintaining updated statistics	Specific diaspora policy that considers the diaspora’s needs and desires (China/India), extensive consular services in COR (Mexico)

From the point of view of the diaspora, important issues include its level and extent of engagement with the COO. The diaspora in the COR can be involved with the COO at one or multiple levels

(Asia Pacific Foundation of Canada, 2011). These could be divided into the individual, family, community, or government levels. These levels are briefly described below:

Individual

This includes regular contact with friends, professional associates, and business contacts on an ongoing basis. It is a combination of personal and professional ties that often overlap. The social networks here often act as a basis for information flow as well as potentially conduits for trade and investment.

Family

This usually entails frequent communication and contact with spouses, parents, siblings, children, and extended family who are in the COO. The strength of these ties varies across countries and can entail business along with personal ties. Remittances often flow through these networks.

Community

These include membership and participation in bodies such as alumni groups, professional associations, religious groups, and non-profit organizations that span multiple countries. These social networks can help transfer knowledge and develop institutional capacity by engaging with the diaspora.

Government

Direct ties with the government include a variety of issues, such as being registered with the COO embassy/consulate, regular contacts with the COO diaspora unit, registering a property in the COO, having children study in the COO on diaspora quotas, and contacts with sub-national state or provincial agencies in the COO. In practice, these levels may not always be neatly separated, and an individual may be actively involved with the COO at multiple levels simultaneously.

The social identity of diaspora members, as to the extent to which they see themselves as part of the COO or COR or both, and the importance they attach to each identity, affects their social and economic behaviors. Most people feel a belonging to multiple social groups, and the emphasis that they place on any particular group membership at a given time or in a given context varies widely (Chand & Tung, 2014). The social identity of diaspora members also affects their social networks which they use to conduct activities such as trade and commerce. Social networks can include both ingroup and outgroup members. Ingroup identity is defined as the ‘part of an individual’s self-concept which derives from his knowledge of his membership in a social group together with the value and emotional significance attached to that membership’ (Tajfel, 1978: 63). According to social identity theory, a person who identifies with an ingroup demonstrates a decision-making bias toward that group. This could be because ingroup identities are part of an individual’s self-concept and individuals want to uphold a positive self-image (Mackie & Smith, 1998; Tajfel, 1978; Turner, 1999).

In terms of the diaspora management framework, this would mean that the diaspora's social identity would affect its degree of identification with the COO and/or COR, and thus affect its ability to engage with them and drive trade and ties for mutual benefit. For example, Chand and Tung (2014) in their study of the Indian diaspora in the US and Canada, found that diaspora members high on cultural distance but low on cultural conflict (“cultural boundary spanners”) were the most likely to facilitate economic engagement between the COO and the COR. A possible reason for this was that having high cultural distance meant that they perceived their two cultures to be different which facilitated their having multiple non-overlapping social networks, while having low cultural conflict meant that they could switch cultural frames appropriately, helping in generating and sustaining these social networks.

From the point of view of businesses, it is important to engage with the diaspora at multiple levels to take advantage of the mutual benefits that it offers to companies operating across borders. At the individual level, the combination of personal and professional ties can often form the basis of long-term business relationships. At the family level, the flow of remittances helps boost the purchasing power of families in the COO and is also a source of scarce foreign currency in many emerging economies. The social networks through which these remittances flow are also potential bases through which goods, services, and ideas can flow, and thus of interest to MNCs. Tung and Chung (2010) found that MNCs that used diaspora members in key managerial positions were more likely to have higher resource commitment (e.g., FDI versus exports) when entering new markets.

Professional associations (such as TiE, Korean Engineers Forum, etc.) and alumni groups (e.g., IIT alumni forums) are important avenues for knowledge transfer as well as creating and sustaining social networks through which business can grow and enter new markets. Immigrants who found high growth entrepreneurial firms tend to avoid equity financing and rely on co-ethnic and community funds as part of a bootstrapping strategy (Moghaddam et al, 2017). This could be an opportunity for cross-border professional groups to support immigrant entrepreneurs in a mutually beneficial relationship. Aspiring immigrant entrepreneurs use both ethnic and non-ethnic resources in making location decisions in the COR (Simarasl, Moghaddam, & Williams, 2021). COR policies and programs that target aspiring immigrant entrepreneurs could be useful in attracting them to specific regions of the COR and be used in conjunction with professional diaspora organizations.

The diaspora perspective on the diaspora management framework is summarized in Table 2.

Table 2 - The Diaspora Perspective

Levels of engagement with COO	Examples	Importance
Individual	Friends, professional associates, and business contacts	Combination of personal and professional ties that act as basis for information flow as well as potentially conduits for trade and investment.
Family	Spouses, parents, siblings, children, and extended family in COO. Strength of these ties varies greatly across countries	Remittances often flow through these networks. Can also be basis for international trade.
Community	Alumni groups, professional associations, religious groups, and non-profit organizations that span multiple countries	Often help transfer knowledge, develop trade, and help the COO develop institutional capacity through its diaspora.
Government	Registering with embassy/consulate, registering property in COO, children studying in COO on diaspora quotas, contacts with COO sub-national agencies	Most direct way for diaspora to stay in touch with the COO government, mechanism to voice concern over and affect COO diaspora policy

The COR and its policy toward the diaspora is another vital component of the diaspora management framework. The COR's policies that affect the diaspora include the following:

Is permanent residence and citizenship available to incoming immigrants?

Countries differ greatly as to whether immigrants can eventually become citizens in the COR. Countries like Canada, the US, and Australia have a history of letting immigrants settle in their countries and become citizens over time. Others, like Gulf Arab countries, while home to large diasporas, severely restrict this practice, even if multiple generations have grown up in the country.

The question of whether immigrants can become citizens or permanent residents is important, since it creates a sense of belonging, and over time, the ability to earn citizenship has the net effect of boosting wages for immigrants and a corresponding increase in the GDP and tax revenue of the COR (Lynch & Oakford, 2013). Naturalized citizens have higher employment rates and higher average earnings than non-citizen immigrants, pointing to its importance for both the diaspora and the COR (Statistics Canada, 2011). This can also affect the diaspora's relationship with its COO.

Is dual citizenship allowed?

There are wide variances across countries as to this practice. For example, Canada allows dual citizenship, the US allows it with few restrictions but does not encourage it, while Germany severely restricts it. The citizenship policy of the COR government significantly affects the relationship of the COO with its diaspora, as it could affect the diaspora's decision to retain or give up its COO citizenship, with its accompanying duties and obligations. Related to this is the issue

of whether birthright citizenship is extended to all children born in the COR (e.g., Canada and the US) and whether this later requires them to choose either one or the other citizenship. A classic example of the latter is Germany - it did not allow any form of birthright citizenship until 2000 - now children born to foreign permanent residents can become citizens but must affirmatively choose this option by age 23 and prove their links to Germany³. As multiple generations grow up in the COR, this question acquires greater salience. If children born to immigrants (in the COR) and their descendants have access to birthright citizenship, it could positively affect their sense of belonging to the COR.

The question of dual citizenship has important implications for global businesses since possession of more than one citizenship could make it easier for MNC executives to live and work in different countries. This might be even more important for MNC executives from emerging economies, whose passports usually allow less mobility than passports from most developed countries (Cripps, 2017). There are also restrictions in some countries about non-citizens buying immovable property – for example, both China and India restrict the type of property that foreigners can buy. On the other hand, multiple citizenships and the accompanying issues that arise from it are often emotive and have implications beyond the purely economic and more fundamentally about the nature of what citizenship means.

What is the acculturation policy of the COR?

The COR can have specific strategies for how it aims to deal with immigrants in its midst. It could follow a policy of assimilation, which requires immigrants to over time become a largely indistinguishable part of the COR (e.g., France). The policy of integration requires a mutual give and take between the immigrants and the host community so that there is a diversity of cultures within the COR (e.g., Canada). Countries could also follow a policy of separation, where contact between the different groups is minimized outside of work, leading to segregation (e.g., the UAE, especially for workers from South Asia).⁴ The acculturation policy of the COR affects diaspora members who live there. Previous research on expatriates found that integration followed by assimilation were the most functional acculturation modes (Berry & Kalin, 1995; Tung, 1998). In his study of the Indian diaspora in North America, Chand (2014) found that the COR's acculturation mode had a significant effect on the diaspora's attitude toward both the COO and the COR, and indirectly affected the flow of diaspora FDI to the COO.

Differences between the COO and COR

The level of cultural differences between the COO and the COR can be an important consideration for the COR in creating and implementing its diaspora policy. Cultural differences could include

³ An updated citizenship law is being discussed by the incoming coalition government as of December 2021

⁴ The Multiculturalism Policy Index (2010), a research project that examines the multiculturalism policies in 21 Western countries, could be a useful source to understand some of these policies

differences in language, religion, social practices, as well as historical connections. The political and economic relationship between the COO and the COR can also affect the complexity of the immigration process. In a study of education selectivity of immigrants in the Organization for Economic Co-operation and Development (OECD), Belot & Hatton (2012) found that cultural similarities and colonial legacies were important determinants of the phenomenon. An important issue is whether extra privileges should be extended for citizens of countries with previous colonial ties - such as the Commonwealth for the United Kingdom or the Francophonie for France. For example, Spain allows citizens from countries that were former colonies faster paths to citizenship, as well as allowing them to have dual nationality, a privilege not granted to citizens of other countries (Maunder, 2019). The ability of family members to easily join each other in the COR and the ability to travel back and forth between the two countries affects the chances of diaspora integration in the COR, and thus its relationship with the COO. For example, Qatar allows residency permits for spouses to be sponsored in the “professional visa category” (e.g., doctors, engineers), while those belonging to the “labor visa category” (e.g., painters, plumbers) may not be allowed to do this (Vinod, 2019).

Another important consideration is whether the COR is historically an immigrant nation (e.g., Canada, the US, Australia). Countries that have a history of immigrant settlers have had a longer time to develop and implement immigration policies and in integrating newcomers. Countries with shorter histories of immigration, while lacking the experience of immigrant-based countries, may find it easier to study and adapt policies that have worked in immigrant societies as they craft their own diaspora policies. MNCs, because they operate in multiple countries and are often looking to attract and retain talent worldwide, can be a part of the conversation of how to design policies that make attracting and integrating knowledge diasporas a mutually beneficial proposition for all sides concerned. The COR perspective on the diaspora management framework is summarized in Table 3.

Table 3 - The COR Perspective

Key Question	Policies	Examples
Is citizenship available to	Citizenship criteria for immigrants, skill and family-based criteria for attracting immigrants in the first place	Policies that let long term/ permanent residents naturalize after a set time (e.g., five years in the US in most cases), immigration system that clearly spells out

incoming immigrants?		how foreigners can become permanent residents
Is dual citizenship allowed?	Laws regarding multiple citizenships (if allowed), whether birthright citizenship extended	Canada and the US allow dual citizenship (with restrictions), China does not. US allows birthright citizenship, Germany does not in most cases
What is the acculturation policy of the COR?	Assimilation, integration, or separation are the most common alternatives. These can often exist on a continuum rather than as clearly separated categories	France tends to have a more assimilation-oriented policy, Canada a more integration-oriented policy, and the Gulf Arab countries more of a separation type policy
Differences between the COO and COR	Vetting immigrants could differ by country, ability of close family members to immigrate, favorable potential treatment to former colonies	Spain allows citizens from former colonies faster paths to citizenship as well dual nationality

DISCUSSION

A diaspora management framework helps COOs trying to leverage their diasporas by providing a comprehensive analytical and management tool that can help coordinate the actors and forces involved in this dynamic multi-faceted process. Leveraging diaspora human and social capital is a major challenge for policymakers in both the COO and the COR, and we believe that using this framework could help with this process. Our conceptualization of the diaspora management framework is best viewed as a starting point for more detailed research into each of the identified actors and the forces affecting them. The proposed framework facilitates the study of the relationships between the different actors and the accompanying forces in a dynamic setting that is constantly evolving based on changes in government policies and economic and social conditions in the COO and the COR.

All three major actors, the COO, the COR, and the diaspora can benefit from the framework as it can help them to understand each other's motivations and find areas for mutual benefit and cooperation. The framework also provides an avenue to work with stakeholders with common interests and help build policy-based partnerships across borders. This can also indirectly help facilitate international trade and investment.

From the point of view of the COO, the framework can help explain how different domestic groups and policies affect the diaspora, and how the COO can best engage with it under different conditions and in different CORs. The framework also provides an idea of how different COO policies would affect the diaspora and its relationship with the COR, and how these policies would affect and in turn be affected by different COO groups with their own agendas.

From the point of view of the diaspora itself, the framework helps with understanding how it can engage with the COO at multiple levels, and how COR policies could affect this relationship. It could also help explain how different diaspora actions can influence policies in both the COO and the COR. Working with stakeholders with similar interests and building policy-based coalitions with them is an important avenue for the diaspora to explore both in the COO and the COR.

From the point of view of the COR, the framework points to the importance of the choice of COR acculturation policy regarding immigrants, as each of the choices of integration, assimilation, or separation could have important implications as to how the diaspora sees itself, and its relationship with its COO and COR. The framework can also help the COR in analyzing how different COO diaspora policies can affect its relationship with the diaspora, and how the COR can use its own policies to ensure that this does not come at the expense of the diaspora's ties with the COR.

Both COO and COR would benefit from understanding how diaspora led organizations and their transnational social networks can be best utilized to help facilitate trade, trust, and ties between them and help with human capital development. MNCs can benefit by utilizing the different possible levels of engagement between the diaspora and its COO and leveraging transnational diaspora social networks to facilitate their operations around the world.

The paper contributes to the diaspora literature by proposing a framework that brings together the different actors and their evolving motivations in the diaspora management process and helps explain how these actors can best collaborate for mutual benefit in an environment which is in a state of constant flux. It extends theory by explaining how institutional theory can be used to manage the diaspora in a dynamic setting that facilitates this constantly changing process, and exploring how social identity theory interacts with institutional theory to explain the diaspora's motivations and actions vis-a-vis the COO and COR.

The paper also points to the importance of building coalitions with groups that share similar objectives for being effective. This holds true not only for the diaspora itself, but also to a lesser extent for both the COO and the COR governments. In terms of policy, the framework can be an important tool for COO and COR governments in understanding and leveraging diasporas as strategic assets that can provide them with a competitive advantage in attracting world-class talent. The framework can in addition help analyze how different policies of the COO and the COR can affect the diaspora's relationship with them. It can also be a part of a larger framework through which COO-COR interactions and multilateral ties are viewed and managed.

CONCLUSION

This paper examined different aspects of diaspora related policies across countries, synthesized the themes that underlie these policies, and used these to create a multi-level diaspora management framework. The paper has several important limitations. The framework that we propose is at a

theoretical level and not been tested or operationalized. While we have identified important actors and forces that affect this process, the framework is not exhaustive and there could be other forces and actors that significantly affect it. We see the framework as a first step in integrating the diverse actors and forces that go into managing diasporas and their complex relationship with both the COO and the COR. Future research can look at how the framework works regarding specific countries, how the different components of the framework interact with each other in diverse environments, and how specific COO and COR policies affect its individual components (e.g., the importance of dual citizenship and birthright citizenship in maintaining ties with the COO for multiple generations growing up in the COR). Future researchers can also enrich the framework by incorporating concepts from disciplines that investigate this issue from a different lens, such as political economy and international relations.

REFERENCES

- Asia Pacific Foundation of Canada. (2011). Canadians abroad: Canada's global asset. http://www.asiapacific.ca/sites/default/files/canadians_abroad_final.pdf
- Barnard, H., Deeds, D., Mudambi, R., & Vaaler, P. (2019). Migrants, migration policies, and international business research: Current trends and new directions. *Journal of International Business Policy*, 2(4), 275-288. <https://doi.org/10.1057/s42214-019-00045-6>
- Belot, M., & Hatton, T. (2012). Immigrant selection in the OECD. *Scandinavian Journal of Economics*, 114 (4), 1105-1128. <https://doi.org/10.1111/j.1467-9442.2012.01721.x>
- Bhaskar, T. (2017). India introduces pre-departure orientation for migrant workers. World Bank Blogs. https://blogs.worldbank.org/peoplemove/india-introduces-pre-departure-orientation-migrant-workers#_edn1
- Brown, R. (2017). What Can India and China Learn From Each Other About Diaspora Policy? *The Diplomat*, <https://thediplomat.com/2017/02/what-can-india-and-china-learn-from-each-other-about-diaspora-policy/>
- Buckley, P., & Meng, C. (2005). The strategy of foreign invested manufacturing enterprises in China: Export orientated and market orientated FDI revisited. *Journal of Chinese Economic and Business Studies*, 3 (2), 111-131. <https://doi.org/10.1080/14765280500120112>
- Buckley, P., Wang, C., & Clegg, J. (2007). The impact of foreign ownership, local ownership and industry characteristics on spillover effects from foreign direct investment in China. *International Business Review*, 16 (2), 142-158. <https://doi.org/10.1016/j.ibusrev.2006.12.006>
- Chand, M. (2010). Diasporas as drivers of national competitiveness. In T. Devinney, T. Pedersen, and L. Tihanyi (Eds.), *Advances in International Management: The Past, Present and Future of International Business and Management* (pp. 583-602). Emerald. [https://doi.org/10.1108/S1571-5027\(2010\)00000230030](https://doi.org/10.1108/S1571-5027(2010)00000230030)
- Chand, M. (2014). Diaspora identity, acculturation policy and FDI: The Indian diaspora in Canada and the United States. *Asian Business and Management*, 13 (4), 283-308. <https://doi.org/10.1057/abm.2014.6>
- Chand, M., & Tung, R. L. (2011). Diaspora as the boundary-spanners: The role of trust in business facilitation. *Journal of Trust Research*, 1(1), 107-129. <https://doi.org/10.1080/21515581.2011.552461>

- Chand, M., & Tung, R.L. (2014). Bicultural identity and economic engagement: An exploratory study of the Indian diaspora in North America. *Asia Pacific Journal of Management*, 31 (3), 763-788. <https://doi.org/10.1007/s10490-014-9375-y>
- Chand, M. (2016). Leveraging the diaspora for Africa's economic development. *Journal of African Business*, 17 (3), 273-290. <https://doi.org/10.1080/15228916.2016.1160856>
- Chand, M. & Tung, R.L. (2019). Skilled immigration to fill talent gaps: A comparison of the immigration policies of the United States, Canada, and Australia. *Journal of International Business Policy*, 2 (4), 333-355.
<http://link.springer.com/article/10.1057/s42214-019-00039-4>
<https://doi.org/10.1057/s42214-019-00039-4>
- Cohen, R. (1997). *Global diasporas: An introduction*. University of Washington Press.
<https://doi.org/10.4324/9780203228920>
- Cripps, K. (2017). Singapore now offers the world's most powerful passport. CNN.
<http://www.cnn.com/travel/article/global-passport-index-singapore/index.html>
- Daily Sabah. (2019, June 25). Parliament adopts bill reducing conscription, making paid military service exemption permanent.
<https://www.dailysabah.com/turkey/2019/06/25/parliament-adopts-bill-reducing-conscription-making-paid-military-service-exemption-permanent>
- D'Aveni, R. A. (1994). *Hyper-competition: Managing the dynamics of Strategic Maneuvering*. New York: Free Press.
- DiMaggio, P., & Powell, W. (1991). Introduction. In W. Powell and P. DiMaggio, (Eds.), *The New Institutionalism in Organization Analysis* (pp. 1-38). University of Chicago Press.
- DiMaggio, P., & Powell, W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American Sociological Review*, 48,147-160. <https://doi.org/10.2307/2095101>
- France Senate. (2019). The senatorial elections.
http://www.senat.fr/lng/en/senators/the_senatorial_elections.html
- Gamlén, A., Cummings, M., Vaaler, P., & Rossouw, L. (2013). Explaining the rise of diaspora institutions. Working Paper 78. International Migration Institute, University of Oxford.
- Gamlén, A., Cummings, M. E., & Vaaler, P. (2019). Explaining the rise of diaspora institutions. *Journal of Ethnic and Migration Studies*, 45(4), 492-516.
<https://doi.org/10.1080/1369183X.2017.1409163>

- Geithner, P., Johnson, P. and Chen, L. (Eds.) (2005). *Diaspora philanthropy and equitable development in China and India*. Harvard University Press.
- Isenberg, Daniel J. (2010). How to start an entrepreneurial revolution. *Harvard Business Review* 88(6), 40-50.
- IOM (2019). *World Migration Report 2020*.
https://publications.iom.int/system/files/pdf/wmr_2020.pdf
- Jacob, J. (2018). Centre to crack down on those seeking jobs abroad without orientation programme. *Hindustan Times*. <https://www.hindustantimes.com/india-news/centre-to-crack-down-on-those-seeking-jobs-abroad-without-orientation-programme/story-stZF79J8ZKpLvaLWoXZGNN.html>
- Karhunen, P. (2008). Towards convergence in the St. Petersburg Hotel industry through the lens of institutional theory. *Journal for East European Management Studies*. 13(2), 106-128.
<https://doi.org/10.5771/0949-6181-2008-2-106>
- Ketkar, S., & Ratha, D. (2010). Diaspora bonds: Tapping the diaspora during difficult times. *Journal of International Commerce, Economics and Policy*, 1(2), 251-263.
<https://doi.org/10.1142/S1793993310000147>
- Khanna, T. (2007). *Billions of entrepreneurs: How China and India are reshaping their futures-and yours*. Harvard University Press.
- Kshetri, N. (2007). Institutional changes affecting entrepreneurship in China. *Journal of Developmental Entrepreneurship*, 12(4), 415-32.
<https://doi.org/10.1142/S1084946707000770>
- Lawrence, T. B. (1999). Institutional strategy. *Journal of Management*, 25(2), 161-187.
[https://doi.org/10.1016/S0149-2063\(99\)80008-7](https://doi.org/10.1016/S0149-2063(99)80008-7)
- Lin, X. (2010). The diaspora solution to innovation capacity development: Immigrant entrepreneurs in the contemporary world. *Thunderbird International Business Review*, 52 (2), 123-136.
<https://doi.org/10.1002/tie.20319>
- Lynn, R., & Oakford, P. (2013). *The economic effects of granting legal status and citizenship to undocumented immigrants*. Center for American Progress.
<https://www.americanprogress.org/issues/immigration/reports/2013/03/20/57351/the-economic-effects-of-granting-legal-status-and-citizenship-to-undocumented-immigrants/>

- Mackie, D. M., & Smith, E. (1998). Intergroup relations: Insights from a theoretically integrative approach. *Psychological Review*, 105(4), 499-529.
<https://doi.org/10.1037/0033-295X.105.3.499>
- Maleki, A., Moghaddam, K., Sanusi, E & Cullen, J. (2020). National social benefit systems and entrepreneurial intentions: A cross-national and cross-level analysis. *Cyrus Chronicle Journal*, 5 (1), 10-29.
<https://doi.org/10.52212/CCJ2020-V5i1m4>
- Maunder, S. (2019). Guide to getting Spanish citizenship and permanent residence. Expatica.
<https://www.expatica.com/es/moving/citizenship/spain-citizenship-107634/>
- Meyer, J., & Rowan, B. (1977). Institutionalized organizations: formal structure as myth and ceremony. *American Sociological Review*, 83 (2), 340-363.
<https://doi.org/10.1086/226550>
- Moghaddam, K., Aidov, A., DuVal, C., & Azarpanah, S. (2017). High-growth entrepreneurial firm funding: A qualitative study of native-born and immigrant entrepreneurs. *Venture Capital*, 19 (1-2), 75-94.
<https://doi.org/10.1080/13691066.2016.1256295>
- Multiculturalism Policy Index. (2010). Queen's University.
Welcome to the multiculturalism policy index. [http:// www.queensu.ca/mcp/](http://www.queensu.ca/mcp/).
- Perlitz, M., Schulze, L., & Wilke, C. B. (2010). The demographic and economic transition in Central and Eastern Europe: Management implications. *Journal for East European Management Studies*, 15(2), 149-176.
<https://doi.org/10.5771/0949-6181-2010-2-149>
- Phillips, N., & Tracey, P. (2009). Institutional Theory and the MNC. *The Academy of Management Review*, 34, 169-171.
<https://doi.org/10.5465/amr.2009.35713350>
- Saxenian, A. (2002). Brain circulation: How high-skill immigration makes everyone better off. Brookings, <https://www.brookings.edu/articles/brain-circulation-how-high-skill-immigration-makes-everyone-better-off/>
<https://doi.org/10.2307/20081018>
- Saxenian, A. (2006). *The new argonauts: Regional advantage in a global economy*. Harvard University Press.
<https://doi.org/10.2307/j.ctv1dp0ttt>
- Simarasl, N., Moghaddam, K. & Williams, D.W. (2021). Antecedents of business location decisions: the case of aspiring immigrant opportunity entrepreneurs. *Journal of Small*

- Business and Enterprise Development, 28 (7), 1075-1094.
<https://doi.org/10.1108/JSBED-06-2020-0204>
- Social Security. (2019). U.S. International Social Security Agreements.
https://www.ssa.gov/international/agreements_overview.html
- Statistics Canada. (2011). Divergent trends in citizenship rates among immigrants in Canada and the United States. <http://www.statcan.gc.ca/pub/11f0019m/11f0019m2011338-eng.pdf>.
- Tajfel, H. (1978). Social categorization, social identity and social comparison. In H. Tajfel (Ed.). *Differentiation between social groups* (pp. 61-76). Academic.
- Tung, R. L., & Chung, H. F. L. (2010). Diaspora and trade facilitation: The case of ethnic Chinese in Australia. *Asia Pacific Journal of Management*, 27(3), 371-392.
<https://doi.org/10.1007/s10490-009-9146-3>
- Tung, R. L. (1998). American expatriates abroad: From neophytes to cosmopolitans. *Journal of World Business*, 33(2), 125-144.
[https://doi.org/10.1016/S1090-9516\(98\)90002-5](https://doi.org/10.1016/S1090-9516(98)90002-5)
- Turner, J. C. (1999). Some current issues in research on social identity and self-categorization theories. In N. Ellemers et al. (Eds.). *Social identity* (pp. 6-34). Blackwell.
- UN. (2016). United Nations Department of Economic and Social Affairs, Population Division. <http://www.un.org/en/development/desa/population/migration/index.shtml>
- Vaaler, P. M. (2011). Immigrant remittances and the venture investment environment of developing countries. *Journal of International Business Studies*, 42(9), 1121-1149.
<https://doi.org/10.1057/jibs.2011.36>
- Vinod, R. (2019). Dependent and family visa information. Online Qatar.
<https://www.onlineqatar.com/living/expat-life/dependent-and-family-visa-information>
- Zeng, D. (2011). How do special economic zones and industrial clusters drive China's rapid development? Policy Research Working Paper 5583. World Bank.
<https://doi.org/10.1596/1813-9450-5583>