



Policy Research Initiative

HAITI DIASPORA BAROMETER

by

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Poverty Alleviation Strategy

As Haiti finally elected a constitutional government after more than a year of electoral turmoil, the focus now must be redirected toward alleviating poverty in the country. The World Bank estimates that extreme poverty in Haiti affects nearly one fourth of the population, with 2.5 million people living on US \$1.23 a day. More than 6 million people, or 59% of the population, live on less than US \$2 a day. Putting these numbers into a regional context, Haiti's closest neighbor, the Dominican Republic (DR), has an overall poverty rate of about 30%, i.e. half of Haiti's poverty rate, and the average poverty level for the whole Caribbean region is about 25%, a decline from a high of over 40% just few years ago.

In 2016, the poverty level in the Caribbean also declined slightly, but Haiti's poverty increased due to many factors such as natural disasters, depreciation of the Haitian currency (the Gourde), the contraction of the economy, and political unrest. The good news is that there are some antipoverty strategies that have worked well around the world and that Haiti can use without too much reengineering, other than the modifications necessary for cultural and historical contexts. Among these strategies, investing in human capital and boosting economic growth through labor and national production top the list. A ready-to-go partner that Haiti's new government should be able to rely on strongly is the Haitian diaspora.

With a 10-year average annual remittance of US \$1.8 billion (2010-2016), the Haitian Diaspora is one of the main engines of Haiti's economic growth. In 2015, nearly one fourth of Haiti's GDP consists of remittances from the diaspora. In comparison, the Dominican Republic's diaspora contributed 7.7% to the DR economy and the

Jamaican diaspora contributed 17% to Jamaica's GDP in 2015. In monetary terms, Dominicans sent US \$5.3 billion to their motherland in 2016, while Haitians sent less than half that amount, i.e. US \$2.2 billion in 2016. It is worth mentioning that, according to the US Citizens and Immigrations Services (USCIS), in the United States, a major destination spot for both Dominicans and Haitians, there are an estimated 1.5 million Dominicans and 700,000 Haitians in 2016. Based on these estimates and assuming all the remittances came from the U.S., the Haitian diaspora sent *US \$25 more per person* than the Dominicans. There is no doubt that the Haitian diaspora is already very much engaged in Haiti's development.

In the fight to alleviate poverty and transform Haiti into an emerging nation by its stated goal of 2030, the new government must continue to engage the diaspora in a very constructive and strategic fashion. Members of the diaspora also must be willing to continue their involvement in Haiti's affairs but with a new set of approaches and reporting tools that will allow them to measure continuously their progress or impact toward the imperative goal of ending poverty in Haiti in the next decade.

Toward this goal, a powerful instrument designed to support a better form of relationship between the Haitian diaspora and Haiti's government is the **Diaspora Barometer**. This tool is in its infancy and will be tested more for validity and reliability, but its release now corresponds to the urgent need to contribute to the development of new policies and strategies that will stimulate the Haitian diaspora's participation in Haiti's development while providing them with an effective tool to measure, monitor and evaluate the effectiveness of their interactions with governmental programs.

Keywords: Poverty alleviation, Haiti's government, Haiti diaspora, rural areas

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Diaspora Barometer: The Tool

The Diaspora Barometer is a scientific instrument that will be used to monitor the states of the rural economy, availability of human resources, material resources, capital, and business risks associated specifically with Haiti's rural areas. The Diaspora Barometer responds to the need of improving statistics and analytics when it comes to reporting updated and accurate information to potential investors, local government and the public about Haiti's provinces and rural communities.

The World Bank reported that over 80% of Haiti's poor live in rural areas. The further away from urban centers and Port-au-Prince one may travel, the more poverty and desolation one would encounter. In fact, for decades, Haitians have been migrating in masses to cities already overcrowded, leaving behind land and other important resources that can be utilized to stimulate the redevelopment of the country. There is no accurate reporting and statistics as to what is left behind, and although local government and NGOs have expressed great interests on decentralization and revitalization of these rural areas no significant implementation works have been done in regards to make this a reality in the next decade. If Haiti has to become an emerging nation by 2030, it needs to start by developing its rural areas.

So, How Does it Work?

Simply put, the tool is built upon a vast pool of confirmed data (inputs) that links together demographic, economic and environmental information and captures any change in outputs/results due to manipulations of any variable, whether economic, social, political and/or environmental. The impact of a decision to open a public or private hospital in a rural area for instance can be measured by the Diaspora Barometer. The decision of a governmental office to build a new prison in a rural area can be tracked in terms of real impact on that community. The diaspora investor who wants to open an agribusiness for instance can get preliminary information in terms of land quality,

numbers of farmers in the area, proximities to markets, etc. The tool is able to capture and report on the purchasing power for a community for instance, the level of education of the people, municipal policies and projects, risks and opportunities associated with doing business in this specific rural area. This is really a comprehensive instrument, sort of a "One-Stop-Center" that provides critical information across all relatively important areas in order to inform public and private stakeholders' decision making.

Where Are We Now?

We are currently in the developing phase of the Diaspora Barometer. We are integrating in one single instrument many ideas of reporting and analyses proven to work for places where data collection is difficult and of dubious quality. We are collecting primary and secondary data in one specific area in rural Haiti in order to build an initial database that would allow to test the tool. This activity may last 4-6 months. Depending on funding, we will conduct more testing in many more areas before the tool becomes live. Validity of the instrument is supported by appropriate literature and will be tested further by leading professionals in Haiti and abroad.

The expectation is to have a web-based platform where interested stakeholders can access continuously updated information anytime about participating rural communities in Haiti. 1804 Institute will also publish a quarterly report to targeted audiences such as local government, potential investors, academic institutions and NGOs.

We are still welcoming ideas for database designs and best practices on reporting. We are also considering sponsorship and partnership with institutions and/or other agencies_ public or private_ willing to work on development and business activities in Haiti. For more information, please contact us via info@1804institute.org or prospere.charles@1804institute.org.

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