
Hometown
Associations(HTA's)-
Opportunities and
Challenges for
Diaspora Led
Development in
Zimbabwe



The Potential for
Diaspora Led
Community
Development

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Home Town Associations (HTA's) – The Zimbabwean Context

Introduction

This document introduces the concept of Hometown Associations (HTAs) and through a series of questions, articulates, the nature of HTA's cites case studies of where they have been used, their successes and failures. Although Diaspora philanthropic organizing is not a new phenomenon, their projects and interests in local community development have spread out through the visible activism of Hometown Associations.

This paper posits that Zimbabweans can play a part by not only generating collective remittances, but by also donating their skills and expertise to various developmental causes. This combination of financial and human resources can significantly complement government and non-governmental efforts and potentially transform societies in relatively short periods of time. The challenge though will be of sustaining the efforts, particularly those related to forging symbiotic relationships with both local and central government and international agencies. This paper concludes by spelling out the potential of HTA's in the Zimbabwean context before offering suggestions on how the idea can be operationalised by Zimbabweans-Diaspora wide. This includes the possible model and structure of the project.

Development is often associated with a condition that ensures a better standard of living for people—linked to education, health and material asset accumulation. Economic development in particular refers to a condition by which individuals, and the society at large, enjoy a healthy quality of life; are free; have opportunities for upward mobility; and are able to improve their material circumstances. A development player aims to find solutions to these human needs, and to offer alternative ways to promote self-sustainability. Looking at HTAs, their activities could be considered to have a developmental impact on their beneficiary communities if they help advance these conditions.

Background

Since the 1990s, a number of researchers, working within the transnational migration paradigm, have rejected the macro-approach adopted by historical structuralism and, instead of seeing migrants as passive reactors manipulated by the world capitalist system, emphasized their role as active agents (Glick Schiller *et al.*, 1992, 1995). Generally, this approach has also informed most of the more recent research on migrant associations, which has tended to focus on their role as development agents – a tendency furthered by the celebratory approach of international development agencies towards migrant remittances – and their involvement in local and national politics in the country of origin.

What are Hometown Associations?

Home Town Associations (HTA's) are a way in which migrant communities have organised themselves in order to participate in the economic, political and cultural development of their places of origin. More specifically, a HTA is an organisation formed by migrants living in the same community and sharing a common nationality.

Through an HTA, diasporians can transfer money and resources to their home countries. Many of their motivations have ranged from personal, community contribution (giving back) and philanthropy. Typically HTA's evolve out of informal networks of migrants who are already linked together by ties of kinship and friendship. The associations usually exhibit a semblance of formal structure such as an organisational name, a charter and a management (board) and or leadership committee. Although membership in most migrant associations is not obligatory, it is usually limited in terms of eligibility. Membership to HTAs is usually restricted to those who come from a given geographic location. This is in contrast to voluntary associations in general where membership is open to anyone with interest in a particular association.

While the total number of HTAs worldwide is unknown, it is clear that their presence is significant. Mexican HTAs, for example, number approximately 3,000, Filipino groups may amount to 1,000, and there are about 500 Ghanaian organisations.ⁱ

Where have HTA's been used before?

Mexicans, Israelis, Guatemalan's, Ghanaians, Hondurans, Guyanese, Nigerians are examples of some communities who have actively and in many cases successfully set up HTA's.

The most commonly cited motive (among migrants as well as researchers) for migrant engagement in transnational activities such as HTA's is the motive of belonging and the emotional attachment of the migrant to the place of origin. This motive is typically framed within the migrant's personal memories of their place of origin, often coupled with a wish to return some day.

HTA's all have close ties with the place of origin but have each fulfilled different functions depending on location, leadership and number of members. For example, the first of the HTAs, the *Unión Fraternal Zoogochense (UFZ)*, which was formed in Mexico City in 1951, has fulfilled an important economic and political function, sending its yearly monetary contribution to the village and dealing with the federal department offices to acquire public services to the village (Ramos Pioquinto, 1991: 337-8).

What are the key aspects?

HTAs have the capacity to contribute to development, but they also face several obstacles that may hinder them from effectively engaging in the promotion of development, and so it is important to examine their efficacy objectively. Orozco has identified a set of criteria that can be used to evaluate the effectiveness of a diaspora HTA as a development player (see Table 1).

Ownership	Correspondence	Sustainability	Replicability
Community members participate in decision making; community members participate in implementation; and community members have control	Project meets basic needs; needs met are a development priority; and implementation occurs in association or coordination with	Project enables development goals; does not constitute a burden or entail added costs; and has a long life cycle.	Resources for project are available in other communities; as well as institutional environment facilitating implementation

of project after completion.	other institutions.		
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Table 1: Development Potential of an HTA (Source: Manuel Orozco, “Hometown Associations and Development: Ownership, Correspondence, Sustainability and Replicability” in ed. Barbara J. Mertz, *New Patterns for Mexico: Observations on Remittances, Philanthropic Giving, and Equitable Development* (Cambridge, MA: Harvard University Press, 2005).

Ownership

Ownership refers to the ability to provide people with a sense of control of their personal and social lives, an idea central to inclusion in the community. When considering the HTA contribution to development, local ownership of projects is key and providing tools for that ownership is essential. Projects must encompass not only a collective good, benefiting all members, but also a means to transmit ownership or control of the projects to the members, to legitimate them as their own. Ownership of a project can occur through participation in the decision-making and implementation process or by directly transferring the property to the community.

Correspondence

Another issue central to development is the degree to which a project’s goal corresponds with the community’s true needs. This is best described by idea of “correspondence.” To assess correspondence in HTA projects, 3 indicators need to be considered. A project must (1) respond to the broad social needs of a community; (2) be based on a clear understanding or diagnosis of the status of health-care delivery, education, public and financial infrastructure, and other related activities, as well as an understanding of the economic base of the community; and (3) allocate its resources to those areas defined as being of highest priority for the community.

Sustainability

Another important factor enabling a project’s contribution to local development is its sustainability. A project is sustainable when it delivers the means to enable people to improve their quality of life and material circumstances. Sustainability also requires that the investment yield a long-lasting impact that does not burden the community or its future generations.

Replicability

A project makes a successful contribution to development when its attributes and functions may be replicated with ease and do not depend on the local circumstances of a community nor on the unique situation for the institutional donor. The replicability of a project allows for the establishment of regional strategies focused on achieving a development goal beyond the effects on a single community.

What have HTA's achieved?

HTAS AS DEVELOPMENT PLAYERS- LESSONS FROM MEXICAN HTAS

Hometown associations established by Mexican migrants are among the most widely studied forms of HTA organisation. There are some 1,200 Mexican HTAs worldwide, 95 percent of which are based in over thirty U.S. cities, representing communities from various Mexican states, and most of these associations have been in existence for at least 11 years. Their organisational nature is relatively cohesive, with a close-knit membership that follows basic rules of group discussion and decision-making. These associations adapt to changing circumstances by either joining other groups, such as federations, or electing new authorities.

Mexican HTAs identify community needs and projects in several ways: through liaisons in the hometown, based on the preferences of HTA leaders and members; in response to natural disasters in the hometown; and in partnerships with other institutions. Usually an HTA member visits the community, returns with a list of identified needs, and proposes that the association work on three or four activities while concentrating efforts on one large project.

On average, the amount Mexican HTAs raise for a project is less than \$10,000. Immigrants directly donate their resources to a project and avoid intermediation costs by having a counterpart in the hometown, usually a relative or other community member, volunteer to oversee the project. HTAs typically collaborate with other institutions. Nearly 80 percent have approached municipal leaders to discuss their projects, coordinate efforts, and distribute resources. (Best Practice?)

In the case of Mexican HTAs, it is interesting to note how the Mexican federal government has inserted itself into the partnerships. The range of formal and informal relationships between the two entities culminated with the Three-for-One Programme, in which half of all Mexican HTAs participate. This programme matches donations the clubs make to community development projects in their hometowns with funds from the three levels of the Mexican government (federal, state, and municipal).

The government officially implemented this programme on a national level in 2002, after HTAs demanded partnerships in projects that benefit their communities of origin. In 2003, the projects connected with the Three-for-One Programme totalled \$36 million, one-quarter of which came from the contributions of HTAs. Nearly two-thirds of the national total allotment for the programme was apportioned to four states: Zacatecas, Guanajuato, Jalisco, and Michoacán, the source of about 30 percent of Mexican migration to the United States.

Mexican HTAs are having a direct effect on communities by providing goods and services that benefit collective needs in health, education, and economic infrastructure. The aggregate volume of annual HTA donations to Mexico reached \$30 million in 2003. Funds are channelled primarily to localities with basic development problems, which are also the places that have high emigration rates precisely because they have historically lacked employment opportunities as well as basic health, education, and housing. Mexican HTAs donate to localities with populations as small as one thousand people—representing a \$7 donation per inhabitant. In many communities, the donations represent as much as the amount the local municipality allocates for public works. Three-for-One Programme contributions average \$23,000 and represent over 20 percent of the municipal budget allocated for public works.

What Have They Achieved?

EXAMPLES OF HTAs IN ACTION

CASE STUDY 1

San Juan del Centro: School Rehabilitation Project

San Juan del Centro is a community of 419 residents where a Three-for-One project was completed on the rehabilitation of primary and secondary schools. This renovation included installing windows, potable water, and bathrooms; extending electricity; replacing the roof; building basketball courts; and creating a computer classroom with 14 computers. This required an investment of \$68,000, with 25 percent being donated by the HTA. The total cost was three times the municipal funds spent on public works for education in 2001.

Ownership: The local community elected a project committee, formed by students' parents, to oversee and coordinate project implementation and completion. Community involvement, and hence, community members' sense of "ownership," continues today through the local school board, which makes decisions about curriculum and the use of school funds.

Correspondence: There was sound correspondence with the community's development needs. The school was in need of repairs and improvements, and once the facility's renovations were completed, it offered adult education and computer-literacy classes.

Sustainability: San Juan's local government body, which oversees public education, maintains the renovated school. The government welfare programme, *Oportunidades*, provides aid to families to meet education costs. Community members also help sustain the project by paying a small enrolment fee for the computer classes to offset maintenance costs.

Replicability: HTA donations channelled to educational needs are a common practice and similar school renovation projects can be replicated. The Project's implementation was enabled by institutional support from existing government programmes and institutions, so the project could potentially be replicated as part of regional or national development strategies.

CASE STUDY 2

Jomulquillo: Microenterprise Project

Jomulquillo is a rural community home to 305 residents where employment opportunities are a major need, as fertile agricultural land is in short supply. In

2001, seven women organized themselves into a sewing cooperative after taking classes offered through a Zacatecas state government organisation, *Brigada de Educación Rural (BER)*, dedicated to educating members of rural communities in self-employment strategies. The local HTA president proposed a Three-for-One project to build a workspace for the microenterprise. An investment of \$7,224, with 25 percent contributed by the HTA made this possible. The BER then donated industrial sewing machines. To help cover start-up costs, the women also obtained a loan from another state-level government programme designed to support women in rural areas.

Ownership: Today, these women make collective decisions about using revenue, paying off the loan, and developing business strategies. Their participation in the management of this small enterprise enhanced their sense of being valued within the community.

Correspondence: The limited possibilities for productive investment in Jomulquillo demand creative employment-generating strategies, especially due to low market prices for local crops, small agricultural output, and lack of land ownership. Employment opportunities are particularly scarce for women: only 11.6 percent of women are economically active. This project illustrates the channelling of community donations to an employment generating endeavour, by providing the means for economic independence of women partners.

Sustainability: The difficulty in increasing the cooperative's revenue is the main obstacle to ensuring a long lifespan for this microenterprise. As long as there is an adequate margin of profit to provide input and labour, the sewing workshop will stay in business. Under these conditions, the business represents no added cost for the community: it is self-sustainable. At present, the additional government support aids in project survival.

Reliability: The project's essential inputs are relatively simple: an organized Group of individuals with sewing skills, and access to capital to implement the project physically. Institutional support providing resources and opportunities can be found in many rural Mexican communities. The HTA and the Three-for-One Programme partnership, the government loan, the BER's equipment

donation and the technical support, have similar counterparts in other communities and states. However, lack of access to or awareness of public and private financing is a common obstacle to business development in the region.

CASE STUDY 3

Sauz de los García: Potable-Water Project

Sauz de los García is a community of 138 residents, where the building of basic infrastructure occurred only recently. A Three-for-One project was implemented in 2001 to construct a potable-water system, at an investment cost of US\$175,263, with 25 percent donated by the HTA.

Ownership: The project enhanced the community's control over its own Well-being. By allocating resources to a high-priority development area, it allowed the community to work toward additional development goals. For example, now that a potable-water system is in place, they hope to install a water-irrigation system to improve local agricultural production.

Correspondence: For 25 years, there had been persistent efforts to bring potable water into the area. Its water sources were wells dug near the river, susceptible to contamination from agricultural waste. Only when sufficient funds became available were they able to access the equipment, infrastructure, and geologic testing to make access to potable water possible.

Sustainability: By design, potable-water projects are relatively sustainable because of simple maintenance procedures and the long lifespan of the equipment. The water utility company conducts monthly cleaning and water-quality treatment and testing. As a subsidized service, domestic water use is affordable. Thus, once a potable-water project is completed, it does not represent an added burden to the community it benefits. The lifespan of a particular project depends on the population size it serves and the quantity of water available, but in the case of Sauz de los García, the project's lifespan is expected to be between 50 and 300 years.

Replicability: This potable-water project demonstrates that obstacles to fulfilling basic needs are surmountable. In similar cases where environmental factors

impede the realization of a project, access to financial resources is key. The contribution of the HTA, matched with government funds under the Three-for-One Programme, was the prime enabling factor here.

What is the potential of HTA's in Zimbabwe?

At a time when Zimbabwe is experiencing political and socio-economic transformation, when a growing number of Zimbabweans have left the country (conservative estimates put the figure at approximately 3 million) and are settling in the Diaspora, particularly in Western countries, HTA's present a unique opportunity for interested Zimbabweans in the diaspora, spurred on by, altruistic, philanthropic, emotional and instrumental motives, to forge fruitful and sustainable relationships with their counterparts in Zimbabwe in order to address developmental issues of mutual interest. Furthermore, given the current position, that of limited financial and technical capacity in the face of, for instance, compromised public services and crumbling infrastructure, the Zimbabwean government can work with HTA's to deliver urgent and needed public works and effect community development.

Zimbabwean Hometown associations can establish partnerships with various organisations particularly the central and local government, churches, other non-profit organisations and businesses. Magunha and Bailey estimate that \$0.94bn was sent from the UK to Zimbabwe in 2007 (Magunha and Bailey, 2009). The vast sums involved indicate the potential for harnessing not just financial resources but expertise too and help transform communities and people's lives.

Although the collective remittances sent by HTAs have been estimated to account for only one percent of the total amount (global) of remittances (IFAD, 2004), collective remittances nevertheless hold a different type of development potential as they typically are destined for public works projects, which benefit the entire villages of origin. Thus, Portes and Landolt (2000: 543) observed that '[t]owns with a hometown association have paved roads, electricity, and freshly painted public buildings'. Similarly, Orozco and Lapointe (2004: 48) point out that investments made by HTAs 'vastly outdo public works spending in small communities, and in many cases, basic

infrastructural work carried out by HTAs forms the essential base for further economic development in these towns'.

Role of ZDFG – LEVERAGING THE DEVELOPMENT POTENTIAL OF HTAS

The case studies outlined above suggest that migrant hometown associations are valuable contributors to their homelands. Moreover, it demonstrates that they could have the capacity to function as effective development players in Zimbabwe. Nevertheless, HTAs often encounter obstacles given their structural limitations. To overcome some of these inherent structural and operational constraints, migrant associations often liaise with local groups in the home community in order to implement their projects. Around the world, non-profit and international organisations have already begun to lead the way in developing innovative partnerships with HTAs in order to promote development.

The ZDFG can become a key facilitator of HTA work not just in the UK but beyond. Drawing on the Haitian experiences, a Zimbabwe Hometown Associations Resource Group can be facilitated to take shape by the ZDFG. The Haitian Hometown Associations Resource Group works to make resources available to organisations working in and for Haiti, while facilitating and solidifying relationships between the International Donor community, financial and government sectors for the purpose of development initiatives in Haiti. The Resource Group is also a place for investors, social enterprises, and leaders in the business world to learn more about investment opportunities in Haiti.

Opportunities for Donors and Governments

International organisations, foundations, governments, and the private sector have the potential to link their development priorities to the work of Zimbabwean HTAs, helping them define their goals and better implement their strategies. Contributions can be both in material and human resources.

In other countries, research indicates that both non-governmental (NGOs) and international organisations have already formed innovative partnerships with HTAs in other countries in order to promote

development. Oxfam Novib, the Dutch arm of international NGO Oxfam International, works with the African Diaspora in the Netherlands to fund HTA economic development projects in places like Somalia, Ghana, and Burundi.

The International Fund for Agricultural Development (IFAD) of the United Nations has also spearheaded work with HTAs, teaming up with the Multilateral Investment Fund of the Inter-American Development Bank to fund the work of HTAs in Mexico, Honduras, and Haiti. Pertinent to the Zimbabwean context is the fact that IFAD initiated a round of funding in 2007 for HTA development projects with a focus on HTAs based in Europe.

The private sector also has the potential to play an important role in the work of HTAs. In 2003, the Salvadoran bank Banco Agrícola launched an innovative programme that matches remittance transfers made through the bank with a donation to a fund for community projects led by migrant associations.

Through the Manos Unidas por El Salvador (United Hands for El Salvador) programme, Salvadoran HTAs were able to bid on grants for development projects. For example, in 2006, donations made by Banco Agrícola to HTA projects in El Salvador totalled more than US\$200,000 according to the Pan-American Development Foundation.

Similarly, Western Union has used a similar model in Mexico, launching its four-for-one programme in 2005. This programme mirrored the Mexican government's Tres por Uno (3 plus 1) initiative. It adds an additional tier of matching funds to donations made by Mexican HTAs, up to a cap of US\$1.25 million.

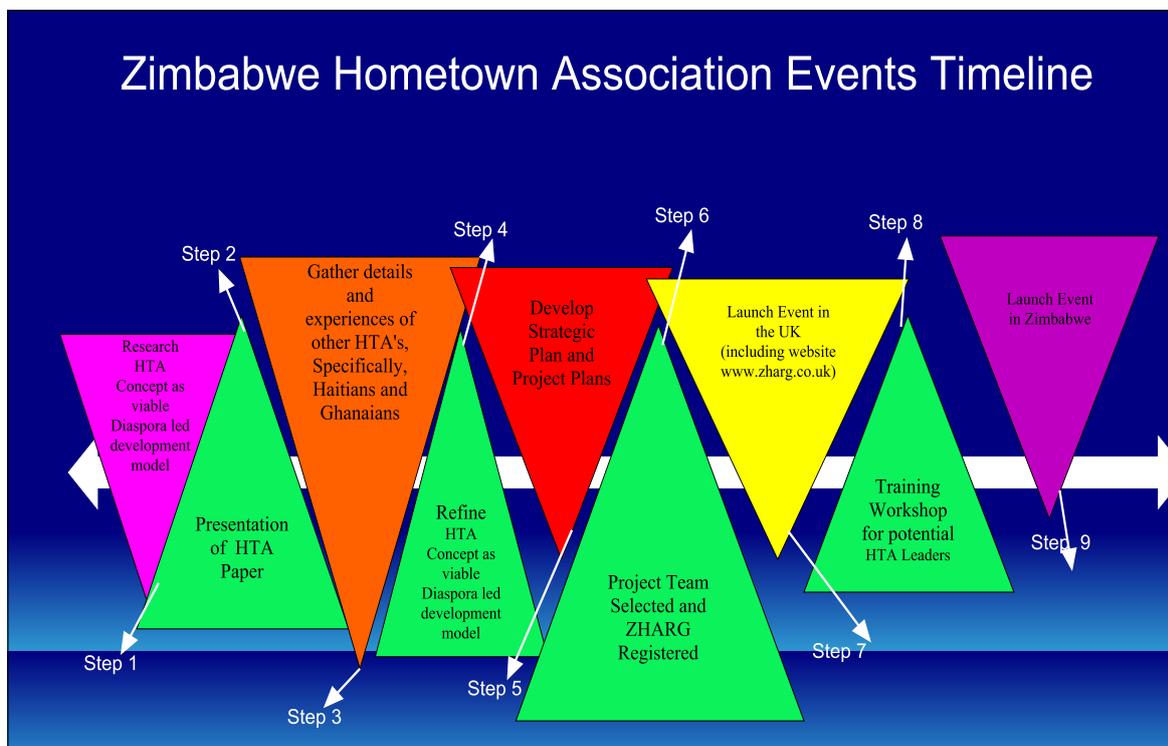
Potential areas of work Zimbabwe include micro finance, one off projects (like rehabilitation of school buildings), agricultural activities, health delivery support resources and tourism related projects.

POSSIBLE 'SHAPE' OF ZIMBABWE HOMETOWN ASSOCIATION RESOURCE GROUP

ZIMBABWE HOMETOWN RESOURCE GROUP –KEY TASKS

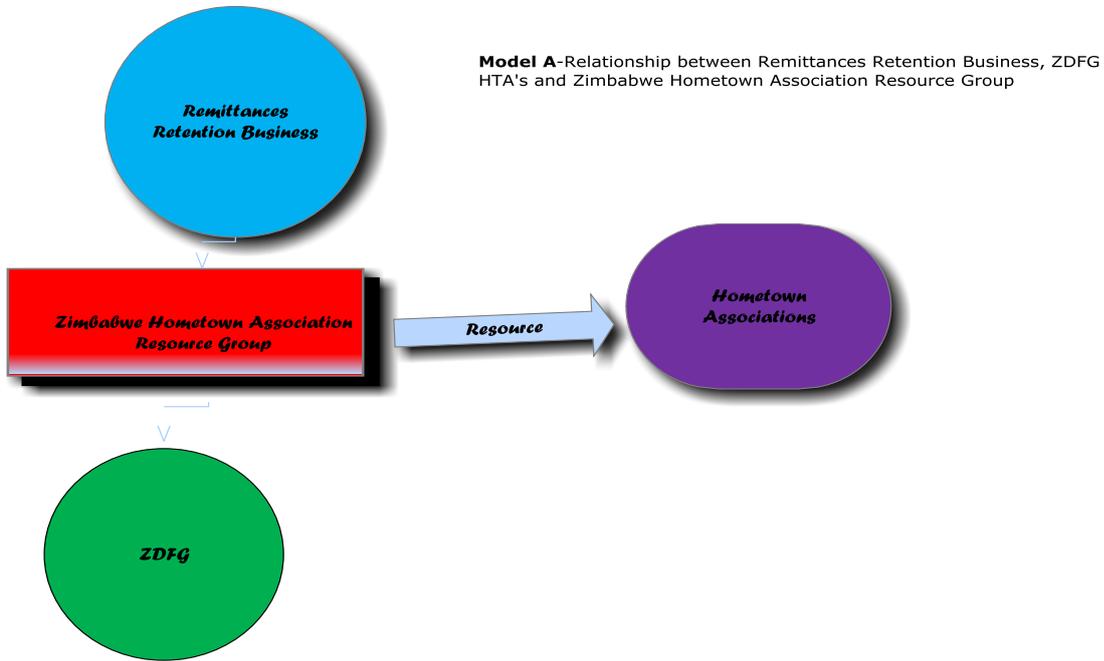
- Facilitate /train non-profit organisations that are concerned with Zimbabwe, such as Zimbabwe Hometown Associations, in grant-writing, financial literacy, project development, and project implementation;
- Raise funds and distribute grants for projects created by Zimbabwe Hometown Associations and other Zimbabwean organisations that benefit the communities of Zimbabwe;
- Develop a website and other platforms to facilitate information sharing within the Zimbabwean Diaspora

Project Development –Events Timeline



Project Model-Options

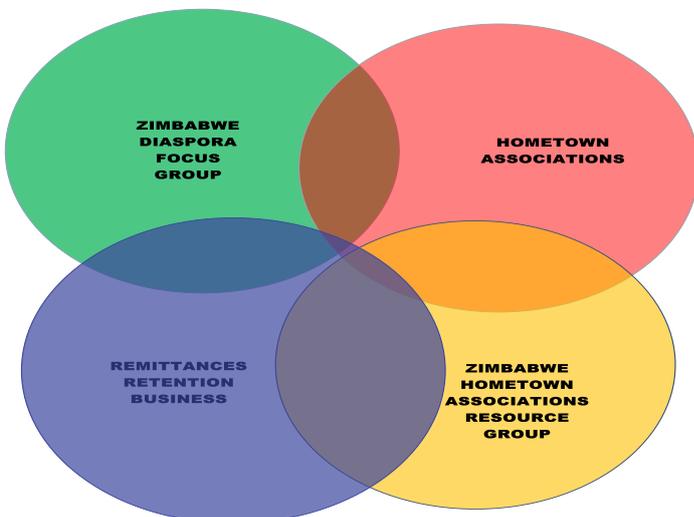
Model A



In model A, ZHARG is a completely independent entity and works to resource HTA's. However, it retains strategic links with both the ZDFG and the Remittances Retention Business (RRB). It has its own management structure and is a legal entity. It is not operationally dependent on the ZDFG RRB.

Model B

MODEL B-RELATIONSHIP BETWEEN ZDFG, HTA's, REMITTANCES BUSINESS AND ZIMBABWE HOMETOWN ASSOCIATIONS RESOURCE GROUP



In model B, ZHARG is a development arm of the ZDFG. Together with the Remittances Retention project, it will be part of the Business portfolio but co-leading with the Charities so that it can tap into the charitable CSR to sustain entrepreneurship. There is a precedent with Western union foundation in USA. This and other subsequent initiatives would form the ZDFG contribution to resourcing the HTA projects.

The primary mandate could be the Community Link portfolio in the Diaspora and Charities portfolio for HTA work in Zimbabwe. It would be ideal if the provincial co-ordinators here could be capacitated to undertake the work of receiving projects from communities in Zimbabwe and co-ordinating response from the HTAs in the Diaspora.

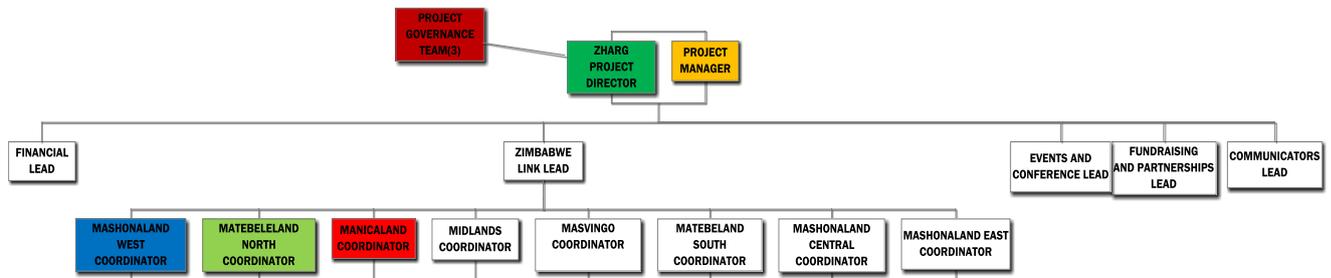
The Communities link, Business and Charities portfolios would then appoint consultants to receive project proposals from the Provincial co-ordinators. These projects must then be assessed for viability in the first instance and then the consultants can be asked to put more work in the selected ones (working with the provincial co-ordinators, the Zimbabwean originators of the proposal. This may require going to Zimbabwe). The three portfolios, the Consultants and the respective Provincial co-ordinators could then be asked to defend and promote the project before the ZDFG management committee, which will decide on the final funding of the project.

The management committee will be the overall project executive which will decide on the monitoring, reporting and evaluation of the project and underwrite the project in the case of loans.

It means therefore that legal vehicles could be registered for both the HTA and the Business fund with the ZDFG management committee as the trustees or directors.

Project Structure

ZIMBABWE HOMETOWN ASSOCIATION RESOURCES GROUP-STRUCTURE?



The Project Director

- He/she is responsible for management of the project at a strategic level. The person provides a single point of accountability to deliver the project in accordance with the project commitments. In addition, the project director: -
- has full project authority, within the limits of the established budget and organisational operating policies, to manage and direct assigned project resources and make decisions regarding the project direction,
- establishes the project resource assignments and ensures that the project is properly managed and staffed, participates in project governance team/Steering Committee meetings and decisions.

The Role of the Project Manager

The project manager's role in a nutshell is the overall responsibility for the successful planning, execution, monitoring, control and closure of the project.

Project Governance Team

The key role of the governance team is to enable, facilitate, manage and direct (as necessary) the successful implementation of the project. A secondary role is

to oversee, control and govern the project's operations. This team is there to help guide the project in order that it meets its aims and objectives effectively.

Secretary

Roles and responsibilities include;

- ❖ *Communication with other interest groups and arrange the education and membership development programmes.*
- ❖ *He/ She shall plan and make arrangements for the technical, research, training programmes of the organisation, in accordance with the membership's interests and the aims of the group.*
- ❖ *Maintain an awareness of current issues that may affect the organisation and its image.*
- ❖ *Preparation of committee drafts, arranging for their distribution and the treatment of the comments received;*

Zimbabwe Area Coordinator

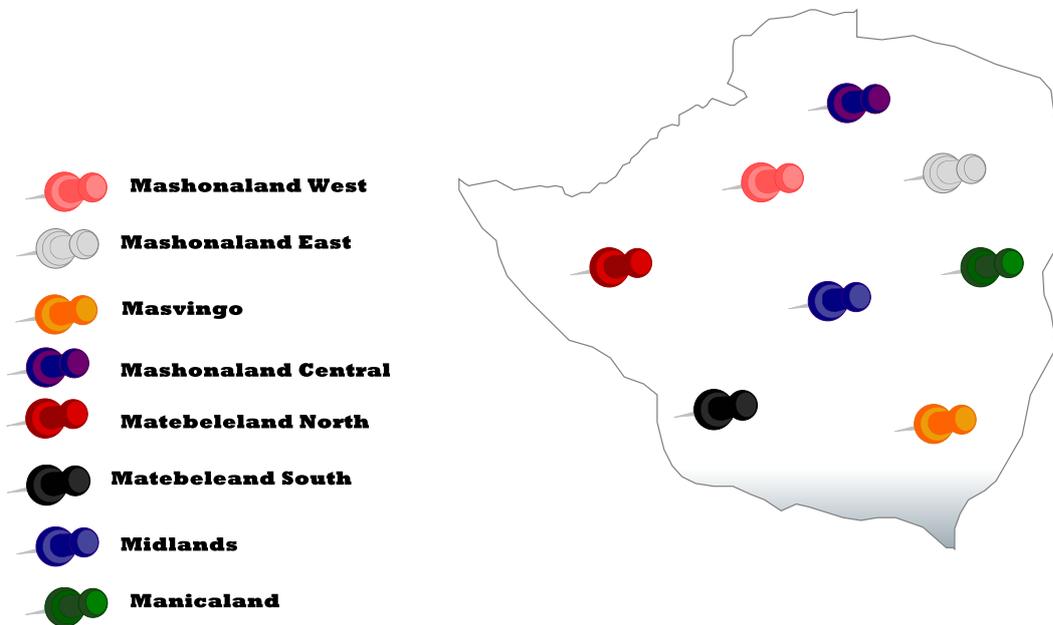
The Coordinator's role is to manage the scheme in his or her local area and make sure it is HTA work is effective as possible. Either a committee of local residents or deputies can assist the Coordinator in making the HTAs a success.

The Coordinator has the following responsibilities:

- ❖ *Maintaining the interest of scheme members;*
- ❖ *Informing members about local policy issues;*
- ❖ *Promoting local initiatives;*
- ❖ *Receiving and passing information from and to relevant stakeholders*
- ❖ *Liaising with other Coordinators especially those in adjoining areas to advance mutual interests*

Zimbabwe Map showing areas of coordination

8 X Hometown Association Coordinators in Zimbabwe



Financial Lead

The Financial Lead has an important role in the financial management of the organisation/project and the key responsibilities include:

- advising on, and implementing the projects strategic financial framework
- being, along with the other staff, accountable to the project team for the projects financial performance.
- Drawing up and submitting to the management committee, an annual budget plan for the project budget and any proposals for revisions to the budget plan as required.

ⁱ Manuel Orozco, *Hometown Associations and Opportunities for Development* (Washington D.C.: Inter-American Dialogue, 2007).