#### BSF PERSPECTIVE 9



FROM BRAIN DRAIN TO BRAIN FLOW: DIASPORA ENGAGEMENT AS A DRIVER OF LABOR MARKET DEVELOPMENT IN THE WESTERN BALKANS

Mimoza Dushi



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- What motivates Kosovo Albanian migrants to engage with their country of origin, and how do motivations differ by region of settlement (EU vs. U.S.)?
- What are the primary barriers that prevent the diaspora from engaging more effectively in labor market development in home countries?
- In what ways can diaspora knowledge and expertise contribute to bridging the skills gap in local labor markets?
- How can governments in the Western Balkans institutionalize diaspora engagement in ways that directly support employment generation and sustainable development?

#### Problem definition and significance

Migration has long shaped the socio-economic landscape of the Western Balkans. Political instability, economic stagnation, and shifting global labor market dynamics have led to continuous outflows of skilled and educated individuals, particularly young people. All countries in the region, including Kosovo and North Macedonia, reflect this trend. Today, over one-third of Kosovo's population and nearly one-third of North Macedonia's citizens live abroad. This large-scale emigration, commonly referred as "brain drain," poses serious challenges to national development, labor market sustainability, and institutional capacity.

Yet, the traditional narrative of brain drain fails to capture the evolving and multi effected role of diasporas in shaping development. The concept of "brain flow" offers more constructive lens, one that recognizes diasporas as active contributors of knowledge, investment, and innovation. When effectively engaged, diaspora communities can become strategic partners in addressing urgent labor market issues such as high youth unemployment, persistent skills mismatches, and limited industrial diversification.

This analysis draws on two complementary research projects. The first, conducted between 2014 and 2016 under the Regional Research Promotion Programme (RRPP), examined migration from Kosovo and Albania to Germany, Switzerland, and Greece focusing on questions of industrial citizenship and migrant agency. The second, funded by the U.S. government's Fulbright Program and carried out in 2023– 2024, focused on Kosovo Albanian migrants in the United States. Together, these studies are grounded in around 90 in-depth biographical interviews with migrants across generations, capturing their motivations, aspirations, and strategies of engagement.

By centering migrant voices, the study reveals how geography, integration, and individual life histories shape the ways in which diaspora members relate to and support their country of origin. While migrants in Europe tend to engage through short-term, family- and community-based projects, facilitated by geographic proximity, those in the U.S. often favor long-term, strategic contributions rooted in their professional identities and institutional affiliations.

A nuanced understanding of diaspora engagement must go beyond demographic statistics. It must include the lived experiences, emotional attachments, and civic commitments of individuals who view their contributions not merely as financial transfers, but as acts of belonging, care, and co-creation. When recognized, supported, and aligned with national priorities, diaspora engagement can play a transformative role in addressing structural labor market challenges. This analysis calls for a shift in perspective: from viewing migration as a loss to recognizing it as latent potential, one that, if nurtured, can turn the Western Balkans into regions of return, innovation, and shared prosperity.

#### Motivation to engage: regional differences in diaspora aspirations

The research findings reveal that motivations for engaging with the country of origin are deeply rooted in emotional connection, cultural identity, familial ties, and a strong sense of moral responsibility. However, the form and intensity of this engagement vary significantly depending on where migrants are settled. Regional contexts, especially differences between Europe and the United States, shape not only access and opportunity, but also expectations and strategies for giving back.

Migrants residing in the European Union, particularly in Germany and Switzerland, often maintain close ties with their families and home communities in Kosovo. Geographic proximity enables frequent visits, involvement in family and participation in local activities. As a result, European-based migrants primarily contribute through remittances and small-scale investments. These include home renovations, real estate purchases, agricultural development, or support for family-run businesses. Their contributions are often guided by an ethic of care and obligation, a desire to maintain well-being within their kinship networks and to uphold social status in their hometowns.

In contrast, Kosovo Albanian migrants in the United States, many of whom have arrived as political refugees or through educational opportunities in the 1990s, tend to engage in more strategic, long-term forms of contribution. These include knowledge-sharing initiatives, business mentoring, funding for educational institutions, and participation in diaspora advocacy networks. The greater geographic and cultural distance from Kosovo often results in a shift from material to intellectual contributions. U.S. based migrants express a strong desire to contribute to the development of Kosovo through their professional expertise, networks, and experiences. They are more likely to participate in structured initiatives such as think tanks, development forums, and virtual mentoring platforms. This group also tends to advocate for systemic reforms and institutional strengthening in Kosovo, aiming to influence long-term policy outcomes.

This divergence in motivation is further shaped by the level of integration in host societies. Migrants in the EU often maintain a dual orientation, navigating life in the host country while remaining actively involved in the home country. In contrast, many U.S. based migrants have achieved higher levels of professional and social integration, which enables them to leverage their positions and resources to influence development in Kosovo more strategically. Furthermore, institutional support mechanisms such as diaspora offices, fellowship programs, and dual citizenship policies influence the ease and enthusiasm with which migrants engage with their homeland.

Overall, while both groups demonstrate commitment to Kosovo, their modes of engagement reflect different life trajectories, integration experiences, and institutional opportunities. Recognizing these differences is essential for designing inclusive and effective diaspora policies. Tailored engagement strategies, ones that accommodate both direct support and institutional collaboration, are more likely to succeed in unlocking the full potential of the diaspora for sustainable development.

## Barriers to impact: obstacles to diaspora engagement

While diaspora members express strong interest and emotional commitment to contributing to their countries of origin, their efforts are often undermined by a series of institutional, bureaucratic, and relational barriers. These obstacles reveal not only gaps in infrastructure but also a broader disconnect between the aspirations of the diaspora and the realities of governance and policy implementation in the Western Balkans.

A primary concern cited by many migrants in the research is the difficulty of navigating local administrative and legal systems. Starting a business, securing permits, or formalizing investment can be a frustrating and opaque process. Participants pointed to excessive bureaucracy, inconsistent application of rules, and unclear property rights as major deterrents. Several noted feelings treated more like foreigners than compatriots when dealing with public institutions in Kosovo. This perception erodes trust and undermines long-term engagement.

Second, there is a striking absence of diaspora-specific support mechanisms. Unlike countries that have developed structured diaspora investment platforms or financial instruments (such as matching grant programs, targeted loan guarantees, or tax incentives), most Balkan states, including Kosovo and North Macedonia, offer little formal infrastructure to facilitate or encourage diaspora-led development. Without dedicated policies or institutional outreach, many potential investors are left to navigate a fragmented landscape on their own, which discourages larger-scale and more impactful projects.

Third, the lack of communication between diaspora communities and home institutions remains a persistent barrier. Many migrants reported not knowing where to begin if they wanted to contribute. They are rarely contacted by embassies, government agencies, or local authorities, and often rely on personal or informal networks to identify opportunities. This disconnect is further exacerbated by the absence of national or regional databases tracking diaspora skills, professional experience, or interests, tools that would enable more targeted and strategic engagement.

Finally, diaspora engagement suffers from inconsistent political will and lack of continuity across governments. While diaspora is often rhetorically celebrated, concrete action and long-term planning are frequently lacking. Programs are launched with great enthusiasm but falter due to limited implementation capacity or shifts in political leadership. Without a stable institutional framework and a clear strategic vision, diaspora initiatives risk becoming symbolic rather than substantive. To overcome these challenges, a two-fold shift is needed: institutional reforms that simplify processes and increase transparency, and a cultural change that recognizes the diaspora not as temporary supporters or outsiders, but as integral partners in national development. Only through sustained trust-building and the creation of practical, inclusive mechanisms can the full potential of diaspora engagement be realized.

### Skills and knowledge transfer: bridging the labor market gap

Diaspora professionals represent an untapped reservoir of global expertise and innovation, individuals who have succeeded abroad and are eager to give back. Across both research projects, interviewees consistently expressed a willingness to contribute to the development of their homeland by sharing knowledge, skills, and professional experiences. This interest is especially strong in high-demand fields such as information and communication technology (ICT), healthcare, engineering, education, and public administration.

The challenge lies not in identifying this potential, but in creating meaningful, accessible, and structured avenues for diaspora engagement in workforce development. Many professionals noted that they would gladly contribute to curriculum development, deliver online lectures, or mentor local professionals, if invited and supported by appropriate institutional frameworks. Their motivation stems not only from nostalgia or national pride, but from a genuine belief that their contributions can create long-term value and drive positive change.

One promising approach is the training programs between diaspora professionals and local institutions. Several U.S. based professionals noted their willingness to provide remote lectures, or organize skills-based workshops in collaboration with universities and other institutions. By participating in the design and delivery of educational content, diaspora professionals help create a bridge between local learners and global labor markets.

Another area of opportunity is digital engagement. With growing technological connectivity, diaspora members can mentor, train, and advise local professionals remotely. Online platforms for knowledge exchange and professional networking can facilitate these interactions, allowing diaspora members to stay engaged without the need for physical return. Second-generation professionals are especially enthusiastic about such platforms, as they combine cultural connection with professional contribution.

Additionally, diaspora engagement can also play a critical role in the internationalization of local institutions. By facilitating partnerships between universities, research centers, hospitals and businesses in the Western Balkans with global networks, diaspora professionals can help improve quality standards, secure international funding, and foster collaboration. These efforts can elevate local human capital, increase competitiveness, and expand employment opportunities for youth.

Ultimately, harnessing the diaspora's intellectual capital requires targeted policies, institutional openness, and flexible engagement models. By recognizing the value of diaspora expertise and investing in platforms that facilitate collaboration, governments can transform brain drain into brain circulation, strengthening local labor markets and preparing future generations for global competitiveness.

## Policy alignment: institutionalizing diaspora engagement for job creation

Turning diaspora engagement into a sustained driver of employment and economic development requires more than good intentions, it demands institutional commitment, inclusive policy design, and long-term strategic planning. While symbolic gestures and one-off programs may generate attention, they rarely produce lasting change. What is needed is a coordinated, structural approach that embeds diaspora engagement within national development and labor market strategies.

First, creating diaspora-specific investment programs that focus explicitly on job creation is essential. These could include tax incentives, co-investment funds, startup grants, and support for innovation hubs in strategic sectors. Linking these incentives with employment targets would help ensure that investments translate into real labor market gains.

Second, governments should establish one-stopshops or diaspora liaison offices that offer coordinated support for investors, entrepreneurs, and professionals seeking to engage with their homeland. These entities should be empowered to provide reliable information, facilitate contacts, and guide diaspora members through the administrative process.

Third, diaspora professionals should be actively included in national and local policy processes. Their insights are particularly valuable in areas such as workforce development, education reform, health policy, and innovation strategy. Involving diaspora experts as advisors, working group members, or project leaders ensures that policies benefit from global expertise while maintaining local relevance.

Fourth, fostering second-generation engagement is critical for the sustainability of diaspora ties. Younger diaspora members often have diverse skills, fresh perspectives, and a strong desire to connect with their heritage in meaningful ways. Programs such as professional exchange schemes, internships, and collaborative research initiatives can help them forge lasting links with their ancestral homeland while contributing to its future.

Finally, governments must invest in robust monitoring and evaluation systems to track the effectiveness of diaspora engagement initiatives. Regular reporting, stakeholder feedback, and the use of data analytics can help identify trends, assess outcomes, and guide policy adjustments. Such systems not only ensure transparency but also reinforce credibility and build trust among diaspora communities.

Institutionalizing diaspora engagement in this way transforms it from an ad hoc opportunity into a strategic development tool, capable of creating jobs, boosting innovation, and connecting the Western Balkans to a global network of talent and resources.

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She has extensive fieldwork experience, particularly in qualitative research with external migrants, and her scholarly work has contributed to both theoretical and policy debates on migration and development. Dr. Dushi is the author of numerous peer-reviewed articles, with recent publications in the Journal of Balkan and Near Eastern Studies and GeoJournal. Her work is regularly presented at national and international conferences and is widely recognized for its relevance to current migration challenges in Southeast Europe.



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