

## EMIGRATION FROM THE WESTERN BALKANS

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In cooperation with:



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# TABLE OF CONTENTS

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<b>FOREWORD BY MINISTER OF STATE FOR EUROPE MICHAEL ROTH</b>	<b>3</b>
<b>INTRODUCTION</b>	<b>5</b>
<b>DEALING WITH THE EMIGRATION CHALLENGE IN THE WESTERN BALKANS – SUMMARY AND POLICY RECOMMENDATIONS</b>	<b>7</b>
<b>OPENING SPEECH BY FEDERAL FOREIGN MINISTER HEIKO MAAS AT THE CONFERENCE “YOUNG PEOPLE, MIGRATION, AND THE DEMOGRAPHIC CHALLENGE IN THE WESTERN BALKANS”</b>	<b>10</b>
<b>YOUNG PEOPLE IN THE WESTERN BALKANS</b>	<b>13</b>
One Way Ticket No More: Seven Ideas for a Prosperous Western Balkans <i>Samir Beharić, Egzona Bokshi, Marjola Memaj, Sibel Bajram, Nina Drakulić, Nenad Jevtović, Lorenta Kadriu, Nikola Kandić, Andrea Mićanović, Françeska Muço, Tomica Stojanovikj, and Milja Zdravković</i>	13
<b>FACTS, TRENDS, AND CHALLENGES</b>	<b>19</b>
Youth Emigration from the Western Balkans: Factors, Motivations, and Trends <i>Prof. Dr. Miran Lavrič</i>	19
<b>THE EFFECTS OF EMIGRATION ON THE COUNTRIES OF ORIGIN</b>	<b>28</b>
The Effects of Emigration on the Western Balkan Countries <i>Isilda Mara, Hermine Vidovic</i>	28
The Cost of Emigration from the Western Balkans – The Case of Lost Investments in Education <i>Nenad Jevtović</i>	34
<b>DOMESTIC REFORMS</b>	<b>41</b>
Voting with Their Feet: Policy Measures to Address Causes of Emigration from the Western Balkans <i>Mirna Jusić</i>	41
Making Education and Employment Reforms Work for the Young: Improving Education, Reducing Skills Mismatches, and Easing Labor Market Access for Young People <i>Ivana Aleksić</i>	48
<b>BRAIN GAIN POLICIES AND CIRCULAR MIGRATION</b>	<b>61</b>
Migration and the Western Balkan Countries: Measures to Foster Circular Migration and Re-Migration <i>Dr. Jelena Predojević-Despić</i>	61
Lessons from Romania on Highly Qualified Returnees: Processes, Policies, Effects <i>Dr. Remus Gabriel Anghel, Dr. Monica Roman</i>	83

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<b>THE ROLE OF THE DIASPORA</b>	<b>90</b>
Diaspora and Regional Relations <i>Dr. Nermin Oruč</i>	90
The Relationship between Locals and Emigrants in the Western Balkans <i>Dr. Lumnije Jusufi</i>	105
<b>THE ROLE OF REGIONAL RELATIONS</b>	<b>113</b>
Possibilities for Regional Cooperation in Counteracting Emigration from the Western Balkans <i>Dr. Silvana Mojsavska</i>	113
Civil Society Impetus for a Systematic Approach Towards Migration: A New Narrative for the Western Balkans <i>Dafina Peci</i>	119
<b>LIST OF ABBREVIATIONS</b>	<b>125</b>
<b>ABOUT ASPEN</b>	<b>127</b>

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# FOREWORD

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Minister of State for Europe Michael Roth  
German Federal Foreign Office

There may hardly be a family in the Western Balkans who does not count among them relatives in Germany, Austria, or Sweden. Indeed, over the past decades, emigration from the Western Balkans has taken on impressive proportions: according to new OECD figures, almost 20 percent of Albania's population today, for instance, has left the country within the first 15 years of this century. Young people are leaving their home countries in search of economic opportunities abroad. This may sound like a good deal for destination countries such as my own: Germany is gaining highly skilled labor force and unskilled workers alike, both of which are welcome contributions to its economy and society.

Moreover, we can see that there is more enthusiasm for the European Union in such places as Skopje than in some EU capitals: in a way, families in the Western Balkans are living a pan-European identity simply because of their reach across the continent. This has been palpable to me in my many visits to the region. Yet, as someone involved and invested in European policy, I believe we must honestly examine the consequences of emigration for the countries of origin. Circular migration, or the return of highly skilled members of the working force to their home countries after spending time abroad, simply isn't taking place to the extent that both migration experts and governments in the Western Balkans countries would have hoped. This, of course, is not only due to the economic opportunities abroad, but also to corruption, nepotism, inequalities, and lack of jobs at home.

Increasingly, we are thus witnessing shortages of highly skilled labor in the region, which in return limits the interest of foreign investors or puts additional pressures on critical sectors such as the medical field. Politically, those most keen on seeing change vote with their feet, leaving behind breeding ground for populism and making it more difficult for reformists to gain and sustain political momentum – a pattern familiar from other parts of the European continent.

To allow for such an honest consideration of the impact of emigration and to look for solutions together with our partners from the region, the Federal Foreign Office held a ministerial conference on “Young People, Migration, and the Demographic Challenge in the Western Balkans” during the German Presidency of the Council of the European Union, together with the Southeast Europe Association and the Aspen Institute Germany. It is our hope that we can continue building on these conclusions, presented to you in this publication, in the years to come. My personal take-away from the discussions held with the dedicated young participants of this conference is that the European Union has an interest and the responsibility to invest in the region, politically and economically. Those reforms that are at the core of the EU accession process, notably strengthening the rule of law, are also a key factor for stopping the mass emigration from the region. Together, our goal must be to create perspectives in Stuttgart, Vienna, Kolašin, and Štip alike.



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# INTRODUCTION

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Dear readers, dear friends of the Aspen Institute Germany and the Southeast Europe Association,

The Western Balkans as a region would need about 60 years to converge to the EU's average income level according to World Bank estimates based on the per capita income growth between 1995 and 2015.<sup>1</sup> Since 2012, 6% of the working-age population has left the region.<sup>2</sup> In 2019 alone, every day 430 individuals from the Western Balkans – a region of 18 million inhabitants – received a long-term residence permit in the European Union.<sup>3</sup>

These are just a few numbers illustrating the gravity of the economic and demographic situation in the Western Balkans. This population decline is reinforced by low birth rates across the region, except in Kosovo. The global Covid-19 pandemic is likely to further aggravate the dire economic situation across the region. Moreover, it has demonstrated how much the emigration of healthcare professionals from the region has further undermined the already relatively weak public health sectors, a tendency which has picked up in recent years not least due to the growing demand for healthcare workers in many EU countries.

In general, the EU ranks high among the preferred destinations of the diverse forms of migration from the Western Balkan emigrants, with its geographical proximity, higher wages, and the expectation of better living conditions. Moreover, young people's faith in the perspective of EU membership of their countries in the near future has further eroded over the past years, contributing to their decision to leave their home countries for the EU. Germany in particular welcomes high numbers of migrants from the region, especially in its healthcare sector. Migration flows thus link countries of origin and of destination through the transfer of workers, skills, and ideas. In order to transform such migration flows into a mutually beneficial situation, it is important for countries of both origin and destination to acknowledge their role in existing migration patterns as well as to coordinate their efforts in elaborating targeted and effective policies to address the challenge.

Against this background, the Aspen Institute Germany and the Southeast Europe Association welcomed the opportunity to organize a large conference hosted by the German Federal Foreign Office as part of Germany's EU Council Presidency on "Young People, Migration, and the Demographic Challenge in the Western Balkans", making the issue of emigration from the region one of the priority topics of our work in 2020.

Supported by the German Federal Foreign Office, we organized several events to put this topic on the agenda, both in Germany and the EU, as well as in the region. In June, Aspen Germany and the Southeast Europe Association joined forces in organizing an online expert workshop series on emigration from the Western Balkans to convene multiple perspectives, including those from decision-makers, the business community, academia, and civil society, and to jointly identify and analyze the various dimensions, key issues, and most pressing challenges of the migration phenomenon. To foster the dialog in the region on this topic, Aspen Germany held a closed-door conference with high-level government representatives and experts from the region and the EU, within the framework of its Western Balkans Regional Dialog project.

The results of these closed-door discussions fed into the large international conference in the framework of the German Council Presidency in October 2020. This conference was opened by the German Minister of Foreign Affairs Heiko Maas (whose speech is included in this publication) and featured among others EU Commissioners Olivér Várhelyi and Dubravka Šuica as well as the foreign ministers from the Western Balkans, followed by two days of expert discussions. Moreover, the conference had a strong focus on including the perspective of the region's youth on a variety of issues, with representatives of the younger generation present at all panels and discussions.

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<sup>1</sup> World Bank Group, *The Western Balkans: Revving Up the Engines of Growth and Prosperity*, November 2017, <https://www.worldbank.org/en/region/eca/publication/revving-up-engines-of-growth-and-prosperity-in-western-balkans>, (accessed 31 January 2021).

<sup>2</sup> World Bank and wiiw, *Western Balkans Labor Market Trends 2020*, April 2020, <https://wiiw.ac.at/western-balkans-labor-market-trends-2020-dlp-5300.pdf>, (accessed 31 January 2021).

<sup>3</sup> Eurostat, *First Permits by Reason, Length of Validity and Citizenship*, (last update 23 November 2020). [https://ec.europa.eu/eurostat/databrowser/view/MIGR\\_RESFIRST\\_\\_custom\\_487019/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/MIGR_RESFIRST__custom_487019/default/table?lang=en), (accessed 31 January 2021).

This publication contains the background papers, which were prepared for the above-mentioned activities, providing insightful analysis and offering practical policy recommendations on the topic of emigration from the Western Balkans. The emphasis on the youth perspective is also mirrored in this publication with the first and last papers being written by youth representatives from the region, sharing their visions, hopes, and ideas.

The papers in this volume shed light on diverse issues and dimensions of migration, including current figures and trends, motives for emigrating, the effects of emigration on the countries of origin, the trans-national character of migration as well as the role of the diaspora and of regional cooperation in addressing the challenge. Furthermore, approaches to addressing the challenge with a focus on domestic reforms and the design of policies for circular and re-migration are analyzed and discussed in this publication.

We, the Aspen Institute Germany and the Southeast Europe Association, would like to express our gratitude to the German Federal Foreign Office for the opportunity to organize this important conference as part of the presidency and its support through the means of the Stability Pact for Southeast Europe. Moreover, we would like to thank all workshop and conference panelists and participants who have so actively contributed to the success of our activities, and, in particular, all authors of input papers for contributing substantially with their expertise and for providing thought-provoking impulses for discussion and constructive solutions. We would also like to express our gratitude to Crossborder Factory, the Regional Youth Cooperation Office (RYCO), and Adnan Ćerimagić for their support in promoting the participation of youth representatives in our activities. Finally, we would like to thank Yannic Remme and Tina Bories for their support of this publication.

We hope you enjoy reading this joint publication of Aspen Germany and the Southeast Europe Association and we look forward to our upcoming activities focusing on the Western Balkans in 2021.

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(Southeast Europe Association)



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# SUMMARY AND POLICY RECOMMENDATIONS

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## Dealing with the Emigration Challenge in the Western Balkans – Summary and Policy Recommendations

*The following ideas and recommendations are based on the results of the workshops and conferences on the topic of emigration from the Western Balkans hosted by the Aspen Institute Germany and the Southeast Europe Association over the course of 2020. Please note that this summary provides an overview of the points raised by participants at the workshops and events. They do not necessarily reflect the Aspen Institute Germany's or the Southeast Europe Association's position on the issues addressed.*

Increasing numbers of people are leaving the Western Balkan Six (WB6) countries, thereby creating a difficult situation for local labor markets, specialized sectors like health care, and sometimes even the most basic services. There is no easy cure for this exodus, and the situation both for the WB6 countries and for those emigrating would not instantly improve were everybody to return to their country of origin. Painting the effects of migration in less gloomy colors is also unhelpful: for example, the shortage of doctors in the region's hospitals will not disappear just by underlining that this is the way European mobility works.

Overall, people of the WB6 region should be able to actively seek opportunities abroad, especially since this often means better education, higher incomes, and more remittances for their family members back home. Furthermore, the region's governments should realize that there is much more to be gained from this active diaspora than money for consumption. Those who emigrate are also potential investors, they can bring new ideas to the country directly or digitally, and they have the necessary connections to create ties in different sectors between their countries of origin and of destination. In addition, not everyone who emigrates wants to leave, and not all of those who leave turn their back on their countries for good.

Still, those who would rather stay can only be convinced to do so by a combination of an improved political (less nationalism, state capture, and corruption; more stability and openness to citizens' demands; more social and family policies), economic (better match between education and labor market demands; merit-based job markets; more stable working conditions), and natural environment (less pollution; more livable conditions).

Governments of the WB6 region thus have two levers to pull when dealing with emigration:

- **Improve domestic conditions** of political, economic, and natural environments to encourage those who would like to stay as well as those who would like to return to see a future in their home countries. This can be achieved through broad and long-term reform measures but also by taking very concrete actions in sectors that are especially negatively affected by emigration (e.g. health care). This should not be about 'making people stay,' especially not those with skills or working in professions without an adequate labor market in the region. Instead, the focus should be on addressing the needs, demands, and problems of those who would prefer to stay and build a life in their home countries.
- **Approach those who leave** – or those who do not want to return but are still engaged – as future investors, sources of knowledge transfer, or bridge-builders to share their networks with people in their countries of origin. Many of those staying abroad already support their families through financial transfers, thereby making up for states' lack of social spending and decently paid jobs. Emigrants deserve credit for this support instead of criticism for leaving and should be motivated to do even more and in a more efficient way to improve conditions in their countries of origin. Governments should actively offer ways to engage their diaspora and support private initiatives that benefit their countries.

In both processes, the region's governments must be in the driver's seat of initiatives. Ultimately, only they can improve conditions domestically to make staying, investing, and engaging more attractive. However, governments of the WB6 should not be left alone in dealing with this situation: both the EU and receiving countries, as well as initiatives of regional cooperation among WB6 countries, should support governments with best practice examples, policy ideas, and financial means. The following list summarizes ideas of what can be done to make those who want to stay reconsider their plans of leaving, and to engage with the diaspora more effectively.

## **What Governments of the WB6 Region Can Do Domestically**

- Create more democratic and inclusive politics: people are tired of nationalism, corruption, cronyism, state capture, and biased media;
- Involve stakeholders at all levels of government and from different sectors (business, academia, civil society, youth) when designing policies targeting migration, and design better targeted policies for different groups of migrants;
- Create more open and merit-based labor markets: de-politicize labor markets, enable more competition especially for public sector jobs, and make jobs accessible for those planning to return from abroad;
- Improve working conditions, for instance with more secure contracts and better working hours, strengthen workers' rights, and institutionalize collective bargaining;
- Reform the education system to increase young peoples' employability, strive for a better match between acquired skills and labor market demands, and internationalize the system to allow for exchange and inflow of ideas;
- Improve the vocational education system and its image (balance between technical and higher education, quality of education, salaries, link to business needs, etc.), and make vocational education more available in rural areas;
- Create better social policies, including support for families;
- De-centralize offers of job-opportunities, services, and education;
- Make return easier:
  - create offers for re-integration as some people might return only after a longer period;
  - promote best-practice examples of successful returnees;
  - allow for dual citizenships to render migration decisions less 'final';
  - perceive migrants in their broader social context thinking beyond jobs; childcare, housing, and health care, etc. are equally important areas;
- Give people a more realistic picture of life abroad, balancing advantages and disadvantages, for example through media campaigns or distribution of information at schools, and reduce stereotypes between emigrants and locals;
- Seek regional cooperation among the WB6 countries when it comes to regional mobility for work and education, e.g. through mutual acceptance of degrees.

## **How Governments Can Engage Their Diaspora**

- Improve knowledge about emigration: set incentives for citizens to officially notify their authorities when moving abroad and collect better data of those leaving and returning including their skills and educational levels as a basis for sound policy-making;
- Conduct a survey of people who have left the region: why did they leave, how is their experience abroad, and under what circumstances would they return?
- Connect those studying abroad to the country's labor market through internships and potential job offers;

- Create policies that lead to a more productive use of diaspora money beyond real estate and consumption;
- Think beyond money when considering the diaspora: use its contacts, skills, and ideas; also change the mindset of diaspora ministries and other state actors in this regard: for example, organize digital ‘think nets’ through which members of the diaspora can share their ideas and skills with people in their countries of origin and offer mentoring;
- Offer better services at consulates and embassies for the diaspora and use them as contact points to inform those who have left about opportunities to engage or invest in their country of origin.

#### **What Can Be Done by the EU and Its Member States**

- Credibly re-engage in the enlargement process: make concrete offers to those governments that are willing to conduct reforms, consistently engage them for quicker progress, and make use of existing sanctioning mechanisms for lack of reforms;
- Strengthen cooperation between EU research institutions and WB research institutions;
- Make mobility in both directions easier to foster circular migration instead of one-way emigration;
- Support regional cooperation among the WB6 countries on economic development, education, and emigration (for instance through a regional advisory forum), and support peer-to-peer learning and best practice exchange;
- Support transnational entrepreneurship and business innovation networks between the EU and the Western Balkans region;
- Improve cooperation and coordination between countries of destination and origin to achieve win-win situations.

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# SPEECH BY FOREIGN MINISTER HEIKO MAAS

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## Opening Speech by Federal Foreign Minister Heiko Maas at the Conference “Young People, Migration, and the Demographic Challenge in the Western Balkans”<sup>1</sup>

When the Covid-19 pandemic hit nine months ago, we knew that we needed to completely re-think our Presidency of the Council of the European Union. The fight against the virus forced us to set clear priorities.

We decided to focus on our neighborhood – to the East, to the South and particularly to the South East. Because the crisis made it clear that we are one European family.

We therefore attach great importance to this conference. But what really turns it into a key event of our Council Presidency is your participation. So, thank you all for joining us – particularly my colleagues from the Western Balkans and the members of the European Commission! We are also very grateful to our co-hosts, the Southeast Europe Association and the Aspen Institute Germany. A very warm welcome to all of you!

Ladies and gentlemen,

some of you might know that I recently had to spend ten days in Covid quarantine. It was an interesting experience. Instead of my usual routine of trips, meetings, and conferences, I suddenly had time all by myself.

So I started reading some of the books that were piling up on my nightstand. Among them was “Herkunft” or “Where you come from” by German-Bosnian author Saša Stanišić, who won the German Book Prize last year.

“Our origins,” the book says, “are the bitter-sweet coincidences that carried us here or there.” As someone who grew up in the Saarland region, which kept being shifted between France and Germany, this is a stark reminder of how random categories like “homeland” or “nationality” can be. Especially if we link them to a place of birth.

It also shows how migration can change our perspectives. How it connects countries and people.

How it broadens horizons and creates new opportunities – despite all of the challenges.

So, right from the outset, I would like to stress one thing: The goal of this conference is not to stop migration. 30 years after the end of the iron curtain we know: all those who have tried to stop it have failed.

Mobility is part of the European Union’s DNA. And it prepares young people for a life in a globalized, interconnected world. At the same time, ladies and gentlemen, we cannot close our eyes to the problems that a continuous ‘brain drain’ is causing in the Western Balkans.

The numbers are staggering.

The Economist forecasts that Bosnia and Herzegovina’s population will have dropped by more than a third in 2050 compared to 1990. Figures for Albania and Serbia are similar.

And 71 percent of young people in the Western Balkan countries consider moving abroad, as a recent survey by the Regional Cooperation Council shows.

Better salaries abroad are certainly a strong pull factor. But emigration from the Western Balkans is not just about economic opportunities, according to a recent study by the Friedrich-Ebert-Stiftung. Many young people also point to deficits in the education, health or social systems, to a lack of merit-based recruitment or corruption.

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<sup>1</sup> This conference was hosted by the German Federal Foreign Office as part of the German EU Council Presidency and was organized by the Aspen Institute Germany and the Southeast Europe Association on October 28-30, 2020.

Minorities face additional difficulties. Many young Roma, for example, suffer from discrimination. When I talked to a young woman in Skopje on one of my trips, she told me: “people in this region are fighting about the past, instead of looking to the future. And those who believe in the future are leaving.”

Ladies and gentlemen, this is what we need to change. And there are three steps that I would like to propose to you today:

First, we must invest in the future. Due to the pandemic, more and more companies are planning to ‘near shore’ their production. The Western Balkans are in an ideal position for that.

Three weeks ago, the European Commission presented the new Economic and Investment Plan for the Western Balkans. It focuses on the green and digital economy and supports connectivity. The nine billion euros it offers could boost economic transformation in the region.

But the basis for successful investment is reforms. Reforms that only your governments can undertake, by cutting corruption and red tape. The European Commission’s recent country reports show very clearly where more action is needed. The rule of law and good governance remain top priorities. Not because the European Union requires them, but because they are in the interest of your people and your businesses. In all of this, we stand by your side. At this year’s Summit of the Berlin Process, hosted by North Macedonia and Bulgaria, we hope that the Western Balkans will launch the next phase of the Regional Economic Area. It will speed up economic growth by bringing the European Union’s four freedoms to the region. The backbone of regional cooperation, however, is good-neighborly relations.

This leads me to my second point. Let us finally put the ghosts of the past to rest! Because they are blocking your countries’ way into the future. This is particularly true for Kosovo and Serbia. A settlement is long overdue. I am therefore very grateful that Miroslav Lajčák resumed the EU-facilitated dialog in July. And I fully share his view that there is no alternative to a comprehensive, sustainable and binding agreement.

Such a step requires strong political leadership. And I count on the leaders in Belgrade and Pristina to demonstrate it – by engaging constructively with each other and thus paving the way into a new era.

The sooner you start, the better it will be for the stability of the entire region. And the quicker you will unlock Kosovo’s and Serbia’s EU perspectives.

The same is true for Bosnia and Herzegovina. This year marks the 25<sup>th</sup> anniversary of the Dayton Peace Agreement. But to this day, the country remains politically divided along ethnic lines.

In a country that wants to join the EU, there is simply no place for nationalistic agitation, for the denial of war crimes, or the glorification of war criminals.

The recent adoption of the Revised National War Crimes Strategy was therefore a very important step. And it is encouraging that people in Mostar will be able to participate in local elections for the first time in 12 years.

Ladies and gentlemen, this is the way forward. The way we want to walk with you.

So, my third and final point is: It is in our joint strategic interest that your countries join the European Union. This is where they belong. This is where most of your young people see their future.

And if the EU does not come to them, they will come to the EU.

The numbers speak for themselves. In 2001, before joining the Union, 75 percent of young Romanians wanted to leave their country. Today, two thirds of them want to stay. And we hope to see the same development in the Western Balkans.

To reach this objective, we took important steps this year to speed up European integration:

At the Zagreb Summit in May, the EU and the Western Balkans re-committed to the enlargement and the necessary reforms.

We opened the door for accession negotiations with Albania and North Macedonia. We plan to hold the First Accession Conference with North Macedonia before the end of the German Presidency. And – if conditions allow – also with Albania.

Ladies and gentlemen, at the outset, I mentioned the young woman I met in Skopje. The woman who told me that all the young people who believe in a future are leaving for the EU.

What if we showed her that this future is a joint one?

That our destinies are linked, not just by geography, but by choice.

That we truly share the same values.

And that we support open societies, in which all people can thrive – regardless of their gender or their sexual orientation, their ethnic, national or religious backgrounds.

I think that we might convince her to build a future in her country. In North Macedonia. In the Western Balkans. In the heart of Europe.

Thank you very much for your attention! And thank you once again for joining us today!

# YOUNG PEOPLE IN THE WESTERN BALKANS

## One Way Ticket No More: Seven Ideas for a Prosperous Western Balkans<sup>1</sup>

Samir Beharić, Egzona Bokshi, Marjola Memaj, Sibel Bajram, Nina Drakulić, Nenad Jevtović, Lorenta Kadriu, Nikola Kandić, Andrea Mićanović, Frančeska Mučo, Tomica Stojanovikj, and Milja Zdravković

### Where Are We in 2020?

The population of the Western Balkans is shrinking. Between 2013 and 2018, the number of people who moved long-term to the European Union almost tripled – from 55,834 to 154,242.<sup>2</sup> The overall working age population in the Western Balkans has declined by more than 400,000 individuals in the last 5 years.<sup>3</sup> Across the region, the number of births is also decreasing. In 2019, Bosnia and Herzegovina saw the fewest births since 1948.<sup>4</sup> The forecasts, therefore, are bleak.<sup>5</sup>

This comes at a price. First, an emotional one, as many grandparents are separated from their grandchildren and many children grow up separated from their parents. Second, there is a financial price on which most experts and media focus their attention. The Western Balkans spends a considerable amount of money on educating young people who often end up working abroad. On average, the cost of higher education per person spans between 18,283 EUR in Albania and 34,139 EUR in Serbia.<sup>6</sup> Educating medical workers tends to be even more expensive. Bosnia and Herzegovina, for example, spends more than 50 million EUR annually on educating health professionals who might end up working in the EU.<sup>7</sup> If the current trend continues, the Western Balkans will keep producing free labor force for the EU. According to the Global Competitiveness Report, four of the Western Balkan countries participating in it have one of the biggest brain-drains in the world.<sup>8</sup> This is happening for a reason.

Take the quality of life, which in the region is worse than in the EU. This forces people to leave. The education systems have many flaws. For example, too few children get to attend pre-school. In North Macedonia, around 61% of children aged between three and six are not enrolled in pre-primary education.<sup>9</sup> Relevant international studies also show that those who do enroll in primary school often end up functionally illiterate. Among

<sup>1</sup> This paper was developed at the workshop “One way ticket? – Young People and Migration from the Western Balkans – Possibilities and Opportunities for Shaping the Process” with the support of the Crossborder Factory think-and-do-tank, the Regional Youth Cooperation Office (RYCO), and Adnan Ćerimagić, analyst at the European Stability Initiative (ESI). The authors of this paper, Samir Beharić, Egzona Bokshi, Marjola Memaj, Sibel Bajram, Nina Drakulić, Nenad Jevtović, Lorenta Kadriu, Nikola Kandić, Andrea Mićanović, Frančeska Mučo, Tomica Stojanovikj, and Milja Zdravković, are grateful to Gentian Elezi, Donika Emmini, Tim Judah, and Alida Vračić for sharing their valuable research and expertise for this paper. Furthermore, the authors would like to thank the German Federal Foreign Office for the financial support of the workshop “One-Way-Ticket? – Young People and Migration from the Western Balkans – Possibilities and Opportunities for Shaping the Process”.

<sup>2</sup> Eurostat, First Permits by Reason, Length of Validity and Citizenship, 23 January 2021, [https://ec.europa.eu/eurostat/databrowser/view/MIGR\\_RESFIRST\\_\\_custom\\_487019/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/MIGR_RESFIRST__custom_487019/default/table?lang=en), (accessed 25 January 2021). The figures refer to the total number of first permits with a duration of 12 months or longer issued for citizens of the Western Balkans Six.

<sup>3</sup> Regional Cooperation Council, Bregu: Brain Drain The Biggest Challenge Of This Decade – Western Balkans Working Age Population Declined By More Than 400,000 In Past 5 Years, January 2020, <https://www.rcc.int/news/598/bregu-brain-drain-the-biggest-challenge-of-this-decade--western-balkans-working-age-population-declined-by-more-than-400000-in-past-5-years>, (accessed 15 October 2020).

<sup>4</sup> Klix, U BiH najmanji broj novorođenčadi od 1948. godine, prognoze su crne, kao i naša pozicija u regiji, 2020, <https://www.klix.ba/vijesti/bih/u-bih-najmanji-broj-novorodjencadi-od-1948-godine-prognoze-su-crne-kao-i-nasa-pozicija-u-regiji/2009170>, (accessed 15 October 2020).

<sup>5</sup> T. Judah, Bye-Bye, Balkans: A Region In Critical Demographic Decline, Balkans Insight, 2019, <https://balkaninsight.com/2019/10/14/bye-bye-balkans-a-region-in-critical-demographic-decline/>, (accessed 15 October 2020).

<sup>6</sup> Institute for Development and Innovation, Cost of Youth Emigration, 2019, <https://www.wfd.org/wp-content/uploads/2019/05/Cost-of-youth-emigration-Serbia.pdf>, (accessed 15 October 2020).

<sup>7</sup> Al Jazeera Balkans, Odlasci ljekara: BiH godišnje gubi 50 miliona eura, 2018, <http://balkans.aljazeera.net/files/odlasci-ljekara-bih-godisnje-gubi-50-miliona-eura>, (accessed 15 October 2020).

<sup>8</sup> World Economic Forum, The Global Competitiveness Report 2019, 2020, [http://www3.weforum.org/docs/WEF\\_TheGlobalCompetitivenessReport2019.pdf](http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf), (accessed 15 October 2020).

<sup>9</sup> UNICEF, North Macedonia Committed to Improving Access to Quality Pre-primary Education, 2019, <https://www.unicef.org/north-macedonia/press-releases/north-macedonia-committed-improving-access-quality-pre-primary-education>, (accessed 15 October 2020).



14-year-old students in Bosnia and Herzegovina tested in the framework of PISA, one out of two were able to read the text but not able to explain what they read.<sup>10</sup> Moreover, a high number of those that get to attend high-school or university do not receive an education that prepares them for the job market.

Once in the job market, these students are confronted with too few job opportunities. They live in a region with one of the world's highest youth unemployment rates (15-24 years of age), ranging between 17% in Montenegro and Serbia to 54.9% in Kosovo\*, according to the World Bank.<sup>11</sup> They are also confronted with unfair competition because the small job market often favors those with family and political ties. Those who get a job typically earn less than they would in the EU, while working conditions and workers' rights are often non-existent or violated.

However, it is not only the job market that motivates people to leave. It is also about road infrastructure and the quality of the environment, for example. Young people who have a driving license and own a car are more likely to get hurt or die on the roads because roads in the Western Balkans are among the deadliest roads in Europe.<sup>12</sup> At the same time, air-pollution-related illnesses are also increasing in the region. In the Western Balkans, there are 16 outdated coal power plants threatening public health by producing enormous amounts of air pollution, which impacts people in the region, the EU, and beyond. Every year, these power plants cause 3,000 premature deaths, 8,000 cases of bronchitis among children, and other chronic illnesses, costing both the health systems and economies a total of 6.1-11.5 billion EUR.<sup>13</sup> Additionally, the recent backslide of democracy, rule of law, and freedoms has contributed to the emigration of young people.<sup>14</sup>

But overall, economic insecurity seems to be the strongest driver for young people to move abroad. This motivation is the strongest among Albanian youth (43%) and the weakest among young Montenegrins (26%).<sup>15</sup> Increasingly, entire families are moving together, with the elderly (grandparents) staying home. Those who leave typically look for a job in the EU. Once in the EU, Western Balkan workers often take jobs that are unpopular among those living in the host countries: among others in the health sector and construction. Most of those who leave are not eager to come back, not even when they retire.<sup>16</sup>

There is one notable exception: those who do not get long-term working permits in the EU. Among them are seasonal workers but also students who take part in international exchange and mobility programs. Some students, mostly at university, get to study for a semester in the EU and come back. Their number, however, is still quite low, compared to the number of EU students that take part in these programs. The way to change this is to boost mobility opportunities within the Western Balkans. At the moment it is easier for a student from the University of Skopje to spend an exchange semester at a university in the EU, China, Russia, or Turkey than to study for one or two exchange semesters at any of the Western Balkans universities. Benefits for those who studied abroad are high.<sup>17</sup> Those students show more interest in politics, less support for ethno-nationalistic ideas, and a broader understanding of different cultures than their peers without such an experience.

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

<sup>10</sup> OECD, PISA 2018. Insights and Interpretations, 2019, <https://www.oecd.org/pisa/PISA%202018%20Insights%20and%20Interpretations%20FINAL%20PDF.pdf>, (accessed 15 October 2020).

<sup>11</sup> World Bank Group & The Vienna Institute for International Economic Studies, Western Balkans Labor Market Trends 2019, 2019, <http://documents1.worldbank.org/curated/en/351461552915471917/pdf/135370-Western-Balkans-Labor-Market-Trends-2019.pdf>, (accessed 17 October 2020).

<sup>12</sup> Radio Free Europe / Radio Liberty, Driving in Europe: It's Riskier in the East, 2020, <https://www.rferl.org/a/infographic-traffic-deaths-europe/26692462.html>, (accessed 17 October 2020).

<sup>13</sup> The Health and Environment Alliance, Chronic Coal Pollution, 2019, <https://balkangreenenergynews.com/wp-content/uploads/2019/02/Chronic-Coal-Pollution-report.pdf>, (accessed 17 October 2020).

<sup>14</sup> M. Kmezic, F.Bieber (eds.), The Crisis of Democracy in the Western Balkans. An Anatomy of Stabilitocracy and the Limits of EU Democracy Promotion, Policy Study, BiEPAG, March 2017, <http://www.biepag.eu/wp-content/uploads/2017/05/final.pdf>, (accessed 17 October 2020).

<sup>15</sup> The Friedrich-Ebert-Stiftung, Youth Study Southeast Europe 2018/2019, 2019, <https://www.fes.de/en/youth-studies>, (accessed 17 October 2020).

<sup>16</sup> Balkan Insight, Never Going Home: Why Bosnia's New Exodus is Worrying, 2010, <https://balkaninsight.com/2020/09/29/never-going-home-why-bosnias-new-exodus-is-worrying/>, (accessed 17 October 2020).

<sup>17</sup> European Commission, The Erasmus Impact Study, 2014, [https://ec.europa.eu/assets/eac/education/library/study/2014/erasmus-impact-summary\\_en.pdf](https://ec.europa.eu/assets/eac/education/library/study/2014/erasmus-impact-summary_en.pdf), (accessed 17 October 2020).



Young people throughout the region increasingly crave for a strong hand and authoritarian leadership.<sup>18</sup> There are multiple reasons and explanations behind this trend. Most experts think it is related to a sense that most current politicians are corrupt and serve the interests of only a few.

Throughout the region, however, there is also a growing number of young people who want the Western Balkans to transform into functional liberal democracies that protect the rights of all its citizens, have a market economy, and fully integrate into the European Union. Fully aware that the current situation did not develop overnight and that it will also not change to the better overnight, in the following two sections, a group of these young people sketch out where our region should be in ten years. We also provide concrete policy ideas on how to get there and hope to start a conversation on the most pressing issues for the future of our region, the European Union, and Europe as a whole.

### **Where Do We Want to Be in Ten Years?**

When a group of young people from the Western Balkans meets in 2030 to discuss the state of the region, their conclusion should be that the Western Balkans did not lose another generation. They should see the current pandemic as a turning point, which revealed the fragility of the Western Balkan institutions and policies. Socially, economically, and democratically, 2020 is the point when all institutions crumbled under the weight of reality, which exposed underinvestment and mismanagement of not just the healthcare systems, but also of other public systems (particularly education). 2030 should be the year by which the Western Balkan saga about EU integration is completed. The region should manage to advance in a progressive way by then. The end of the mismanagement in 2020 should create a momentum for positive change across the region, saying good-bye to the political shortsightedness and allowing for a focus on investing in institutions and people and committing to not gamble with young people's future prospects ever again.

The first and the most important step to get to this goal is to move beyond the development of policies that only take into account narrow interests. This change can happen with robust support from the EU for those across the region who do not accept mismanagement, incompetence, and poor justifications. Champions of this completely new narrative on the Western Balkans already exist; they call for public interests to be taken into account and to bring the Western Balkans closer to EU standards. There are many who currently discuss how the region could be shaped in a way to make it capable of responding and meeting the challenges in the present and future. Already today, the current generation of young people is more concerned about economic prospects, education quality, and the environment than about national identity, ever-looming war prospects, or political and security instabilities in the region.<sup>19</sup> However, these voices need to be supported and their ideas heard. If done properly, this would allow young people to move forward from their parents' past.

The EU and its member states need to channel their support so that majorities across the region can come together to translate a vision of a prosperous Western Balkans into reality. This vision of 2030 is one where the region is fully integrated into the EU, with most bilateral issues resolved. A region that has liberal democracies based on rule of law and a market economy. It also has education systems that are at an EU-level quality and equip generations for the challenges of the future, enable knowledge transfer about democratic values, civic rights and liberties, critical thinking skills, and understands individual responsibility and teamwork.

By 2030, the region needs governments that aim for policies that take into account the environment. Adoption and implementation of environmental laws, sustainability policies, and regional environmental agreements must become a priority so the Western Balkans can turn into a cleaner region. Along the lines of the Economic and Investment Program and the Green Agenda adopted by the European Commission in October 2020, the EU and the region should find common instruments to respond to environmental challenges and to fight climate change. Even before full membership, the entire region should be involved in discussions on the future of

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<sup>18</sup> The Friedrich-Ebert-Stiftung, Youth Study Southeast Europe 2018/2019, 2019.

<sup>19</sup> Ibid.

the EU. This is important because the extreme weather patterns and climate change will see increased numbers of displaced people from their homes and cities.

By 2030, the number of private sector jobs providing decent working conditions across the region should increase. To achieve this, politicians and public administrations should focus on development and implementation of policies that are aligned with the EU over the medium and long term. Mobility across the region should be made easier through public-private partnerships that extend huge infrastructure projects across the region (railway and digital corridors) and make borders invisible. The issues such as visas should become a matter of the past.

When a group of young people from the EU meet in 2030 to discuss young people, demographic challenges and youth migration in the European Union, the Western Balkans will be part of it. As in other parts of the EU, in the Western Balkans many will continue to migrate, but this time not because they have to, but because they choose to. In 2030, many of them will be returning together with thousands of their young European peers, choosing the Western Balkans as the next most livable region in the EU. Below are concrete proposals on how this can be achieved.

### How Do We Get There?<sup>20</sup>

Below are six ideas, proposals, and initiatives that policy makers in the EU and the region, as well as regional organizations and young people should consider when thinking about the future of the region. All these initiatives and ideas can only be successfully implemented if their development, implementation, and monitoring is based on facts and scientific findings, if it includes civil society organization, and if it is communicated in a clear and direct way to the public.

#### 1. Reform regional education systems

The German Presidency of the EU, together with the upcoming EU presidencies, with support of the Regional Cooperation Council (RCC) and the Regional Youth Cooperation Office (RYCO), should set out **a roadmap for an education reform throughout the region** that would aim to achieve:

- EU average in number of children enrolled in pre-school education, **with a particular focus on minorities**;
- Improved quality of primary education (based on PISA results);
- High school and university education that takes into account the needs and a vision for the economy.

#### 2. Increase regional mobility schemes

Regional cooperation and mobility in the field of education – next to further economic integration and making trade easier – could be a way to slow down youth migration. It could also serve as a steering wheel of peace and prosperity. The region should raise the proportion of students and university professors going to the EU and to the Western Balkans' universities to develop valuable skills and to expand their horizons, either to study or to complete a training. This contributes to increasing social inclusion and non-discrimination and helps bridge skill gaps by boosting specific skills needed in the modern labor market.

- Governments in the region, with support of the European Commission and the Regional Youth Cooperation Office (RYCO), should establish and implement **a scheme for primary school students exchange**, that would allow – by 2025 up to 25% and 2030 up to 60% – of students to spend two to four weeks of their summer breaks in the Western Balkans and the EU. This exchange would include civic education, activism, and dealing with the past, and should particularly include minority groups.

<sup>20</sup> These recommendations were prepared for the conference “Young People, Migration, and the Demographic Challenge in the Western Balkans” on October 28-30, 2020.

- Governments in the region, together with the European Commission, should **expand the joint degree programs between – and within – the EU and the Western Balkans** to encourage intra-regional student mobility.
- Governments in the region, together with the European Commission, should **support mobility in vocational education and training** for newly qualified apprentices and teachers to benefit from the program.
- Governments in the region, with support of the Regional Cooperation Council (RCC), should facilitate the **recognition of academic and professional qualifications gained abroad**.
- EU member states should take a long overdue step and allow **visa-free travel for Kosovo. Bosnia and Herzegovina and Kosovo should, as a matter of priority, abolish the existing visa-regime**.

### 3. Make the Western Balkans green(er)

The entire Western Balkans is facing severe challenges on its EU path with regards to energy transition and environmental protection. Environmental issues are still marginalized and need to be considered as one of the key issues for the future of the region. This initiative requires financial investments in the region, and the EU should take a lead on that.

- The EU and its member states should commit to working with the Western Balkans to **bring down air pollution in general, but in particular from coal plants**, as agreed with the Energy Community (at the moment six times higher).
- The EU and its member states, during the German EU presidency, should commit to develop a plan and invest necessary resources to **clean the six most polluted rivers and cities in the Western Balkans**.

### 4. Bring Western Balkans into a digital age

If the current digital gap between the Western Balkans and the EU is not closed or becomes even wider due to the fact that the process is being mismanaged on the national level, the region risks being left behind yet again.

- **Invest in digital transformation in the Western Balkans** because it can help achieve higher growth and greater levels of employment.
- Boost the positive impact digitalization can have on administrative procedures, including reducing the space for corruption, **increasing regional connectivity, and clearly making citizens' lives easier**.
- Set up regional and national **monitoring mechanisms for digitalization**.

### 5. Establish a regional network of Civic Education Centers

Citizens of the Western Balkans should have space and time to think and debate the democratic future of their societies. Democracy is not only a form of government, but also needs to be experienced and debated in the daily lives of citizens. Civic education is an important element of democracy. Civic education qualifies for political commitment and the assumption of political tasks, but it is also an offer of orientation and information. Democracy thrives on the participation of informed citizens.

- The German Federal Government, inspired by the role of civic educational centers in Germany, **by 2025 should support the establishment of six civic education centers**, as part of a regional network. These independent centers should provide citizens with information about all areas of politics – without being tainted by governments and party politics – and provide space to discuss issues and the development of democracy and European Integration.

## 6. Finalize the Connectivity and implement the Economic and Investment Agenda for the Western Balkans

Connecting the region both internally and with the EU is a precondition for economic and social development that would help close the gap between the region and the EU.

- The Western Balkans partners and the EU should aim to **finalize projects that are part of the Connectivity Agenda** at the moment (railway, highway, and air) by connecting all six centers with a modern infrastructure by 2024. Furthermore, implement the Economic and Investment Agenda for the Western Balkans, adopted by the European Commission in October 2020.

## 7. Continue discussions with young people on migration and demographic challenges

Regular discussions on the issues of young people with young people, as well as on migration and demographic challenges should continue in the region, but also within the EU context.

- The conference on demography and brain drain, organized by the German EU Presidency, should not be a one-time event, but turn into a regular event to discuss these issues as part of the **future EU presidencies or the Berlin Process**.
- The Western Balkans should also be included in the **Conference on the Future of Europe**.

## Youth Emigration from the Western Balkans: Factors, Motivations, and Trends

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### Introduction

Predominantly fueled by economic uncertainty at home, emigration from the Western Balkan Six countries (WB6)<sup>1</sup> has picked up pace during the last decade and has begun to draw significant scholarly and political attention. A recent World Bank report points out that the majority of emigrants from the WB6 countries are young (between 20 and 39 years of age) and have relatively high levels of education. This ‘brain drain’ situation<sup>2</sup> will likely have adverse effects on the home countries’ competitiveness, economic growth, and economic convergence in the long run.<sup>3</sup>

One of the contributing factors behind the rise of youth emigration from the Western Balkans is undoubtedly the visa liberalization that WB countries (except Kosovo) have with the EU.<sup>4</sup> From this point of view, a comparison with the Southeast European countries that have joined the EU, and thus liberalized travel even further, would make an interesting subject for research and analysis.

This paper looks at factors, motivations, and trends concerning youth emigration from the Western Balkans, based mainly on the analysis of survey data gathered in early 2018 on representative samples of youth in ten Southeast European countries (SEE).<sup>5</sup> To put the results in a broader comparative perspective, all analyses also include comparisons with the situations in four other SEE countries – Bulgaria, Croatia, Romania, and Slovenia – which have gained membership in the EU over the past two decades, unlike the WB6 countries.

### The Emigration Potential: Situation and Trends

In 2018, a total of 228,000 nationals of the WB6 emigrated legally to the EU in 2018, according to a recent Eurostat report.<sup>6</sup> The outflow was strongest in Albania, where 2.2% (62,000 people) of the country’s overall population migrated to the EU. The situation is quite similar in North Macedonia (2.1%; 24,300 people) and Kosovo (2%; 34,500 people). A slightly weaker emigration rate was recorded in Bosnia and Herzegovina (1.5%; 53,500 people), Serbia (1.3%; 51,000 people), and Montenegro (0.5%; 3,000 people). OECD statistics also offer a longitudinal perspective of recorded immigration to all the OECD countries (see Figure 1). With some minor oscillations and partial exceptions,<sup>7</sup> emigration from the WB countries has recorded a general growth trend over the period 2011-2017.

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<sup>1</sup> Pertains to Albania, Bosnia and Herzegovina (BiH), Kosovo, North Macedonia, Montenegro, and Serbia.

<sup>2</sup> Brain drain can be understood as the situation in which large numbers of educated and very skilled people leave their own country to live and work in another one where salaries and conditions are better.

<sup>3</sup> H. Vidovic, I. Mara, S. Koettl-Brodmann, G. Reyes, M. Arandarenko, and D. Aleksic, *Western Balkans Labor Market Trends 2018*, Washington, DC, World Bank Group, 2018, <http://documents.worldbank.org/curated/en/565231521435487923/Western-Balkans-labor-market-trends-2018>, (accessed 20 August 2020).

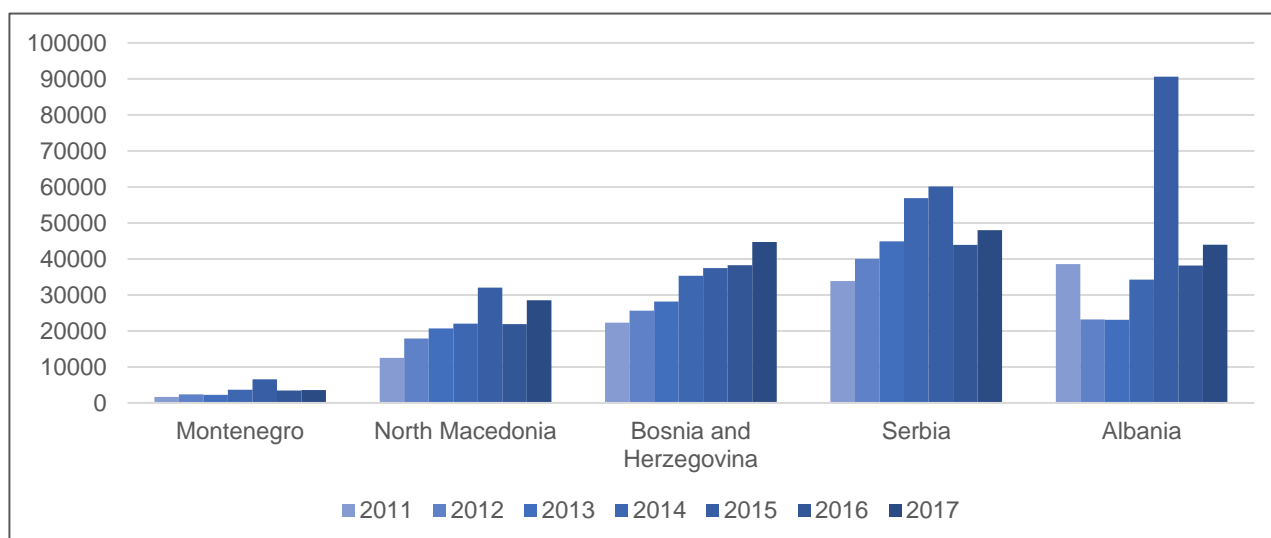
<sup>4</sup> Visas were suspended as of December 2009 for citizens of Montenegro, Macedonia and Serbia, and as of the end of 2010 for citizens of Albania and BiH.

<sup>5</sup> The data was gathered within the Youth Study Southeast Europe 2018/2019 (YSEE2018), financed and coordinated by the Friedrich-Ebert-Stiftung.; M. Lavrič, S. Tomanović, M. Jusić, *Youth Study Southeast Europe 2018/2019*, Friedrich-Ebert-Stiftung, 2019.

<sup>6</sup> N1, *Almost Quarter of a Million of Western Balkan Nationals Emigrated to EU in 2018*, 15 August 2019, <http://hr.n1info.com/English/NEWS/a426492/Almost-quarter-of-a-million-of-Western-Balkan-nationals-emigrated-to-EU-in-2018.html>, (accessed 20 August 2020).

<sup>7</sup> Among them, the most obvious is the peak in 2015, which coincided with the great migration flow from the Middle East. When it comes to emigration from the WB, this peak was interpreted as ‘flow within the flow’. See: M. Zoppi, *A Flow Within the Flow: Dynamics of 2015 and post-2015 Migration from the Western Balkans to EU Countries*. *Southeastern Europe* 43 (1), 2019, p.50-74.

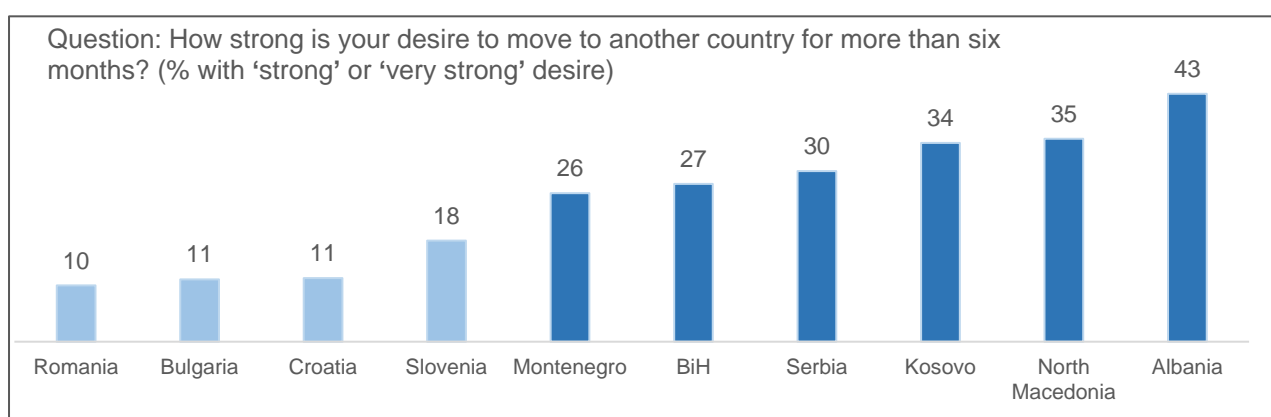
Figure 1: Yearly number of immigrants from five WB countries to OECD countries, 2011-2017



Source: OECD<sup>8</sup>

Turning our attention to the survey results among youth in 2018, we should first note that about one third (33%) of young people from the WB6 expressed a strong or very strong desire to emigrate from their country, ranging from 26% in Montenegro to 43% in Albania (see Figure 2).<sup>9</sup> On the other hand, only 12% of young people from the four EU countries (SEE-EU) expressed such desires. Thus, we can identify a stark contrast between the two groups of countries. The data suggest that, within our sample of countries, membership in the EU is related to substantially lower emigration intentions of young people. Clearly, EU membership, as such, is just an indication of a complex set of factors behind lower emigration potential. It is not possible to claim, based on the findings presented in this paper, that a swift EU accession of the WB6 countries would change migration patterns by itself. However, it does seem plausible that the wider process of Europeanization in the Western Balkans, as long as it involves improvements in economic conditions and democratic consolidation, leads to the described changes in patterns of migration.

Figure 2: The desire for emigration among youth, by country, 2018



Source: FES Youth Study Southeast Europe 2018/2019

Note: Darker shades of blue indicate WB6 countries while lighter ones indicate EU member countries.

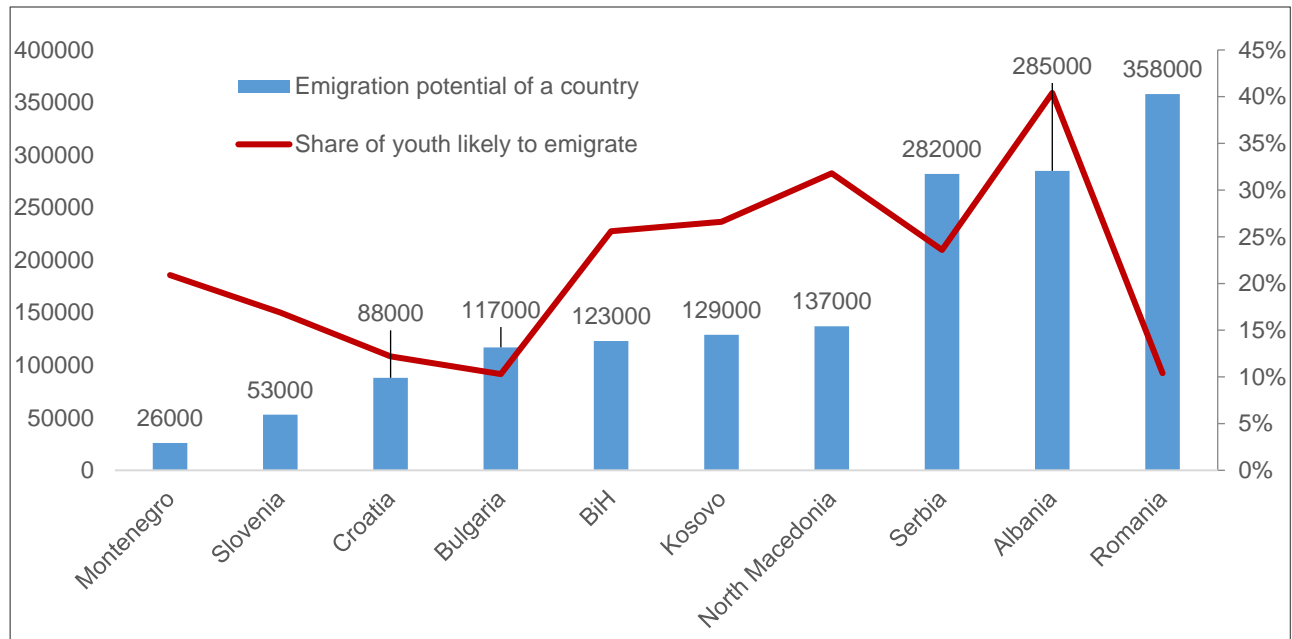
<sup>8</sup> Data were retrieved from OECD International Migration Statistics available at <https://doi.org/10.1787/data-00342-en>, (accessed 20 August 2020). The acquired data were recalculated for the purposes of this paper. Data for Kosovo were not available.

<sup>9</sup> These data are generally at expected levels according to the existing research. For example, Šantić reports that in 2019, around 42% of youth in Serbia stated that they often or very often consider leaving their country; Source: D. Šantić, Leaving Serbia, Aspirations, Intentions and Drivers of Youth Migration, Friedrich-Ebert-Stiftung, May 2020, <http://library.fes.de/pdf-files/bueros/belgrad/16219.pdf>. Clearly, different wording of questions largely contributes to different results, so direct comparisons of data based on different methodologies and/or survey questions cannot be expected to yield identical results, (accessed 20 August 2020).



An emigration potential index was constructed to draw a more coherent and realistic picture of respondents' actual likelihood of emigrating and the scope of potential emigration from individual countries.<sup>10</sup> By applying this index, we can estimate that nearly one million young people from the Western Balkans are likely to emigrate (for more than six months) within the next several years. In comparison, the estimate for the four SEE-EU countries is around 0.6 million.

Figure 3: Youth emigration potential by country, 2018



Source: FES Youth Study Southeast Europe 2018/2019

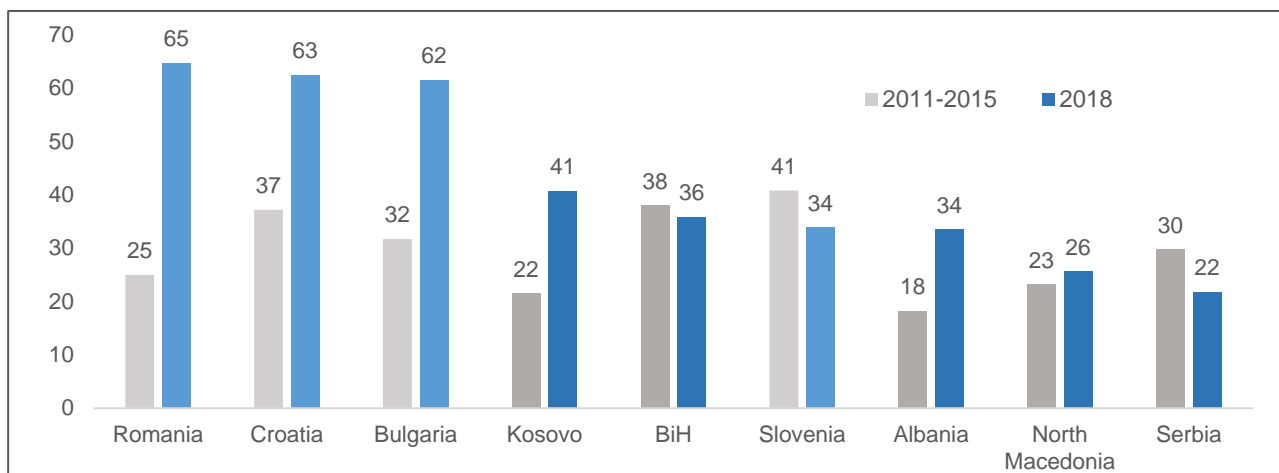
The data in Figure 3, among other things, clearly reveal the importance of distinguishing between the average likelihood of young people to emigrate and the emigration potential of a country as a whole. For instance, while a relatively small share (10%) of Romanian youth displays a real intent to emigrate, given the country's large youth population, this yields the highest emigration potential (358,000) in the region. On the other hand, as much as 40% of youth from Albania exhibit a strong likelihood of leaving. Still, because of a much smaller population, Albania's youth emigration potential in absolute terms is substantially lower than Romania's potential emigration.

Despite some differences in the survey questions used, we can also compare results with the 2011-2015 round of FES<sup>11</sup> youth surveys in the region. As discernible from Figure 4, the share of youth with no intention to emigrate increased in several countries, sizably so in Bulgaria, Croatia, and Romania, that is, in three out of four SEE-EU countries. Given that the last round of surveys was carried out imminently after the 2008 economic crisis in most countries, young people's lower desire to leave home may be attributed to the improvement of living standards and job opportunities at home over the past approximately five years.

<sup>10</sup> The emigration potential index constitutes six dimensions that rely on questions on migration from the youth surveys. Its values range from 0 to 1, whereby value 1 means a very strong desire to emigrate, planned departure within the next six months, planning to stay for longer than 20 years, having support or an invitation from someone living in the host country, the highest level of familiarity with the host country, having taken all six concrete steps listed in the survey for the purpose of emigrating (such as contacting an embassy or an employer). Based on the calculated emigration potential for each individual, we were able to compute the emigration potential for each country. This variable represents an assessment of the number of young people in each country who display a serious likelihood of emigrating according to the six dimensions of the emigration potential. The variable was created in two steps. First, shares of individuals with scores over 0.50 as part of the variable 'emigration potential of individuals' was computed for each country. Second, these shares were multiplied by the actual number of young people (aged 15-29) living in each country.

<sup>11</sup> D. Taleski, B. Hoppe, Youth in South East Europe. Lost in Translation, Friedrich-Ebert-Stiftung, July 2015, <https://library.fes.de/pdf-files/id-moe/11504.pdf>, (accessed 20 August 2020).

Figure 4: Percentages of youth with no intention to emigrate

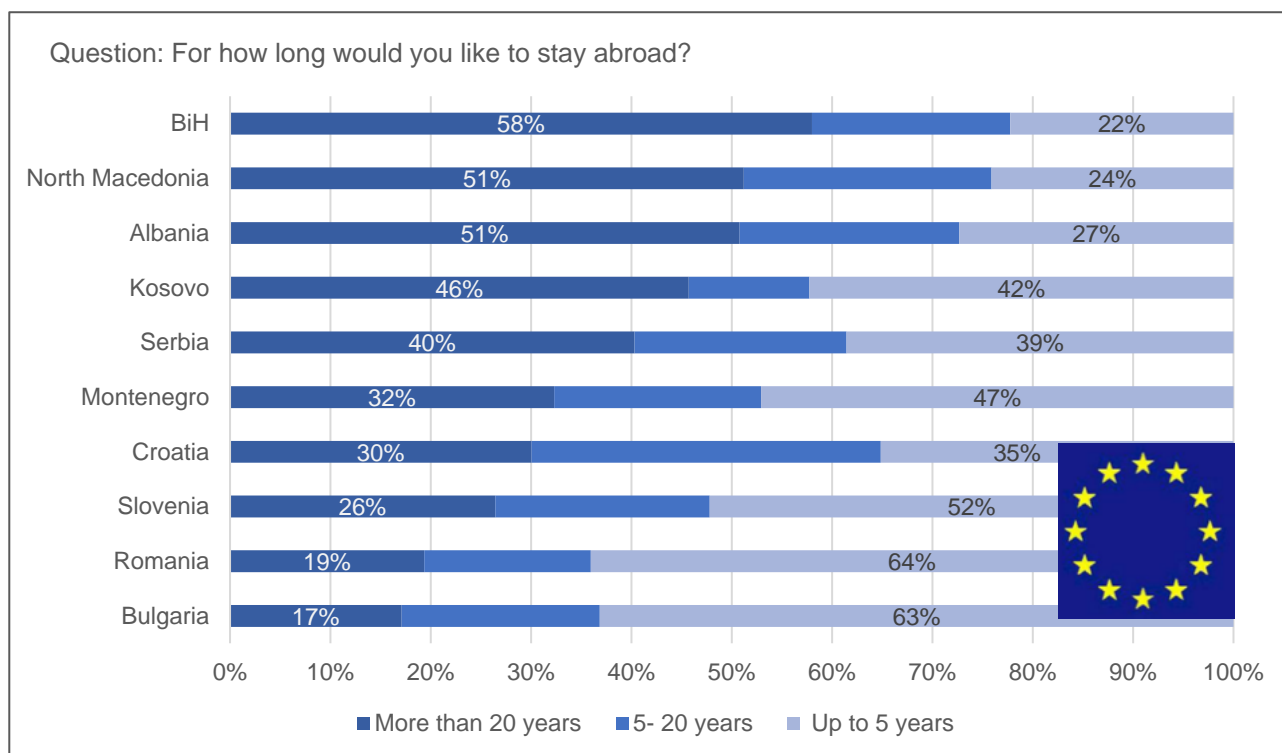


Source: FES Youth Study Southeast Europe 2018/2019, Youth in South East Europe 2011-2015

Note: Percentages of those declaring 'I do not intend to emigrate' among all respondents in the sample. Darker shades of grey and blue indicate WB6 countries while lighter ones indicate EU member countries.

Nonetheless, in Serbia and BiH shares of those with no intentions to leave decreased, while in North Macedonia the increase was not substantial. On the other side, Slovenia is the only SEE-EU country that does not show signs of a significant decrease in the motivation of young people to emigrate. However, it should be noted that, as discernible from Figure 5, the pattern of youth migration in Slovenia (as well as in other SEE-EU countries) is characterized more by short-term migration. Indeed, survey findings on the anticipated duration of young people's stays abroad point to a significant contrast between those countries that have and those that have not joined the EU.

Figure 5: Period of desired stay abroad, by country, 2018



Source: FES Youth Study Southeast Europe 2018/2019

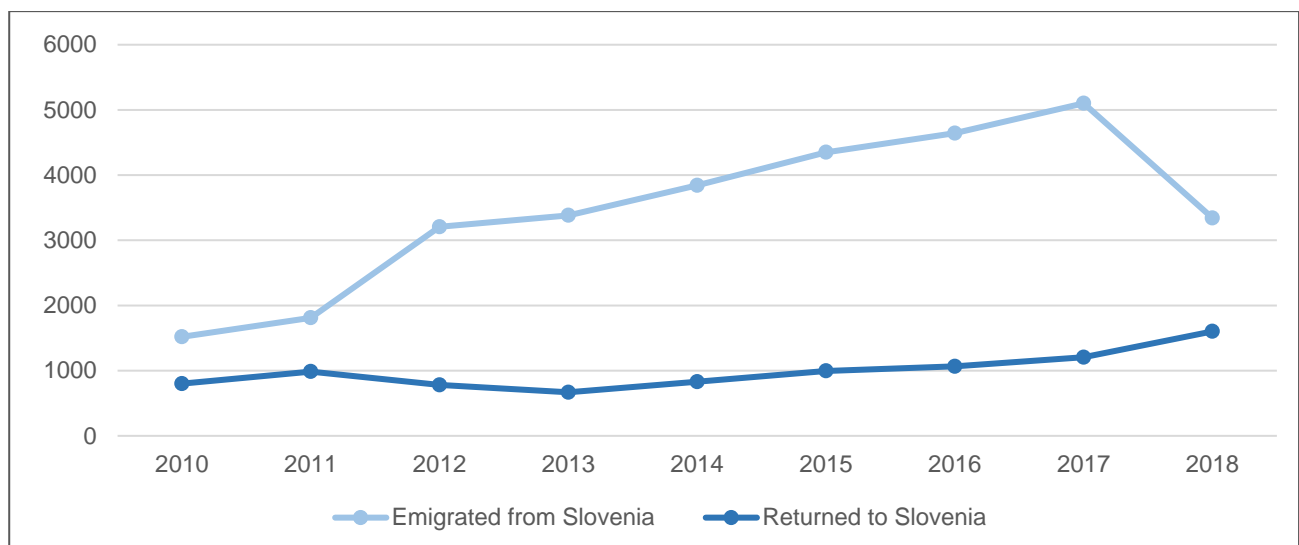
Note: Only youth with at least some intention to emigrate were taken into consideration for this analysis.



The shares of young people that would like to leave their home country for more than 20 years are substantially higher in those countries that have not joined the EU. About one-fourth of youth with at least some intentions to emigrate from the EU Member States plan to stay abroad for more than 20 years, while this share is close to one-half in the WB6 countries. In other words, living in an EU Member State seems to reduce young people's motivation for long-term emigration significantly.

As the case of Slovenia (see Figure 6) shows, it may take some time for membership in the EU to turn migration patterns in a more circular direction. The data are limited to young citizens (rather than all inhabitants) of Slovenia, which makes the estimates of the return migration flow more valid.

Figure 6: Migration of citizens of Slovenia between the ages of 20 and 39 years



Source: Statistical Office of the Republic of Slovenia<sup>12</sup>

As we can see, the number of young people leaving Slovenia has been rapidly increasing in the period between 2010 and 2017. Furthermore, the return flow was very slow and increasingly weak up until 2013. However, after 2013 the number of young Slovenian citizens returning to their home country began to rise and has increased by 140% in the period 2013-2018. Also important: the number of emigrating youth dropped quite dramatically in 2018. Both these trends resulted in a dramatic decrease in the net emigration of young Slovenian citizens. The difference between those people who have left and those who have returned decreased from 3,354 in 2015 to only 1,739 in 2018 (a 48% decline).

Of course, this case cannot prove that similar trends will eventually occur in all SEE countries that have or will join the EU (or even that this trend will continue in Slovenia). However, it is a good indication that long-term membership in the EU is likely to change youth migration patterns by increasing circular migration.

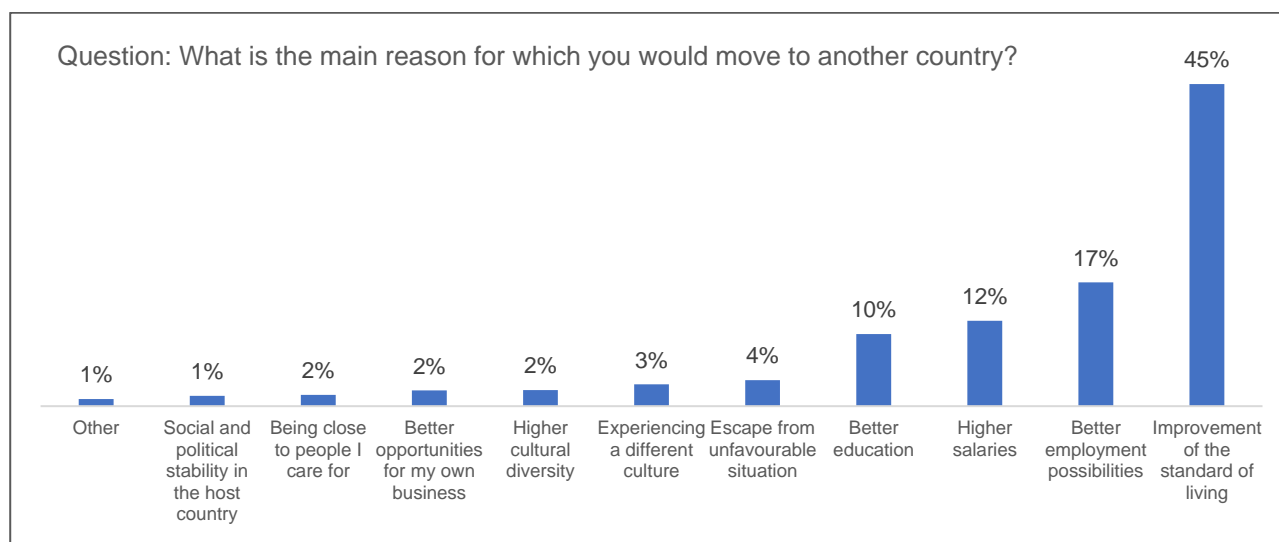
It is worth adding here that circular migration tends to bring about numerous beneficial broader social impacts. According to statistical analyses, circular migration correlates with international mobility including a greater interest in politics, a higher level of expressed knowledge of politics, a greater willingness to take on a political function, higher levels of non-conventional political participation, and less support for nationalist ideas. Even more importantly perhaps, circular migration tends to encourage the transfer of skills and know-how from economically more developed to less developed countries, thus changing 'brain drain' into 'brain circulation'.

<sup>12</sup> Data available online at the SI-STAT Data Portal: <https://joinup.ec.europa.eu/collection/slovenian-interoperability-portal-nio/solution/si-stat-data-portal/distribution/si-stat-data-portal>, (accessed 20 August 2020).

## Factors of and Motives for Youth Emigration

Not surprisingly, youth from the Western Balkans predominantly want to emigrate for economic reasons. That is, for the sake of improving their living standard,<sup>13</sup> obtaining a higher salary, and improving their employment opportunities. Educational reasons come in second, but with a huge gap compared to economic motives. Other motives appear to be largely insignificant.

Figure 7: Motives for emigration among youth from the Western Balkans, 2018



Source: FES Youth Study Southeast Europe 2018/2019

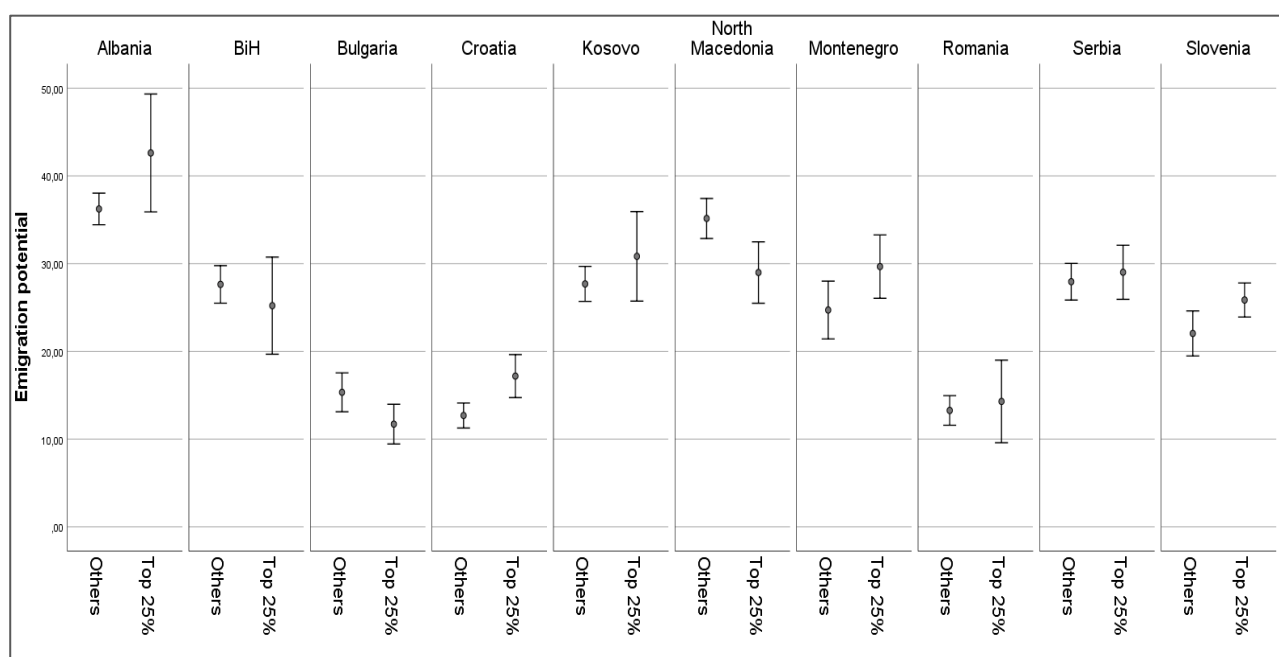
The importance of economic factors fueling emigration is also confirmed by correlational analyses at the regional level. For example, people's desire to emigrate is significantly negatively correlated with the perceived financial status of their household. Employment status also matters, as those who are employed are more likely to state that they do not intend to move abroad, while the opposite is true for the unemployed. Nevertheless, it is very important to consider the fact that significant differences exist between countries concerning the profile of youth desiring to move abroad.

For example, countries vary in terms of the risk of brain drain. When using the socio-economic status of youth as a proxy for brain drain,<sup>14</sup> correlations with emigration potential suggest that the brain drain may be a very serious issue for countries like Albania, Croatia, Montenegro, or Slovenia. In these places, youth belonging to the top quartile (25%) in terms of socio-economic status have a substantially higher likelihood of emigrating in comparison to other youth (see Figure 8). On the other hand, in Bulgaria and North Macedonia, youth with a more significant potential for emigration tend to have lower levels of education and come from poorer households with lower levels of cultural capital.

<sup>13</sup> It should be taken into account that a higher standard of living is an economic motive only in a very broad sense. It transcends financial circumstances and includes also things like better public services, health system, good governance, etc.

<sup>14</sup> A composite variable, denoting parents' education, respondents' education, number of books in the household, the financial situation of households, and household material possessions.

Figure 8: Relationship between socioeconomic status and emigration potential by country, 2018



Source: Youth Study Southeast Europe 2018/2019

It should be stressed that the above findings do not suggest, for example, that North Macedonia does not face the brain drain problem at all. While it is true that youth with lower socioeconomic status are more likely to emigrate from these countries, it is also true that many well-educated young people are leaving as well. For instance, while as much as 36% of youth with primary education or less express a strong or very strong desire to leave North Macedonia, this share is still as high as 29% for those with tertiary education.

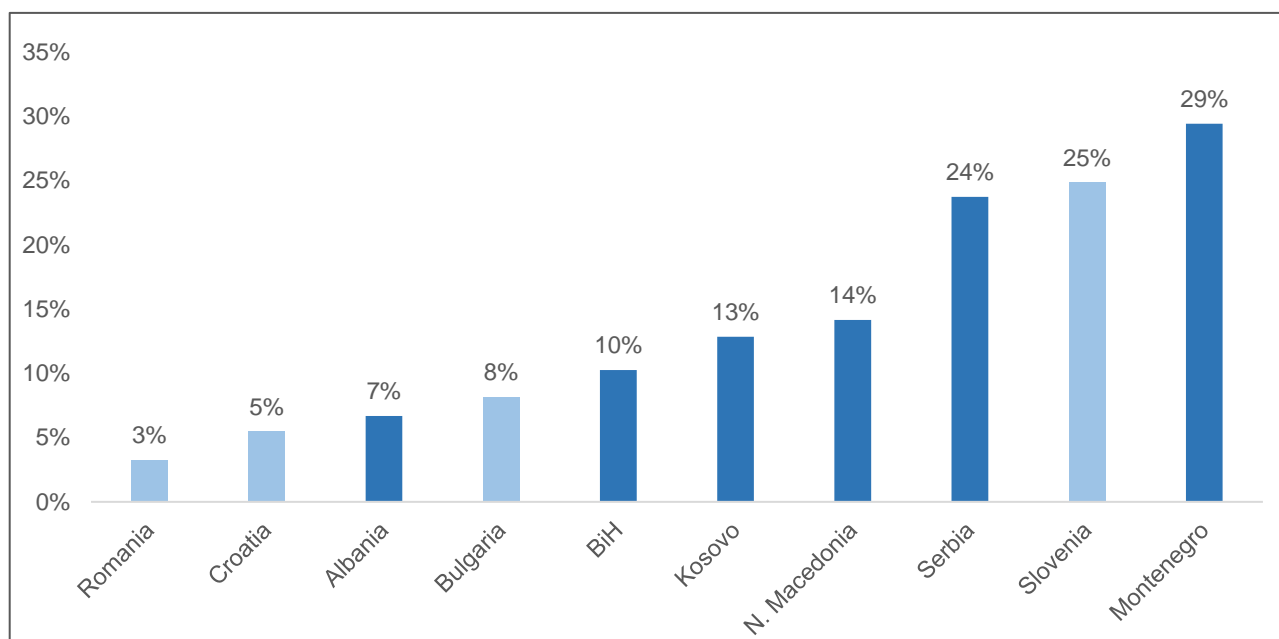
Statistical analyses also show that, in each of the ten countries, young people who are dissatisfied concerning the state of affairs in their country are much more likely to emigrate.<sup>15</sup> The same holds for those who perceive their country's future to be bleak. Such perceptions may not necessarily correspond to reality or may only be conditioned by respondents' socio-economic situations; they may also be affected by media narratives and political statements surrounding emigration. In other words, constant and especially exaggerated criticism of the situation in the country by the media and opinion-leaders may lead to a more negative perception of the home country among youth, which may significantly increase their likelihood of emigrating.

### Educational Mobility as a Factor in Youth Emigration

Educational mobility is generally taken as the desired policy goal since it has the potential of harvesting the good effects of 'brain circulation'. Besides that, educational mobility, as I have already pointed out, tends to stimulate higher civic and political engagement among young people. Despite these facts, and despite young peoples' strong desire to emigrate from their home countries, survey data show that young people have had relatively little experience with going abroad for the sake of education.

<sup>15</sup> Perception of the situation in the country was measured by a composite variable including respondents' evaluation of eight issues: human rights, economic welfare of citizens, rule of law, equality, employment, individual freedom, democracy, and security.

Figure 9: Experiences of staying abroad for learning or training purposes, ages between 25 and 29, 2018



Source: FES Youth Study Southeast Europe 2018/2019

Note: Darker shades of blue indicate WB6 countries while lighter ones indicate EU member countries.

When it comes to going abroad for learning or training purposes, we seem to be dealing with two groups of countries. While in Montenegro, Slovenia, and Serbia well over 20% of youth have had such an experience, in other countries, these shares are substantially below 15%. Interestingly, educational mobility is among the lowest in the three EU Member States: Romania, Croatia, and Bulgaria.

Thus, it appears that EU membership is not an important factor in determining educational mobility. Instead, it can be argued that educational mobility represents a window of opportunity, especially for young people from the Western Balkans. Through education abroad, they can increase their employment possibilities within their home country, as well as substantially increase their chances to succeed in one of the desired host countries. Indeed, our data show that the desire to emigrate is significantly stronger among young people from the WB6 who have had the experience of being abroad for educational purposes.<sup>16</sup>

The fact that educational mobility is related to higher emigration desires might put into question the efforts of policymakers to increase educational mobility. However, the aforementioned beneficial effects of educational mobility by far outweigh the risk of a potential increase in emigration desire. Evidently, educational mobility only slightly increases the likelihood of a young person to emigrate. Thus, many young people with such experience will stay in their home country rather than emigrate. More importantly, even if young people do emigrate, evidence shows that a lot can be done in terms of encouraging return migration. In this way, countries in the Western Balkans can effectively benefit from the effects of ‘brain circulation’.

<sup>16</sup> rho = 0.155; p < 0.01.

## Conclusion

The intent of youth to emigrate remains high across the SEE region, but especially in the WB6 countries. The four EU countries from our sample not only display substantially lower emigration potential of youth, but also more short-term migration plans. Not surprisingly, young people's intentions to emigrate are mainly conditioned by economic motives, although the effect of socio-economic status on the likelihood of emigration varies significantly between countries. Although participating in educational exchange tends to increase emigration desires, the relatively limited international experiences of youth for educational purposes appears to be predominantly a missed opportunity in terms of stimulating circular migration and in terms of fostering young people's civic and political engagement.

The first and most obvious policy recommendation would be **to deter emigration from WB6**. The development of such policies needs to take on an integral, multifaceted approach, targeting economic insecurity, limited job opportunities, and career prospects as the most significant factors that motivate migration. More attention should also be devoted to the effects of media and the political debate on youth emigration.

Secondly, given the beneficial effects of international educational mobility, **countries should encourage participation in existing mobility programs**, such as Erasmus+, and consider establishing new programs to foster greater educational mobility.

Thirdly, since educational mobility is related to a higher likelihood of emigration, **incentive measures to encourage return migration** should be developed. For example, a scheme providing grants to young scholars studying or working abroad, encouraging them to research the home country, would have multifaceted positive effects. Such policies should be integrated into broader return migration schemes involving cooperation between sending and receiving countries.

Finally, despite an increasing number of studies on emigration from WB6, there is a clear lack of comparable and reliable statistical data. Therefore, **more efforts by the national statistical bureaus and by the international statistical organizations should be directed into creating comparable and up-to-date statistical data** on migration from the Western Balkans.

# THE EFFECTS OF EMIGRATION ON THE COUNTRIES OF ORIGIN

## The Effects of Emigration on the Western Balkan Countries

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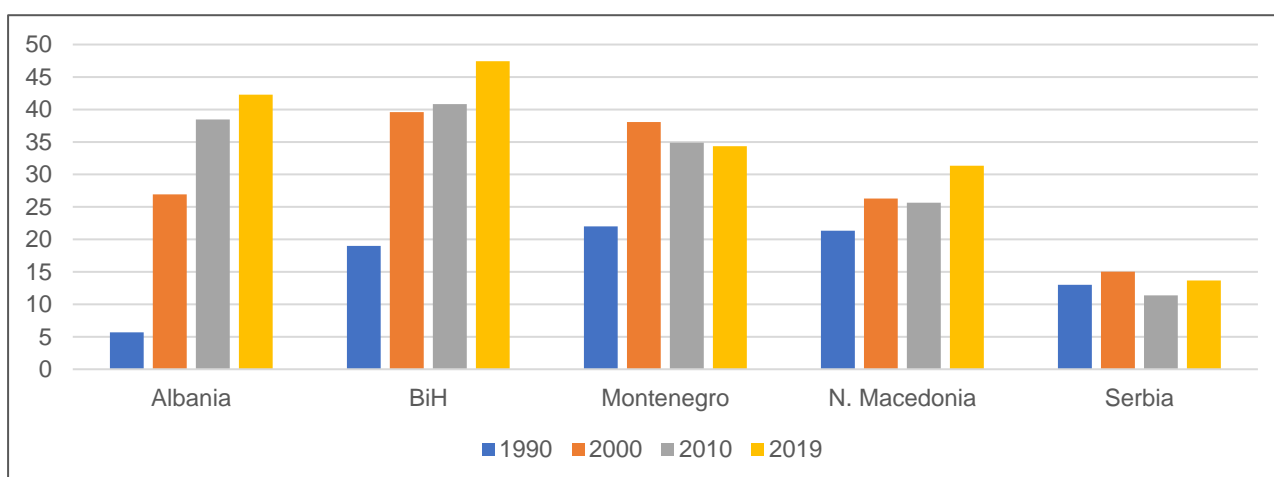
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The effects of immigration on destination countries have received a great deal of attention, while the impacts on the countries of origin have not been widely studied. According to Katseli et al.,<sup>1</sup> migration can generate substantial direct and indirect gains for countries of origin via employment generation, human capital accumulation, remittances, diaspora networks, and return migration. However, migration can also increase the relative deprivation of those remaining in the countries of origin, lead to increased unemployment of women in particular, or in the case of uncontrolled migration of highly skilled migrants, have adverse effects on the provision of services. Moreover, migration can have both positive and negative social impacts for instance on children's education and health. The following paper will give an overview of the key main detrimental economic effects of emigration in the Western Balkan countries.

### The Impact of Migration on Demography

The Western Balkans are facing shrinking and aging populations due to low birth rates and massive emigration.<sup>2</sup> Since 1990, the stock of migrants from the region has doubled, reaching almost 4.6 million in 2019. This trend was particularly pronounced in Albania and Bosnia and Herzegovina (BiH), where the share of emigrants amounted to over 40 % of the resident population (Figure 1). Bosnia and Herzegovina was the region's leading country in terms of absolute numbers of emigrants (1.65 million), followed by Albania with 1.2 million and Serbia with 0.95 million in 2019 (Figure 2).<sup>3</sup>

Figure 1: Emigration-share-to-resident population, 1990-2019 (in %)



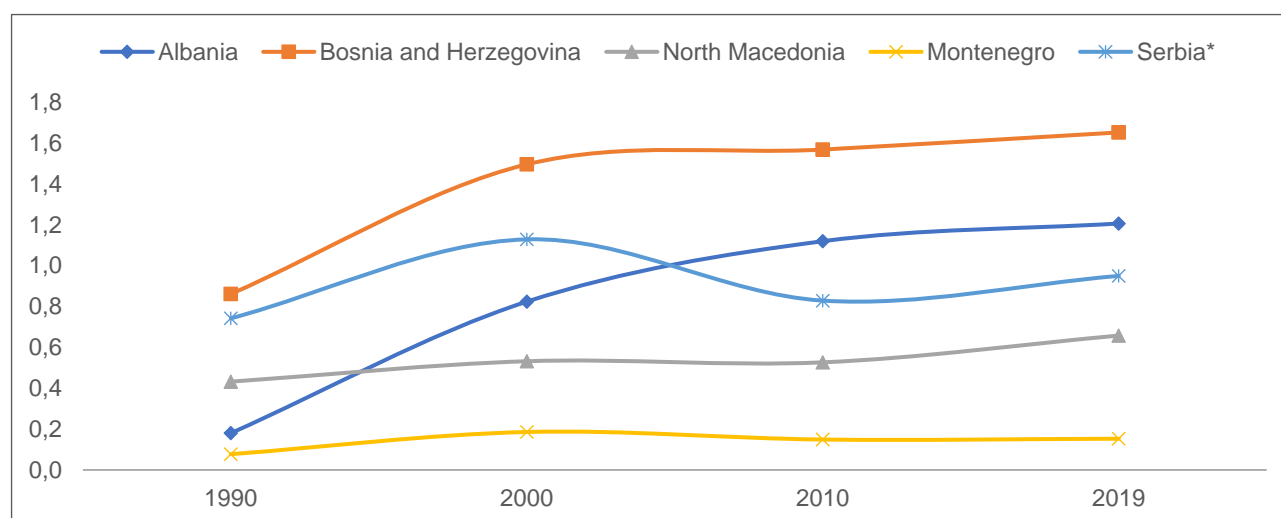
Source: UN Statistics 2019, wiiw Annual Database

<sup>1</sup> L. Katseli, R. Lucas, T. Xenogiani, Effects of Migration on Sending Countries: What Do We Know?, OECD Development Centre Working Papers, No. 250, 2018, <https://doi.org/10.1787/424438382246>, (accessed 5 September 2020).

<sup>2</sup> Since 2000 when the first data for the region are available, the population of the Western Balkans declined by about 700,000 persons.

<sup>3</sup> United Nations Population Division, Migrant Stock by Origin and Destination (1990-2019), 2020, <https://www.un.org/en/development/desa/population/migration/data/index.asp>, (accessed 5 September 2020).

Figure 2: Stock of emigrants from the Western Balkan countries, in million, 1990–2019



Source: UN Statistics 2019

Note: \*1990–2000 including Kosovo. There are no separate data available for Kosovo from 2001 onwards.

In Albania the combination of high emigration of young qualified people, low return migration, high future migration potential and low birth rates will lead to a shrinking population and labor force, a changing age structure, and a decrease in the quality of human capital.<sup>4</sup> In Bosnia and Herzegovina high emigration is reflected in the population decrease since 2009, as birth rates are among the lowest in the world.<sup>5</sup> For the total population of Serbia projections have been made until the year 2060 under conditions of constant, expected (forecast) and zero migration. Out of the eight scenarios (low, medium, high fertility and constant fertility rates, as well as constant mortality; zero, constant and forecast migration) most converge to a total population of about 5 million in 2060 (compared to 7.3 million in 2010 – starting point of the scenario), while the projected population with constant out-migration would even drop to 3.9 million.<sup>6</sup>

### The Impact of Migration on Labor Markets and Economic Development

While in the 1960s it was mostly low-skilled workers who emigrated, more and more higher skilled workers have left the Western Balkans thereafter, and since the early 2000s, mostly young educated people have emigrated. Their leaving reduces the productive labor force in the countries of origin at a time when many of these countries are already experiencing negative demographic pressures. Migration has been persistent while return migration has largely been limited.<sup>7</sup>

In accordance with the decline of the overall population, the working-age population (15–64 years)<sup>8</sup> has continued to shrink in most Western Balkan countries, especially in Bosnia and Herzegovina.<sup>9</sup> Since 2012, the working-age population of the Western Balkans dropped by about 762,000, or 6%,<sup>10</sup> with large variation from country to country (Figure 3). Bosnia and Herzegovina was most affected, reporting a population decline of more than 20%, followed by Serbia (-10%), Albania (-8.8%), Montenegro (-3.1%) and North Macedonia (-1.4%). The only country to report a significant increase was Kosovo by 5%.

<sup>4</sup> I. Gëdeshi, R. King, Research Study into Brain Gain: Reversing Brain Drain with the Albanian Scientific Diaspora, UNDP, March 2018, [https://www.undp.org/content/dam/albania/docs/Brain\\_Gain%20web.pdf](https://www.undp.org/content/dam/albania/docs/Brain_Gain%20web.pdf), (accessed 5 September 2020).

<sup>5</sup> T. Judah, Bosnia Powerless to Halt Demographic Decline, BIRN, 21 November 2019, <https://balkaninsight.com/2019/11/21/bosnia-powerless-to-halt-demographic-decline/>, (accessed 5 September 2020).

<sup>6</sup> G. Penev, Projekcije stanovništva Srbije od 2010. do 2061. Godine [Projections of population of Serbia, 2010–2060]. Republic of Serbia, Fiscal Council, Belgrade, 2013.

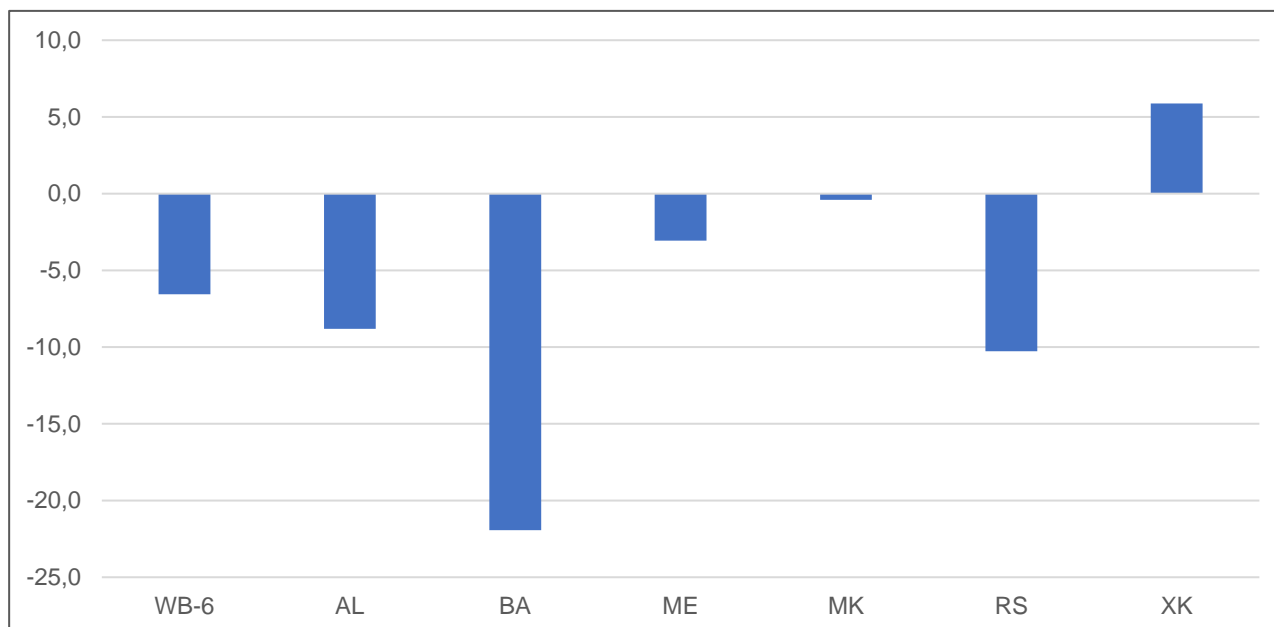
<sup>7</sup> R. Atoyan et al., Emigration and Its Economic Impact on Eastern Europe, IMF Staff Discussion Note, SDN 16/07, July 2017, p.14.

<sup>8</sup> Data on the working-age population are based on LFS data for each country.

<sup>9</sup> World Bank and wiiw, Western Balkans Labor Market Trends 2020, Vienna, April 2020, p. 3, <https://wiiw.ac.at/western-balkans-labor-market-trends-2020-dlp-5300.pdf>, (accessed 5 September 2020).

<sup>10</sup> For comparison, if taking the working-age population (15+) as a basis, the decline is less pronounced: 382,000 persons or 2.6%.

Figure 3: Working-age population (15-64 years), 2012 vs. 2019, change in %



Source: World Bank and wiiw, 2020

Note: WB-6 (Western Balkans Six), AL (Albania), BA (Bosnia and Herzegovina), ME (Montenegro), MK (North Macedonia), RS (Serbia), XK (Kosovo).

Between 2012 and 2019 the overall employment rate increased by 4.5 percentage points to 63.3%, indicating that still a high portion (37% or 4.1 million persons) of the working age population is inactive. The prevalence of inactivity among women remains high, at 46.3%. Apart from cultural and religious reasons, family responsibilities or lack of affordable childcare services (especially in rural areas), combined with low levels of education are the primary reasons why women are inactive. Another explanation for (female) inactivity is the reliance on remittances particularly in Kosovo<sup>11</sup> and North Macedonia.<sup>12</sup>

In most Western Balkan countries, it is evident that the labor markets, with high unemployment and skill shortages, regional disparities, and large informal sector activities, operate inefficiently. The educational system also does not meet the requirements of the labor market which negatively impacts human capital. Consequently, there is a waste of skilled workers and high emigration.

Despite the fact that employment has increased over the past decade and unemployment reached historic lows in 2019 in all Western Balkan countries, employment rates<sup>13</sup> are still far below those of the EU-CEE countries. While some progress has been made by the economies in the region, their growth performance has not reached their potential, with growth rates fluctuating between 2-4% in the 2010-2019 period. A more substantial improvement in the labor market situation would require higher GDP growth to stimulate additional job creation. Accordingly, although more than one million jobs were created between 2012-2019, this was not enough to absorb the available labor supply and reduce unemployment more significantly. Overall, during that period the employment rate of persons aged 15-64 increased by about ten percentage points to 55%, with large differences between countries. The employment rate was highest in Albania (61%) – mainly due to its high share of agricultural employment – but only half of that in Kosovo (30%).

At the regional average, unemployment fell from close to 24% in 2012 to 13% in 2019 and youth unemployment dropped by 18 percentage points to 30.4%. Again, there are major differences in unemployment across countries, ranging between 10.4% in Serbia and 25.7% in Kosovo. Also, youth unemployment was

<sup>11</sup> UNDP, Making the Labor Market Work for Women and Youth, Kosovo Human Development Report 2016, Pristina, 2016, p.13.

<sup>12</sup> M. Petreski, et al., The Size and Effects of Emigration and Remittances in the Western-Balkans: Forecasting based on a Delphi process, MPRA Paper, No 75512 Munich, 2017, p.11.

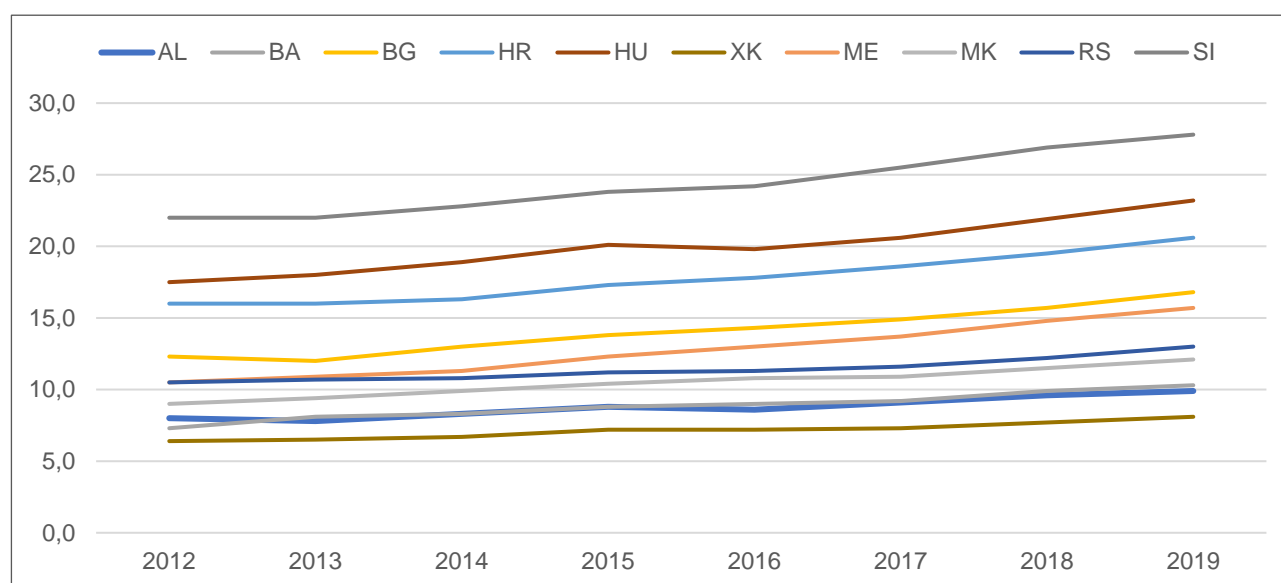
<sup>13</sup> Employment rate: share of employed persons in the working age population (15+ years).



highest in Kosovo (49%), but lowest in Montenegro (20.7%). In 2018, more than one fifth of young people in the Western Balkan region aged between 15-24 years were classified as NEETs (neither in employment nor in education and training).

Persistent emigration likely influences economic growth and development. The Western Balkan countries have not managed to keep up in terms of income with the EU-CEE countries<sup>14</sup> that joined the EU from 2004 onwards (Figure 4). The future competitiveness of the region's economies is further at risk if the large-scale emigration of highly skilled young people continues. While the most developed and competitive countries focus on attracting and training qualified workers, the less developed countries, including those of the Western Balkans, fail to retain such workers.<sup>15</sup>

Figure 4: GDP per capita (PPS) in the Western Balkan and selected EU-CEE countries, in thousand EUR



Source: wiiw Annual Database

Note: AL (Albania), BA (Bosnia and Herzegovina), XK (Kosovo), ME (Montenegro), MK (North Macedonia), RS (Serbia). Selected EU-CEE countries: BG (Bulgaria), HR (Croatia), HU (Hungary), SI (Slovenia).

## The Impact of Migration on the Provision of Services

The massive emigration from the Western Balkans has already an impact on the provision of certain services, in particular healthcare, but also other professions. In almost all countries of the region the continued migration of health personnel has contributed to the deterioration of services (see text box below), particularly in rural areas, a trend which will likely continue.<sup>16</sup> Apart from the shortage of medical workers, Bosnia and Herzegovina is lacking skilled labor for repair and maintenance (plumbers and electricians) and construction workers (trained carpenters, locksmiths, ceramists, and painters) who are leaving for Croatia, Slovenia, and Germany, which offer higher wages and better working conditions.<sup>17</sup> High emigration of these professionals is increasing costs (wages) for the respective services.

<sup>14</sup> EU-CEE countries: Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia.

<sup>15</sup> World Bank and wiiw, Western Balkans Labor Market Trends 2018, Vienna, March 2018, p.45, <https://wiiw.ac.at/western-balkans-labor-market-trends-2018-dlp-5169.pdf>, (accessed 5 September 2020).

<sup>16</sup> I. Gëdeshi, R. King, Research Study into Brain Gain: Reversing Brain Drain with the Albanian Scientific Diaspora, UNDP, March 2018, [https://www.undp.org/content/dam/albania/docs/Brain\\_Gain%20web.pdf](https://www.undp.org/content/dam/albania/docs/Brain_Gain%20web.pdf), (accessed 5 September 2020).

<sup>17</sup> Y. Z, Bosnia-Herzegovina facing with Shortage of Construction Workers, Sarajevo Times, 21 February 2020, <https://www.sarajevo-times.com/bosnia-herzegovina-facing-with-shortage-of-construction-workers/>, (accessed 5 September 2020).

**Box: Emigration of Healthcare Professionals from Western Balkan Countries<sup>18</sup>**

The outward mobility of healthcare professionals from the Western Balkans has intensified, especially over the past decade. This is mainly demand-driven – especially from Germany – but also supply-driven, considering the huge wage gap between the Western Balkans and the EU. In 2018, average monthly wages per employee in healthcare and social work activities in the region were two to three times lower than in the EU-28 countries. In 2018, an employee in the health sector in Albania earned close to 900 EUR<sup>19</sup> purchasing power standards (PPS)<sup>20</sup> per month, while in Germany, a medical worker earned close to 2,400 EUR (PPS per month). In Serbia, monthly wages in the health sector were also two times lower than in Germany. In Bosnia and Herzegovina wages in the medical sector have been rising especially rapidly by at least 17% over the past ten years. In 2018 an employee in the health sector could earn 1,860 EUR (PPS per month). Nevertheless, the gap in terms of earnings in the health sector between the WB and the European countries remains large enough to generate high outward migration rates among healthcare professionals.

Emigration of healthcare professionals from the Western Balkans is reflected in a lower number of medical doctors and nurses, as well as a lower density of health professionals. This is particularly true in Albania. For other countries, e.g. Serbia, Bosnia and Herzegovina, and Montenegro, the number and density of health professionals has improved, whereas in North Macedonia the number of nurses relative to the population has decreased. Moreover, the medical brain drain<sup>21</sup> has more than doubled in Albania: the ratio of health professionals abroad accounted for 18% of the total health workforce in 2017, compared with 7% recorded in 2010. In North Macedonia, this ratio has increased to 22%. Also, in Serbia and Bosnia and Herzegovina the loss of healthcare professionals almost doubled between 2010 and 2017, reaching 14% and 8%, respectively, in 2017. Germany, as well as the United States, the UK, and Canada are the preferred destination countries for Albanian health professionals. In other countries of the Western Balkans there has been a lot of mobility within the region or to neighboring countries as well as migration to Germany, Switzerland, Sweden, and Norway. For example, many healthcare workers from North Macedonia and BiH move to Serbia and Slovenia. In 2017, of the 4,600 foreign-trained nurses who moved to Germany, close to 32% originated from one of the WB countries (Albania, Bosnia and Herzegovina, Serbia, and North Macedonia). The Dekra Academy, a private German company, has been operating in Albania since 2015. It offers professional training for nurses as well as language courses in German in different cities in Albania. After completing their training, the nurses obtain a license to exercise their profession in Germany. A job offer with a net salary of 1,500 EUR is guaranteed if the B2 level in German language has been attained.<sup>22</sup>

Germany's Skilled Immigration Act,<sup>23</sup> which came into force in March 2020, aims to facilitate labor market entry and employment of highly qualified professionals originating from countries outside the EU. In July 2019, Germany also signed an agreement with the government of Kosovo to assist with the training and qualification of nurses. Recently, the outward mobility of health professionals from Kosovo to Germany has been rising, although no official statistics are available. Such policy changes will certainly affect emigrants from the WB who move to Germany. Moreover, the effects on the region might be negative, since the potential to leave is high. The region is already affected by the low density of health professionals. Taking away further health professionals could be detrimental for the population in the region, which faces shortages and poor healthcare assistance.

<sup>18</sup> Text box taken from: I. Mara, Health Professionals Wanted: Chain Mobility across European Countries, wiiw Research Report No 445, Vienna, June 2020, <https://wiiw.ac.at/health-professionals-wanted-chain-mobility-across-european-countries-p-5339.html>, (accessed 5 September 2020).

<sup>19</sup> wiiw Annual Database and Eurostat for average monthly wages per employee, in human health and social work activities are provided in current prices, million purchasing power standards (PPS). For each of the three indicators the ratio to the EU-15 average has been calculated for every individual country.

<sup>20</sup> The Purchasing Power Standard (PPS) is an artificial currency unit used for economic comparisons within the European Union. The PPS is used to eliminate distortions due to differences in the price level of different countries.

<sup>21</sup> Medical brain drain refers to the ratio of doctors abroad over the total number of doctors at home and abroad.

<sup>22</sup> Source: Dekra Akademie Shpk, <https://dekra.al/>, (accessed 5 September 2020).

<sup>23</sup> The Federal Government, Make it in Germany, <https://www.make-it-in-germany.com/en/visa/kinds-of-visa/work/skilled-immigration-act>, (accessed 5 September 2020).

## Conclusions

The large-scale emigration from the Western Balkans has been persistent since the 1990s. This trend was also supported by the visa facilitation and readmission agreements which entered into force in the 2006-2008 period between the EU and five Western Balkan countries (except Kosovo), as well as by the Western Balkan Regulation (*Westbalkanregelung*) introduced by the German government in 2015. Recent migrants are young and well educated. Massive migration accelerates population decline and reduces the productive labor force.

Emigration has likely lowered potential economic growth in the Western Balkan countries which already did not manage to keep up in terms of income with the EU-CEE countries. The future competitiveness of the region's economies is further at risk if large-scale emigration of highly skilled young people continues.

Labor markets improved substantially over the last decade, but results are still far from those reported for the EU-CEE countries joining the EU since 2004. Migration appears to have contributed to the decline in overall unemployment but has also contributed to inactivity particularly of women and caused shortages in some occupations (e.g. healthcare personnel).

So far, policies in the Western Balkan countries supported migration rather than create incentives to keep people in the country. Examples include bilateral agreements between Bosnia and Herzegovina and Slovenia, Serbia, and Germany on the employment of workers from BiH as well as between Kosovo and Germany on the employment of medical staff.

High emigration must be considered when designing effective education and training reforms. For instance, Bartlett et al.<sup>24</sup> claim that the higher education systems in the Western Balkans produce too many graduates in certain fields relative to the needs of the labor market, leading to high unemployment or employment below the skill level, and consequently to emigration. Thus, developing solutions to reducing skills mismatches are key.

Governments may better utilize the workforce in the countries, e.g. through active labor market policy measures (still underdeveloped by EU standards) to combat the low engagement and employment rates particularly among females and young people, but also older workers.

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<sup>24</sup> W. Bartlett, M. Uvalic, N. Durazzi, V. Monastiriotis, From University to Employment: Higher Education Provision and Labor Market Needs in the Western Balkans, Synthesis Report, European Commission, Directorate General for Education and Culture, Brussels, 2016.

## The Cost of Emigration from the Western Balkans – The Case of Lost Investments in Education

Nenad Jevtović

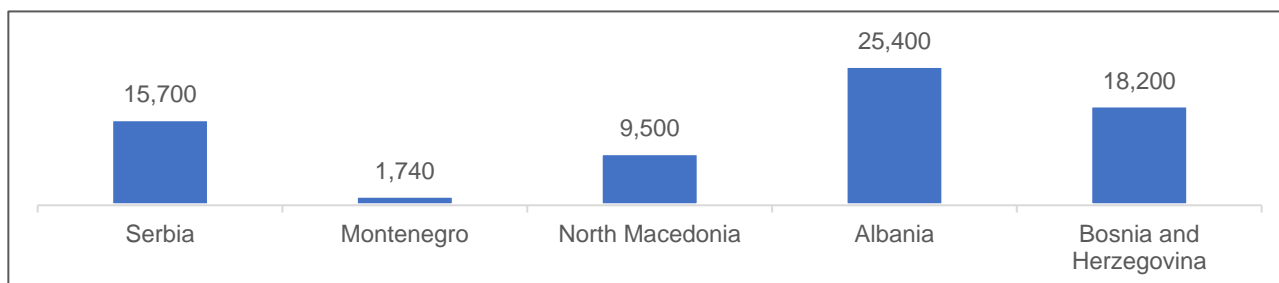
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### Introduction

In the Western Balkans region, there is an aging population and a declining population growth rate. The cause of this trend is the joint influence of a negative natural growth and an increasing emigration flow. However, the statistics bureaus in the Western Balkan countries do not have data on the volume and characteristics of emigration. There is also no organization in the countries or abroad that has precise records on migration, so the respective age and education backgrounds of migrants cannot be determined. Data of the Western Balkans migrants used in this paper are the estimates provided by the Organization for Economic Co-operation and Development (OECD).<sup>1</sup>

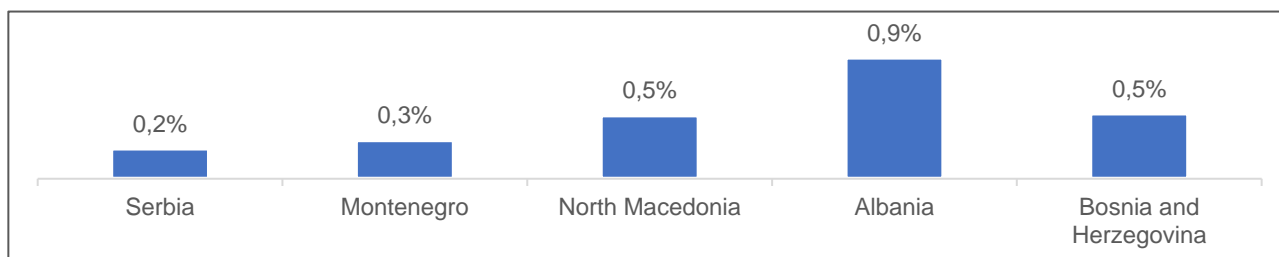
In its International Migration Report, the OECD estimates that in the five years from 2012 to 2016 and from 2013 to 2017, on average approximately 155,000<sup>2</sup> people left the Western Balkans annually. It is important to note that the data includes all people who left the country, including those who left the country temporarily to work, to educate themselves, or those who were sent on intercompany transfers, as well as other forms of temporary labor migration.<sup>3</sup> If we correct the average annual outflow of 155,000 people with the average number of people who return to the Western Balkans annually (around 83,000), we get a net annual outflow of around 70,000 people.

Figure 1: Average annual net population outflow to OECD countries from the Western Balkans in the period 2012-2016



Source: Author calculation based on OECD International Migration Outlook 2019 data

Figure 2: Average annual net population outflow to OECD countries from the Western Balkans in the period 2012-2016 in comparison to the average total population in the period 2012-2016



Source: Author calculation based on OECD International Migration Outlook 2019 and Eurostat data

<sup>1</sup> OECD International Migration Outlook 2019.

<sup>2</sup> OECD International Migration Database, <https://stats.oecd.org/Index.aspx?DataSetCode=MIG>, (accessed 5 September 2020).

<sup>3</sup> For forms of temporary migration, please see the OECD International Migration Outlook 2018, pp.25-34. Also, the detailed metadata for each OECD member country is shown on pp.315-319 of the report in question.

If we observe the average annual net population outflow to OECD countries in comparison to the average total population in the Western Balkans countries in the period between 2012 and 2016, the emigration rate was highest in Albania with on average 0.9% of the total population emigrating to OECD countries every year, while the rate was lowest in Serbia.

According to OECD data, the favorite destination country of people from the Western Balkans is Germany. For example, more than 65% of emigrants from North Macedonia and over 50% of emigrants from Bosnia and Herzegovina as well as from Montenegro went to Germany. Austria, Italy, Slovenia, and Switzerland were also popular destinations in the afore-mentioned period.

### **The Costs of Emigration**

Due to emigration of young people, the economy and the society face both positive and negative effects. The loss of creative capital is one of the negative consequences, which becomes significant in cases of the emigration of young people because they represent the source of future innovation, production, and ideas. Another negative effect is the increased pressure on pension and health insurance, which is caused by the decrease of young people in a country, who would contribute to social insurance funds, as future potential employees.

The most direct cost that Western Balkans societies are facing is the loss of invested funds in education. Depending on the level of education, society invests in the education of individuals for up to twenty years in some cases. With the emigration of young, educated people, those investments become losses, or they become investments in the destination countries, who gain educated individuals without spending any money.

The education costs occur over a longer period in the past and accumulate through this process. However, the departure of a certain number of people abroad has a strong, immediate effect, both direct and indirect, on the economy of Western Balkans countries. Such departures mean the loss of future gains, which is, conditionally speaking, the definition of opportunity costs, even though these costs are related to individuals' decisions. While leaving the recognition and description of migration flow effects on the aging of the population and the total social development to the demographers and sociologists, we focus on identifying the influence on the economic component of the social development. With that intention, the number of people who leave the Western Balkans per year is connected to GDP as a measure of economic activity in the countries.

### **What Are the Total Education Costs for 2018 Graduates?**

#### The methodology of the calculation and sources

In an attempt to answer this question, we are going to use the methodology developed and implemented in our previous analyses<sup>4</sup> of Western Balkan countries. We started with the data provided by the Eurostat database, which shows the education costs by the education level as well as by the finance sources. The starting point was the total annual amount that the state and the households pay for education. It is important to note that the available data on these expenditures from the competent institutions was for a shorter period than necessary for a full calculation, which means that they needed to be combined with the data from the national education sector accounts. These statistics show public, private, and international expenses for education institutions per education level, with the data on the costs of higher education only available cumulatively for vocational schools, undergraduate studies, and postgraduate studies.

Keeping in mind that the average graduate spent five years on academic studies and 12 years on primary and secondary education, if they graduated in 2018, they would have started their education in 2000/2001. It was therefore necessary to establish annual costs for education in each separate year in the given period. The estimation of these costs was done by using the GDP production approach data and the output (value of

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<sup>4</sup> R. Ćirić et al., Cost of Youth Emigration in Serbia, Institute for Development and Innovation, Belgrade, 2019, pp.20-21.

performed services regarding education) by education classification.<sup>5</sup> The fact that the output of this activity was predominantly created by the public sector supports the application of this approach, and as such it is in accordance with international methodology calculated by the input-cost method or by the following formula:

$$\text{employee compensation} + \text{intermediate consumption} + \text{consumption of fixed assets} + \text{other consumption} \\ - \text{taxes (paid)} - \text{other production subsidies (received)} + \text{business surplus}.$$

Taking into consideration the components of the output calculation from the education sector it becomes clear that this is a variable that is both conceptually and by its value very close to the total education costs that are available for the period 2013-2016 on the Eurostat website. This fact was used to compensate for the missing data in the whole time series. By comparing the data for those years where we have both sets of information, we confirmed that these values are very similar. With this comparison, we also defined the correcting coefficients that have then been applied to get as close as possible to the concept of total expenses for educational purposes.

It is important to note that the statistics from the national education sector accounts estimate the so-called 'non-realized economy'. In the stated amounts, there is also the part of costs for the education activities that occur outside of the regular flows (e.g. private lessons cost, translation cost, additional courses, etc.). In the next iteration, the output of education is increased by the accompanying costs, which are methodologically not included in the initial education output data but are directly or indirectly linked to education. This refers first to the cost incurred by the students' and pupils' accommodation provided by the state and local governments, which are also connected to the students' and pupils' loans and scholarships. The annual amounts are then discounted to equalize all the costs in the monitored 18-year period with the current monetary value.

At the same time, the statistics institutions in charge provide the data on the number of students for each year in the stated period, to calculate the amounts allocated per each observed unit. This dataset enabled us to estimate education costs per education levels, and to answer the question: how much on average did primary, secondary, and tertiary education cost the countries per individual who graduated in 2018.

It is also important to note that this is the average, which should not have significant deviations in primary and secondary education. In contrast, there are higher deviations in tertiary education, which is the synthetic cost indicator for education because it consists of all three academic levels. Estimates that are more precise are also possible for individual faculties and colleges, experts' profiles, and post-graduate levels, which will be a topic for future papers.

## Results

Results gained from the application of the stated methodology show that the education of an individual in the Western Balkans from primary school through four-year secondary school and five years (on average) of university studies finishing in 2018, cost between around 18,000 EUR in Albania and 34,000 EUR in Serbia. A secondary education (including 8 or 9 years of primary education) that ended in 2018 cost approximately 21,000 EUR in Serbia and 9,000 EUR in Albania. The estimate of education costs for people with Ph.D. degrees is not easily obtainable due to the lack of available information. Still, on average approximately 45,000 EUR are spent on a Ph.D. in the Western Balkans countries.<sup>6</sup> The main reasons for differences in costs of education between Western Balkan countries are differences in average wages in the education sector and general price level differences between countries.

<sup>5</sup> European Union (EU) NACE Rev2.

<sup>6</sup> Author calculation.



Figure 3: The education costs for individuals, per educational level, 2018 graduates in EUR

	Finished secondary school	Finished higher education	Finished PhD studies
Albania	9.267	18.283	31.925
Bosnia and Herzegovina	20.219	28.934	43.135
Montenegro	16.467	31.180	51.120
North Macedonia	14.432	28.934	47.753
Serbia	20.854	34.139	54.576
TOTAL	16.248	28.294	45.702

Source: Author's calculation based on Eurostat, World Bank<sup>7</sup> and national statistics offices data<sup>8</sup>

Although using only an average in the data analysis can cloud the bigger picture or be interpreted in different ways, these amounts represent only the first step towards the quantification of the lost investments in education in the Western Balkans. The group of people with academic diplomas is quite heterogeneous in terms of costs per individual program, length of studies, degree level, follow up education costs, etc. In that sense, the existence of data on the annual number of people who emigrated, their age, educational level, return plans, and whether they are individuals or families, would significantly improve this calculation. From a macroeconomic viewpoint, however, the deviation from the current quantification to a more precise one would not lead to a more dramatic change in the conclusions than this method has provided. Also, by looking at the annual costs, we have noticed that the data series is quite stable, which lets us draw similar conclusions for those who graduated before 2018.

To quantify the total effects, we have used the OECD data mentioned in the section on statistics of migration from the Western Balkans. As previously stated, according to the OECD data, the average annual outflow of people from the Western Balkans was 155,000 and the average net annual outflow was around 70,000 people.<sup>9</sup> The detailed age and educational structures of this group are not known or are not publicly available, not even in the Western Balkan countries. In order to estimate the cost, we first excluded those aged 0-5 and people with incomplete primary or secondary school education. In terms of the cost generated, for example, a child in sixth grade and a child in third grade are counted cumulatively as one graduate of primary school (9 years), as well as a child in the first and one in the third year of secondary school, are added up to account for a secondary school education (4 years). As a frame for this estimate, we used the modified age structure, with the assumption that the number of children in the emigration flow is lower by half than the total amount in the population.

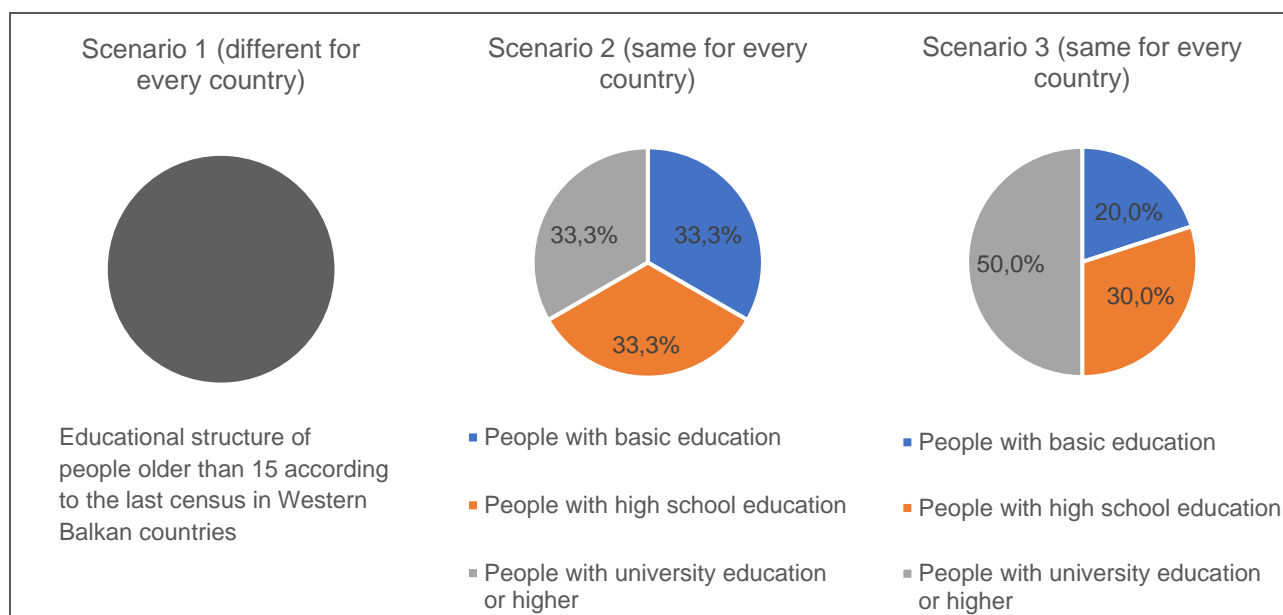
For the educational structure of the migration group, we created three different scenarios. In *Scenario 1* we used the educational structure of people older than 15 according to the last census in Western Balkan countries as a basis. Since the departure trend for the highly educated people has increased in the last couple of years, we also created *Scenario 2* where the stratum of the highly educated has the most significant weight, 50%. Secondary school students in this scenario account for 30%, whereas emigrants with primary school education have the lowest weight with 20%. *Scenario 3* is based on the assumption that all education levels have the same influence in this group. Therefore, the latter two scenarios (*Scenarios 2 and 3*) are assumption-based and have the exact same assumed educational structure of the migrant group for each Western Balkan country. In contrast, Scenario 1 is based on real data.

<sup>7</sup> World Bank, Macro Poverty Outlook, Europe and Central Asia Spring Meetings, 2019.

<sup>8</sup> Agency for Statistics of Bosnia and Herzegovina, Household consumption survey, 2018, [http://www.bhas.ba/?option=com\\_content&view=article&id=113&lang=en](http://www.bhas.ba/?option=com_content&view=article&id=113&lang=en), (accessed 5 August 2020); Agency for Statistics of Bosnia and Herzegovina, Labor Force Survey 2018, [http://www.bhas.ba/ankete/BHAS\\_Ars\\_BH\\_press.pdf](http://www.bhas.ba/ankete/BHAS_Ars_BH_press.pdf), (accessed 5 August 2020); Agency for Statistics of Bosnia and Herzegovina, Thematic newsletter "Demographics", 2010, [http://www.bhas.ba/tematskibilteti/DEM\\_2009\\_002\\_01-bh.pdf](http://www.bhas.ba/tematskibilteti/DEM_2009_002_01-bh.pdf), (accessed 5 August 2020); Agency for Statistics of Bosnia and Herzegovina, Results of the 2013 Census, 2016, [http://www.popis.gov.ba/popis2013/doc/RezultatiPopisa\\_SR.pdf](http://www.popis.gov.ba/popis2013/doc/RezultatiPopisa_SR.pdf), (accessed 5 August 2020).

<sup>9</sup> For the difference between the annual and the net annual outflow see introduction.

Figure 4: Illustration of scenarios used for calculation



Source: Author and national statistics offices (Scenario 1)

Figure 5: Education costs in Western Balkan countries per scenario for people who emigrated, in million EUR

	Scenario 1	Scenario 2	Scenario 3
Albania	201.4	306.7	261.6
Bosnia and Herzegovina	317.0	355.1	388.0
Montenegro	28.2	36.6	31.5
North Macedonia	116.5	181.8	154.2
Serbia	308.9	345.2	393.3
TOTAL	972.0	1225.4	1228.6

Source: Author's calculation based on IMF, Eurostat and national statistics offices data<sup>10</sup>

The results show that the loss of funds invested in the education of people who leave the Western Balkans in a single year (an average net annual outflow of around 70,000 people), depending on the educational structure, varies from 972 to 1,229 million EUR. If viewed by country, in Serbia these costs range from 309 million to almost 400 million EUR, which are approximately around 4% of the budget for 2020. In Bosnia and Herzegovina, they range from 317 to 388 million EUR. In Montenegro, the education costs of emigrating people are between 28 and 31 million EUR.

Considering that the average outflow of people from the Western Balkans who emigrated, permanently or temporarily, is about 155,000 people according to OECD data, the education costs in the Western Balkans applied to this quantity of emigrants are around 2.3-2.9 billion EUR. Detailed structures and statistics of those who leave permanently or return do not exist on the country level. We cannot know if these are temporary workers, returning pensioners, or people temporarily moving for specializations, etc. This limitation makes it difficult to quantify the final effect of the migration flow. However, we believe that the effect of the total outflow should be considered seriously, despite the current temporary nature of these departures, because they are often merely a step towards permanent emigration, especially if we consider the policies and measures of the destination countries.

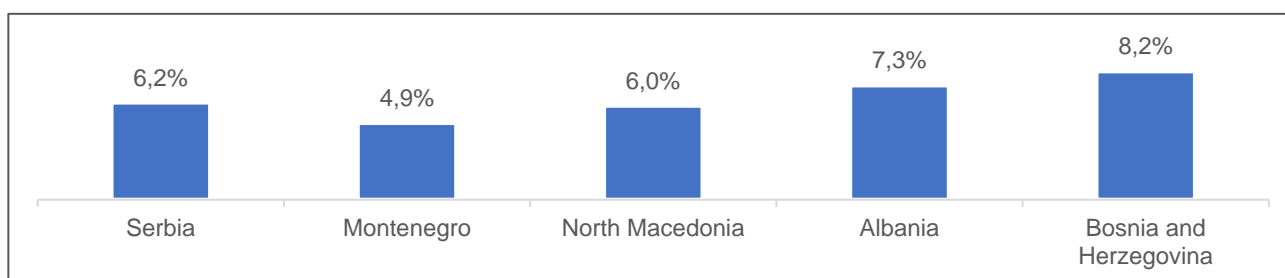
<sup>10</sup> Agency for Statistics of Bosnia and Herzegovina, Household Consumption Survey, 2018; Labor Force Survey 2018; Thematic newsletter "Demographics", 2010; Results of the 2013 Census, 2016.



## The Economic Benefit of Population Emigration

In addition to costs of emigration, there are also potential financial benefits. The most important benefit of the emigration flow are the remittances. Remittances are money transfers by emigrants to family or friends who remained in the home country. This income improves the quality of life of the recipients, but it also considerably influences the Western Balkan economies. The contribution of remittances to the GDP of Western Balkan countries is higher compared to other European countries, with 5-8% of GDP (Figure 6). If other sources of foreign income in addition to remittances are considered, such as foreign pensions, other personal transfers, or the taxes from temporary workers, this contribution increases.

Figure 6: Remittances as a percentage of GDP in Western Balkan countries in 2018, in %



Sources: Statistics of national banks in Western Balkan countries

The money that emigrants have sent back to their families in the Western Balkan countries for decades is much greater than direct foreign investments. On average, remittances are a very important part of household incomes, but mostly used in personal consumption and to raise living standards. They are usually spent on food, clothing, and cosmetics. As an illustration, other personal incomes from abroad in Bosnia and Herzegovina constituted 8.5% of GDP in 2010 and 6.4% of GDP in 2018. The allocation of transferred funds compels the conclusion that they have an important role in the national economy but cannot be considered a generator of future growth and development. For this to happen, the investment component would need to be increased considerably.

Additionally, the positive effects of foreign currency inflow in the form of remittances are expected to drop, because the connections between the diaspora and the home country can weaken due to the more frequent trend of the emigration of whole families.

## Conclusion and Proposed Measures

The lack of human capital in the not-so-distant future can greatly affect the economic fate of a country and the standard of living of the citizens of the Western Balkans. If the emigration trend continues, it will bring a series of socio-economic problems, some of which are visible now: pressures on pension funds, healthcare services, and social care services, a decrease in potential GDP growth because of declining human capital factors, disturbances in labor markets, etc.

Another important aspect, based on the theoretical foundations of the Nobel Prize winner George Akerlof,<sup>11</sup> is the effect on the motivation of those who stay. According to Akerlof, the more people depart, the less attractive it is to stay. If this approach seems too philosophical, try to imagine how a nurse feels at work in Serbia (for example) after she has spent the night before talking to her former colleague, who now works in Norway. Or a laborer who, during his break, checks out the Instagram profile of a former colleague who now works in Germany. It is clear that the motivation of all those who stayed, who feel their qualifications are attractive and wanted abroad, and who are considering or preparing to leave, is negatively impacted, which in turn harms productivity. The problem is very difficult to quantify, but undoubtedly there is a reverse proportional connection between emigration intensity and work motivation.<sup>12</sup>

<sup>11</sup> G. A. Akerlof, *The Missing Motivation in Macroeconomics*, American Economic Association, Chicago, IL, January 6, 2007.

<sup>12</sup> R. Ćirić et al., *Cost of Youth Emigration in Serbia*, Institute for Development and Innovation, Belgrade, 2019, p.5.

Emigration cannot be stopped or overturned, but it can be mitigated to a certain degree and can even benefit a country in some ways. The multidimensionality of the migration phenomenon implies a series of positive factors, which, if they are to take effect, must be ensured by active measures of the state, such as:

- Establishment of a database with precise records on migration from Western Balkan countries;
- Strengthening of bonds with the diaspora through new technologies and communication channels;
- Creation of interactive platforms for the exchange of experiences, ideas, and business propositions;
- Attraction of investments in the economy of the country of origin;
- Transfer of knowledge and technologies;
- Special strategies used against youth unemployment consisting of measures for:
  - Encouragement of entrepreneurship;
  - Early career guidance;
  - Partnerships between employers and secondary schools.

The Western Balkans diaspora is large, but official institutions do not have data on the volume and characteristics of external migration. There is no organization in the Western Balkans or abroad that has precise records on migration, so the age and education of migrants cannot be determined. Due to the non-existence of strong and well-developed connections between the diaspora and home countries, Western Balkans countries lose potential benefits. These could include the better investment of remittances, and transfer of knowledge and experience which the young gain abroad and can bring back. There are also warning signs that remittances will start to decrease due to changes in the form of migration.

To help develop strong connections between the diaspora and home countries, we propose a project of mapping the diaspora in every country, focusing on:

- Establishing a database of the diaspora with contacts and basic economic data with a focus on highly educated members of the diaspora in every country;
- Gaining insight into the financial situation and other characteristics of the diaspora to aid the creation of future policies aimed at the diaspora;
- Increasing communication between the diaspora and the country of origin (for example in Serbia there is the program Returning Point);
- Better informing the diaspora about government policies in Western Balkans related to the diaspora.

The policy proposal would consist of three phases. The first would be devoted to the preparation of the survey, the second to conducting mapping and the third to analyzing data and reporting.

# DOMESTIC REFORMS

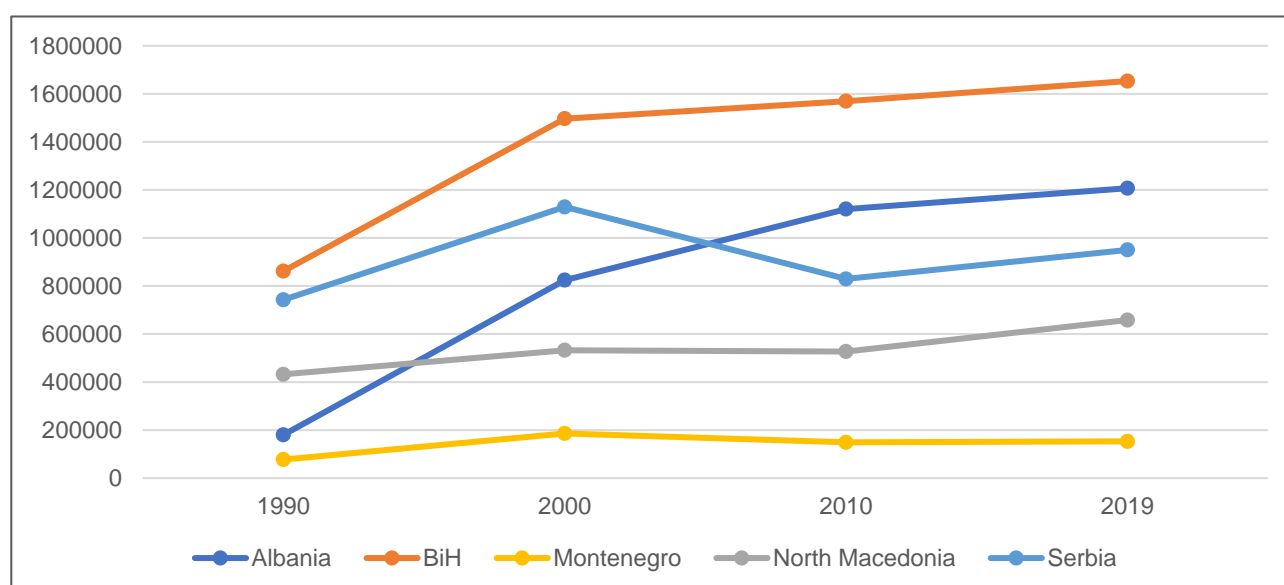
## Voting with Their Feet: Policy Measures to Address Causes of Emigration from the Western Balkans

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### Introduction

Emigration from the Western Balkan Six countries<sup>1</sup> (hereinafter WB6) has picked up in recent years. United Nations (UN) data shows that in all WB6 countries the stock of migrants abroad has increased between 2010 and 2019 (Figure 1). According to Eurostat data, the number of first residence permits issued in the EU-28 countries to citizens of the region rose from 154,610 in 2016 to 230,407 in 2018.<sup>2</sup>

Figure 1: Migrants abroad, Western Balkans region<sup>3</sup>



Source: United Nations Population Division<sup>4</sup>

The loss of human capital may have serious implications for a country's future. This paper aims to explore the reasons for emigration from the WB6 region as well as ways in which such a trend can be reversed. To that end, necessary reforms in key sectors and policy measures that governments of the region can employ in order to address the main causes of emigration are discussed.

<sup>1</sup> Refers to Albania, Bosnia and Herzegovina (BiH), Kosovo, Montenegro, North Macedonia, and Serbia.

<sup>2</sup> Eurostat, First Permits by Reason, Length of Validity and Citizenship [migr\_resfirst], 2020, [https://ec.europa.eu/eurostat/web/products-datasets/product?code=migr\\_resfirst](https://ec.europa.eu/eurostat/web/products-datasets/product?code=migr_resfirst), (accessed 15 June 2020).

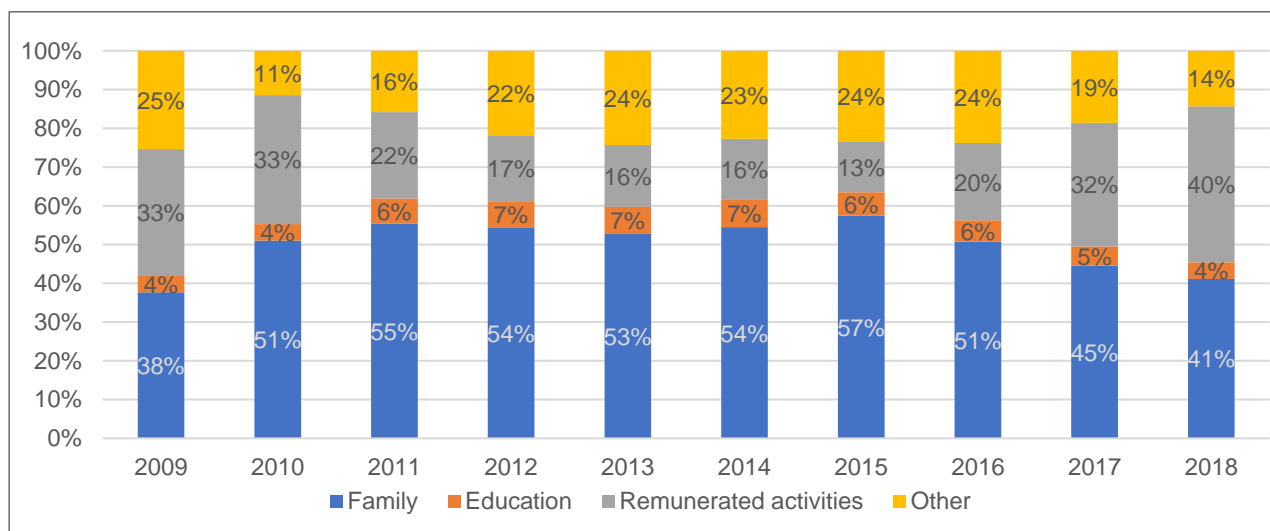
<sup>3</sup> Data for Kosovo not available.

<sup>4</sup> United Nations Population Division, Migrant Stock by Origin and Destination (1990-2019), 2020, <https://www.un.org/en/development/desa/population/migration/data/index.asp>, (accessed 15 June 2020).

## Reasons for Migrating

Available Eurostat data suggest that the two main motivations why migrants from the six WB countries were issued their first residence permits in EU-28 countries in 2018 were family reasons (41%) and remunerated activities (40%). Leaving the WB region for work-related purposes has become much more common in recent years (see Figure 2).

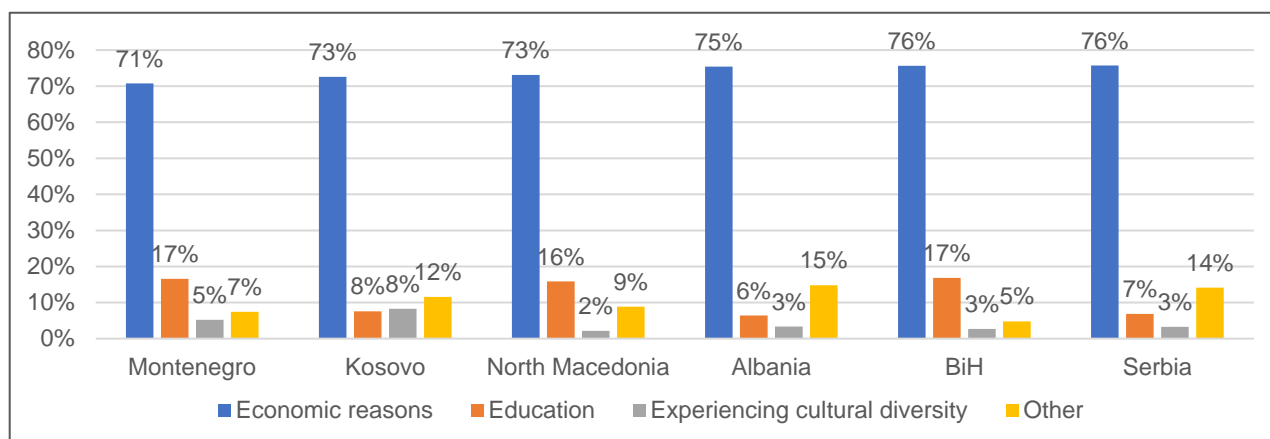
Figure 2: First permits issued for EU-28 countries by reason, % share, total for WB6 countries (2009-2018)



Source: Eurostat<sup>5</sup>

The Friedrich-Ebert-Stiftung's Youth Study Southeast Europe 2018/2019, which is based on a survey conducted on a representative sample of young persons aged 14-29 from ten countries of Southeast Europe (SEE), has shown that a significant share of young persons from the WB6 countries expressed a strong or a very strong desire to move to another country for more than six months (ranging from 26% in Montenegro to 43% in Albania). Furthermore, they expressed this desire much more frequently than their peers from SEE countries that had already joined the EU (Bulgaria, Croatia, Romania, and Slovenia). The main reasons for wanting to leave were existential, including the goal of improving one's standard of living, receiving a higher wage, and finding better employment or business opportunities (Figure 3).

Figure 3. Reasons young people cite for moving to another country



Source: Friedrich-Ebert-Stiftung<sup>6</sup>

<sup>5</sup> Eurostat, First Permits by Reason, Length of Validity and Citizenship [migr\_resfirst], 2020.

<sup>6</sup> M. Jusić, M. Lavrič, Mobility and Migration, Youth Study Southeast 2018/2019, Friedrich-Ebert-Stiftung, Sarajevo, 2019, pp.73-82, [http://library.fes.de/pdf-files/id-moe/15274-2019040\\_8.pdf](http://library.fes.de/pdf-files/id-moe/15274-2019040_8.pdf), (accessed 15 June 2020).

Available data on emigration and on the desire to emigrate generally suggest that an interplay of different factors motivate a predominantly young<sup>7</sup> and skilled<sup>8</sup> population to move abroad. An obvious motivator is better employment opportunities. Unemployment rates in the region have declined in recent years – in part also because of emigration<sup>9</sup> – but the job creation rate is still not sufficient, as unemployment rates spanned from 11.5% in Albania to 25.2% in Kosovo in the second quarter of 2019.<sup>10</sup> Due to the Covid-19 pandemic, which has had negative repercussions on the economic performance of the WB6, unemployment has risen throughout the region. Women’s employment rates in the region have remained lower than in the EU, with the lowest found in Kosovo and BiH (17.6% and 32.9%, respectively, in the second quarter of 2019).<sup>11</sup> The gender employment gap remains significant throughout the region.

Beyond joblessness, a significant challenge faced by most countries is in-work poverty<sup>12</sup> and precarious working conditions, due to the generally poor protection of workers’ rights (especially in the private sector), low wages, and poor career prospects. While most governments in the region have increased the minimum wage in recent years to address the “supply-side problems of stagnant wages, a shrinking working-age population, and increased emigration rates,”<sup>13</sup> wages remain low, especially in comparison to the region’s neighboring EU countries. On average, people in the EU enjoy incomes three times higher than in the WB, according to the World Bank.<sup>14</sup> At the relative speed of per capita income growth achieved between 1995-2015, it would take the WB region about 60 years to converge to the average income level of the EU.<sup>15</sup> The region’s workers continue to face a ‘low-wage, high-tax trap’ due to weakly progressive personal income taxes and generally high social security contributions.<sup>16</sup> Informal employment as a share of total employment remains high – the share of informal employment in total employment was 37% in Albania, 19.5% in Serbia, and 18.6% in North Macedonia in 2018.<sup>17</sup> Job insecurity provides another incentive to leave. The FES Youth Studies have found that only 22% of youth from the WB6 countries had permanent jobs, as opposed to 52% of their peers from four SEE countries which had already joined the EU.<sup>18</sup>

The absence of a strong social safety net constitutes another push factor for the region’s inhabitants. Social transfers throughout the region have not been able to significantly reduce the high levels of poverty<sup>19</sup> or income inequality,<sup>20</sup> due to their generally low amounts (especially in the case of social assistance) and coverage. Albeit there are differences between countries, vital social services, such as childcare or long-term care, remain generally underdeveloped and underinvested in, making it difficult for persons of working age – especially

<sup>7</sup> See, for instance, Eurostat, Emigration by age group, sex and country of birth [migr\_emi4ctb], 2020, [https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=migr\\_emi4ctb&lang=en](https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=migr_emi4ctb&lang=en), (accessed 15 June 2020).

<sup>8</sup> S. Brodmann, G. Reyes, H. Vidovic, S. Johansson de Silva, A. Marguerie, J. Rigolini, C. Brancatelli, O. Kupets and S. Leitner, Western Balkans Labor Market Trends 2020, World Bank Group and Vienna Institute for International Economic Studies (wiiw), Washington, D.C., 2020, <https://wiiw.ac.at/western-balkans-labor-market-trends-2020-dlp-5300.pdf>, (accessed 15 June 2020).

<sup>9</sup> Brodmann et al, Western Balkans Labor Market Trends 2020, p.xii.

<sup>10</sup> World Bank and wiiw, SEE Jobs Gateway Database, 2020, <https://data.wiiw.ac.at/seejobsgateway-q.html>, (accessed 15 June 2020).

<sup>11</sup> World Bank and wiiw, SEE Jobs Gateway Database.

<sup>12</sup> See European Social Policy Network (ESPN) 2019 reports on in-work poverty in countries of the region, available at: <https://ec.europa.eu/social/main.jsp?catId=1135&langId=en>, (accessed 15 June 2020).

<sup>13</sup> S. Koettl-Brodmann, G. Reyes, H. Vidovic, M. Arandarenko, D. Aleksic, C. Brancatelli, S. Leitner and I. Mara, Western Balkans Labor Market Trends 2019, World Bank Group and wiiw, Washington, D.C., p.86, <http://documents.worldbank.org/curated/en/351461552915471917/Western-Balkans-Labor-Market-Trends-2019>, (accessed 15 June 2020).

<sup>14</sup> World Bank, The Western Balkans: Revving Up the Engines of Growth and Prosperity, Washington, D.C, 2017, p.3, <https://openknowledge.worldbank.org/handle/10986/28894>, (accessed 15 June 2020).

<sup>15</sup> World Bank, Revving Up the Engines of Growth and Prosperity, p.46.

<sup>16</sup> M. Arandarenko, A Low-wage, High-tax Trap in the Western Balkans, Brookings Institute, 22 March 2019, <https://www.brookings.edu/blog/future-development/2019/03/22/a-low-wage-high-tax-trap-in-the-western-balkans/>, (accessed 15 June 2020).

<sup>17</sup> World Bank and wiiw, SEE Jobs Gateway Database.

<sup>18</sup> M. Lavrič, In Search of Solidarity-Based Europeanisation: Five Points on Youth in the Western Balkan Six Countries 2019, FES, Sarajevo, 2019, p.2, <http://library.fes.de/pdf-files/bueros/sarajevo/15462-20191030.pdf>, (accessed 15 June 2020).

<sup>19</sup> Eurostat, At-risk-of-poverty Rate before Social Transfers (pensions included in social transfers) by Poverty Threshold, Age and Sex [ilc\_li09], 2020, [https://ec.europa.eu/eurostat/web/products-datasets/product?code=ilc\\_li09](https://ec.europa.eu/eurostat/web/products-datasets/product?code=ilc_li09); Eurostat, At-risk-of poverty Rate by Sex [tessi010], 2020, <https://ec.europa.eu/eurostat/en/web/products-datasets/-/TESSI010>, (accessed 15 June 2020).

<sup>20</sup> Eurostat, Gini Coefficient of Equivalised Disposable Income before Social Transfers (pensions included in social transfers) [ilc\_di12b], 2020, [https://ec.europa.eu/eurostat/en/web/products-datasets/-/ILC\\_DI12B](https://ec.europa.eu/eurostat/en/web/products-datasets/-/ILC_DI12B); Eurostat, Gini Coefficient of Equivalised Disposable Income [ilc\_di12], 2020, [http://appsso.eurostat.ec.europa.eu/nui/show.do?lang=en&dataset=ilc\\_di12](https://appsso.eurostat.ec.europa.eu/nui/show.do?lang=en&dataset=ilc_di12), (accessed 15 June 2020).

women – to engage in employment.<sup>21</sup> The Covid-19 pandemic has certainly shed a light on the importance of quality healthcare, a vital public service that many of the region’s inhabitants lack access to. In some countries, health insurance coverage remains inadequate,<sup>22</sup> and households’ out-of-pocket expenditures on health are high.<sup>23</sup> In recent years, all countries of the region (except Kosovo) have experienced a significant rise in non-communicable diseases.<sup>24</sup> To compound the situation even more, the region is experiencing substantial emigration of doctors and nurses,<sup>25</sup> who are looking for higher wages and better career prospects abroad.

Another important motivator for emigration is education. The education systems of the region face significant challenges, including difficulties in providing access to education for students from rural, low-income, or Roma households, or for students with disabilities.<sup>26</sup> Beyond access, low educational quality poses another challenge. The 2018 OECD Programme for International Student Assessment (PISA) results have shown that a significant share of 15-year-old students from the WB countries performed below a basic aptitude level in three subject areas – reading, mathematics, and science.<sup>27</sup> Skills mismatches are another indicator of poor-quality education, as students frequently struggle to make the transition from school to the labor market. The 2018/2019 FES Youth Studies SEE have shown, for instance, that as many as 49% of employed respondents from the WB6 said they were working in a job they had not been trained for.<sup>28</sup> Throughout the region, public spending on education is not sufficient to adequately address such challenges.

A reason that is often cited as a motivator for emigration – and a key contributor to a poor living standard in the Western Balkans – is clientelism and corruption. The European Commission stated very directly in its 2018 WB Strategy that WB countries showed “clear elements of state capture, including links with organized crime and corruption at all levels of government and administration, as well as a strong entanglement of public and private interests.”<sup>29</sup> According to the Regional Cooperation Council’s (RCC) 2019 Balkan Barometer, a significant share of the region’s residents (18%) report that they or members of their households, in their contacts with public institutions, have paid a bribe for medical or health services in the past 12 months. An overwhelming majority (77%) believe that medical and health services are affected by corruption, and the perception of corruption is also present in other realms, such as the judiciary, public administration, or education.<sup>30</sup> The 2018/2019 FES Youth Studies SEE suggest that a majority of young people from the WB region perceive informal practices to be widespread – for instance, most young people from the region, unlike their peers from SEE countries that have joined the EU, perceive that political party membership is instrumental for a young person to find employment. Tolerance towards informal practices has increased over the years among youth, suggesting a normalization of corruption as a way of getting things done, “with people increasingly feeling that they have little choice other than to go along with what most other people in society seem to be doing.”<sup>31</sup> At the same time, the number one fear among youth from the region is corruption, followed by existential fears.<sup>32</sup>

<sup>21</sup> M. Jusić, N. Obradović, *Enlargement Policy and Social Change in the Western Balkans*, Friedrich-Ebert-Stiftung, Sarajevo, 2019, <http://library.fes.de/pdf-files/bueros/sarajevo/15801-20191120.pdf>, (accessed 15 June 2020).

<sup>22</sup> Ibid.

<sup>23</sup> See World Health Organisation Global Health Expenditure Database, at: <http://apps.who.int/nha/database>, (accessed 15 June 2020).

<sup>24</sup> World Bank, *Reform Momentum Needed, Western Balkans Regular Economic Report*, no. 15, Washington, D.C, 2019, p.51, <http://documents.worldbank.org/curated/en/219231554130333324/Reform-Momentum-Needed>, (accessed 15 June 2020).

<sup>25</sup> See, for instance, Deutsche Welle, *Doctors Flee Hopelessness, Nepotism in Western Balkans*, 17 December 2019, <https://www.dw.com/en/doctors-flee-hopelessness-nepotism-in-western-balkans/a-51708400>, (accessed 15 June 2020).

<sup>26</sup> See, for instance, the World Inequality Database on Education, at: [www.education-inequalities.org](http://www.education-inequalities.org); S. Tomanović, *Education, Youth Study Southeast Europe 2018/2019*, Friedrich-Ebert-Stiftung, Sarajevo, pp.16-18, <http://library.fes.de/pdf-files/id-moe/15274-20190408.pdf>, (accessed 15 June 2020).

<sup>27</sup> OECD, *PISA 2018 Results: Combined Executive Summaries, Volume I, II & III*, Paris, 2019, p.18, [https://www.oecd.org/pisa/Combined\\_Executive\\_Summaries\\_PISA\\_2018.pdf](https://www.oecd.org/pisa/Combined_Executive_Summaries_PISA_2018.pdf) (accessed 15 June 2020).

<sup>28</sup> M. Jusić, *Employment, Youth Study Southeast Europe 2018/2019*, Friedrich-Ebert-Stiftung, Sarajevo, 2019, p.29, <http://library.fes.de/pdf-files/id-moe/15274-20190408.pdf>, (accessed 15 June 2020).

<sup>29</sup> European Commission, *A Credible Enlargement Perspective for and Enhanced EU Engagement with the Western Balkans*, COM(2018) 65 final, Strasbourg, 6 February 2018, p.3, [https://ec.europa.eu/commission/sites/beta-political/files/communication-credible-enlargement-perspective-western-balkans\\_en.pdf](https://ec.europa.eu/commission/sites/beta-political/files/communication-credible-enlargement-perspective-western-balkans_en.pdf), (accessed 15 June 2020).

<sup>30</sup> Regional Cooperation Council, *Balkan Barometer 2019: Public Opinion Analytical Report*, Sarajevo, 2019, p.101, [https://www.rcc.int/seeds/files/RCC\\_BalkanBarometer\\_PublicOpinion\\_2019.pdf](https://www.rcc.int/seeds/files/RCC_BalkanBarometer_PublicOpinion_2019.pdf), (accessed 15 June 2020).

<sup>31</sup> M. Lavrič, *In Search of Solidarity-Based Europeanisation*, p.3.

<sup>32</sup> M. Lavrič, *Basic World-Views of Young People, Youth Study Southeast Europe 2018/2019*, Friedrich-Ebert-Stiftung, Sarajevo, 2019, p.39, <http://library.fes.de/pdf-files/id-moe/15274-20190408.pdf>, (accessed 15 June 2020).



Needless to say, corruption and pervasive political clientelism divert scarce public resources from important reforms, including social reforms.<sup>33</sup> Moreover, difficulties in accessing vital services, employment, or social benefits increases the already high distrust in public institutions. The RCC 2019 Balkan Barometer has shown, for instance, that 56% of the region's residents tend not to trust or totally distrust their governments.<sup>34</sup> Low levels of trust in institutions in the region are corroborated by other surveys, such as Eurofound's 2016 European Quality of Life Survey<sup>35</sup> or the FES Youth Studies SEE.

Last but not least, authoritarian trends, visible in most parts of the region in recent years, also constitute an important push factor, as people's rights and freedoms are impeded. Some analysts have dubbed the semi-authoritarian regimes of the region 'stabilitocracies' which, despite considerable shortcomings in terms of democratic governance, receive external legitimacy because they offer alleged stability.<sup>36</sup>

### Encouraging People to Stay: Priority Reforms

In trying to ease the tide of persons leaving the region, we are in essence dealing with the question of how to make WB states functional and prosperous. Emigration is essentially a consequence of these states' dysfunctionality. Unsurprisingly, there is no silver bullet for turning the tide. One can only speak of a long-term, multi-faceted strategic framework to address the deep structural issues that are prompting people to vote with their feet. As stressed in a recent report by the World Bank and the Vienna Institute for International Economic Studies (wiiw), which focuses on skills in the region, "the challenge is not only to equip the workforce with the right skills, but also to provide incentives and an environment that keeps skilled people from migrating. Improving the skills of the workforce is necessary but not sufficient; there is a need for broader reforms [...]."<sup>37</sup>

In the short-to-intermediate term, existential matters should certainly be a key priority for governments. To that end, a number of crucial reforms are needed: In employment, WB governments have recently begun to place a greater focus on active labor market policies. Available research suggests, however, that such measures need to be better designed, more diverse and better funded to ensure they meet the needs of people who tend to be underrepresented in labor markets, such as women, youth, minorities, persons with disabilities, and persons with lower levels of education. Inspired by the EU's Youth Guarantee,<sup>38</sup> North Macedonia began a Youth Guarantee scheme in 2018 with the aim of granting people up to the age of 29 an adequate job offer, the possibility to continue education, or an internship or training program to prepare for employment within four months of completing education or registering as unemployed. The introduction of a Youth Guarantee scheme is also being considered by Serbia<sup>39</sup> and could be considered in other countries of the region as well. The capacities of public employment services to provide adequate support to the unemployed need to be strengthened. Moreover, labor market information systems and career support services need to be enhanced throughout the region.<sup>40</sup>

Beyond activation, there is an urgent need to improve the quality of jobs, including securing workers' rights *de jure* and *de facto* (especially in the private sector), encouraging the formalization of employment, and guaranteeing an adequate minimum wage. The tax wedge on labor needs to be reduced in most countries, especially for persons receiving lower wages. The weak social dialog and collective bargaining mechanisms throughout the region need to be strengthened to secure better-quality jobs.

<sup>33</sup> M. Jusić, N. Obradović, *Enlargement Policy and Social Change in the Western Balkans*, p.49.

<sup>34</sup> Regional Cooperation Council, *Balkan Barometer 2019*, p.95.

<sup>35</sup> Eurofound, *Life and Society in the EU Candidate Countries*, European Quality of Life 2016 series, Publications Office of the European Union, Luxembourg, 2019, <https://www.eurofound.europa.eu/publications/report/2019/life-and-society-in-the-eu-candidate-countries>, (accessed 15 June 2020).

<sup>36</sup> F. Bieber, *What is a Stabilitocracy?*, BiEPAG Blog, <https://biepag.eu/what-is-a-stabilitocracy/>, (accessed 15 June 2020).

<sup>37</sup> S. Brodmann et al, *Western Balkans Labor Market Trends 2020*, p.30.

<sup>38</sup> European Commission, *Youth Guarantee*, <https://ec.europa.eu/social/main.jsp?catId=1079&langId=en>, (accessed 15 June 2020).

<sup>39</sup> European Commission, *Economic Reform Programme of Serbia (2020-2022)*, Commission Assessment, SWD(2020) 64 final, Brussels, 21 April 2020, p.13, <https://data.consilium.europa.eu/doc/document/ST-7473-2020-INIT/en/pdf>, (accessed 15 June 2020).

<sup>40</sup> S. Brodmann et al, *Western Balkans Labor Market Trends 2020*, p.57.



In terms of social protection, the shift towards more universal social benefits is needed to tackle high rates of poverty and inequality. Benefit amounts also need to be increased to provide adequate safety nets. The financing of social security schemes should be revisited by looking at different sources of funding (e.g. tax financing) to ensure the adequacy and sustainability of such schemes. Social services need to be further developed, such as in areas of housing, childcare and long-term care. In order to improve healthcare systems and to reduce the high levels of household out-of-pocket spending on healthcare, governments must increase health insurance coverage and provide better quality care.<sup>41</sup>

Governments also need to continue reforming their education systems. Skills mismatches have to be tackled by improving vocational education and training (VET) and higher education programs. In order to encourage students to stay, governments should also invest in ‘new economy’ skills, such as creativity, social skills, the ability to solve complex problems or adapt to new challenges.<sup>42</sup> According to some researchers, high migration flows from the region should be taken into account when designing education and training programs. For example, governments could provide incentives for company-based training, especially as companies may experience the migration of employees after having invested in their training, or they may sponsor the acquisition of certain skills abroad, conditioned upon students returning home.<sup>43</sup> The 2018/2019 FES Youth Study SEE also finds multiple benefits of educational mobility schemes, which need to be fostered and developed further. The quality of basic education needs to be improved, *inter alia*, through curricular reform and teacher training. Given the generally low rates of participation in lifelong learning programs throughout the region, more substantial investments in such programs are needed. Education also needs to become more inclusive, with measures to support disadvantaged students and students with disabilities. A stronger focus needs to be placed on the availability of quality pre-school education to foster early childhood development and create opportunities for women to work.<sup>44</sup>

The EU accession process can be leveraged to create greater incentives for governments to address social matters. A 2019 study published by FES suggests that social affairs still remain side-lined in the enlargement process,<sup>45</sup> as it yields a rather narrow social dimension, reflected in governments’ unenthusiastic reform portfolios. In a related policy paper,<sup>46</sup> researchers call for a paradigmatic shift in enlargement policy, suggesting, *inter alia*, the use of the European Pillar of Social Rights and the ‘social fundamentals’ of the EU Charter of Fundamental Rights as a core frame of reference for reforms. To that end, EU institutions can make use of various instruments from the enlargement ‘toolbox’ – not limited to accession negotiations, the process of formulating annual Economic Reform Programs, or various mechanisms of capacity-building and policy learning at national, regional or EU levels to encourage governments to implement strategic social reforms.

Both corruption and clientelism as main causes of the deterioration of many vital public services need to be addressed concurrently. These issues, together with fundamental rights, have been given due attention within the framework of EU enlargement, as emphasized by the ‘fundamentals first’ approach and the frontloading of Chapter 23 on the judiciary and fundamental rights, and Chapter 24 on justice, freedom, and security within the process of accession negotiations.<sup>47</sup> Nevertheless, anti-corruption efforts remain modest in the face of this pervasive problem. The situation is similar with respect to fundamental rights. Some analysts find that, given that domestic actors have little incentive to change their particularistic way of governing, EU conditionality represents a crucial element for strengthening rule of law. They suggest that EU institutions upgrade the current

<sup>41</sup> For more, see M. Jusić, N. Obradović, *Enlargement Policy and Social Change in the Western Balkans*.

<sup>42</sup> S. Brodmann et al, *Western Balkans Labor Market Trends 2020*, p.29, p.55.

<sup>43</sup> *Ibid.*, p.55.

<sup>44</sup> E.g., see M. Jusić, N. Obradović, *Enlargement Policy and Social Change in the Western Balkans*.

<sup>45</sup> M. Jusić, N. Obradović, *Enlargement Policy and Social Change in the Western Balkans*.

<sup>46</sup> F. Henkel, M. Jusić, *Social Rights are Fundamental: Expanding the Social Dimension of Enlargement*, FES, Sarajevo, 2020, <http://library.fes.de/pdf-files/bueros/sarajevo/15977.pdf>, (accessed 15 June 2020).

<sup>47</sup> The ‘fundamentals first’ refer to rule of law, economic governance, democratic institutions, and fundamental rights. For more, see: European Commission, *Enlargement Strategy and Main Challenges 2013–2014*, COM(2013) 700 final, Brussels, 16 October 2013, [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key\\_documents/2013/package/strategy\\_paper\\_2013\\_en.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key_documents/2013/package/strategy_paper_2013_en.pdf), (accessed 15 June 2020).

conditionality tools in the area of rule of law, for instance by defining more concrete benchmarks, publishing reports of rule of law peer review missions, publishing updates on the progress on Chapters 23 and 24, and introducing incentives and sanctions for performance.<sup>48</sup> This way, governments could be encouraged to take on more ambitious reforms.

Last but not least, insufficient economic development in the region cannot only be attributed to clientelism and corruption. The lack of expertise and capacities in the public sector, a high regulatory burden on businesses, insufficient investment in education, a lack of access to funds, a lack of investment in infrastructure,<sup>49</sup> and the general absence of a strategic vision for economic development all contribute to low economic competitiveness. The Economic Reform Programs that WB governments develop on an annual basis as part of the economic dialog with EU institutions represent a useful exercise in setting medium-term economic objectives; however, countries need to commit to more ambitious reforms and see them through. In general, governments of the region should draw on the lessons and strategies of other traditional emigration countries that have been able to reverse ‘brain drain’, such as Ireland,<sup>50</sup> or the successes of certain cities, such as Cluj in Romania, in attracting workers.<sup>51</sup>

Reforms like these are supported by the EU in the region, as reiterated in the Commission’s February 2020 Communication on enhancing the WB accession process. This states that the EU’s support for “fundamental democratic, rule of law and economic reforms and alignment with core European values [...] will in turn foster solid and accelerated economic growth and social convergence.”<sup>52</sup> The 2021-2027 round of Instrument for Pre-Accession Assistance (IPA) financing ought to serve as a framework for comprehensive reforms that tackle the underlying causes of emigration.

To slow down emigration, governments of the Western Balkans ultimately need to empower their inhabitants. Given the centrality of existential reasons for emigration, some ways of doing so would be by providing education that guarantees personal development, fostering civic and political engagement, and ensuring adequate job opportunities. Quality employment that guarantees a good standard of living and a good work-life balance as well as access to vital public services and adequate social safety nets are also necessary. Citizens also need to feel that their voices matter and that their engagement may spur change. Rule of law, economic and social reforms go hand in hand with empowerment. To secure ownership and sustainability, reforms need to involve a wider set of actors, including civil society, academia, different levels of government, and the wider public. Otherwise, WB countries will gradually be hollowed out, and will experience labor shortages, economic decline, a collapse of social security systems – and a very uncertain future.

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<sup>48</sup> J. Marović, T. Prelec, M. Kmezić, Strengthening the Rule of Law in the Western Balkans: Call for a Revolution against Particularism, January 2019, BiEPAG, <https://biepag.eu/wp-content/uploads/2019/01/Strengthening-the-Rule-of-Law.pdf>, (accessed 15 June 2020).

<sup>49</sup> See, e.g. World Bank, Revving Up the Engines of Growth and Prosperity, p.38.

<sup>50</sup> C. Kenny, Emigration in Reverse: ‘Now the brains are coming back’, The Irish Times, 1 Sept 2018, <https://www.irishtimes.com/life-and-style/abroad/emigration-in-reverse-now-the-brains-are-coming-back-1.3613786>, (accessed 15 June 2020).

<sup>51</sup> T. Judah, Bye-Bye, Balkans, Erste Stiftung, 6 Feb. 2020, <http://www.erstestiftung.org/en/bye-bye-balkans/>, (accessed 15 June 2020).

<sup>52</sup> European Commission, Enhancing the Accession Process – A Credible Perspective for the Western Balkans, COM(2020) 57 final, Brussels, 5 February 2020, p.2, [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/enlargement-methodology\\_en.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/enlargement-methodology_en.pdf), (accessed 15 June 2020).

## Making Education and Employment Reforms Work for the Young: Improving Education, Reducing Skills Mismatches, and Easing Labor Market Access for Young People

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### Executive Summary

This paper provides background for the discussions on youth and migration in the Western Balkans, focusing on the education and employment sectors. The paper provides an account of the current policy and programmatic approaches in addressing the challenges the Western Balkans youth are facing. It also proposes the steps towards improving youth-oriented policies and programs and supporting innovative projects and initiatives for the future. Both aspects of the analysis are informed by the lessons from past interventions, available research findings, and relevant international best practice.

The paper shows how various elements of the wider policy development and implementation context translate into recurring obstacles to achieving specific reform objectives. The highlighted challenges include: (i) externally-driven reform agendas, (ii) the lack of capacity to steer national reforms by the Western Balkan central administrations, including the lack of funding for priorities set outside of the EU-accession agenda, (iii) the narrow approach to public administration reform, which overlooks the sizable pool of public servants across administrations in education, healthcare, social protection, and employment sectors, (iv) a high degree of centralization in the use of EU and other international development partners' funds and lack of systemic reform efforts aimed at decentralization in a broader sense, (v) political capture of public institutions, widespread corruptive practices, and the lack of implementation of anti-discrimination laws, (vi) the lack of policy learning due to the systemic absence of effectiveness studies of specific policy and program measures, as well as (vii) the chronic lack of reliable population and administrative data. The impact of the Covid-19 pandemic further aggravates the policy reform context.

One of the long-standing unresolved challenges within the education sector remains the observed mismatch of the education curricula with the fast-changing labor market needs. Equally persistent challenges are noted in the education of disadvantaged children and youth, reinforcing the message about the significant education inequalities observed across the region. Although the pressure to bridge the industry-related skills gap has been prioritized in the short-term, investing in foundational and transversal skills is key to increasing the competitiveness of the Western Balkan economies. Aside from curricular reforms, the paper suggests the need to extend the reform efforts to other education reform strands – to entail stronger support for the improved instructional practices, more targeted programs in support of disadvantaged children and youth as well as the urgently needed digital transformation and governance reforms across different education levels.

Within the employment sector, the six common challenges in the Western Balkan region continue to be low labor market participation, high unemployment rates, and less than desired levels of employment. The 'labor gains' of 2019, i.e., significant improvement in a set of labor market indicators across the Western Balkan region, have been lost due to the Covid-19 crisis, which disproportionately affected the disadvantaged categories of the working-age population. As a result of demographic shrinking and migration of the skilled and young workers, the countries of the region should urgently tap into this unused potential – the working-age population among the young and disadvantaged. For instance, the number of those not in employment or education and training (NEET) is still two times higher than in the EU, while the number of Roma NEET is twice the size of the NEET for non-Roma in the Western Balkans. Young people see the entry to the labor market, the lack of information about employment opportunities, and the lack of career management services as key obstacles to improving their labor market situation. The young of the region look for their first jobs for a long time. They have few opportunities to gain practical knowledge and are broadly left alone in navigating their employment and career options. There are views that a package of well-targeted active labor market policies focusing on youth could offer a solution to the problems mentioned above.

Although the youth of the region is actively looking to relocate to the more developed countries, the research findings show that they are willing to stay if there is a clear message at home about their education and employment prospects. This background differentiates two groups of young people of Southeast Europe, depending on whether they are from the EU member states or the Western Balkans Six. Regardless of the high degree of young people's interest in emigrating from the Western Balkans, there is no alternative to further investing in education. Youth perspectives and experiences need to be put at the center of policy deliberations. The lack of youth participation in articulating policies and programs focusing on youth may be behind the less-than-optimal results of the youth-related reforms.

## Introduction

A generational dilemma of today's youth of the Western Balkans is thought to be well summarized by a punch line of the 1981 song of a renowned English punk band The Clash – “Should I stay or should I go?” Similar to the underlying punk rock philosophy, the Western Balkan youth are thinking about leaving as a statement of protest and an expression of dissatisfaction with the prospects they see for themselves in their native lands. The massive outflow of youth from the region, including skilled youth, i.e., higher educated, has been perceived as a human capital loss. However, no effective policy solutions to the challenges youth face in the Western Balkans are on the horizon. Is there a way forward?

This paper assesses the current policy and programmatic approaches addressing the status of the youth of the Western Balkans. It proposes steps towards improving youth-oriented policies and programs and supporting innovative projects and initiatives for the future. Both aspects of the analysis are informed by the lessons from past interventions, the available research findings, and the relevant international best practice.

In the first part, the paper discusses a wider context of policy development and implementation of the reforms in two sectors within the Western Balkans. The analysis highlights some of the often-overlooked aspects of the wider context, which translate into recurring obstacles to achieving some of the goals of specific education- and employment-related policies and programs. The two thematic sections that follow draw on the assessment of the current status in education and employment as presented in the European Commission's Progress Reports (Chapters 19 and 26) for the countries of the Western Balkans released in early October 2020. Based on the available research data and the most recent analytical findings, these two sections are used to address a specific set of issues that seem to be the most concerning to the regional youth, including access and quality of education, school-to-work transition, and access to the labor market – from the youth perspective. The youth perspectives are additionally addressed in the last section of the paper in recognition of the region's youth readiness to leave their home countries searching for the more promising life prospects in the countries of the developed West. The paper concludes with recommendations, which are put forward for discussion with the conference participants.

## A Wider Reform Context

Contextualizing the discussion about the domestic reforms in the sectors of education and employment with implications on the status of youth in the Western Balkans requires addressing a set of interrelated and, often, overlooked challenges. Evidence on the reform outcomes of the continuous reforms in the past two to three decades has shown that the reforms' overall direction has not significantly changed; yet the most recent EU recommendations for future actions are strikingly similar to the initial ones. Over the years, numerous research and analytical undertakings contributed to collecting various descriptive statistics and survey findings making it possible to identify, describe, and sometimes explain the factors and root causes of the problems at hand. The progress in making the change happen, however, has not been perceived as satisfactory.

Some of the common challenges characterizing the wider context in which education and employment reforms are taking place in the Western Balkans include: (i) externally-driven reform agendas, (ii) the lack of capacity to steer national reforms by Western Balkan central administrations, including the lack of funding for priorities set outside of the EU-accession agenda, (iii) the narrow approach to public administration reform, which

overlooks the sizable pool of public servants across administrations in education, healthcare, social protection, and employment sectors, (iv) a high degree of centralization in the use of EU and other donor/international development partners' funds and no systemic reform efforts aimed at decentralization broadly speaking, (v) political capture of public institutions, widespread corruptive practices and the lack of implementation of anti-discrimination laws, (vi) the lack of policy learning due to the systemic absence of effectiveness studies of specific policy and program measures, as well as (vii) the chronic lack of reliable population and administrative data.

1. **Although the EU's common body of law does not focus on education, the prospect of EU accession for the countries of the Western Balkans translates into the adoption of the reform packages whose objectives are aligned with the EU member states' reform ambitions.** Across the Western Balkans, interventions ranging from education and training to employment and social policy are guided and framed by the policy thinking of the EU and its members. Aside from the two negotiating chapters relating to the two observed sectors (chapters 19 and 26), policy learning, and, to a great extent, policy transfer takes place within the EU's Open Method for Coordination (OMC). The OMC represents a policy vehicle which creates fora for joint deliberations of the members and non-member states with implications to the policies' development of both sets of the countries. There is no single donor/international development partner of the Western Balkans Six that does not start their own programming of the assistance from the national countries' priorities, which are – by and large – governed by their desire to join the EU.
2. **Programming of the EU assistance is critical in steering the national reform efforts in education and employment.** The low level of domestic financing available for development-oriented projects within the education and employment sectors, on the one hand, and the accessibility of the EU funding via the Instrument for Pre-accession (IPA), on the other, affect the final shape of the reform agendas in the Western Balkans. The experience has shown that what does not get funded does not get implemented. Compared to other donors and development partners (the World Bank, the UN agencies, the Swiss, and other bilateral partners), the EU funding in education and employment sectors is the most sizable. For this reason, it is not surprising that the reform efforts of the Western Balkan states often focus on the objectives set within the EU assistance program documents – with little capacity and other funding available for other weak points of these sectors. As a result, instead of pursuing the implementation of coherent and home-grown reform packages, the Western Balkan states often engage in a patchwork of reforms driven by financing and priorities set outside of their own states and the corresponding specific country contexts.
3. **The degree of 'absorption capacity' of the Western Balkan countries' public administrations partly results from the centralized approaches and the (narrow) channels used in the provision of the assistance.** The IPA assistance funds are largely channeled through central administrations of the Western Balkans states. It could be argued that they represent the bottlenecks in the use of assistance funds. This way, already highly centralized institutions managing the sectors of education and employment are further made responsible for the implementation of the large-scale funding; this decreases their already limited capacities and, more importantly, discourages active participation and the leadership role in the reform processes of local administrations and organizations – and reduces the opportunities for wider citizens' participation. Simultaneously, as the support to the reform of public administration is limited to the central government units (Ministries and agencies), it fails to recognize the relevance and the need to support a much larger administrative network of local institutions. Those include large pools of public servants, such as teachers and healthcare workers. Furthermore, education administration cannot be limited to the ministries, as the executive public bodies placed at the center – it also includes the technical institutes, advisory councils, a network of regionally spread deconcentrated offices and numerous schools at different levels – from pre-primary, primary to secondary schools and higher education institutions. The management and financing reform of such a large education administration has been mostly left out of the focus of the EU assistance; so far, the focus has been predominantly directed towards the content of learning (curricular reforms, including a heavy emphasis on vocational education and training at secondary level) coupled with support to a set of measures ranging from teacher training and digital literacy to inclusive education, among others.



4. **As the last set of EU Progress Reports for the region has shown, the education sector's integrity is challenged across the Western Balkans Six.** There is virtually no Western Balkan country without high-profile cases of corruption in education. In addition to the cases of plagiarism and academic misconduct of other types in higher education institutions, the perception of corruption in education among the youth in the region is high. The results of the 2018-2019 youth survey show that 80 and 77% of the interviewed youth aged 16 to 27 in Serbia and Albania respectively state that there are cases where grades and exams are 'bought'; with 62% of young people stating the same in Kosovo, which is the lowest noted score in this survey across the Western Balkans.<sup>1</sup> The EU assesses that little or no progress was made in the past year concerning corruption and political interference in education, including the school directors' practices of political appointments across primary and secondary schools.
5. **There is a long list of actions within the realm of fundamental rights and anti-discriminatory practices requiring urgent consideration.** Advancements in education and employment of the disadvantaged groups across the Western Balkan states are slow. Ever since the ending of the Decade of Roma<sup>2</sup> Inclusion in 2015, the level of funding and the degree of political commitment for the agenda of Roma inclusion has been on a downward path. The ongoing work of the Roma Education Fund, the institutional legacy of the Decade, as well as the regional initiatives aimed at Roma inclusion will require stronger support. Aside from Roma, the disabled are largely outside of the mainstream public education system. At the same time, the employment of persons with disabilities remains addressed only on the margins of the region as a whole. Large gender disparities in both education and employment are found in Kosovo, where the share of women without upper secondary education is 23.4% higher than that of men. Furthermore, in BiH, the laws on equality and anti-discrimination, which contain provisions on gender equality in employment, education, training, and professional qualification, in practice, are rarely enforced.
6. **There is a lack of action in documenting the effectiveness of specific reform measures.** Various efforts and valuable lessons from the policy and programs' implementation are lost due to insufficient attention given to evaluation. On the one hand, implementing complex policies, such as those in education and employment, often translates into sub-optimal results because legislative changes and the production of strategic and related policy documents are rarely accompanied by action planning, costing, and financial allocations. The lack of efforts to evaluate the ongoing work *de facto* undermines reforms; collecting lessons about reform measures' effectiveness should be understood as part and parcel of the effort to implement them in the first place.<sup>3</sup>

The impact of the Covid-19 pandemic further aggravates the policy reform context. In its recent Western Balkans Regular Economic Report, the World Bank warns about the expected negative short- and long-term impact of the Covid-19 crisis in education. "All Western Balkan countries have responded to disruption in education delivery by introducing various remote teaching modalities. However, despite prompt action, learning loss will be unavoidable and considerable, disproportionately affecting the disadvantaged"<sup>4</sup>. The crises exposed the weaknesses of the education systems related to the digital preparedness of the region's schools and teachers and have shown that the lack of access to digital resources in the societies of the region will particularly affect children from low-income families, leading to further widening of the achievement gap between the poorest and the richest students.<sup>5</sup> Unfavorable trends have been recorded in the employment sector

<sup>1</sup> M. Jusic, M. Lavrič, Mobility and Migration, Youth Study Southeast Europe 2018/2019, Friedrich-Ebert-Stiftung, 2019, <http://library.fes.de/pdf-files/id-moe/15274-20190408.pdf>, (accessed 8 October 2020).

<sup>2</sup> In this paper, the term Roma covers persons of Roma, Ashkali and Egyptians origin who live in the Western Balkans Six.

<sup>3</sup> This challenge is not an exclusive feature of the Western Balkan region. In their Education Policy Outlook 2015, the OECD has shown that only ten out of 450 reform measures adopted from 2008 to 2014 were subject to evaluation until the date of the publication the given report (OECD, 2015).

<sup>4</sup> World Bank, The Economic and Social Impact of COVID-19: Education. Western Balkans Regular Economic Report. No. 17, 2020, Washington D.C, p.1; <http://documents.worldbank.org/curated/en/590751590682058272/The-Economic-and-Social-Impact-of-COVID-19-Education>, (accessed 8 October 2020).

<sup>5</sup> Ibid., p.8.

as well. In 2019, “the unemployment rate dropped to historical lows in the Western Balkans [...], it declined to 13.4 percent, 2.3 pp less than in 2018, with drops in Kosovo and North Macedonia of more than 3.5 percent. In Albania, it reached a new low of 11.5 percent; in BiH, it fell to 15.5 percent”<sup>6</sup>.

In the same way, the lowest level of youth unemployment in the Western Balkans was recorded right before the crisis. However, these trends are not expected to continue in the times post-Covid-19. The World Bank is calling the Western Balkan governments “not to lose sight of addressing longer-term challenges as acute shortages of labor and skills, and low productivity,”<sup>7</sup> as the post-Covid-19 recovery starts.

## Revisiting the Purpose of Education

*In its October 2020 assessment, the European Commission (EC) evaluated the progress of the countries of the Western Balkan region against the objectives of the EU negotiation chapter 26 (Education and Culture) in the following way: at an early stage of preparation (BiH, Kosovo), moderately prepared (Albania, North Macedonia) and at a good level of preparation (Montenegro, Serbia).<sup>8</sup>*

### a) In the Focus of the Ongoing Education Reforms

One of the long-standing unresolved challenges in the sector of education remains the observed mismatch of the education curricula with the fast-changing labor market needs. For the year 2020, a set of reforms monitored via the EU’s progress reports is principally oriented towards the improved supply of the relevant skills. Specifically, the lion’s share of the reforms covers the need for an increased relevance of curricular content (with emphasis on the interventions in the area of vocational education and training (VET), often confined to the secondary education level) and a set of institutional reforms (the setup of new institutions in support of the implementation of the national qualifications frameworks, support to the strengthening of the quality assurance systems for higher education institutions and the establishment of sectoral skills commissions or similar inter-sectoral bodies to support the work on occupational and educational standards across different levels of education). Similarly, in its country partnership frameworks for the Western Balkan countries, the World Bank Group sees the closing of the skills gap as both a short-term and long-term priority of the region;<sup>9</sup> it argues that such an approach offers a solution to both productivity and inclusion challenges. More attention is given to pre-primary education and the creation of conditions for increased participation of children in early childhood education and care in recent years. It remains to be seen if these reform objectives are part of a broader strategic reorientation or a temporary change of focus of the international assistance.

Equally persistent challenges are noted in the area of education of disadvantaged children and youth. Roma children continue to be the most vulnerable and the most disadvantaged minority, often taken as a proxy for the poor in all societies across the region. While the rates of school enrollment of Roma children have started to rise in recent years – a likely legacy of the education work during the Roma Decade – the number of dropouts among these children remains high. All regional governments endorsed a recent Declaration of the Western Balkan Partners on Roma Integration within the EU enlargement process.<sup>10</sup> However, the operational plans are yet to follow. According to the EC, there is modest or no progress in education of children with disabilities with particular challenges in Albania. Recent legislation in North Macedonia allows for the enrollment of

<sup>6</sup> World Bank, Economic and Social Impact of COVID-19: Labor Markets. Western Balkans Regular Economic Report. No. 17, 2020, Washington D.C., p.2, <http://documents.worldbank.org/curated/en/574191590681152239/The-Economic-and-Social-Impact-of-COVID-19-Labor-Markets>, (accessed 8 October 2020).

<sup>7</sup> Ibid., p.8.

<sup>8</sup> European Commission Staff Working Documents for Albania, BiH, Kosovo, Montenegro, North Macedonia and Serbia, released on October 6, 2020.

<sup>9</sup> Country Partnership Frameworks (CPF) represent the format of strategic documents produced by the World Bank Group with an aim to establish agreements with the governments on the priority objectives and type of support to be provided in a four-year period. All Western Balkan countries have CPFs with the World Bank Group.

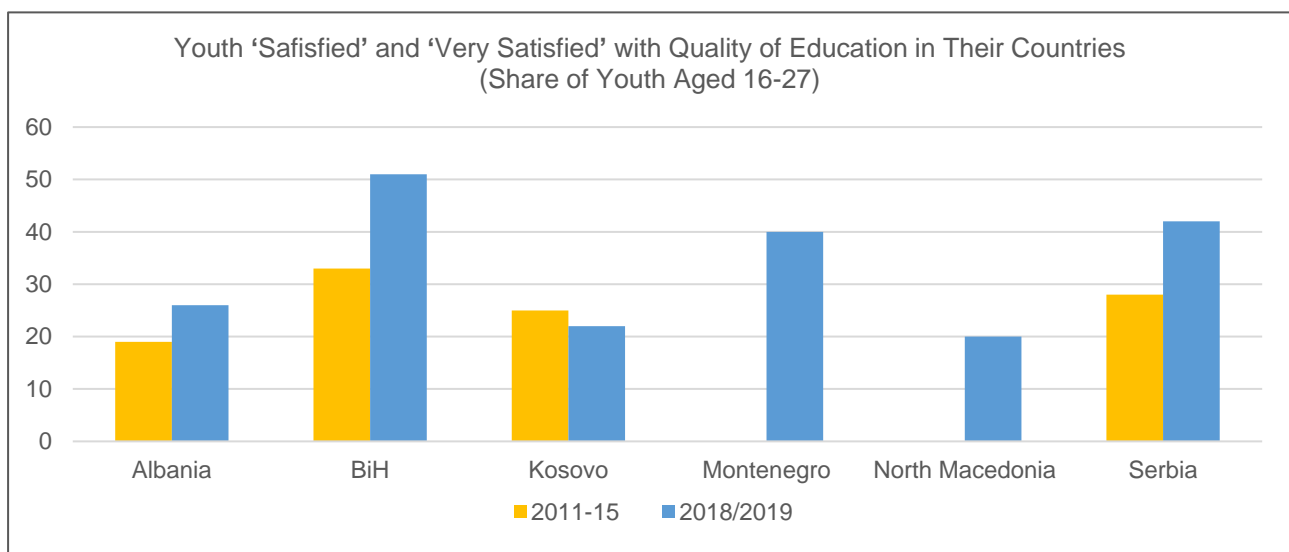
<sup>10</sup> Regional Cooperation Council, Declaration of Western Balkans Partners on Roma Integration within the EU Enlargement Process, Western Balkans Summit of Berlin Process series in Poznan, Poland (5 July 2019), Roma Integration 2020. <https://www.rcc.int/docs/464/declaration-of-western-balkans-partners-on-roma-integration-within-the-eu-enlargement-process>, (accessed 8 October 2020).



disabled children in regular public schools, a practice introduced in Serbia ten years ago. More work on expanding access to education and reducing school dropout rates of all vulnerable children are urgently needed. The exclusionary pressures within the Western Balkan region's education systems seem to rise with the more advanced levels of education.

As seen by the Western Balkans youth, education inequalities and the quality of education provision are the main causes of concern. The findings of a regional youth study carried out in 2018/19 are fully aligned with the EC's above-presented assessment.<sup>11</sup> The majority of youth in the Western Balkans is not satisfied with either the access to higher levels of education or the quality of education services in the Western Balkans (see Figure 1 below). FES researchers recorded high levels of educational inequalities measured by the odds ratio of educational mobility across the Western Balkans; in other words, they have shown that the parental education levels are significantly correlated with the education levels of their children, indicating a worrying lack of openness of the education systems in the Western Balkans Six.<sup>12</sup> Furthermore, the FES findings have shown that the risk of leaving the education process early is correlated with the parental education status in most South East European countries, except for North Macedonia and Serbia. Dropping out of school is also significantly correlated with the student's household's material status in all countries except in Kosovo and North Macedonia. The FES Youth study demonstrates that the observed differences among countries are not related to their different levels of development, as indicated by the Human Development Indices for these countries but are assumed to reflect the differences of the national education policies.<sup>13</sup>

Figure 1: Youth satisfaction with quality of education



Source: FES Youth Study findings for 2011-2015 and 2018/2019; author's presentation based on the study data; data on Montenegro and North Macedonia for 2011-15 is missing

#### b) The Missing Perspectives Within the Education Reform Agenda

It could be argued, setting aside the degree of success of the past reforms, that the intended agenda of the recent education sector reforms in the Western Balkans disproportionately emphasizes the role of education as a factor of productivity and economic growth. In the aftermath of the 2008 economic crisis, the international development assistance's emphasis was on revitalizing economies. It looked at the education sector as a contributor to the human capital development, input into building knowledge-based economies. (Public) education, however, has multiple purposes where support to the economy stands for only one of them. A more

<sup>11</sup> M. Jusic, M. Lavrić, Mobility and Migration. Youth Study Southeast Europe 2018/2019. Friedrich-Ebert-Stiftung, 2019, <http://library.fes.de/pdf-files/id-moe/15274-20190408.pdf>, (accessed 8 October 2020).

<sup>12</sup> Ibid.

<sup>13</sup> While FES researchers found interesting the sharp increase of the level of satisfaction with education quality among the youth in BiH, is it not clear where this increase is coming from.

balanced reform approach is required, the one that would restore the legacy of the pre-1990s, with more attention given to children and youth's individual developmental needs (a need for personal growth and development) as well as the need for learning through social interactions and socialization.<sup>14</sup> By focusing exclusively on the role of education in terms of the contribution it makes to the economy, we reinforce the implicit message that skills which are subject of the reforms are not skills of and for children and youth, but the businesses or labor markets; a message which does not appeal to youth a great deal.

Although the pressure to bridge the skills gap between education and labor markets has been prioritized in the short-term, investing in fundamental knowledge and skills is key to increasing the competitiveness of the regional economies. The ongoing reforms are 'geared' towards the 'supply' of those skills that are changing the fastest because of the continued technological advancements. The so-called 'sectoral' skills – technical and vocational skills – are the most impacted by technology and have the shortest 'expiration dates.' As much as these skills are needed, investing in technical and vocational skills alone does not appear as a sustainable economic and social development strategy in the Western Balkans. A more decisive intervention is needed to support transversal skills or key competencies for lifelong learning,<sup>15</sup> as defined by the EU. The latest findings promoted by the prominent global economic and education policy actors, such as the World Economic Forum and the OECD respectively, suggest that the goals of education need to be set wider; they need to enable the "acquisition of fundamental and advanced cognitive skills; adoption of the so-called transversal or widely applicable and transferable skills; as well as the development of awareness about the need and willingness for lifelong learning"<sup>16</sup>.

For the success of education policy interventions, curricular reforms are essential. However, the reform policy ambitions must not stop there. Policy implementation research has shown the education sector's multi-focal nature with the need for simultaneous interventions across different education policy 'strands' and education levels. In addition to the curriculum, education policy implementation requires parallel systemic interventions affecting instructional practices in the classroom (with teacher training as the prioritized type of intervention), targeted programs for different disadvantaged groups, and elaborate school management and education system management tools and resources. It further requires a novel approach to managing human resources across the system; in modern times, it also needs to include the sector's digital transformation.

## Getting Access to the Labor Market – and Good Quality Jobs

*In its October 2020 assessment, the EC evaluated the progress of the countries of the Western Balkan region against the objectives of the EU negotiation chapter 19 (Social Policy and Employment) in the following way: at an early stage of preparation (Kosovo), at some level of preparation (Albania, BiH, Montenegro), and moderately prepared (North Macedonia, Serbia). Limited progress in this area was recorded for Kosovo and BiH, some progress in Albania, North Macedonia, Serbia, and good progress in Montenegro.<sup>17</sup>*

### a) Selected Labor Market Indicators and Challenges

Some of the common challenges of the Western Balkans Six in the area of employment include low levels of labor market participation, high unemployment rates, and less than desired levels of employment among the working-age populations. Before the Covid-19 crisis, the year 2019 saw the most favorable labor market

<sup>14</sup> G. J. J. Biesta, Educational Leadership for What? An Educational Examination, in D. Waite & I. Bogotch (Eds), The Wiley international handbook of educational leadership, First edition, 2017, John Wiley & Sons Inc, pp.15-27.

<sup>15</sup> In the last revision, the EU defines the key competences for lifelong learning as a set of specific competences, as follows: literacy competence, multilingual competence, mathematical competence and competence in science, technology and engineering, digital competence, personal, social and learning to learn competence, citizenship competence, entrepreneurship competence, and cultural awareness and expression competence.

<sup>16</sup> I. Aleksić, Education for the Future: Towards New Public Policies. Position Paper No. 3, 2019 Public Policy Research Centre, Belgrade, p.6, [https://www.publicpolicy.rs/publikacije/56fd61d1f863c5b362a\\_7eaa69f8c4234998f24c.pdf](https://www.publicpolicy.rs/publikacije/56fd61d1f863c5b362a_7eaa69f8c4234998f24c.pdf), (accessed 8 October 2020).

<sup>17</sup> European Commission Staff Working Documents for Albania, BiH, Kosovo, Montenegro, North Macedonia and Serbia, released on October 6, 2020.

indicators in the region in recent times.<sup>18</sup> For instance, in 2019, the Western Balkans recorded the highest level of employment and a record-low unemployment – a result in which the emigration from the region played an important role; however, due to the Covid-19 crisis, all of these ‘labor gains’ were wiped out already in April 2020.<sup>19</sup> Pre-Covid-19 crises, the favorable trends from 2012 until 2019 included the overall increase in labor market participation, particularly in Albania, BiH, North Macedonia, and Serbia – because of increased participation of women in the labor market. As reported by the World Bank and the Vienna Institute for International Economic Studies (wiiw), Montenegro and North Macedonia saw an increase in employment that was driven by effective implementation of the active labor market policy measures (mostly in the form of employment subsidies). Jobs were created in the service sector in both countries, as well as in industry (in North Macedonia) and construction (in Montenegro).<sup>20</sup>

The demographic situation of the Western Balkan countries is further aggravating an already complex labor market situation. A prolonged trend of shrinking of the working-age population in the region continued, with a recorded loss of about 760,000 individuals or 6% of the working-age population since 2012.<sup>21</sup> This situation is partly a result of the low birth rates and its flip side, i.e. population aging (except Kosovo). It is also associated with the high levels of emigration, particularly among the skilled workers and young generations.

Table 1: Unemployment rates and the youth unemployment rates in the Western Balkans Six, in percentages (2019 Q2)

Western Balkans Six	Unemployment rate	Youth unemployment rate
Albania	11.5	26.7
BiH	15.7	33.8
Kosovo	25.2	49.1
Montenegro	14.3	20.7
North Macedonia	17.5	34.9
Serbia	10.3	24.4

Source: World Bank Group & wiiw, 2020. Author’s presentation

Youth unemployment and the high rates of unemployment of the most disadvantaged groups remain a challenge in the sector. According to the World Bank and wiiw, young people in the Western Balkans, as well as different disadvantaged groups, represent the ‘untapped’ potential, i.e., a sub-section of the working-age population to be urgently made a subject of the region’s labor market policies – “in order to boost the region’s competitiveness”<sup>22</sup>. Long-term unemployment of these categories of populations is of particular concern as is the high level of youth who are neither in employment nor in education or training (the NEET youth) across the Western Balkans. In 2019, except for Montenegro, the youth unemployment rate across the Western Balkans was at least two times higher than the overall unemployment rate in these countries (see Table 1). On the other hand, the NEET population for the age group 15 to 24 has been steadily declining since 2012 but is still at a quarter of the total regional population in that age group.<sup>23</sup> Put differently, it is at least two times higher than the EU average for 2019 (10.4%). In 2019, the NEET population was the lowest in Montenegro and Serbia and the highest in Kosovo (see Table 2). However, the Roma NEET rates are much higher than that. In the year 2017, Roma NEET rates were two times higher than the NEET rates of non-Roma populations in the Western Balkans, i.e., at least two-thirds of all Roma aged between 15 to 24 were neither in employment nor education and training.<sup>24</sup>

<sup>18</sup> World Bank & the Vienna Institute for International Economic Studies (wiiw), Western Balkans: Labor Market Trends 2020. March 2020, <https://wiiw.ac.at/western-balkans-labor-market-trends-2020-dlp-5300.pdf>, (accessed 8 October 2020).

<sup>19</sup> World Bank, The Economic and Social Impact of COVID-19: Labor Markets. Western Balkans Regular Economic Report. No. 17, 2020, Washington D.C, <http://documents.worldbank.org/curated/en/574191590681152239/The-Economic-and-Social-Impact-of-COVID-19-Labor-Markets>, (accessed 8 October 2020).

<sup>20</sup> World Bank & the Vienna Institute for International Economic Studies (wiiw), 2020.

<sup>21</sup> Ibid.

<sup>22</sup> Ibid., p.xii.

<sup>23</sup> Ibid.

<sup>24</sup> World Bank, Breaking the Cycle of Roma Exclusion in the Western Balkans, March 2019. <https://openknowledge.worldbank.org/handle/10986/31393>, (accessed 8 October 2020).

Table 2: Youth not in employment nor education and training (NEET), 2019

Western Balkans Six	NEET population in 2019
Albania	26.6
BiH	21.6
Kosovo	28.5*
Montenegro	16.2
North Macedonia	24
Serbia	16.5

Source: World Bank Group & wiiw, 2020. Author's presentation

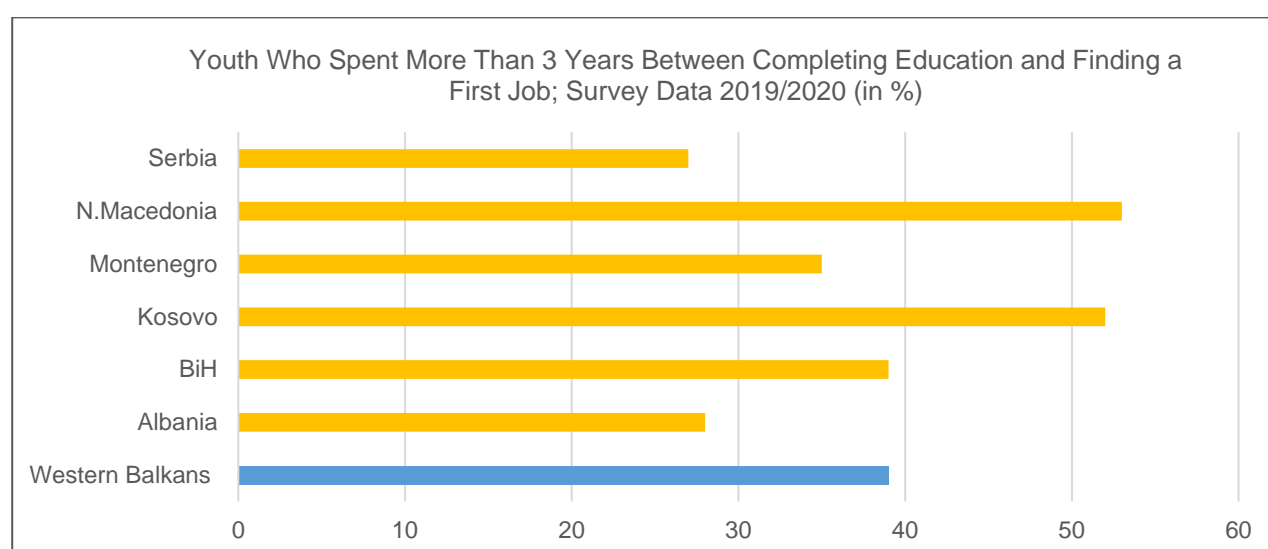
\*Data for Kosovo is for the year 2018.

#### b) On the Needed Labor Market Interventions Focusing on Youth

Access to the labor market, the lack of information about employment opportunities, and the lack of career management services are seen by youth as the main barriers to their labor market entry. Among youth in the Western Balkans, it is believed that two leading obstacles to gaining employment include 'knowing the right people' and the shortage of adequate jobs, according to the 2018 Balkan Barometer.<sup>25</sup> In 2020, 41% of young people believed that the most important asset for finding a job today was having 'personal contacts,' while 36% believed the main asset was one's qualification/education level. According to this survey report, "the perceived levels of nepotism in hiring are a major cause for concern and indicate that trust in employers, whether private or public, is at a low and must be addressed structurally by the region's economies"<sup>26</sup>. Having personal contacts was perceived as critical in Albania (at 73%) and in Bosnia and Herzegovina and Serbia (at 57%, i.e., at the same level in both countries).

For most youth in the Western Balkans, school-to-work transition lasts too long and leads to discouragement. According to the 2020 Balkan Barometer, about 61% of the Western Balkan graduates secured employment within three years upon completing education. Only one quarter found employment within one year following graduation.<sup>27</sup> Nearly 40% of the respondents were looking for the first job for more than three years (see Figure 2).

Figure 2: Youth experiences in finding the first job



Source: Balkan Barometer 2020, Regional Cooperation Council; authors presentation of the survey data

<sup>25</sup> RCC, Balkan Barometer 2020, Public Opinion, Analytical Report, 2020, <https://www.rcc.int/balkanbarometer/publications>, (accessed 8 October 2020).

<sup>26</sup> Ibid., p.13.

<sup>27</sup> Ibid.

Even though there is a broad recognition that formal education alone does not enable young people to acquire practical skills relevant to the labor market, there are not enough opportunities for youth internships and traineeships. According to the FES Study of 2018/2019, the share of young persons aged 16-27 who have participated in the ‘practical aspects of schooling’ has increased at a regional level, although it varies across the countries. It is the lowest in Albania (at 21%), at about a third of youth in this age group in Kosovo and North Macedonia, at about half of youth in this age group in Montenegro and BiH, and at 60% in Serbia. No Western Balkan country has developed a regulatory framework on traineeships. The ad hoc information about the youth experiences with traineeships has shown the low availability and low quality of such opportunities for youth in the region.<sup>28</sup>

There is a systemic lack of professional orientation and career services for youth, while the active labor market policies rarely target youth as a stand-alone beneficiary category. Professional orientation and career services both in schools/formal education and within the employment-related institutions (local employment services, for instance) are underdeveloped. For instance, in Serbia, two-thirds of young people reported never to have used career guidance services.<sup>29</sup> Similarly, the BOS 2018 report also shows that there is only limited understanding of the concept in Albania of career guidance. Across the Western Balkans, even where career guidance and counseling services exist, they are reported to be of poor quality. Additionally, with rare exceptions (Serbia, for instance), the Western Balkan countries do not use active labor market measures to target youth as a particularly vulnerable group of beneficiaries. Even when those measures exist, they are used on a small-scale. Overall, active labor market measures appear to be severely underfunded across the region.

### Youth Perspectives – In Perspective

Despite the official rhetoric, youth policies do not appear a top priority for the Western Balkans Six. All Western Balkan countries have developed youth-related strategies or legislation targeting youth (for instance, the latter counts for Albania); similarly, across the region, all employment-related strategies include measures dealing with the challenges of school-to-work, as well as those measures in support of developing entrepreneurial skills and start-up opportunities.<sup>30</sup> All Western Balkan governments recognize the trend of youth emigration and perceive it as a loss to their societies and economies. However, youth perspectives and experiences are rarely put at the center of policy deliberations. The lack of youth participation in articulating policies and programs focusing on youth may be behind the less-than-optimal results of the youth-related reforms.

The main drivers for youth emigration from the Western Balkans are rather straightforward – young people have decreasing illusions about their life prospects at home and are leaving for economic reasons. Higher living standards in the destination countries, better prospects of finding employment, and the likelihood of earning a higher salary – combined, these are the main reasons for young people to consider emigrating.<sup>31</sup> Based on the youth survey data in the SEE region, educational reasons follow as the second most important, and Lavrič has shown that those are significantly less important compared to the economic motives. Furthermore, Jusić and Lavrič point at the significant negative correlation between “one’s desire to move abroad and level of educational attainment [...] Employment status also matters, as those who are employed are more likely to state that they do not intend to move abroad, while the opposite is true for the unemployed”<sup>32</sup>. Similarly, youth who are not in education, employment, or training (NEET) are also among those looking more to emigrate.<sup>33</sup>

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<sup>28</sup> Belgrade Open School, Youth Employability – Key Policy Challenges in the Western Balkans, 2020, <http://www.bos.rs/en/uploaded/Youth%20Employability%20-%20Key%20challenges.pdf>, (accessed 8 October 2020).

<sup>29</sup> Ibid.

<sup>30</sup> Belgrade Open School, The Regional Youth Employability Skills Portfolio. Belgrade Open School, 2017, [http://www.bos.rs/rs/uploaded/Portfolio%2025\\_7.pdf](http://www.bos.rs/rs/uploaded/Portfolio%2025_7.pdf), (accessed 8 October 2020).

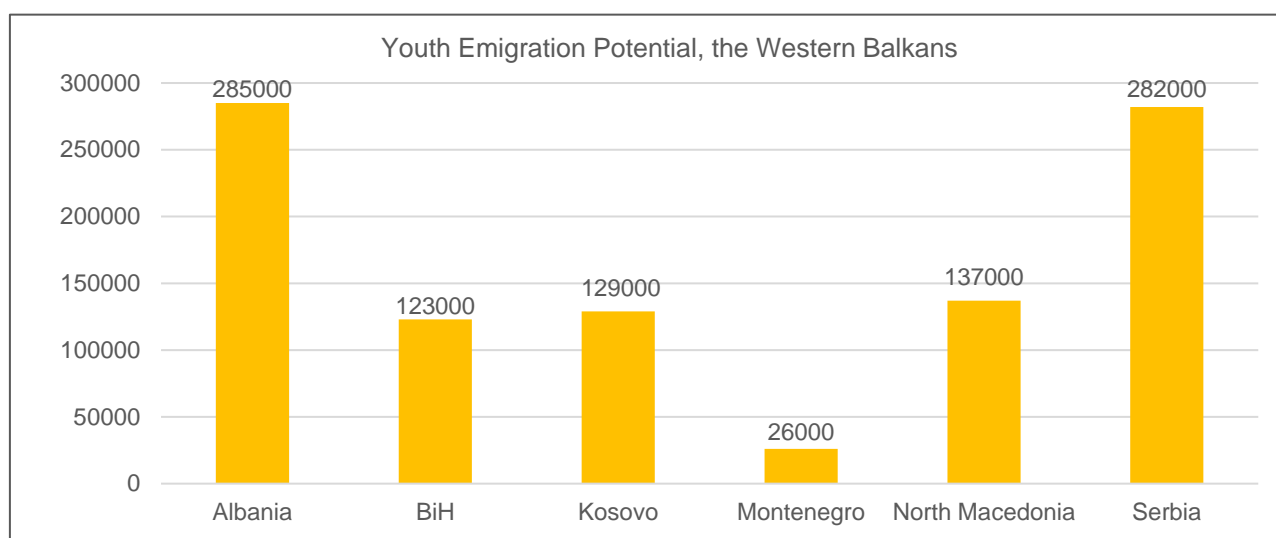
<sup>31</sup> M. Lavrič., Closer to the EU, Farther from Leaving, Friedrich-Ebert-Stiftung, 2019, <http://library.fes.de/pdf-files/bueros/sarajevo/15555.pdf>, (accessed 8 October 2020).

<sup>32</sup> M. Jusić, M. Lavrič, Mobility and Migration. Youth Study Southeast Europe 2018/2019, Friedrich-Ebert-Stiftung, 2019, p.74. <http://library.fes.de/pdf-files/id-moe/15274-20190408.pdf>, (accessed 8 October 2020).

<sup>33</sup> Ibid., p.76.

Nearly one million young people in the Western Balkans represent this region's emigration potential. The most recent data confirms that youth and highly educated individuals are among those most likely to emigrate.<sup>34</sup> An emigration potential index constructed based on the 2018 data from the SEE youth survey shows that nearly 20% (18% of today's SEE<sup>35</sup> youth) is "likely to emigrate within the next ten years"<sup>36</sup>. In the Western Balkans Six, this stands for nearly one million or a total of 982,000 of the young, as shown in the chart below. Lavrič's contribution to understanding the youth emigration potential<sup>37</sup> of SEE youth in comparative perspective is of particular significance. He shows that young people from the SEE region's EU member states (Slovenia, Croatia, Bulgaria, and Romania) are less interested in emigrating than the young of the Western Balkans (Albania, BiH, Kosovo, Montenegro, North Macedonia, and Serbia). Additionally, his analysis also reveals that the youth wanting to emigrate does not consist only of those with higher education levels, but it includes youth with low education, too.<sup>38</sup>

Figure 3: Youth emigration potential in the Western Balkans



Source: FES Youth Studies, Lavrič, 2019

## A Way Forward?

The proposed set of recommendations is organized around a set of selected sub-themes, as identified in the previous discussion. The sub-themes include: a) Improving data for improved planning of reform interventions; b) Maximizing the use of the available assistance instruments; c) Recommended specific interventions in the sector of education; and d) Recommended specific interventions in the sector employment. All recommendations are leveraged towards the interventions that might contribute to improving the position of youth in the Western Balkans going forward.

### a) Improving data as a basis for more accurate policy and program planning

1. **Making use of the new population census data.** All Western Balkan countries will carry out a population census in 2021 and will possess up-to-date demographic data (including generational cohorts) to plan education and employment interventions.

<sup>34</sup> World Bank & the Vienna Institute for International Economic Studies (wiiw), 2020.

<sup>35</sup> The SEE countries include also Croatia, Slovenia, Bulgaria and Romania, in addition to the Western Balkan Six countries (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia).

<sup>36</sup> M. Lavrič, Closer to the EU, Farther from Leaving, 2019, p.2.

<sup>37</sup> An assessment of the number of young people in the observed set of SEE countries who displayed a serious likelihood of emigrating according to the six dimensions of the emigration potential; for further methodological details, please consult M. Lavrič, Closer to the EU, Farther from Leaving, 2019.

<sup>38</sup> M. Lavrič, Closer to the EU, Farther from Leaving, 2019.



2. **Strengthening the systems for the collection of administrative data.** Policies are too often articulated based on survey data instead of relying on administrative databases within the two observed sectors. For instance, the Western Balkan countries still do not operate country-wide Education Management and Information Systems, which are essential for the effective management of large and geographically disbursed, multi-level public administration systems.
3. **More qualitative research about youth experiences is needed.** The region has greatly benefited from the long-term commitment of the FES in undertaking regular youth surveys. To complement insights of this and similar studies, there is a need to initiate a set of studies which would use qualitative methods of research in order to increase our understanding of a variety of individual experiences and career paths as well as different barriers youth are experiencing in the education process as well as at the entry to the labor market. This data is of particular importance for advancing the position of the deprived youth, such as Roma, youth with disabilities, and young women, whose education- and employment-related challenges are greater across the region than non-Roma, youth with no disabilities, and young men.

b) Maximize the use of the available assistance instruments, including financial ones

1. **Lessons learned from past interventions should be collected by implementation scholars, not only by the project management teams.** There is often insufficient time or resources for the effectiveness studies investigating specific programs and policy measures, putting at risk learning from the funded interventions. Similarly, a results-oriented approach in programming leads to project and program reporting, which focuses on monitoring isolated variables and how they change over time. The quality of the reform processes, beneficiary participation, and satisfaction are not always recorded.
2. **There is clear momentum for aligning international financial assistance, including plans for supporting youth interventions.** As announced in early October 2020, the European Commission (EC) prepared a new financial perspective, including the new EU Investment package for the Western Balkan region 2021-2027. More funding will be invested in the Human Resources Development sector going forward. At the same time, the World Bank Group (WBG) will renew its Country Partnership Frameworks (CPFs), that means its strategic planning documents reflecting the WBG's agreements on future assistance. Across the Western Balkans, the CPFs are currently about to be revised. It is the right time to address the issue of financing an emerging youth agenda for the Western Balkans.

c) Recommended actions in the sector of education

1. **Advances achieved in the curricular reforms need to be backed up by a set of measures to strengthen governance across different education levels.** Curricular reform is an ongoing challenge, and a continuous reform requires catering to other aspects of work in the sector – those that will enhance implementation success. Ensuring that reforms are implemented consistently across education facilities within a single country requires skills and resources that are chronically lacking – from managing the system as a whole to managing schools locally. A dialog on education decentralization is long overdue and the related question of school autonomy and the de-politicization of the education sector.
2. **The Covid-19 crisis has shown that the regional schools, particularly the network of primary and secondary schools, lag in terms of digital transformation.** The temporary solutions devised in the spring of 2020 enabled the completion of the school year 2019/2020, exposing a set of vulnerabilities related to the lack of digital skills among the teachers and parents, the lack of digital resources (from digital content to connectivity issues and the outdated equipment). Although schools most certainly will not be permanently converted into remote teaching facilities, the digital component of the education system will need to be addressed urgently.



3. **Youth needs to access initial professional orientation and career counseling as part of the regular school offer.** Career guidance and counseling sit at the intersection of education and employment/employability and will facilitate young people's transition from school to work. Development of the so-called career management skills should start in schools through the structured offer of services – from general career management skills to specific, such as vocational guidance and counseling.
4. **Regardless of the high degree of young people's interest in emigrating from the region, there is no alternative to further investing in education.** Youth will continue to leave the Western Balkans searching for a better standard of life, better quality jobs, and more employment opportunities. However, the lessons from Slovenia, Croatia, Bulgaria, and Romania (based on the survey finding of FES) have shown that, after the initial youth outflow following the EU membership of the above countries, the youth of those countries are less willing to leave in comparison to the youth of the Western Balkans Six. Gradual improvement of conditions in their homelands and a sense of perspective encourage young people to start planning their lives at home.

d) Recommended actions in the sector of employment

1. **Introducing a set of active labor measures targeting youth as a specific beneficiary group – and securing their stable funding.** Aside from Serbia, no other Western Balkan country has taken the step in this direction. Overall, active labor market policies have been an underused policy measure in the region. However, in North Macedonia and Montenegro, they resulted in job creation in 2019, according to World Bank Group and the wiiw. As noted earlier, in this region, active labor market measures tend to be funded only at a small-scale – further limiting the potential impact of this type of measure.
2. **Moving fast in mobilizing funds aimed at Youth Guarantee schemes across the Western Balkans.** The Youth Guarantee has been welcomed by North Macedonia, the only Western Balkan country that uses this support model to the NEET population via IPA II. This model is the type of intervention with a proven track record of effectiveness in the EU. Within the new financing envelope, the EC will fund similar schemes across the region, and this vehicle of youth activation should be used without delay.
3. **Private businesses and public institutions at different levels should be made an active part of the acquisition of practical skills for the young.** All Western Balkan countries have been a part of the dual education systems' setup, often limited by a small and economically weak private sector. In addition to industry-based training, opportunities for practical learning in internships and traineeships should be created for youth broadly speaking. At this time, legislative frameworks need to be improved to include safeguarding job quality for the young.
4. **More opportunities for entrepreneurial learning and more financing for youth start-ups should also be supported.** Based on the youth surveys in the region, most youth are looking for wage employment to get the first working experience and avoid the so-called 'experience trap'.<sup>39</sup> While jobs in the public sector still appear more appealing to the ones in the private sector,<sup>40</sup> youth entrepreneurship should be encouraged both in skills building and access to financing.

<sup>39</sup> Belgrade Open School, The Regional Youth Employability Skills Portfolio, Belgrade Open School, 2017, [http://www.bos.rs/rs/uploaded/Portfolio%2025\\_7.pdf](http://www.bos.rs/rs/uploaded/Portfolio%2025_7.pdf), (accessed 8 October 2020).

<sup>40</sup> RCC, Balkan Barometer 2020: Public Opinion, Analytical Report, 2020, <https://www.rcc.int/balkanbarometer/publications>, (accessed 8 October 2020).

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# BRAIN GAIN POLICIES AND CIRCULAR MIGRATION

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## Migration and the Western Balkan Countries: Measures to Foster Circular Migration and Re-Migration

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### Executive Summary

During the past decade, the governments of the Western Balkan (WB) countries have started to work more dedicatedly to find a systemic response to the long-term problems of emigration. Important national strategic documents and policies on migration and strengthening relations and cooperation with the diaspora have been and are still adopted. However, critical actions are needed to enable the adopted measures to be implemented continuously. It is necessary to introduce more models of migration governance in the implementation. A significantly larger number of government actors, civil society organizations, and the private sector will be involved. Therefore, it is crucial to develop innovative approaches to manage labor migration effectively. It is necessary to establish strong cross-sector collaboration, shared responsibility, and a clear division of competences between different ministries and public bodies at the national level and at other levels of government (regional and local).

It is also important to support and further develop initiatives that already exist, improving operational and strategic coordination. Some of them are coordination bodies which include professionals from various fields, diaspora agencies that holistically address the migration issues, local migration councils that are capable of enhancing migration management at the municipal level, initiatives that establish relations of trust with the diaspora, and at the same time have regular contacts with government institutions. In addition, the potential of local migration councils and service centers at the national employment services that exist in most WB countries needs to be used and developed more. Therefore, it is extremely important to strengthen institutional capacities and actors new to migration-related issues continuously. Efficient communication and coordination strategies between the WB countries and destination countries need to be further developed to achieve results.

The impact of different categories of migrants on the development of both destination countries and countries of origin is a topic that has so far not been in the focus of decision-makers. The sudden changes in labor markets caused by the Covid-19 pandemic and the lockdown show that the lack of certain categories of workers in the labor market, including precarious workers, can seriously shake both destinations' socio-economic foundations and origin countries. Therefore, it is necessary to review and revise certain labor market and migration policies and immigration programs. Great efforts are also needed to improve the rights of migrant workers and combat fraud throughout the recruitment process. In this sense, providing clear and accessible information to participants throughout the migration process is extremely important.

For the WB countries, as emigration areas, it is important to develop temporary migration programs in cooperation with destination countries, which will also provide stimulation for wider representation of circular migration that for now have only a strong potential to provide development benefits for countries of origin and migrants. It is important to develop further initiatives such as DIMAK (German Information Centre for Migration, Training and Career), where migrants can get reliable information and advice on different migration issues. The development of its regional networking will also contribute to promoting regional migration and labor mobility in the WB, which are currently at a very low level. The WB countries should also direct policy development towards measures that integrate circular migration into wider migration programs and develop cooperation between development agencies in countries of origin and destination through the integration of migration into development activities. Such a development strategy would also contribute to a more significant stimulation of return migration. Therefore, it is very important to design useful programs and strategies that support returnees and the local communities to which they return.

In order for migration to positively impact countries of origin, it is necessary that, upon arrival in the country, returnees have the opportunity to use the knowledge and skills acquired abroad. However, the lack of economic opportunities, the mismatch between their skills and labor market needs, distrust in government institutions, and the problems regarding recognizing diplomas obtained abroad are just some of the challenges that need to be worked on devotedly in all WB countries.

Finally, a great challenge is to provide necessary funds and obtain strong and continuous state support for investing in the effective migration policy. To provide consistent financing and implementation of such initiatives and to avoid them being sporadic, short on funding, or unreliable in the long run, the WB countries must combine funding between the public and private spheres. In addition, it is of utmost importance that the EU, international organizations, and the civil sector significantly contribute to long-term and more stable financial support.

## Introduction

The Western Balkan (WB) countries have been facing numerous international migration challenges for a very long time. In addition, they are still facing pronounced emigration flows of the domestic population. However, the WB countries have long neglected the pronounced problem of emigration, which has influenced the development of numerous negative demographic, economic, and social consequences, or have applied only a fragmented approach.

The scientific community from the WB region has continuously pointed to the results of numerous scientific studies, which for decades indicated the diverse and inevitable devastating consequences of long-term unfavorable migration processes and pointed to the need for a systematic political response in that domain. However, like most other traditionally emigration countries, the WB governments have long neglected important migration dynamics and failed to integrate the need to maximize the positive impact of migration on development and use it as a powerful tool for social and economic growth to respond proactively to migrant protection issues.

Only in the last decade, there has been a shift in the interest of the WB countries in increasingly extensive research and readiness to deal more systematically with migration issues. There are positive attitudes aimed at the development potential of international migration and an increasing awareness that migration affects all segments of society. It is positive that the complex topic of migration in the region is beginning to be reviewed through a whole-of-government approach, primarily through the visible development of the legal framework for policymaking.

Such an attitude is largely the result of more intensive progress in European integration and stronger harmonization of legislation with the *acquis communautaire*,<sup>1</sup> the UN 2030 Agenda for Sustainable Development,<sup>2</sup> and other international conventions. A significant additional effect was achieved by adopting the UN *Global Compact for Safe, Orderly, and Regular Migration*<sup>3</sup> in 2018. In addition, the engagement of research institutes, international organizations, and civil society organizations is extremely important for significant encouragements in addressing the root causes of economic migration from the WB region. In partnership with the governments of the WB countries, they expand the policy framework with a migration-development nexus and work to raise capacities of employees in public institutions so that they can successfully carry out numerous and diverse activities within migration systems.

<sup>1</sup> For more information see: European Commission, European Neighbourhood Policy And Enlargement Negotiations: Chapters of the Acquis, n.d., [https://ec.europa.eu/neighbourhood-enlargement/policy/conditions-membership/chapters-of-the-acquis\\_en](https://ec.europa.eu/neighbourhood-enlargement/policy/conditions-membership/chapters-of-the-acquis_en), (accessed 1 September 2020).

<sup>2</sup> For more information see: United Nations, The Sustainable Development Agenda, n.d., <https://www.un.org/sustainable-development/development-agenda/>, (accessed 1 September 2020).

<sup>3</sup> For more information see: International Organization for Migration, Global Compact for Migration, n.d., <https://www.iom.int/global-compact-migration>, (accessed 1 September 2020).

The broadening of the migration agenda to issues that are receiving increasing attention at both the European and global level is a significant step forward for the WB countries. One of them is strengthening the relationship between the home country and the diaspora and engaging the diaspora in supporting the national development and creating conditions for the return of expatriates. In addition, an increasingly important topic, but one which also creates new challenges for societies of origin, is the development of circular migration, the need for its better understanding and management, as well as its use for the benefit not only of the destination countries and the migrants themselves but also of the countries of origin. However, although the strategic documents indicate that the governments of the WB countries no longer neglect the topic of migration, substantial emigration from the region shows that mechanisms must be found as soon as possible to turn the envisaged strategies and plans into constructive actions. Additional major uncertainties and complex challenges for governments are posed by the huge negative impact of the Covid-19 pandemic on the economy, health care systems, social protection services, migration trends, and population mobility.

Having in mind numerous topics and challenges that the WB governments need to better understand and turn into useful policies that address migration governance more comprehensively, this paper aims to see what migration measures exist in this domain in the countries of the WB region, as well as what approaches would be promising in reversing emigration trends and (re-)attracting migrants and diaspora members to the WB region. The paper provides an overview of the measures envisaged by national migration and diaspora strategies and policies and the main programs/projects and initiatives in the WB. The paper also discusses how policies, projects, and private initiatives could be active in the future to better understand the complex dynamics of economic migration in the WB and encourage their use in favor of social and economic development.

## Overview of National Migration and Diaspora Strategies in the Countries of the WB

All WB countries have significantly improved their migration policies in the last ten years, especially in policy design and migration policy institutionalization.<sup>4</sup> All countries have adopted national migration strategies, reflecting an important change in approaching migration issues. In addition, in most countries, national strategies addressing issues beyond immigration management, border control, and illegal migration have been adopted or are in the process of being adopted. The need to harmonize legislation in various domains, such as labor model issues and social protection for migrants abroad, is also pointed out.

In this regard, important strategic documents and policies have been adopted in the WB countries. For example, in Bosnia and Herzegovina, the Policy on Cooperation with Diaspora was adopted in 2017.<sup>5</sup> A draft Framework Strategy for Cooperation with Emigrants of Bosnia and Herzegovina has also been prepared. Among the most important strategic documents in North Macedonia are the Resolution on Migration Policy for the period 2009-2014<sup>6</sup> and the Action Plan, the Resolution on Migration Policy for the period 2015-2020,<sup>7</sup> and the National Strategy for Cooperation with the Diaspora 2019-2023. Montenegro has incorporated certain migration topics into the National Strategy for Sustainable Development until 2030<sup>8</sup>, adopted in 2016, and the Law on Cooperation of Montenegro with its Diaspora – Emigrants, adopted in 2018.<sup>9</sup> In addition to the State

\* This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

<sup>4</sup> A. Krasteva et al., Maximising the Development Impact of Labor Migration in the Western Balkans. Final Report, The European Union's IPA Programme for Balkans Region, 2018, [http://wb-mignet.org/wp-content/uploads/2019/10/Final-report\\_Maximising-development-impact-of-labour-migration-in-WB\\_0412018-1.pdf](http://wb-mignet.org/wp-content/uploads/2019/10/Final-report_Maximising-development-impact-of-labour-migration-in-WB_0412018-1.pdf), (accessed 10 September 2020).

<sup>5</sup> Ministry of Human Rights and Refugees of Bosnia and Herzegovina, Policy on Cooperation with Diaspora, 2017, <http://www.mhrr.gov.ba/iseljenistvo/Dokumenti/PolitikaE%20final1.pdf>, (accessed 15 August 2020).

<sup>6</sup> Службен весник на Република Македонија, Резолуција на миграционата политика на Република Македонија 2009-2014. бр. 6/2009, <http://www.slvesnik.com.mk/Issues/6FEACAF74D35584EB6044E9EC2401ECF.pdf>, (accessed 15 August 2020).

<sup>7</sup> Службен весник на Република Македонија, Резолуција на миграционата политика на Република Македонија 2015-2020, бр. 8/2015, <http://www.slvesnik.com.mk/Issues/88af0d7aeb7d4658b344c8c55ba9dfa3.pdf>, (accessed 15 August 2020).

<sup>8</sup> Službeni list Crne Gore, Nacionalna strategija održivog razvoja do 2030. godine. br. 80/15, <http://www.nssd2030.gov.me/>, (accessed 18 August 2020).

<sup>9</sup> Službeni list Crne Gore, Zakon o saradnji Crne Gore sa dijasporom – iseljenicima, br. 044/18 od 06.07.2018, <https://www.paragraf.me/propisi-crnegore/zakon-o-saradnji-crne-gore-sa-dijasporom-iseljenicima.html>, (accessed 16 August 2020).

Strategy on Migration 2013-2018,<sup>10</sup> Kosovo\* also has the Strategy for Diaspora 2013-2018 and the period 2019-2024.<sup>11</sup> Apart from the National Strategy on Migration Governance and the Action Plan 2019-2022,<sup>12</sup> Albania has also adopted the National Strategy of Diaspora 2018-2024.<sup>13</sup> In Serbia, the most important strategic documents are the Migration Management Strategy<sup>14</sup> from 2009, an umbrella document that preceded the drafting of the law of the same name. In 2011, the Strategy for Preserving and Strengthening the Relations between the Homeland and the Diaspora and the Homeland and Serbs in the region<sup>15</sup> was adopted. A special step in exploiting the migration potential for the development of the country is the Economic Migration Strategy of the Republic of Serbia for the period 2021-2027,<sup>16</sup> which was adopted at the beginning of 2020.

**The need for reliable and accessible data on international migration.** One of the biggest challenges in formulating purposeful policies and efficient transitioning from policy design to implementation is the lack of reliable and accessible data on international migration. This challenge has been recognized in all WB countries, so one of the main areas of intervention is to improve the monitoring system and data quality and the exchange of data in the field of migration and its impact on the labor market and other spheres of society. For example, North Macedonia has proposed a set of measures and activities for consistent application of the legal obligation of reporting departures/arrivals of citizens of North Macedonia upon leaving/returning to the country.<sup>17</sup> In Bosnia and Herzegovina, improvements in quantitative migration statistics are planned, the establishment of a system for collecting data on emigration at the local level, and the support for academic research and programs that study the phenomenon of migration in an interdisciplinary manner. Albania plans to identify gaps in the administrative data collection on migration and elaborate on a new standard model for its collection. In Serbia, one of the strategic goals is to improve the monitoring and quality of data on economic migration by establishing a regular, updated, and synchronized statistical database for monitoring migration flows. The diaspora mapping by establishing and updating databases and other activities is also recognized as needed in all WB countries.

**Strengthening institutional capacities and institutional coordination.** The most important condition for achieving effective migration management is strengthening institutional capacities and institutional coordination. The Albanian Migration Strategy states that it is necessary to assess available human, financial, and information resources in the institutions in charge of the implementation of labor migration tasks. In this regard, it is foreseen to clearly define the competencies of key government institutions and agencies, to identify their capacities for migration governance, to review the existing institutional partnerships on migration, and to formulate new partnerships. Serbia emphasizes the importance of strengthening the capacities of institutions responsible for monitoring migration trends and establishing a greater degree of coordination to support the inclusion of the concept of economic migration in development policies.

**New models of migration governance are needed.** The importance of new models of migration governance is highlighted, such as the management at various government levels and the development of partnerships with civil society organizations. The policy of Bosnia and Herzegovina emphasizes that it is essential to strengthen

<sup>10</sup> Republic of Kosovo, The State Strategy on Migration 2013-2018, 2013, [http://www.kryeministri-ks.net/repository/docs/STATE\\_STRATEGY\\_ON\\_MIGRATION\\_ACTION\\_PLAN\\_2013-2018.pdf](http://www.kryeministri-ks.net/repository/docs/STATE_STRATEGY_ON_MIGRATION_ACTION_PLAN_2013-2018.pdf), (accessed 19 August 2020).

<sup>11</sup> Republic of Kosovo – Ministry of Diaspora, Strategija për Diasporën 2019-2023. Plani i Veprimit 2019-2023, 2018, [http://ambasada-ks.net/at/repository/docs/Projektstrategjia\\_p%C3%ABr\\_Diaspor%C3%ABn\\_2019-2023\\_dhe\\_Plani\\_i\\_Veprimit\\_2019-2021.pdf](http://ambasada-ks.net/at/repository/docs/Projektstrategjia_p%C3%ABr_Diaspor%C3%ABn_2019-2023_dhe_Plani_i_Veprimit_2019-2021.pdf), (accessed 19 August 2020).

<sup>12</sup> Republic of Albania – Ministry for Diaspora, The National Strategy on Migration and its Action Plan 2019-2022, 2019, <https://diaspora.gov.al/en/miratohet-strategjia-kombetare-per-qeverisjen-e-migracionit-dhe-planit-i-saj-i-veprimit-2019-2022/>, (accessed 19 August 2020).

<sup>13</sup> Republic of Albania – Ministry for Diaspora, The National Strategy of Diaspora and Action Plan 2019-2024, <https://diaspora.gov.al/wp-content/uploads/2018/08/NATIONAL-STRATEGY-OF-DIASPORA-2018-2024-english-IOM.docx>, (accessed 19 August 2020).

<sup>14</sup> Службени гласник РС, Стратегија за управљање миграцијама. број 59/09, <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2009/59/1>, (accessed 15 August 2020).

<sup>15</sup> Службени гласник РС, Стратегија очувања и јачања односа матичне државе и дијаспоре и матичне државе и срба у Региону. број 4/11 и број 14/11, <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2011/4/1/reg>, (accessed 19 August 2020).

<sup>16</sup> Службени гласник РС, Стратегија о економским миграцијама Републике Србије за период 2021-2027, године. број 21/20, <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2020/21/1/reg>, (accessed 19 August 2020).

<sup>17</sup> V. Janeska, Labor Market and Labor Migration in the Republic of Macedonia – Changes and Current Situation, 2013, [http://conference.iza.org/conference\\_files/EUEnlargement\\_2013/janeska\\_v9631.pdf](http://conference.iza.org/conference_files/EUEnlargement_2013/janeska_v9631.pdf), (accessed 25 August 2020).



the capacities of local self-government units for cooperation with emigrants since it is the government level that effectively and directly realizes cooperation with emigrants that results in mutual benefits. Therefore, it is emphasized that the civil sector activities abroad and in Bosnia and Herzegovina should be supported, contributing to strengthening the ties of emigrants with the country of origin. The Strategy for Cooperation with the Diaspora of North Macedonia states that the success of the implementation of economic cooperation measures with the diaspora depends on the implementation at the local level and on the commitment of the local authorities to utilize this potential for development. In this sense, it is stated that the diaspora organizations are of enormous importance and that it is necessary to create new models of cooperation between them and the state institutions. Albania stresses the need for a comprehensive review of the current role of local governance structures in the strategy implementation and the improvement of horizontal and vertical coherence through enhanced operational and strategic coordination. In Serbia, the role of local actors stands out as key to the sustainability and implementation of the concept of migration and development. Therefore, it is stated that better coordination should be achieved at the local level and the strategic and operational connection of local migration councils<sup>18</sup> with youth offices and local employment councils. The role of the newly formed Coordination Body for Monitoring Economic Migration Flows<sup>19</sup> is thus emphasized, with the competence of reviewing all issues of economic migration and directing the work of state administration bodies in that area. The Albanian National Strategy on Migration points out that the absence of a high-level coordination mechanism on migration governance has limited the Albanian Government's capacity to address migration-related issues with a holistic approach. It is stated that a thematic working group on migration is being formed to coordinate the work of all ministries at both strategic and technical levels. The establishment of the National Diaspora Agency is foreseen as well.

**Bilateral cooperation with destination countries.** Certain mechanisms of bilateral cooperation with destination countries aimed at regulating and improving the position of its nationals abroad (in the field of labor, social, pension, and disability, health insurance, etc.), development of circular migration programs, temporary stays, and seasonal work engagements, and/or remigration, although to varying degrees, are included in the strategies of all WB countries.

In the area of access to social insurance and pension transfers for the diaspora, in North Macedonia, among other things, it is stated that the communication between the competent institutions and their efficiency in approving requests for social insurance and timely payment of pensions to citizens in/from the diaspora should be improved. A special goal in the Serbian Economic Migration Strategy is to create conditions for monitoring, encouraging, and supporting the return and circular migration. To have a better insight into the development potentials of circular migration, the importance of researching this phenomenon is emphasized. Regarding return and circular migration, the institutionalization and greater social affirmation of programs as well as the development of regular monitoring mechanisms are foreseen. The need for measures to strengthen appropriate technical and human capacities is emphasized to improve the collection of data on return and circular migration. The Albanian strategy documents state that circular migration between Albania and the host countries should be assessed and encouraged through preferential measures or bilateral agreements negotiation. A special reassessment in cooperation with the EU countries and specific projects to facilitate the implementation of employment agreements is also envisaged. Negotiations related to the signing of bilateral agreements on social protection are also planned. One of the designed measures is the implementation of

<sup>18</sup> Since 2012, a local migration council has been formed in almost all local self-government units as the main local body dealing with migration management: local administration, police administration, employment service, school administration, local trustee, health center, center for social work, Red Cross and civil society organizations. In 2012, all local migration councils were trained in the basics of migration management organized by KIRS and IOM. (The handbook entitled Migration and Local Development, created within the project "Mainstreaming Migration into National Development Strategies", implemented by IOM and UNDP, funded by the Swiss Agency for Development and Cooperation), <https://serbia.iom.int/sites/default/files/publications/documents/Prirucnik%20o%20migracijama%20i%20lokalnom%20razvoju.pdf>, (accessed 5 September 2020).

<sup>19</sup> In order to overcome the possible problem of stronger emigration of skills and talents after EU accession, in 2019 the Government of Serbia formed the Coordination Body for Monitoring Economic Migration Flows in Serbia, which included professionals from various fields: competent ministers, members of the academic community, representatives of state statistics, employers and successful businessmen, as well as representatives of large trade unions. The result of this cooperation is the recently adopted Economic Migration Strategy for the period 2021-2027. J. Predojević-Despić, Brain Gain Policies in the Western Balkans: Challenges and Potential Initiatives, 2020, a paper presented at the Digital Conference "Emigration from the Western Balkans – Addressing the Challenge", Aspen Institute Germany, Berlin, September 10-11, 2020.

awareness-raising campaigns on violations of migrant rights. It is stated that the new policy needs to consider the growing role of the private sector (including recruiters and recruitment agencies) as a direct service provider on labor migration. Therefore, the plan for establishing high-level bilateral consultative committees with host countries for the protection of the rights of the Albanian diaspora communities is of great importance.

**Development of a framework for temporary and circular migration, return, and reintegration.** The development of a temporary and circular migration framework is considered to reduce emigration pressure and avoid permanent departure, especially by skilled workers and their families. Along with the envisaged measures to improve living and working conditions in the country, most WB countries emphasize in their migration strategies the need to create better conditions for the return and reintegration of expatriates, especially those whose professional qualifications are in demand in the countries of origin. In addition, the measures aimed at improving communication and cooperation with the diaspora are becoming increasingly common.

In North Macedonia, the need to create a policy for reducing intellectual emigration and the return of highly educated persons from abroad is emphasized. Diaspora mapping and the creation of a database for distinct categories of migrants are also planned. The Strategy for Cooperation with the Diaspora states that there is a need to create preconditions for establishing cooperation with professional diaspora members by stimulating the transfer of knowledge and technology. For example, it is proposed to develop the involvement of the diaspora in the implementation of public-private partnership projects. Kosovo's\* strategy to encourage and promote the return of intellectual potential envisages creating conditions for the engagement of professionals, lecturers, and students from the diaspora in public and private institutions to gain advanced experience in areas of interest. Therefore, there is a pronounced need to complete the registration of the diaspora.

Moreover, the need for the advancement of international cooperation and strengthening the capacity of institutions to better manage circular migration is highlighted. Providing support to emigrants in exercising their rights and interests abroad is of primary importance for the competent state institutions of Bosnia and Herzegovina. The need to create benefits and privileges for return is also emphasized and the measures aimed at mapping the diaspora and their greater contribution to the country's development by establishing mechanisms for mobilizing human resources.

The Serbian strategy emphasizes the need to develop programs to retain human capacity from the category of deficit occupations and create a supportive environment for attracting highly qualified professionals, returnees, and immigrants. A special goal is to improve the cooperation between the diaspora and the home country, to encourage a wide variety of investment options for transnational entrepreneurship through favorable business conditions. Measures are planned to strengthen the cooperation of professionals of various profiles in the country and abroad, and facilitate return after acquiring new knowledge and skills, including developing investment projects and analyses of potential investors and mediation in investment and other activities. It is pointed out that it is necessary to create a proactive attitude of local self-government towards the diaspora.

The Albanian strategy envisages measures of reassessment of policies aimed at promoting the return of skilled migrants. It is also stated that it is necessary to gain a better insight and consider the specific needs of Albanian returnees and migrants, and provide privileges and benefits for returnees whose qualifications are needed in Albania. Although the strategic documents state that institutional structures should be created in Albania to enable the return of talented professionals and prevent the movement of people who have graduated abroad, there is a significant emphasis on the measures for developing cooperation with the diaspora. It is planned to encourage diaspora professionals to apply for different projects through the Development Fund of Diaspora. Other measures for the establishment of registers and databases are foreseen, which should enable more efficient implementation of the national strategy and cooperation with the diaspora: e.g., expansion of the National Civil Registry with data on migrants, the establishment of networks of professional organizations abroad, scholars specialized in the field of migration, etc. The creation of the Diaspora Business Register, among other things, should enable the establishment of better contacts between migrants and businesses in Albania. It is also emphasized that efforts should be made among emigrants to promote consular and diplomatic services through an online platform provided by Albanian diplomatic missions.



**Increasing the international mobility of students and skills.** The strategic migration documents of most WB countries also include measures aimed at improving the international circulation of students and attracting international students as well as foreign workers whose occupations are in demand. The Strategy for Sustainable Development of Montenegro encourages the integration of foreign, especially young and educated, labor forces. It is stated that migration in the country will be significantly affected by the upcoming EU integration and global trends. The development of attractive policies with a view to encouraging foreign citizens to integrate economically is also envisioned in Kosovo\*. Albania highlights that it is important to remove obstacles to the mobility of students and professionals and to promote student exchange programs and internships with host country universities with a high presence of Albanian students. It is emphasized that the quota system for managing labor immigration should be reviewed to enable a better response to the needs of the labor market, which should be periodically monitored and forecast. The Serbian Economic Migration Strategy foresees measures for the development of programs for attracting and including foreigners of various educational profiles in the labor market of the Republic of Serbia. The mobility of students and researchers should be encouraged by harmonizing the education system with the needs of the labor market, emphasizing the monitoring innovations. To strengthen the capacities of higher education institutions to attract international students and researchers is another priority.

**The need for systemic reforms.** For migration measures of countries of origin that enable return and/or cooperation with the diaspora to achieve a positive effect, it is necessary to implement measures aimed at a favorable environment for social and economic prosperity, the rule of law, high-quality public services and the highest standards of education and health care, along with the prevention of systemic corruption and the practice of nepotism and clientelism, etc. As the first step in achieving this goal, strategic migration documents must emphasize the need for systemic reforms. The special goal of the Serbian Economic Migration Strategy is the improvement of living and working conditions in the economic and social sectors. This goal is planned to be achieved through structural reforms and raising the capacity and efficiency of the public sector and strengthening institutional capacities. The emphasis is placed on creating incentives to attract direct investment, starting own businesses, developing an economy based on knowledge and innovation, and strengthening the fight for the rule of law against corruption and nepotism. The Albanian Strategy of Diaspora states: Despite the documents produced by the state policy, little concrete action has been taken to make the diaspora feel welcome in developing the country of origin. Even when they try to invest in it, they often face bureaucracy and corruption. Therefore, the measures that should create a favorable home country environment for the Albanian diaspora are fiscal incentives, information dissemination, avoidance of corruption, risk reduction, avoidance of import taxation for machinery, equipment and raw materials for investment, the abolition of tax corporation, and the reduction of the number of procedures for obtaining construction permits.

## **Overview of Main Programs, Projects, and Initiatives in the WB Mainly Supported by International Actors**

**Building legislation, inter-institutional cooperation, and capacity of national and local actors.** Progress in building legislation improved inter-institutional cooperation, and capacities of national and local stakeholders in the WB countries have been increased through project cooperation with international organizations, donors, and the civil sector. The project, *Migration for Development in the Western Balkans (MIDWEB)*,<sup>20</sup> led by IOM, was implemented between 2010 and 2012 in all WB countries. The project aimed to re-establish public services in post-war countries through temporary skills transfers of diaspora members. Although networking was significant and improved governance in deficit sectors, the relatively short time spent by diaspora professionals in countries of origin did not allow for significant knowledge transfers. The MIDWEB project focused particularly on capacity-building in certain fields of local organizations. Its important contribution is that it has enabled the strengthening of the capacity of migration service centers, mainly in national employment services (NES). These centers were later further developed. Their services became available not only in the capitals but also in other major towns. Over time, they have become significant factors in providing easy access to information for emigration, temporary departure abroad, and

<sup>20</sup> For more information see: International Organization for Migration (IOM), MIDWEB: Migration for Development in the Western Balkans, <https://austria.iom.int/en/midweb-migration-development-western-balkans>, (accessed 2 September 2020).

reintegration programs for returnees. However, their work should be continuously improved, and certain obstacles need to be removed. For example, a legal framework needs to be built in Albania to exploit the potential of the migration counters. The lack of labor agreements with the EU Member States has significantly limited their ability to serve potential migrants fully.<sup>21</sup> The Kosovo\* Employment Agency has provided counseling services at the municipal level and is currently developing an online module to provide complete labor migration information.

The EU funded CBMM<sup>22</sup> project (2010-2013) is important for improving migration management and the global project *Mainstreaming Migration into National Development Strategies*<sup>23</sup> (2014-2018), implemented in Serbia by IOM, UNDP, etc. The latter also focused on the local level of governance<sup>24</sup> and gave important proposals for improving specific inter-governmental coordination mechanisms in migration management. The projects of the Ministry of Human Rights and Refugees which are important for Bosnia and Herzegovina are *Migration and Development: mainstreaming the concept of migration and development into relevant policies, plans, and activities in Bosnia and Herzegovina*,<sup>25</sup> as well as the *Diaspora for Development (D4D)*.<sup>26</sup> By reviewing challenges and opportunities for using migration in the function of development, the projects improve, as stated, mostly unstructured and sporadic cooperation between actors at different government levels, and improve the preconditions for including emigration and the diaspora in integrated development strategies in Bosnia and Herzegovina. To improve the legal framework for evidence-based migration-related policies in Kosovo\*, the Swiss State Secretariat for Migration is implementing the project *Strengthening Migration Management Authorities in Kosovo\* (MIMAK)*.<sup>27</sup> The main objectives are to support management and coordination among stakeholders and strengthen the role of the National Coordinator on Migration. In this regard, it is important to develop the capacities of the Government Authority on Migration, particularly related to the developmental impacts of migration, and to better inform the population on the benefits of regular migration and the consequences of irregular migration. In 2017, the Government of Albania, through international cooperation with the World Bank and Harvard University, achieved significant progress in maximizing the labor migration of Albanians and its impact on the economy and society as a focus of migration management policies.<sup>28</sup>

The *Global Program Migration and Diaspora* commissioned by the German Federal Ministry for Economic Cooperation and Development, implemented by the German Corporation for International Cooperation (GIZ), is realized in the WB in Serbia, Albania, and Kosovo\*, and through one of the components of the *Program Migration & Diaspora*.<sup>29</sup> It advises governments and international partners on policy, organizational and strategy development relating to migration. For example, in Kosovo\*, there is cooperation with the competent ministries in managing regular labor migration and adopting the Diaspora Law and Diaspora Strategy 2019-2023. In Serbia, in partnership with the competent ministry, the Economic Migration Strategy of the Republic of Serbia for the period 2021-2027 has been developed, while extensive activities on the preparation of the Action Plan are underway.

<sup>21</sup> A. Krasteva et al., Maximizing the Development Impact of Labor Migration in the Western Balkans. Final Report.

<sup>22</sup> IOM 'Capacity Building of Institutions Involved in Migration Management and Reintegration of Returnees in the Republic of Serbia' project. For more information: <https://returnandintegration.iom.int/en/resources/report/capacity-building-institutions-involved-migration-management-and-reintegration>, (accessed 5 September 2020).

<sup>23</sup> For more information: <https://www.iom.int/mainstreaming-migration-national-development-strategies>, (accessed 5 September 2020).

<sup>24</sup> Handbook Migration and Local Development, created within the project 'Mainstreaming Migration into National Development Strategies', implemented by IOM and UNDP, funded by the Swiss Agency for Development and Cooperation (SDC), <https://serbia.iom.int/sites/default/files/publications/documents/Prirucnik%20o%20migracijama%20i%20lokalnom%20razvoju.pdf>, (accessed on 5 September 2020).

<sup>25</sup> For more information: [www.sa.undp.org/dam/docs](http://www.sa.undp.org/dam/docs), (accessed 4 September 2020).

<sup>26</sup> 'Mainstreaming the concept of migration and development into relevant policies, plans and activities in Bosnia and Herzegovina: Diaspora for Development (D4D)' is a project of the Government of Switzerland and the Ministry of Human Rights and Refugees of Bosnia and Herzegovina, in partnership with UNDP and IOM, in the period 2016-2020. For more information: [http://www.ba.undp.org/content/bosnia\\_and\\_herzegovina/bs/home/operations/projects/poverty\\_reduction/migration-and-development1.htm](http://www.ba.undp.org/content/bosnia_and_herzegovina/bs/home/operations/projects/poverty_reduction/migration-and-development1.htm), (accessed 4 September 2020).

<sup>27</sup> For more information: <https://www.icmpd.org/our-work/capacity-building/regions/western-balkans-and-turkey/ongoing-projects/>, (accessed 4 September 2020).

<sup>28</sup> A. Krasteva et al., Maximizing the Development Impact of Labor Migration in the Western Balkans. Final Report.

<sup>29</sup> For more information: <https://www.giz.de/en/worldwide/78803.html>, (accessed 12 August 2020).

**Improvement of the possibilities for wider representation of circular migration.** In cooperation with the state institutions of the WB countries, GIZ has significantly promoted the importance of circular migration in the last ten years and improved the possibilities for their wider representation in the WB. Within the global project *Program Migration for Development (PME)*, implemented in Serbia, Albania, and Kosovo\*, the *German Information Centre for Migration, Training, and Career (DIMAK)* was established within national employment services, i.e., Migration Service Centers.<sup>30</sup> The aim was to provide reliable information and advice on the benefits of working in Germany, on training, study, and professional development, as well as a legal departure to Germany, professional advancement, and job opportunities. At DIMAK, returnees from Germany and third countries are advised on social and economic reintegration in the country of origin. In addition, DIMAK strengthens the capacities of employees in national employment services through on-the-job training. GIZ implemented the project *Triple Win Nurses – Sustainable Recruitment of Nurses in the WB* between 2013 and 2020 in Serbia and Bosnia and Herzegovina in partnership with national employment services. The project has the form of a global skill partnership and provides for mediation in finding employment in Germany, under the same conditions as people already working in Germany, assistance in language and professional preparation, and monitoring the departure of candidates and their integration in Germany. They are employed in hospitals and homes for the elderly as health care assistants (until their diplomas are recognized) and after that as qualified health workers. About 1,400 medical workers have been employed and settled in Germany. It is emphasized that the project provides benefits not only for migrants and the destination country but also for the country of origin, through the possibility of sending remittances and reducing the number of unemployed medical staff. However, not only the unemployed but also employed candidates had the right to apply. After the validation of diplomas, it was possible to obtain a permanent residence permit in Germany. Therefore, the certainty of the win effect for countries of origin must be called into question. GIZ's initiative to provide the youth from Kosovo\* with two years of professional training and work in Germany has been expanded by interventions that include entrepreneurship training for youth to prepare them to start a business in Kosovo\* and transfer their skills to their homeland after completing their training in Germany.<sup>31</sup>

**Creating conditions for the return to countries of origin.** The *Brain Gain Program*, implemented by the Albanian government between 2006 and 2011 with UNDP's support, was among the first in the WB to recognize the importance of strengthening institutional capacities to create conditions for the return to the countries of origin. The program aimed to integrate the highly skilled and scientific diaspora into the socio-economic development of the country of origin through defined measures gathered in one place and to encourage the return of professionals. It is stated that the program managed to bring back 138 highly qualified individuals to the country and paved the way for significant returns of highly qualified individuals to be employed in various sectors. However, the effects of the program were limited.<sup>32</sup> Among the main reasons is the project's unsecured sustainability after its completion: interruption of funding, insufficient cooperation, and coordination between stakeholders in implementation, and the lack of evaluation of the achieved results and effects.<sup>33</sup>

Other international projects in the WB aimed at responding to the wave of brain drain. Using the diaspora's potential can also have similar limitations: state institutions did not play an active role in implementation, and project sustainability was not ensured. On the other hand, the implementation of several projects was successful, and good results were achieved, such as, for example, the *Temporary Return of Qualified Nationals Project*<sup>34</sup> (2006-2008), implemented by IOM in Bosnia and Herzegovina, Kosovo\*, Montenegro, and Serbia, as well as the *Brain Gain Program* developed by World University Service Austria (2002-2011). It was implemented in Bosnia and Herzegovina, Kosovo\*, Montenegro, and Serbia. The program targeted the

<sup>30</sup> For more information on the Program Migration for Development, <https://www.giz.de/en/worldwide/20626.html>, (accessed 9 September 2020).

<sup>31</sup> A. Krasteva et al., Maximizing the Development Impact of Labor Migration in the Western Balkans. Final Report.

<sup>32</sup> I. Gëdeshi, R. King, Research Study on Brain Gain: Reversing Brain Drain with Albanian Scientific Diaspora, Tirana: UNDP, 2018, [https://www.undp.org/content/dam/albania/docs/Brain\\_Gain%20web.pdf](https://www.undp.org/content/dam/albania/docs/Brain_Gain%20web.pdf), (accessed 9 September 2020).

<sup>33</sup> T. Pavlov, B. Zeneli, National Brain Gain Policies in WB Country Examples, in: Skilled Migration and Development Practices, Bern, SDC, 2013, pp.45–64.

<sup>34</sup> For more information on the TRQN Project, <https://serbia.iom.int/projects/temporary-return-qualified-nationals-trqn-project-making-contribution-reconstruction-and>, (accessed 9 September 2020).

temporary return of scholars from the former Yugoslavia to the region for teaching and researching purposes and enabled the implementation of over 600 guest lectures by scholars who had emigrated from the region. *Transfer of Knowledge through Expatriate Nationals (TOKTEN)*, a UNDP program, also engaged qualified expatriate nationals from the diaspora and local professionals to serve in key capacities in national institutions.

*The Zoran Djindjic Internship Program of German Business for the Countries of the Western Balkans*, which has been supported by GIZ for about 15 years, provides up to 75 scholarships each year, offering young graduates and students from the WB the opportunity to do internships for three to six months in leading German companies.<sup>35</sup> In addition, an alumni network has been established, which is numerous and active. It also turned out that most participants got a job or continued their studies after the internship. One of the most important achievements of the program is that it has a significant influence on regional understanding and networking.

An incentive that has the potential for growth of mobility and capacity-building of scientific institutions is the program of the newly formed Science Fund in Serbia. The program, launched at the end of 2019, enables short-term visits and joint activities of researchers from Serbia with professionals from the diaspora. Although it is possible to involve researchers from the diaspora in other scientific projects, funding is provided only for domestic researchers.<sup>36</sup>

Moreover, the association called *Returning Point*, founded by associations of professionals in the diaspora and Science Technology Park Belgrade and supported by UNDP, also has good development potential.<sup>37</sup> The association was established on the initiative of the Government of Serbia to create the best possible conditions for the implementation of the Economic Migration Strategy and to strengthen the Serbian industry's innovation potential by using the potential of the diaspora. In that sense, this organization provides ideas and proposals from the diaspora for consideration by the highest executives. One member of Returning Point is always an associate member of the Prime Minister's Office. Although the association was founded relatively recently, significant results have been achieved, such as mediation in providing tax and customs benefits for returnees. Therefore, it is very important to ensure the work of this organization when the project funding is completed.

The *Kosovo\* Mobility Platform* initiative, developed as a pilot project on circular migration by the Employment Agency, in collaboration with GIZ, equips potential labor migrants with better information, education, and prospects for return. However, the platform focuses only on the social services sector and, in particular, on care activities. However, if properly managed and developed, it has the potential for much wider implementation in promoting circular migration in Kosovo\*.<sup>38</sup>

**Improving the international migration statistics system.** The lack of a reliable, regular system to monitor migration flows, the unavailability of data on the characteristics of emigrants from the WB countries, and the consequences of emigration, as well as the lack of systematic data on various aspects of the diaspora are the basic challenges that hinder formulation and implementation of the effective and evidence-based migration policy responses. The partnership between the EU, international organizations, and national statistical institutes in all WB countries has existed for a long time. Numerous projects have enabled huge progress in many segments of the data production systems in general. However, migration-related data remains a challenge in the WB. In addition, data on emigration is still a difficult problem to solve in most EU countries. One of the important reasons is the increase in temporary and circular migration.

<sup>35</sup> For more information: The Zoran Djindjic Internship Program of German Business for the Countries of the Western Balkans, <https://www.giz.de/en/worldwide/20626.html>, (accessed 4 September 2020).

<sup>36</sup> Within the first public call of the Serbian Science and Diaspora Program: Vouchers for Knowledge Exchange, the Science Fund will finance 92 projects. The duration of the projects is up to one year. This program is the first of three planned programs within the Development of Cooperation with the Diaspora. For more information about The Science Fund Serbia: <http://fondzanauku.gov.rs/poziv/2019/11/dijaspora/>, (accessed 4 June 2020).

<sup>37</sup> Returning Point is a platform whose mission is to provide the Serbian diaspora with information on all ways to get in touch with Serbia, and the possibilities for providing assistance as well as the circulation of information for individuals who want to return to the country. For more information: <https://tackapovratka.rs/?lang=en>, accessed 31/8/2020, (accessed 9 September 2020).

<sup>38</sup> M. Sauer, S. Kllloqi, Circular Migration as a Policy Tool to Foster Development in Kosovo, Eastern European Social Policy Network, Compilation of Workshop Papers, European Centre Vienna, 2017, [https://eespn.euro.centre.org/wp-content/uploads/2017/03/BB\\_Report\\_final\\_small.pdf](https://eespn.euro.centre.org/wp-content/uploads/2017/03/BB_Report_final_small.pdf), (accessed 12 September 2020).



Numerous international projects have aimed to find solutions to complex challenges in providing internationally comparable data and making it available for many stakeholders. Among them are EU funded projects in which partners from the WB also participated. Their goal was to achieve innovative solutions by connecting professionals in statistics, science, and public administration at the national and local levels and empower public administrations to develop and implement policies and strategies using enhanced datasets and empirical evidence. Some of the most important projects are: *Managing Migration and its Effects in South-East Europe: Transnational Actions Towards Evidence-Based Strategies (SEEMIG)*<sup>39</sup> and *Making Migration Work for Development – Policy Tools for Strategic Planning in SEE Regions and Cities (MMWD)*<sup>40</sup>. Furthermore, strategic projects funded by the European Union's Interreg Danube Transnational Program and the South-East Europe Program were also instrumental in this effort, for instance the projects *Improving Institutional Capacities and Fostering Cooperation to Tackle the Impacts of Transnational Youth Migration (YOUMIG)*<sup>41</sup>, *Danube Region Information Platform for Economic Integration of Migrants (DRIM)* and *Changing Discourses, Changing Practices: The Roma as Human Resource (RARE)*. Given that the same or very similar challenges associated with migration data collection and definitions are present in all WB countries, the experiences and results achieved in these and similar projects can be a good basis for establishing stronger regional cooperation to find solutions applicable throughout the WB region.

### Measures to Foster Circular Migration and Re-migration: Possible Policy Measures and Initiatives

One of the most important reasons for the significant increase in the interest of policymakers in circular migration<sup>42</sup> is that it is believed that it can contribute to creating flexible labor markets and that it has a strong potential to provide development benefits of labor migration.<sup>43</sup> However, for development benefits to be felt in countries of destination and origin and for migrant workers to be winners in circular schemes, the concept of circular migration must be understood much more broadly than the usual temporary contract labor migration.

**Circular migration must be properly regulated and well managed.**<sup>44</sup> However, over the past decades, temporary migration programs have often generated strong public opposition, mostly related to the exploitation of migrant workers and rights abuses, while examples of good practice are rare and/or short-lived. On the other hand, the development of the framework and the wider representation of managed circular migration programs, such as EU circulation migration schemes and mobility partnerships,<sup>45</sup> are believed to increase safer legal

<sup>39</sup> For more information: <https://www.demografia.hu/en/seemig>, (accessed 12 September 2020).

<sup>40</sup> For more information: [http://southeast-europe.net/en/projects/approved\\_projects/?id=167](http://southeast-europe.net/en/projects/approved_projects/?id=167), (accessed 12 September 2020).

<sup>41</sup> For more information: YOUMIG, DRIM and RARE projects [http://www.interreg-danube.eu/approved-projects?approved\\_project\\_filter%5Bcall%5D=79&approved\\_project\\_filter%5Bstatus%5D=&approved\\_project\\_filter%5Bpriority%5D=68&approved\\_project\\_filter%5Bacronym%5D=&approved\\_project\\_filter%5B\\_token%5D=uhf-rZOEmSWY43n\\_0B](http://www.interreg-danube.eu/approved-projects?approved_project_filter%5Bcall%5D=79&approved_project_filter%5Bstatus%5D=&approved_project_filter%5Bpriority%5D=68&approved_project_filter%5Bacronym%5D=&approved_project_filter%5B_token%5D=uhf-rZOEmSWY43n_0B), (accessed 12 September 2020).

<sup>42</sup> There is considerable variation among definitions of temporary and circular migration. In general, very few countries have existing definitions of temporary or circular migration. Therefore, statistics on temporary and circular migration are a great challenge. Temporary migration is usually defined as “migration for a specific motivation and/or purpose with the intention that, afterwards, there will be a return to country of origin or onward movement.” Circular migration is “frequently related to short-term residence that may be subject to little or no administrative recording, particularly if a residence permit has already been granted in the context of a previous stay or if a migrant is a citizen of the countries he or she migrates to/from (double or multiple citizenship).” To produce comparable statistical information and to analyze the developmental impact of circular migration, countries need to have a common definition. United Nations, Economic Commission for Europe, *Defining and Measuring Circular Migration*. Final report of the Task Force on Measuring Circular Migration, Conference of European Statisticians, Luxembourg, 9-10 February 2016, [https://www.unece.org/fileadmin/DAM/stats/documents/ece/ces/bur/2016/February/14-Add1\\_Circular\\_migration.pdf](https://www.unece.org/fileadmin/DAM/stats/documents/ece/ces/bur/2016/February/14-Add1_Circular_migration.pdf), (accessed 15 October 2020); European Union, *Temporary and Circular Migration: empirical evidence, current policy practice and future options in EU Member States*. Luxembourg: Publications Office of the European Union, 2011, [https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/networks/european\\_migration\\_network/reports/docs/emn-studies/circular-migration/0a-emn\\_synthesis\\_report\\_temporary\\_circular\\_migration\\_final\\_sept\\_2011\\_en.pdf](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/networks/european_migration_network/reports/docs/emn-studies/circular-migration/0a-emn_synthesis_report_temporary_circular_migration_final_sept_2011_en.pdf), (accessed 15 October 2020).

<sup>43</sup> P. Wickramasekara, *Circular Migration: A Triple Win or a Dead End?* International Labor Office, Bureau for Workers' Activities (ACTRAV), Geneva: ILO, GURN discussion paper; no.15, 2011, <http://www.migration4development.org/sites/m4d.emakina-eu.net/files/no15-mar11-circular-migration-a-triple-win-or-a-dead-end.pdf>, (accessed 13 September 2020).

<sup>44</sup> G. Hugo, *What We Know about Circular Migration and Enhanced Mobility*. Migration Policy Institute, Migration and Development, Policy Brief, No.7, 2013, <https://www.migrationpolicy.org/research/what-we-know-about-circular-migration-and-enhanced-mobility>, (accessed 9 September 2020).

<sup>45</sup> P. Wickramasekara, *Circular Migration: A Triple Win or a Dead End?* Geneva: ILO. 2011.

migration opportunities.<sup>46</sup> However, research shows that not all internal labor market gaps can be addressed through circular migration. It can represent only one among the many employment strategies implemented, and ‘permanent’ migration policies would also have to be supported.<sup>47</sup> It should also be clarified under what conditions a temporary stay can be transformed into a permanent stay.<sup>48</sup>

**There are large differences in the categories of migrants who can participate in circular migration.** It is stated that mostly only highly skilled professionals, entrepreneurs, and researchers benefit from such migration arrangements. Simultaneously, in the EU, for example, unskilled and low-skilled third-country nationals have very limited opportunities to migrate for employment despite the high demand for their services. Although there are very few legal admission channels for low-skilled migrants, most are reserved for male-dominated industries. Such a situation puts migrant women in an unfavorable position, especially those who perform non-seasonal low-wage labor, such as domestic and care jobs.<sup>49</sup> In addition, most migration programs do not take into account workers in an irregular status in the EU. It is considered that only through their inclusion in well-designed policy responses will their absorption into labor markets or dignified return be enabled.<sup>50</sup>

The impact of different categories of migrants on the development of both destinations and countries of origin must also be considered. High-skilled migrants and professionals are much more welcome and are considered much more relevant for the economies of destination and origin countries. However, the sudden changes in labor markets caused by the Covid-19 pandemic and the lockdown show that even the low-skilled, often portrayed as undesirable by the receiving societies, represent the categories of workers essential to economies.<sup>51</sup> This fact is especially true for health and care workers, cleaners, seasonal agriculture workers, etc. In Canada, there are growing demands about the need to redefine parts of the immigration program and regard immigration as an economic driver and in a completely new way, i.e. to be part of the strategy towards securing health and security.<sup>52</sup> Therefore, it is considered of utmost importance to take measures to ensure that migrant workers’ rights are protected, given that precarious workers are indispensable factors of economies rather than accessories.<sup>53</sup>

**Labor migration governance falls largely under the jurisdiction of individual sovereign states.** Bilateral agreements are the preferred path for many countries; however, they are not binding.<sup>54</sup> Unlike refugees, there are no clear normative and institutional frameworks governing their access to rights for labor migrants. Although progress has been made in normative developments, respect for migrants’ rights in national legislation is far from satisfactory.<sup>55</sup> The exploitation of migrant workers, poor working and accommodation conditions, long working hours, low wages, and high commissions of employment agencies or other often illegal intermediaries are just some of the violations of workers’ rights involved in temporary working programs. Therefore, it is necessary to work devotedly to combat fraud throughout the recruitment process and protect migrant workers against abuse and dependence on the will of agencies or employers. In the WB, for

<sup>46</sup> K. Newland, D. R. Agunas, Circular Migration and Development: Trends, Policy Routes and Ways Forward. Migration Policy Institute, Program on Migrants, migration and development, Policy Brief, April, 2007, <https://www.migrationpolicy.org/research/circular-migration-and-development-trends-policy-routes-and-ways-forward>, (accessed 9 September 2020).

<sup>47</sup> A. Venturini, Circular migration as an employment strategy for Mediterranean countries. CARIM analytic and synthetic notes 2008/39, Robert Schuman Centre for Advanced Studies, Florence, 2008, [http://migration4development.org.630elm.p01.blackmes.h.com/sites/default/files/A\\_Venturini\\_2008\\_Circular\\_Migration\\_as\\_an\\_Employment\\_Strategy\\_for\\_Mediterranean\\_Countries.pdf](http://migration4development.org.630elm.p01.blackmes.h.com/sites/default/files/A_Venturini_2008_Circular_Migration_as_an_Employment_Strategy_for_Mediterranean_Countries.pdf), (accessed 9 September 2020).

<sup>48</sup> P. Wickramasekara, Circular Migration: A Triple Win or a Dead End? Geneva: ILO, 2011.

<sup>49</sup> K. Newland, A. Riester, Legal Migration Pathways for Low-Skilled Workers. Migration Policy Institute: Towards a Global Compact for Migration: A development Perspective, Issue No.3, 2018, <https://www.migrationpolicy.org/sites/default/files/publications/LegalPathwaysLowSkilledWorkers-FINAL.pdf>, (accessed 9 September 2020).

<sup>50</sup> P. Wickramasekara, Circular Migration: A Triple Win or a Dead End? Geneva: ILO, 2011.

<sup>51</sup> M. Andriescu, Pandemic, Europe Feels the Pinch from Slowed Intra-EU Labor Mobility. Migration Policy Institute: Migration Information Source, 2020, <https://www.migrationpolicy.org/article/covid19-europe-feels-pinch-slowed-intra-eu-labor-mobility>, (accessed 9 September 2020).

<sup>52</sup> First Policy Response, COVID-19 Six Months Later: A conversation with Senator Ratna Omidvar. Canada must make it easier for essential workers to immigrate. Immigration Policy, 17 September 2020, <https://policyresponse.ca/canada-must-make-it-easier-for-essential-workers-to-immigrate/>, (accessed 20 September 2020).

<sup>53</sup> M. Andriescu, Pandemic, Europe feels the pinch from slowed Intra-EU Labor Mobility, 2020.

<sup>54</sup> K. Newland, A. Riester, Legal Migration Pathways for Low-Skilled Workers, 2018.

<sup>55</sup> F. Crepeau, I. Atak, Global Migration Governance. Avoiding Commitments on Human Rights, yet Tracing a Course for Cooperation, Netherlands Quarterly of Human Rights, Vol. 34. No. 2, 2016, pp.113-146.



example, after the initiation of the WB Regulation, a rapid growth of employment agencies was recorded in a short period. In some cases, questionable employment strategies were applied.<sup>56</sup> Therefore, it is necessary to provide clear and accessible information for all participants in the migration process, especially migrants themselves. Well-planned communication strategies significantly reduce the risks of misuse.<sup>57</sup> In this regard, establishing a system that registers, controls, and screens employers wishing to hire immigrants, such as the German WB Regulation proposal, is especially important. As stated, this would significantly contribute to the growth of public trust in the system, which is a key determinant of any migration policy.<sup>58</sup>

It is also necessary **to work on expanding the legal channels for international recruitment**. In this sense, good cooperation between countries of origin and destination is crucial. In this way, numerous obstacles to the development of circular migration programs can be removed more efficiently. Numerous actors involved in facilitating international migration, collectively known as the ‘migration industry’, can do a great deal to help provide better conditions for migrants and make better use of migration for development. However, for many of them, migration has become a business, and they benefit from an insufficiently defined policy framework and communication strategies.<sup>59</sup> In addition, it is impossible in most countries to implement a smooth circular migration system due to the lack of staff trained and experienced in this field.<sup>60</sup>

Considering the previous experiences and cooperation between National Employment Services (NES) and GIZ, the WB needs to develop the potential of DIMAK in the WB, especially in terms of expanding opportunities for circular migration programs. In this sense, the services of migration service centers should be developed and expanded, and the capacity of NES staff should be strengthened. Moreover, the expansion of activities to other countries in the region and other destination countries should be considered. Good practice examples from other countries can be further developed to protect migrants’ rights, especially low-skilled workers. For example, certain recruitment agencies in Haiti do not charge the usual high commissions for agricultural workers. In several countries under the *Seasonal and Agricultural Workers Program*, IOM has participated in recruiting workers through bilateral agreements. Several countries use only government agencies to hire migrant workers.<sup>61</sup>

The development of circular migration policies can be considered successful only if it equally considers the interests and development effects of migrants’ destination and origin. One recommendation for improving the German WB Regulation<sup>62</sup> is that the potential negative effects among the labor force of the countries of origin must be examined in advance. It is emphasized that potential shortages in the labor markets of countries of origin should be prevented, especially in the supply of skilled workers and possible down-skilling of engaged migrants in destination countries. In this regard, the policy development in destination countries should build a model consisting of the harmonized relations between circular and permanent migration channels. This fact will affect the promotion of international labor mobility. In this regard, immigration policy should allow for a flexible visa regime that will reduce administrative procedures and the time required to obtain work visas. In this way, circular migration would gain significant momentum. Although visa regimes for high and medium-skilled workers are more favorable, a step forward needs to be made in this regard. For example, procedures should be shortened, or the dependence of migrants on the employer, as is the case with H-1B visa holders in the United States. Allowing temporary migrants to obtain visas to repeat the temporary stay has, in some cases, proved to be very useful, as migrants do not have to be separated from their families for long periods, and experience has shown that when migrants can circulate freely, they generally do so.<sup>63</sup> In addition,

<sup>56</sup> J. Bither, A. Ziebarth, *Creating Legal Pathways to Reduce Irregular Migration? What We Can Learn from Germany’s “Western Balkan Regulation”*. Migration Strategy Group on International Cooperation and Development, 2018, <https://www.gmfus.org/publications/creating-legal-pathways-reduce-irregular-migration-what-we-can-learn-germanys-western>, (accessed 9 September 2020).

<sup>57</sup> Ibid.

<sup>58</sup> Ibid.

<sup>59</sup> G. Hugo, *What we know about circular migration and enhanced mobility*, 2015.

<sup>60</sup> Ibid.

<sup>61</sup> K. Newland, A. Riester, *Legal Migration Pathways for Low-Skilled Workers*, 2018.

<sup>62</sup> J. Bither, A. Ziebarth, *Creating Legal Pathways to Reduce Irregular Migration? What We Can Learn from Germany’s “Western Balkan Regulation”*, 2018.

<sup>63</sup> By K. Newland, D. R. Mendoza, A. Terrazas, *Learning by Doing: Experiences of Circular Migration*. Migration Policy Institute: Insight, Program on Migrants, Migration and Development, September 2008, <https://www.migrationpolicy.org/research/learning-by-doing-experiences-circular-migration>, (accessed 9 September 2020).

New Zealand's program to support seasonal migration within the development framework of the *Recognized Seasonal Employer Scheme* has managed to significantly increase salaries and achieve development effects in sending countries involved in the program.<sup>64</sup> Spain has encouraged circular migration through the possibility of seasonal migrants who return to their countries of origin for four successive years and register with the Spanish consulate or embassy to obtain permanent residency.<sup>65</sup>

The policy should include measures to reduce the costs and negative effects of migration. Among the most significant are measures that minimize the family disruption caused by circular migration.<sup>66</sup> Temporary migrants also need to be included in immigration and integration programs available to other migrants. It is important to enabling better living conditions, such as for migrants to have decent housing while periodically staying in destination countries. Among the measures that can significantly encourage circular migration and the return of migrants to their countries of origin are the development of opportunities for portable social welfare benefits, pensions, health, and life insurance.<sup>67</sup>

To make the most of development benefits, **countries of origin should also direct policy development towards measures that integrate circular migration into development programs.** Moreover, the success of policies should not only be measured by the volume of return. However, it must also consider the impact of return migration on migrants' welfare and their households.<sup>68</sup> In addition, conditions should be created in the country to encourage expatriates to return, use human and social capital gained abroad, and invest in the origin country. In this sense, the already started development of cooperation between the governments of the countries of origin and destination through migration programs and agencies should be further strengthened. However, effective problem-solving requires expanding the migration and integration-related issues to wider plans. It is believed that development agencies at both ends of the migration process should, through joint efforts, integrate migration into their development actions and processes.<sup>69</sup>

One of the biggest challenges for policymakers is designing useful programs and strategies that support returnees and the local communities to which they return. The **development of efficient reintegration services** is among the first and perhaps the most important steps in this direction. The experiences of Mexico and the countries of Central America<sup>70</sup> show that the development of reception and reintegration services must provide different types of both general and individually tailored services. A well-functioning coordination of a large number of actors involved in this work is also very important as well as efforts made to include as many beneficiaries as possible in the services, i.e., to make the services available at the municipal level. In addition, it was crucial for the services' development that they were government-led. It is emphasized that good organization and coordination between the government and the NGO sector was often lacking. However, efforts to identify the socio-demographic characteristics of returnees and the characteristics of their migration process immediately upon return, and in some cases even before that, have made it possible to enhance the capacity to target services according to the needs and characteristics of the migrants.<sup>71</sup>

**The role of civil society organizations in implementing the program is enormous,** not only in providing services in cases where public services cannot do so. They are mainly responsible for designing specific services according to the needs of returnees. Networks of psychosocial support and assistance to returnees were largely formed through them.<sup>72</sup> These services were designed mainly on a one-stop basis. Their centers were located mainly within the municipal administration building to be as accessible as possible to migrants.

<sup>64</sup> K. Newland, A. Riester, *Legal Migration Pathways for Low-Skilled Workers*, 2018.

<sup>65</sup> By K. Newland, D. R. Mendoza, A. Terrazas, *Learning by Doing: Experiences of Circular Migration*, 2008.

<sup>66</sup> G. Hugo, *What we know about circular migration and enhanced mobility*, 2013.

<sup>67</sup> K. Newland, A. Riester, *Legal Migration Pathways for Low-Skilled Workers*, 2018.

<sup>68</sup> M. Schoch, J. Litchfield, A.H. Tsegay, *The Effect of Return Migration on the Household Welfare: Evidence from Ethiopia. Migrating out of Poverty*, University of Sussex, School of Global Studies, Working Paper 66, 2020, [www.migratingoutofpoverty.org](http://www.migratingoutofpoverty.org), (accessed 9 September 2020).

<sup>69</sup> G. Hugo, *What we know about circular migration and enhanced mobility*, 2013.

<sup>70</sup> R. Soto et al., *Sustainable Reintegration: Strategies to Support Migrants Returning to Mexico and Central America*. Migration Policy Institute, 2019, <https://www.migrationpolicy.org/research/sustainable-reintegration-migrants-mexico-central-america>, (accessed 9 September 2020).

<sup>71</sup> Ibid.

<sup>72</sup> Ibid.

The pilot project's experiences to formulate the one-stop-shop approach for young migrants and returnees in immigration and emigration environments, implemented within the EU funded YOUMIG<sup>73</sup> project, can also be a good basis for further development of this approach in the WB. To empower young migrants by providing relevant and location-specific information concerning their rights, obligations, and opportunities, and any administrative procedures to be undertaken at the local level, a large number of national, regional, and local institutions have been involved in facilitating migration services in strengthened cooperation.

**The reintegration of migrants after returning to the country of origin is one of the most demanding processes.** It involves not only adapting returnees but also local communities. Therefore, reintegration programs are a very important part of the entire process. Only a very small number of migrants in the world have the opportunity to go through reintegration programs. Most programs also focus on including returnees in the labor market while neglecting the structural level's improvement. Programs should be gender-responsive and provide comprehensive services.<sup>74</sup> The reintegration process requires long-term support and significant resources, which the available programs usually cannot meet.<sup>75</sup> Therefore, the long-term effects of the reintegration programs are also in question. For example, the *Beautiful Kosovo Program Phase II* has achieved very good results in short-term employment. However, after the completion of infrastructure projects, it failed to provide any new work without international aid.<sup>76</sup> In addition, low-skilled workers need to be well supported in reintegration opportunities and finding safe, legal ways for temporary work programs. That is why GIZ's initiative in Serbia to establish the e-registration of seasonal workers in agriculture<sup>77</sup> is very important. It is planned to expand the electronic databases to seasonal occupations in other sectors and to include new occupations, such as housework (cleaners, babysitters, etc.). This data would significantly improve the position of migrant women, protect the rights of the most vulnerable categories of migrants, and enable new types of legal entry into the labor markets of destination countries.

**Cooperation with the private sector can give a significant stimulus to the development of reintegration programs.** Large companies can help provide training to returnees, such as the Swedish International Development Cooperation Agency with the Scania Corporation.<sup>78</sup> Migrants and returnees themselves can also join forces in launching start-up companies. A program to support seasonal workers from Colombia on agricultural plantations in Spain was also noticed. They were supported in developing a business plan that migrants could realize upon return.<sup>79</sup> Although it is a less tested option, connecting returnees with companies from destination countries that intend or have already established business activities in the countries of origin of migrants is also an option to be developed. Such and similar ventures should be given broader incentives.<sup>80</sup> The example of engineers returning to Tunisia, who after training in Germany got jobs in German companies in Tunisia, is worth mentioning, even though there are a small number of returnees. In the WB, there is great potential for the development of such initiatives. For example, there has been the Microsoft Development Centre Serbia in Belgrade for a long time, which also employs returnee engineers and unique local talents from Serbia and the WB region.

<sup>73</sup> YOUMIG Project. For more information: [http://www.interreg-danube.eu/uploads/media/approved\\_project\\_output/0001/33/e1bd29695e25b3af211276ebb38c283c54cb06e8.pdf](http://www.interreg-danube.eu/uploads/media/approved_project_output/0001/33/e1bd29695e25b3af211276ebb38c283c54cb06e8.pdf), (accessed 9 September 2020).

<sup>74</sup> P. Wickramasekara, Effective return and reintegration of migrant workers with special focus on ASEAN Member States. International Labor Organization, 2019, [https://www.ilo.org/wcmsp5/groups/public/asia/ro-bangkok/sro-bangkok/documents/publication/wcms\\_733917.pdf](https://www.ilo.org/wcmsp5/groups/public/asia/ro-bangkok/sro-bangkok/documents/publication/wcms_733917.pdf), (accessed 9 September 2020).

<sup>75</sup> K. Newland, B. Salant, Balancing Act. Policy Framework for Migrant Return and Reintegration. Migration Policy Institute: Towards a Global Compact for Migration: a Development Perspective, Issue No.6, 2018, <https://www.migrationpolicy.org/research/policy-frameworks-migrant-return-and-reintegration>, (accessed 9 September 2020).

<sup>76</sup> IOM Office of the Inspector General, Evaluation of the Employment through the Beautiful Kosovo Programme (EU-BK II). Geneva: IOM, 2016.

<sup>77</sup> For more information: Open Regional Fund for South-East Europe – Modernization of Municipal Services, <https://www.giz.de/en/worldwide/31760.html>, (accessed 9 September 2020).

<sup>78</sup> UN Industrial Development Organization (UNIDO), Office for Independent Evaluation, Independent Evaluation: Operations and Industrial Maintenance Training Academy in Erbil, Iraq. Vienna, 2015, [https://www.unido.org/sites/default/files/2015-06/TFIRQ11001-Scania-Erbil-2014\\_0.pdf](https://www.unido.org/sites/default/files/2015-06/TFIRQ11001-Scania-Erbil-2014_0.pdf), (accessed 9 September 2020).

<sup>79</sup> K. Newland, B. Salant, Balancing Act. Policy Framework for Migrant Return and Reintegration, 2018.

<sup>80</sup> K. Hooper, Exploring New Legal Migration Pathways: Lessons from Pilot Projects. Migration Policy Institute, 2019, <https://www.migrationpolicy.org/research/exploring-new-legal-migration-pathways-lessons-pilot-projects>, (accessed 9 September 2020).

It should be emphasized that returnees from the EU are most likely to have access to return and reintegration assistance. In addition, the EU provides the largest number of destination country assistance for reintegration.<sup>81</sup> Among them are very important incentives for the WB countries that GIZ implements through programs in several areas. Most projects aim to encourage structural reforms. Moreover, the global program *Migration for Development* provides advisory services in countries of origin, encourages training and education to gain professional qualifications, and increases job opportunities and social integration.<sup>82</sup> It should be emphasized that during the implementation of the program, GIZ closely cooperates with state institutions and numerous civil society organizations. These programs are also available not only to migrants and returnees but to all those who are interested. Assistance is also available in Germany, where the program focuses on individual advice through reintegration scouts and works closely with towns and communities in Germany.

**For migration to positively impact countries of origin, returnees must have the opportunity to activate knowledge and skills acquired abroad, and savings and social capital in the country of origin.** However, economic opportunities, the mismatch between their skills and labor market needs, and problems with recognizing diplomas obtained abroad are often lacking. In addition, there is often distrust in government institutions and problems in rebuilding social and professional networks, which is important for a sense of belonging to society. There are also cases of social stigma and employment discrimination, especially regarding the low-skilled and forced returnees.<sup>83</sup>

Given that return migration is one of the main factors of the migration-development nexus (along with remittances and diaspora engagement),<sup>84</sup> it is necessary to develop policy measures to enhance awareness of migrants' needs. In addition, awareness should be raised that the transfer of skills and knowledge by expatriates and returnees is of great added value for the country of origin.<sup>85</sup> In this regard, countries of origin should develop pilot programs that emphasize the importance of scientific and cultural-artistic projects with migrants and returnees and the development of economic opportunities, and transnational and returnee entrepreneurship.

It is very important to expand the possibilities of informing the target groups of migrants and returnees in the country and abroad to facilitate access to opportunities in the country of origin. There is a potential for that in the cooperation of diplomatic missions, chambers of commerce, associations of migrants, especially the high-skilled and professionals in the country and abroad, and employers' organizations. As already mentioned in the paper, the WB has opportunities for development in this domain. Some of them are the online portal diplomatic missions in Albania, or the association Returning Point in Serbia, which has relations of trust with various institutions of the professional diaspora abroad, economic structures in the country, and regular contacts with the Office of the Prime Minister. These relations and contacts are perhaps of crucial importance for the policy's efficiency.

Moreover, to gain the trust of the diaspora and increase the chances of return, and reduce the emigration pressure, the economic and social conditions in the countries of origin must be satisfactory. Therefore, the WB countries need to significantly intensify their European integration processes, rapidly build European standards in all areas of the economy and society, insist on the rule of law, in particular, and above all an independent judiciary as well as investigative journalism as its backbone.

The WB countries can also develop information and communication technologies and use them to simplify administrative procedures in various domains of the economy and society and to improve the living standards of the population. The example of Estonia, which has positioned itself as a regional leader in digitalization, shows that such a strategy guarantees results.<sup>86</sup>

<sup>81</sup> K. Newland, B. Salant, *Balancing Act. Policy Framework for Migrant Return and Reintegration*, 2018.

<sup>82</sup> Programme 'Migration for Development'. For more information: <https://www.giz.de/en/worldwide/62318.html>, (accessed 9 September 2020).

<sup>83</sup> R. Soto et al., *Sustainable Reintegration: Strategies to Support Migrants Returning to Mexico and Central America*, 2019.

<sup>84</sup> P. Wickramasekara, *Effective Return and Reintegration of Migrant Workers with Special Focus on ASEAN Member States*, 2019.

<sup>85</sup> J. P. Cassarino (ed.), *Reintegration and Development*. Robert Schuman Centre for Advanced Studies. European University Institute, Florence, 2014, <https://cadmus.eui.eu/handle/1814/30401>, (accessed 9 September 2020).

<sup>86</sup> I. Birka, *Can Return Migration Revitalize the Baltics? Estonia, Latvia, and Lithuania Engage Their Diasporas, with Mixed Results*. Migration Policy Institute, Migration Information Source, 2019, <https://www.migrationpolicy.org/article/can-return-migration-revitalize-baltics-estonia-latvia-and-lithuania-engage-their-diasporas>, (accessed 9 September 2020).



Accomplishing good migration policy results is not an easy task, even if there is a clearly defined and coherent management system. Migration measures must be in line with the development agendas of the countries of origin to ensure policy sustainability.<sup>87</sup> However, this is not the case in WB countries. It is necessary to provide continuing financial and political support, which must not fall victim to a government change, as it is often the case in the region. Measures should be broad in scope and specific in content. In addition, effective communication and coordination strategies between countries of origin and destination<sup>88</sup> need to be developed to achieve results. However, at the moment, good cooperation between countries of origin and destination is considered to be the exception rather than the rule.<sup>89</sup>

There must be strong cross-sector collaboration and shared responsibility across the region among the very large number of institutions involved in implementation.<sup>90</sup> In many countries, there is insufficient staff with the knowledge and experience to manage the significant demands of running a smooth migration system.<sup>91</sup> This fact is especially true at the local level. Although the WB strategic documents envisage that local governments in various segments have a significant role in migration policy implementation, no significant progress will be made without dedicated efforts in building their capacities. Therefore, several challenges stand in the way of developing and implementing coherent and coordinated migration policies between the different policy areas and governance levels in the migration field. It is often carried out in an uncoordinated manner, leading to inconsistencies in the policies pursued at different levels of government. Therefore, it is important to develop strategies and policies that foster cooperation between different stakeholders and levels of administration and effective coordination between supranational, national, and sub-national administrations, local authorities, civil society sectors as well as other relevant stakeholders.

Designing, establishing, and implementing effective and sustainable migration arrangements that include a combination of permanent, temporary/circular, and return migration is a huge challenge for any country. Therefore, much innovative thinking, a strong commitment to communication, cooperation, and compromise is needed.<sup>92</sup> The proactive stance of national authorities and institutions is particularly important to achieve high flexibility of policy measures and to quickly adapt migration programs to individual needs and changing labor market conditions.<sup>93</sup> Therefore, it is necessary to ensure conditions for the regular implementation of scrupulous evaluations of migration and (re)integration programs. However, this is usually not the case. Among the most important reasons are limited resources for monitoring and evaluation, the choice of insufficiently reliable indicators, and the lack of reliable and internationally comparable migration and integration-related data and information. In all WB countries, the national census statistics, despite their numerous shortcomings, are the most important statistical data source on the population contingent of the citizens residing abroad.

Given that most countries in the region are rapidly working to significantly improve demographic statistics and create conditions for the establishment of registration-based censuses, it sounds paradoxical that the opportunity to obtain data on emigrants and their characteristics at the regional and local level might be lost. The foreign statistical sources of external migration and the data of international organizations are also important. However, the data is much less accessible, less comprehensive in content, and above all, adapted to the needs of foreign users.<sup>94</sup> In addition, data production systems are still set up according to the permanent migration pattern, and there is still no system that can adequately monitor the flows of international migration<sup>95</sup> in a globalized world.

<sup>87</sup> K. Newland, D. R. Agunas, *Circular Migration and Development: Trends, Policy Routes and Ways Forward*, 2007.

<sup>88</sup> K. Newland, A. Riester, *Legal Migration Pathways for Low-Skilled Workers*, 2018.

<sup>89</sup> K. Newland, B. Salant, *Balancing Act. Policy Framework for Migrant Return and Reintegration*, 2018.

<sup>90</sup> R. Soto et al., *Sustainable Reintegration: Strategies to Support Migrants Returning to Mexico and Central America*, 2019.

<sup>91</sup> G. Hugo, *What We Know About Circular Migration and Enhanced Mobility*, 2013.

<sup>92</sup> K. Newland, B. Salant, *Balancing Act. Policy Framework for Migrant Return and Reintegration*, 2018.

<sup>93</sup> K. Newland, A. Riester, *Legal Migration Pathways for Low-Skilled Workers*, 2018.

<sup>94</sup> J. Predojević-Despić, G. Penev, *Population of Serbia Abroad by Destination Countries: Regional Approach*, *Bulletin of the Serbian Geographical Society - University of Belgrade – Faculty of Geography*, vol. 96, no. 2, 2016, pp.83-106.

<sup>95</sup> United Nations, Economic Commission for Europe, *Defining and Measuring Circular Migration*. Final report of the Task Force on Measuring Circular Migration, Conference of European Statisticians, 2016; K. Newland, D. R. Agunas, *Circular Migration and Development: Trends, Policy Routes and Ways Forward*, 2007.

## Conclusion

**Build on already improved policies by overcoming challenges related to policy implementation.** In the last ten years, the governments of the WB countries have visibly changed their position. They are beginning to work more dedicatedly to find a systemic response to the long-term problems of emigration and the complex challenges posed by international migration flows. It is also important to acknowledge in strategic documents that migration can have a positive developmental effect and can help mitigate unfavorable demographic, social, and economic circumstances that are present throughout the region. The first step in tackling several challenges and addressing migration more comprehensively is adopting important national strategic documents and policies on migration, strengthening relations and cooperation with the diaspora, and on possible ways of exploiting its development potential. Some of the important topics in this regard are the development of a framework for a wider practice of temporary and circular migration and the creation of better conditions for return and reintegration, especially of well-educated emigrants whose skills are urgently needed. However, for the envisaged measures not to remain promising only on paper, it is necessary to overcome the significant challenges that stand between policy formulation, decision-making, and implementation.

**Improve data availability and collection.** One of the main challenges is the lack of reliable and accessible data on international migration. Most countries refer to the improvement of the monitoring system and data quality and the exchange of migration and migration-related data as one of the main intervention areas. A particular problem is the lack of data on the size of the emigration phenomenon and the characteristics of emigrants. Therefore, to solve this problem, it is important to strengthen and expand cooperation between national statistical institutes of countries of origin, countries of destination of migrants, and international organizations. It is also extremely important to establish a regular, updated, and synchronized statistical database for monitoring migration flows in all WB countries.

**Develop innovative approaches to manage labor migration effectively.** It is necessary to improve policy-making, develop inter-institutional cooperation, and increase capacities of both national and local stakeholders, which can be achieved through cooperation with international organizations, donors, and the civil sector. It contributes to the view that the fragmented migration policy response must be focused on applying the ‘Whole-of-Government’ approach. In this sense, it is necessary to introduce more models of migration governance in the implementation of which a significantly larger number of actors will be involved. Therefore, it is crucial to develop innovative approaches to manage labor migration effectively. It is necessary to establish strong cross-sector collaboration, shared responsibility, and a clear division of competencies between different ministries and public bodies at the national level and at other levels of government (regional and local). In addition, the involvement of research institutions and civil society is of great importance for the success of the measures. Research indicates that it is necessary to improve communication and cooperation with certain ministries and public institutions relevant to migration and related issues. This point primarily refers to the Ministry of Interior and the National Employment Service, but also others.

Although new measures are still at an early stage, and much more evidence is needed to assess their effectiveness, it is important to support and further develop certain initiatives to improve operational and strategic coordination. Examples are the *Coordination Body for Monitoring Economic Migration Flows*, in charge of reviewing all economic migration issues and directing the work of state administration bodies in Serbia, or the National Diaspora Agency in Albania to holistically address migration-related issues. In addition, the potential of local migration councils in Serbia, or migration counters and service centers at the national employment services that exist in most WB countries, needs to be used and developed further. Therefore, it is extremely important to continuously strengthen institutional capacities and actors new to migration-related issues. Additionally, efficient communication and coordination strategies between the WB countries and destination countries need to be further developed to achieve results.

**Review and revise certain elements of migration policies in order to improve the rights of migrant workers.** The impact of different categories of migrants on the development of both, destination countries and countries of origin, is a topic that has not yet been in the focus of decision-makers. High-skilled migrants and professionals are generally considered to be much more relevant for the economic development of both, destination and origin countries, so for them, legal immigration channels are disproportionately larger than for



low-skilled migrants. However, the sudden changes in labor markets caused by the Covid-19 pandemic and the lockdown show that the lack of certain categories of workers in the labor market, including precarious workers, can seriously shake the socio-economic foundations of both destination and origin countries. Therefore, it is necessary to review and revise certain elements of labor markets and migration policies and immigration programs. Great efforts are also needed to improve the rights of migrant workers and combat fraud throughout the recruitment process, and to protect migrant workers from abuse and dependence on agencies or employers. In this sense, providing clear and accessible information to participants in the migration process, especially migrants themselves, is extremely important.

**Develop temporary migration and return programs in cooperation with destination countries.** For the WB countries, as emigration areas, it is important to develop temporary migration programs in cooperation with destination countries, which will also provide a stimulation for circular migration, as for now such programs have a strong potential to provide development benefits only for countries of origin and migrants. In this regard, it is important to further develop initiatives such as DIMAK and continue to work on regional networks to achieve the strongest possible impact and promote regional migration and labor mobility in the WB, which are currently at a very low level. The policy should include measures to efficiently reduce the costs and negative effects of migration and to develop opportunities for portable social welfare benefits, pensions, health insurance, etc. When developing policies, the WB countries should also include measures that integrate circular migration into wider migration programs and develop cooperation between development agencies in countries of origin and destination through the integration of migration into development activities.

Such a development strategy would also contribute to a more significant stimulation of return migration. Therefore, it is very important **to design useful programs and strategies that support returnees and the local communities to which they return.** However, this is one of the biggest challenges for policymakers. It is necessary to develop innovative solutions to complex policy problems and work dedicatedly on their implementation. It is also necessary to provide conditions for the regular implementation of rigorous assessments of migration and reintegration programs.

**Effective policies to encourage return and reintegration should cover the entire migration process,** contain flexible measures that can be easily adapted to the needs of migrants, and be gender-sensitive and gender-responsive. For migration to have a positive impact on countries of origin, it is necessary that, upon arrival in the country, returnees have the opportunity to use the knowledge and skills acquired abroad, as well as savings, etc. However, the lack of economic opportunities, the mismatch between their skills and labor market needs, the distrust in government institutions, and the problems with recognizing diplomas obtained abroad are just some of the challenges that need to be worked on devotedly in all WB countries. In that sense, the processes of European integration should be significantly intensified. European standards should be built rapidly in all domains of the economy and society insisting on the rule of law.

**Provide necessary funds and obtain strong and continuous state support needed for policy implementation.** Finally, a great challenge is to provide necessary funds and obtain strong and continuous state support for investing in an effective migration policy. Otherwise, complex migration problems will become bigger and harder to solve. To provide consistent financing, to facilitate the implementation of useful initiatives, and to avoid them being sporadic, short on funding, or unreliable in the long run, the WB countries must combine funding between the public and private spheres, as well as donations. In addition, it is of utmost importance that the EU, international organizations, and the civil society sector significantly contribute to long-term and more stable financial support.

## Appendix

*A list of core indicators (developed within the EU funded Project YOUMIG)<sup>96</sup> that are relevant to the contexts of countries characterized by immigration, emigration, or return migration, with a special focus on young migrants:*

The indicators relate to two main areas affecting or affected by migration processes: ‘Population and Society’ as well as ‘Economy, Living Conditions, and the Environment’. These indicators can help policymakers better understand migration-related issues and adopt important measures that can contribute to a better insight into the scope of migration movements, their impact on the labor market and other spheres of society, and better (re)integration. In addition, not all of the proposed indicators are available. Most are available or can be produced at the national level, but not at the lowest government levels. However, within the YOUMIG project, proposals are made to produce data and render it more easily accessible for a wide range of stakeholders.

### Priority Area – Population and Society

*Topic: Demography and population: Population policy, family policy*

- **Population; by sex, age, urban/rural, (according to Country of Citizenship, Country of Birth)**

*Area of relevance:* Immigrants, Emigrants, Returnees

*Definition:* Population on January 1 (Eurostat: December 31; published on January 1); based on the concept of the ‘usual resident population’, namely the number of inhabitants of a given area on January 1 of the year in question.

- **In-migration, internal/international**

*Area of relevance:* Immigrants

*Definition:* Immigrant: a person undertaking immigration. Immigration means an action by which a person establishes his or her usual residence in the territory of a country for a period that is or is expected to be, at least 12 months, having previously been usual resident in another country.

In-migration refers to intra-country movements.

- **Top-5 sending countries**

*Area of relevance:* Immigrants

*Definition:* Sending country or country of origin: the exact definition might be based on the concept of birth or citizenship.

- **Out-migration, internal/international**

*Area of relevance:* Emigrants

*Definition:* Emigrants are people leaving the country where they usually reside and effectively taking up residence in another country. According to the 1998 UN recommendations on the statistics of international migration (Revision 1), an individual is a long-term emigrant if he/she leaves his/her country of previous usual residence for 12 months or more. Emigration is the number of emigrants for a given area during the year. Out-migration refers to the outflow in intra-country movements.

- **Number of returnees registered, sex, education level**

*Area of relevance:* Returnees

*Definition:* Returning migrants are persons returning to their country of citizenship after having been international migrants (whether short-term or long-term) in another country and who are intending to stay in their own country for at least a year. In the European policy-related texts, returnee often refers to a non-EU/EEA (i.e. third country) national migrant who moves to a country of return, whether voluntary or forced.

<sup>96</sup> For more information: E. Skoglund, Z.Csányi, Quantitative Analysis of the Objective and Subjective Aspects of Youth Migration in the Danube Region. Within the project YOUMIG, 2019, [http://www.interreg-danube.eu/uploads/media/approved\\_project\\_output/0001/32/1f04dd4d6ee3459935876d76137f00984ee07c05.pdf](http://www.interreg-danube.eu/uploads/media/approved_project_output/0001/32/1f04dd4d6ee3459935876d76137f00984ee07c05.pdf), (accessed 9 September 2020).

*Topic: Education and science policy: Accessibility of education*

- **Completed education of persons aged 15-34, by education levels; by sex, age groups, native/foreign (according to Country of Citizenship)**

*Area of relevance:* Immigrants, Emigrants, Returnees

*Definition:* Education levels (most often used by Eurostat), Low education: Less than primary, primary, and lower secondary education (ISCED<sup>97</sup> 2011 levels 0-2), Medium education: Upper secondary and post-secondary non-tertiary education (ISCED 2011 levels 3 and 4), High education: Tertiary education (ISCED 2011 levels 5-8). The educational attainment of an individual is defined as the highest ISCED level completed by the individual.

- **Student outbound mobility ratio at tertiary level; by sex**

*Area of relevance:* Immigrants, Emigrants, Returnees

*Definition:* The term internationally mobile students (diploma/degree mobility) refers to students who have physically crossed an international border between two countries to participate in educational activities in the country of destination, where the country of destination of a given student is different from their country of origin” (UNESCO). The status of a mobile student is dependent on the crossing of a border motivated by education. It is not dependent on formal resident status in the reporting country of destination. The status of a mobile student is maintained for as long as continued education at the same level of education lasts.

- **Skill-level of return migrants**

*Area of relevance:* Immigrants, Emigrants, Returnees

*Definition:* Returning migrants as the ex-pats returning to the country of origin (the country collecting this indicator). The skills are approximated by education level (primary, secondary, tertiary).

*Topic: Social development and Social capital, Diversity management policy: Social cohesion, tolerance/trust*

- **[Average] Subjective well-being [in the population] [SUBJ]**

*Area of relevance:* Immigrants, Emigrants, Returnees

*Definition:* Subjective well-being (SWB) is often – though not exclusively, measured in the form of life satisfaction, namely as an individual answer to a question: “All things considered, how satisfied are you with your life as a whole these days?”

- **Tolerance towards foreigners (foreign workers) [SUBJ]**

*Area of relevance:* Immigrants, Emigrants, Returnees

*Definition:* Tolerance towards foreigners can be framed as tolerance, or attitudes towards migrants, or more specifically towards migrant workers.

- **Intentions to migrate within the next five years, [if possible] intended destination, duration of absence**

*Area of relevance:* Emigrants

Priority Area - Economy, Living Conditions, and Environment

*Topic: Economic development: Macroeconomic performance*

- **Regional GDP per capita (NUTS3), GDP per capita at Local Administrative Unit (LAU) levels**

*Area of relevance:* Immigrants, Emigrants, Returnees

*Definition:* Gross regional product (GRP) is conceptually equivalent to gross domestic product (GDP); the latter measures newly created value through production by resident production units (or residents in short) in the domestic economy, while the former measures newly created value through production by regional production units (or regional residents in short) in the regional economy, be it a state, province or a district

<sup>97</sup> International Standard Classification of Education.

- **Business demography: Number of active enterprises; by size (number of employees), ownership (local/foreign-owned), sector**

*Area of relevance:* Immigrants, Emigrants, Returnees

*Definition:* Business demography refers to the population of firms taking into consideration such aspects as the total number of active enterprises in the business economy, their birth and death rates.

*Topic: Income and living conditions: Income*

- **Disposable household income per capita**

*Area of relevance:* Immigrants, Emigrants, Returnees

*Definition:* The disposable household income refers to the amount of money that all individuals in the household sector have available for spending or saving after income distribution measures have taken effect; the latter comprises payment of taxes, social contributions, and benefits, and social received.

*Topic: Labor market: Economic activity and inactivity*

- **Population, by activity status; by sex, age (5-y. intervals), national-foreign, NUTS<sup>98</sup>**

*Area of relevance:* Immigrants, Emigrants, Returnees

*Definition:* In the labor market, the population aged at least 15 years old (most often, 15-64 years old) is divided into (economically) active and inactive. The former group includes employed (civilian employment plus the armed forces) and unemployed. The currently (economically) active population is called the labor force.

*Topic: Urban and regional development: Health facilities*

- **The workforce in healthcare/Shortage of work in healthcare/Healthcare workforce gap**

*Area of relevance:* Immigrants, Emigrants, Returnees

*Definition:* Health workers are “all people engaged in actions whose primary intent is to enhance health”.<sup>99</sup>

<sup>98</sup> Nomenclature of Territorial Units or Statistics

<sup>99</sup> World Health Organization, World Health Report 2006, <https://www.who.int/whr/2006/en/>, (accessed 9 September 2020).

## Lessons from Romania on Highly Qualified Returnees: Processes, Policies, Effects

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### Introduction

After the collapse of state socialism in Eastern Europe, emigration increased dramatically. From Southeast Europe and the Balkans, millions of people migrated towards Western Europe. Romania, as the largest country in the region, experienced the largest outflow, and emigration from Romania became one of the most important recent migration flows in Europe. It generated a large outflow of people, with between 3.5 and 4 million people migrating to Western Europe in the past 30 years.<sup>1</sup> This massively influenced the Romanian society; understanding migration has become essential to understanding the processes of change, which the Romanian society is experiencing today. Return migration has also contributed to processes of societal change in multiple ways, although these are not yet entirely understood, as return migration is still an understudied phenomenon in Romania despite the growth of publications on the subject. The return of the highly qualified is even less understood. This subject was widely debated in Romanian politics; in fact, some policies to counteract the emigration of highly qualified people and to re-attract highly qualified emigrants have been adopted. In the following paper, we first provide a short analysis of return migration to Romania, and in the second part, provide three cases of policies/programs that target highly qualified returnees.

### Return Migration to Romania

Romanian migration is highly complex and involves a variety of forms of emigration, temporary migration, and return. At the moment, it is difficult to clearly assess the size of return because of the existence of many types of temporary migration, some of which could be regarded as return. For example, a recent study published by the OECD mentions that between 2002-2004 return migration was about 7% of the population between 24 and 65 years of age – about 800,000 people.<sup>2</sup> The same report found that in 2008 studies indicated a rate of almost 8%, or about 900,000 individuals, thus an increase of about 10% from the situation in 2002-2004. Different studies on return migration show a variety of return rates. In 2012, Ambrosini et al. suggested a return rate as high as 50% between 2000 and 2002, most probably because of the irregular and temporary character of the Romanian migration at that time.<sup>3</sup> The much lower rates of return later on may be explained by long-term settlement of Romanians abroad. Given that Romania's population is 20 million<sup>4</sup> and the number of Romanian migrants ranges between 3.5 and 4 million people,<sup>5</sup> this indicates a rather high rate of return.

<sup>1</sup> R. G. Anghel et al., International migration, return migration, and their effects: a comprehensive review on the Romanian case, IZA Discussion Papers 10445, 2016, [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2895293](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2895293), (accessed 13 June 2020).

<sup>2</sup> Organization for Economic Cooperation and Development (OECD), Talent Abroad: A Review of Romanian Emigrants, OECD Publishing, Paris, 2019, <https://doi.org/10.1787/bac53150-en>, (accessed 13 June 2020).

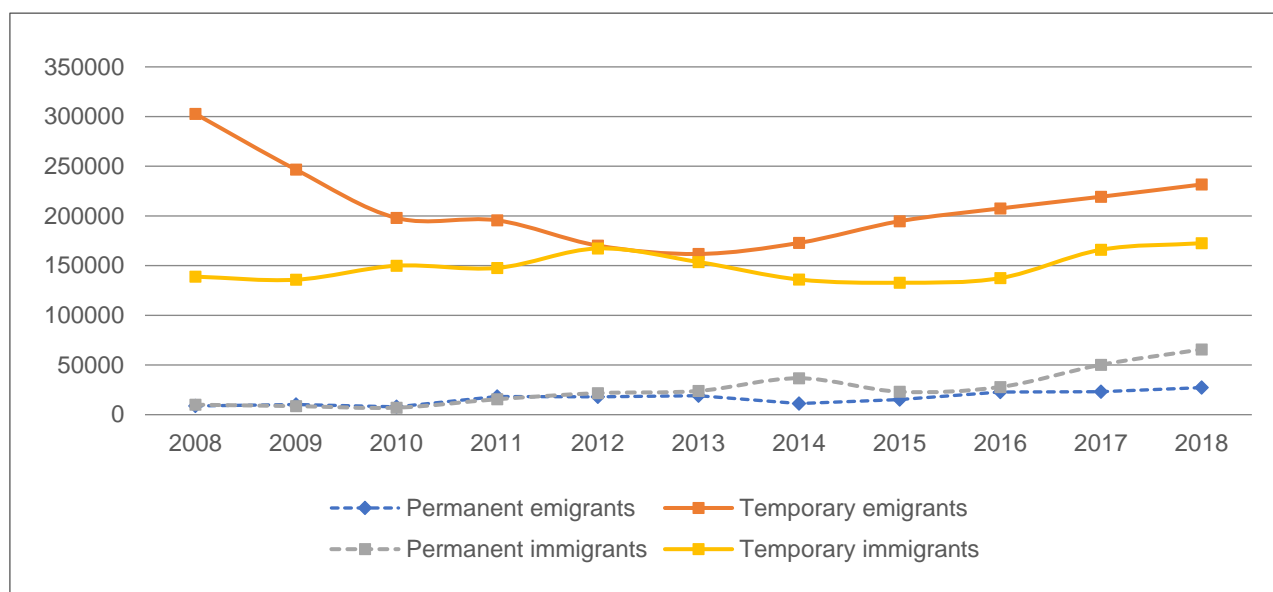
<sup>3</sup> W. Ambrosini, et al., The Selection of Migrants and Returnees in Romania: Evidence and Long-Run Implications, IZA Discussion Papers No. 6664, 2012, <http://ssrn.com/abstract=2089713>, (accessed 13 June 2020).

<sup>4</sup> Institutul Național de Statistică, Census Results 2011, <http://www.recensamantromania.ro/rezultate-2/>, (accessed 13 June 2020).

<sup>5</sup> R. G. Anghel et al., International Migration, Return Migration, and their Effects: a Comprehensive Review on the Romanian Case.

An important moment that shaped the return rates of Romanians was the economic crisis after 2008.<sup>6</sup> A survey that was conducted in Madrid in 2008 showed that as much as 71% of Romanian migrants wished to return,<sup>7</sup> and 42% declared they definitively wanted to return. However, a study conducted by Stănculescu and Stoiciu in the context of the economic crisis found that the actual rate of return was only about 20% of the migrant population.<sup>8</sup> In other words, despite the strong intentions to return migrants may have expressed in the context of the crisis, the actual return did not materialize in large numbers.<sup>9</sup> Later studies showed that the desire to return is not solely caused by dramatic economic events, but also by lack of socio-cultural integration and experiences of discrimination.<sup>10</sup>

Figure 1: Trends of permanent and temporary migration in Romania, 2008-2018



Source: authors' computations using NIS data

In this context, the official data reported by the National Institute for Statistics in Romania (NIS) are useful in providing an overall perspective of Romanian migration using the standardized EUROSTAT definitions of the phenomenon.<sup>11</sup> Unfortunately, such statistics are not disaggregated by profession or occupation. The NIS data (Figure 1) confirm the increasing inflow of both permanent and temporary immigrants into Romania after 2015 (most of them of Romanian origin), suggesting a sizeable return migration.

Some data reveal a selectivity of migration and return. For instance, returnees from Spain and Italy are negatively selected in terms of education (tertiary education). This could result from the fact that many emigrants from rural areas, usually with lower levels of education, are involved in seasonal agricultural work, thus returning to Romania every year, or that they are less integrated into Western European labor markets.

<sup>6</sup> H. Rolfe et al. Potential Impacts on the UK of Future Migration from Bulgaria and Romania', Foreign and Commonwealth Office, 2013, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/182030/NIESR\\_EU2\\_MIGRATION\\_REPORT\\_-\\_FINAL\\_VERSION\\_26\\_MAR.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/182030/NIESR_EU2_MIGRATION_REPORT_-_FINAL_VERSION_26_MAR.pdf), (accessed 16 June 2020).

<sup>7</sup> S. Marcu, Romanian Migration to the Community of Madrid, Spain: Patterns of Mobility and Return, *International Journal of Population Research*, 2011, doi:10.1155/2011/258646.

<sup>8</sup> S.M. Stănculescu, V. Stoiciu, *Impactul crizei economice asupra migrației forței de muncă din România*. Bucharest: Paideia, 2012.

<sup>9</sup> Eurofound, *Labor Mobility within the EU: the Impact of Return Migration*, 2012, [http://www.eurofound.europa.eu/sites/default/files/ef\\_publication/field\\_ef\\_document/ef1243\\_en.pdf](http://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef1243_en.pdf), (accessed 16 June 2020).

<sup>10</sup> S. Gherghina, A.P. Ploeanu, C.V. Necula, *The Impact of Socio-Cultural Integration on Return Intentions: Evidence from a Survey on Romanian migrants*, *Journal of Immigrant and Refugee Studies*, 2020, doi.org/10.1080/15562948.2020.1735599.

<sup>11</sup> NIS statistics on Romanian migration report two categories of flows: temporary migration that is systematically reported only since 2008, and permanent migration, reported since 1992. According to the NIS definition, temporary immigrants are the persons who immigrate to Romania for a period of at least 12 months, having previously been usually residing in another country. Permanent immigrants are the persons who establish their permanent residence on the territory of Romania. Data of the NIS has been criticized for lacking accuracy on emigration flows and being unable to account for many temporary migratory processes. However, keeping in mind existing limitations, we use it as it provides an estimation for the development of these flows.



As of now, there is no comprehensive study on highly qualified returnees, especially focusing on difficulties or opportunities upon return. One potential way for highly qualified emigrants to return is by being involved in entrepreneurial activity, i.e. starting a business in sectors such as services, IT, hospitality industry, or agriculture.<sup>12</sup> Thus, in a recent study by Croitoru on entrepreneurship among returnees, about 30% were highly qualified;<sup>13</sup> their decisions to return and to become entrepreneurs were influenced by the level of remittances and the period of the stay abroad. In any case, the return of highly qualified emigrants has started to be addressed by Romanian policymakers. However, until now, this has remained rather fragmented despite the substantial migration that the country has experienced. Not only that, but the few policies that have been adopted were not consistent over time. In the following analysis, we present three types of policy measures and actions that were designed to attract the pool of highly qualified Romanians abroad. We offer some of the characteristics of these policies and discuss them.

## Case Studies

The Romanian diaspora became visible internationally recently because of political upheaval in Romania. Images of Romanians queuing to vote in large European cities and political demonstrations in the country organized by migrants and returnees entered the center stage of European media during the recent Romanian presidential elections in November 2019. In Romania, this political influence produced much change. The Romanian diaspora has put pressure on political parties, their votes deciding the outcome of presidential elections several times. Protests led by returnees also helped to change the course of national policies under the last socialist government.<sup>14</sup> Less visible in all these years was the state's role in designing and running highly effective programs aimed at attracting Romanian migrants back home. The case studies we mention here shed light on such policies and their effectiveness. They focus specifically on higher education and science, medicine, and entrepreneurship.

### Higher education and research

In the field of higher education and research, the return of the highly qualified was first envisaged in the education law that was adopted in 2011, and in the reforms that were undertaken to finance research. According to documents from the Ministry of National Education it becomes clear that it is of utmost priority for the Romanian government to attract a part of its academic diaspora, as this would increase internationalization for at least some academic fields. However, targeted initiatives for returnees are rare as few funding schemes are designed for returnees only.

Romanian academia is not very attractive for Romanian researchers abroad for many reasons, including the potential wage penalty. The instability in the higher education system, the lack of access to research funding, and unclear criteria for promotion are factors often mentioned by Romanian scholars abroad as barriers to returning. Even if Romanian academics intend to return, the number of open positions is generally small and criteria for obtaining jobs in academia are not always clear. However, some more recent general regulatory adjustments in the sector, as a side-effect, favor returnees' adaptation to the Romanian education and research system, their upward mobility, and access to funding. In the Romanian university system, the criteria for professorship have been subject to many changes in recent years. For example, international publications are a requirement in several academic fields only since the Education Law of 2011. The new law also introduced the habilitation degree, which is since required for academics in order to become Ph.D. supervisors in doctoral schools. Until then, only full university professors were able to perform this function, and due to their limited number, they were in a hegemonic position to select young Ph.D. students and, thus, future teaching staff. Habilitation degrees opening access to supervising positions for all academics are conditioned by publication profiles, disregarding age or position in universities. Thus, scholars with international profiles, once in the

<sup>12</sup> G. Toth, A. Toth, *Orientarea antreprenorială*, in D. Sandu et al., *Locuirea Temporară în Străinătate. Migrația Economică a Românilor: 1990-2006*, Bucharest: FSD, 2006, pp.49-53.

<sup>13</sup> A. Croitoru, *Great Expectations: A Regional Study of Entrepreneurship among Romanian Return Migrants*, Open Sage, 2020, doi.org/10.1177/2158244020921149.

<sup>14</sup> The last government was an alliance of two parties, PSD (left) and ALDE (center-liberal). PSD won about 47% of seats in the Romanian parliament and it actually formed the government.

system, can quickly access such supervising positions. However, the recruitment of new teaching staff in universities did not target returnees specifically. It is also worth mentioning that foreign diploma recognition in Romania, even simplified, may be a long process. Furthermore, hiring international/foreign researchers in Romanian academic institutions is a rather bureaucratic process.

In terms of access to research funds, after 2011, the Romanian Research Agency has started to reorganize the review process for calls for proposals by employing international scholars at least for some calls (as opposed to solely Romanian reviewers as it was the case before). Returnees and young academics entering academia with international publications are in a better position than before and have a comparative advantage over researchers educated in Romania only, at least when applying for research funds. In the social sciences, for instance, grants have started to be awarded to younger scholars with international publications, over more established scholars with more publications within Romania. In general, Romania provides very little funds for science, only 0.17% of GDP in 2019. In this allocation process, though, large Romanian universities were awarded the highest amount of research funds, and unsurprisingly project leaders were often returnees who were able to obtain positions within the system. On the other hand, there is no predictability on which projects will receive funding as there is no clear yearly funding scheme. Thus, the number of awarded projects is small, and the overall effect on the university and research system is also small. Besides, there is no continuity in the reviewing process as international reviewers were not always involved in research calls.

In this context, it is worth mentioning one of the programs to finance researchers from the diaspora entitled '*Mobility projects for young and experienced researchers from the diaspora*' has been successfully financed by the Romanian government yearly since 2016. Over the last four years, more than 200 international researchers received scholarships at Romanian institutions. However, the main purpose of the program was to capitalize on the research experience of the researchers from the Romanian diaspora, by creating preconditions for the mobility of researchers and increasing international cooperation, rather than contributing to return migration.<sup>15</sup> Under these circumstances, it seems that more open access and opportunities are being created to encourage the Romanian diaspora to return and work in the Romanian research system. At the same time, there are still many barriers to a significant return migration of Romanian academics working abroad.

### Combating the exodus of medical professionals

The migration of medical doctors to Western Europe has attracted much attention in the Romanian society in the past ten years. Due to the high demand for medical doctors and nurses in Western Europe, medical personnel in Romania has left the country in large numbers. Research has shown how the high magnitude of medical migration has deeply affected the Romanian society. This migration caused a deficit of medical professionals in Romania, especially in small cities and villages. Hospitals in large cities or important university hospitals have also started to experience shortages of doctors, particularly specialists, such as anesthetists. The main reasons for migration of health care professionals were the strong demand and active recruiting policies in Western Europe, combined with the comparatively low salaries and inferior working conditions in Romania. Also, in the case of medical doctors, the lack of professional development and opportunities, combined with the perceived lack of adequate respect for the profession, pushed many to work abroad.<sup>16</sup> Thus, in 2015-16, about 39,000 Romanian nurses and 20,000 medical doctors were working in other OECD countries.<sup>17</sup>

Facing such a dire situation, medical institutions in Romania reacted with two main policies: strengthening university programs in medicine and raising the salaries of doctors. The profession became popular because of the high demand for medical doctors in Western Europe, and an increasing number of young Romanians wanted to study medicine and migrate to Western Europe. This demand put pressure on universities that had

<sup>15</sup> Eligibility criteria were: researchers with Romanian citizenship, employed in research institutions abroad, early stage and experienced researchers (2-9 years research experience after obtaining the Ph.D.), no prior contracts to research institutions in Romania (or at least not in the last 5 years).

<sup>16</sup> M. Roman, Z. Goschin, Return Migration in an Economic Crisis Context. A Survey on Romanian Healthcare Professionals', *Revista Română de Economie*, vol. 39, no.2, 2014, pp.100-120.

<sup>17</sup> M. Ungureanu, K. Socha-Dietrich, Romania: A Growing International Medical Education Hub, in OECD (ed.), *Recent Trends in International Migration of Doctors, Nurses and Medical Students*, Paris: OECD, 2019, pp.105-121.

to employ stricter selection criteria for candidates and at the same time started to accept more students. Between 2011 and 2018, the number of newly enrolled students increased from 5,250 to 6,121 nationally.<sup>18</sup> Accordingly, since 2007, when Romania entered the European Union, the number of medical school graduates increased every year.<sup>19</sup> Admission exams became more selective, admitting only the top students. Currently, there are about 40,000 students in medicine in Romania,<sup>20</sup> making it one of the countries with the highest number of students in medicine per capita among the OECD countries. It is worth mentioning that medical schools in Romania are part of public universities (with minor exceptions), financed mostly by federal education funding<sup>21</sup> and only partly from fees paid by students and grants for specific purposes such as research, doctoral, and postdoctoral studies.

Besides accepting a larger number of Romanian students, large Romanian universities expanded their programs for international students, also in an attempt to increase their financial resources. Between 2011 and 2018, the number of newly enrolled students increased from 1,000 to 1,700.<sup>22</sup> For example, Iuliu Hațieganu University of Medicine and Pharmacy in Cluj Napoca, had about 1,600 international students in 2018, from France (900) and Germany (570) for whom they offer programs in French and English. Medical degrees in Romania are recognized across Europe, so it may be attractive for students from Western Europe to obtain their degrees in Romania and return to practice in their home countries. In addition to Western students, there are those coming from different countries from North Africa and the Middle East, who were traditionally studying medicine in Romania. Thus, these combined developments, an increase of national and foreign students, have had two main effects: a higher number of Romanian students in medicine and better quality of medical student cohorts because of the high selectivity through demanding entrance exams. Besides, some of the large number of international students in medicine may remain and practice medical professions in Romania.

In addition to these policy measures taken by the Romanian medical universities as a reaction to the increasing (domestic) need for qualified medical staff, the Romanian government put in place measures meant to keep highly skilled medical professionals in Romania. Therefore, in 2016 and 2018, medical doctors' salaries were substantially increased. In 2018 the wage base increased by at least 70% for residents and young physicians (Law 153/2017).

Although it is too early to evaluate the impact, individual examples show that the motivation for outward migration has tended to decrease. The administrative data provided by the Romanian College of Physicians (RCP) offer a perspective on the number of doctors applying for the Current Professional Certificate, a document that would allow them to practice medicine in any European country. The number of applications peaked in 2011 (2,982 certificates issued), and 2015 (2,269 reported applications) but the number of certificates significantly decreased to 1,462 in 2016 and 1,126 in 2017, suggesting a lower interest of Romanian doctors in working abroad (Figure 2).

<sup>18</sup> M. Ungureanu, K. Socha-Dietrich, Romania: A Growing International Medical Education Hub', pp.105-121.

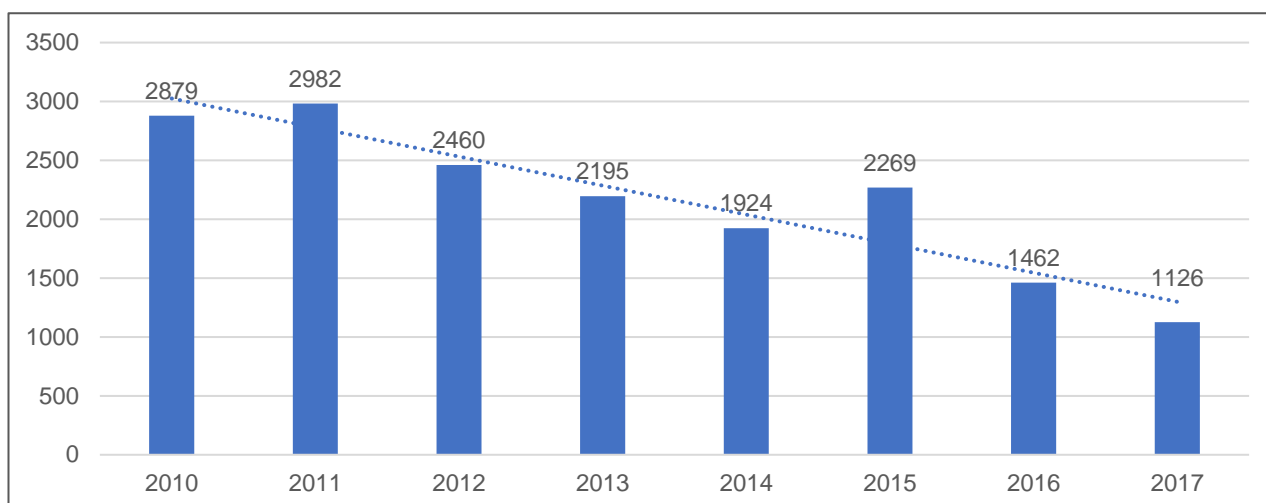
<sup>19</sup> R.G. Anghel et al., International Migration, Return Migration, and their Effects: a Comprehensive Review on the Romanian Case.

<sup>20</sup> See National Council for the Financing of Higher Education (CNFIS), <http://www.cnfis.ro/>, (accessed 13 June 2020).

<sup>21</sup> Romania has one of the lowest shares of public expenditure for education in GDP in Europe, 3.2% in 2018. Source: [https://ec.europa.eu/eurostat/statistics-explained/index.php/Government\\_expenditure\\_on\\_education#Large\\_differences\\_between\\_countries\\_in\\_the\\_importance\\_of\\_expenditure\\_on\\_education](https://ec.europa.eu/eurostat/statistics-explained/index.php/Government_expenditure_on_education#Large_differences_between_countries_in_the_importance_of_expenditure_on_education), (accessed 13 June 2020).

<sup>22</sup> M. Ungureanu, K. Socha-Dietrich, Romania: A Growing International Medical Education Hub, pp 105-121.

Figure 2: Number of current professional certificates issued by the Romanian College of Physicians, for practicing medicine abroad. 2010-2017



Source: Based on data provided by the Romanian College of Physicians

In addition, some local examples show that public authorities were sometimes proactive in attracting or retaining young doctors by offering them free-of-charge accommodation and attractive packages. Besides, in the quickly developing private health system, there is evidence that some returned medical doctors are practicing in private hospitals that have more flexible human resources policies compared to the public ones. However, there are no explanations for the reasons to return to the private healthcare system nor on the challenges and opportunities for the reintegration of returnees into the state healthcare system.

Accordingly, we conclude that the exodus of healthcare professionals, which is a substantial challenge for Romania, may be overcome in time with adequate policies. In any case, the negative consequences of the strong emigration of medical doctors can be mitigated. Not only has the number of students in medicine increased continuously, there also seem to be higher education standards. Furthermore, there is evidence that medical doctors' migration may decrease, and some may return to practice in the country. Medical schools have become important actors in these processes, not only educating more Romanian students but also providing medical education for European and international students. However, the development of the Romanian education and health systems needs to be supported continuously in this process, which should produce benefits for Romania, as well as for other European countries where Romanian doctors practice medicine.

#### Diaspora start-up program

A third case study examines entrepreneurship of returnees by looking at particular programs for attracting the diaspora. The first program was entitled '*Diaspora start-up*'. It was a program funded by the European Commission in the framework of the EU cohesion funds for Romania and was implemented starting from 2016. It was designed to attract Romanian emigrants in entrepreneurial activities in Romania, awarding up to 40,000 EUR per application. A similar program, entitled '*Innotech Repatriot*' and set up in 2020, awards up to 100,000 EUR for each new company opened by Romanian migrants in Romania. Both programs had an allocated budget of 30 million EUR each. The first program required no permanent return but was open to any Romanian citizen with a foreign residence, who was able to open and run a successful company. Because of the economic growth that Romania experienced until the current Covid-19 crisis, Romanian authorities hoped it would attract a large number of applicants. Some institutions (e.g. companies, associations, or consortiums) were selected to implement the program. They had to find and select possible participants, offer training, and – based on certain criteria and quality of projects – award the amounts to winners and mentor them for a certain period.

One challenge of the initial program was to promote the program and find a sufficiently large number of migrants willing to return to Romania. One of the associations selected a large number of applicants, but only slightly over 50 were awarded the grants and started businesses that are still operating on the Romanian market. The high selectivity was due to the program conditions; business plans had to be realistic and practical, which was not easy for many returnees. Also, returnees initially had to invest their own resources as the funds were usually only reimbursed at a later stage.

When applying for the program, applicants went through a training during which they were taught how to run a business, organize a company, and how to select a domain adapted for the Romanian market. Most of the applicants were highly skilled but had left Romania many years ago and did not know much about the current situation in the country. Many lacked specific knowledge for making a suitable business plan and for finding a good market niche or line of products, or lacked basic accounting knowledge. Many applicants had misconceptions, for instance that Romania lacked market competition. However, because of the support given, those finally selected were able to run viable small companies afterwards.

In any case, the fact that those who received funds were able to return to Romania, in case they had this intention, made the program successful despite the tough selection process. As a consequence, the program is still running, and the increased financial support makes it attractive. An impact evaluation would be useful to understand the economic effects of the program and its contribution to the general trend of entrepreneurship among returnees in Romania.

## Conclusions

This paper aimed to look at Romanian policies and actions to reduce brain drain and attract Romanians living abroad to return. We called to attention two major sectors, higher education and healthcare, and one project on entrepreneurship. Decidedly, there is interest among the diaspora to return, and there is interest from the side of Romania to attract at least some of its highly qualified emigrants. However, how the measures and policies were implemented was uneven. These cases show significant effects from larger scale state investment, such as in the field of medicine in Romania, or when projects target particular groups of returnees. Otherwise, limited resources and lack of consistency in financing may produce little results. The initiative to use EU funds to target and sustain return migration was innovative and could also be applied by other countries from Central and Eastern Europe. This program also shows that returnees need more than just funding but also help to adapt to the Romanian culture after having lived abroad for a long time.

Highly skilled migration is a new reality in Southeast European countries, with especially critical consequences in the recent EU enlargement countries, such as Romania and Bulgaria. The three cases described above are examples of public policies taken by the Romanian authorities for supporting the retention or return migration of highly skilled professionals. They have generated positive results in return migration, in the development of the healthcare sector and entrepreneurial activities but are less successful in the area of scientific research. Some of these measures may be successfully implemented in countries with similar migration patterns. However, as the Romanian case shows, such measures alone are not effective in increasing highly skilled return migration unless accompanied by strong social and economic development policies, and by an increase in the quality of democracy, to meet the expectations of the diaspora. Also, impact evaluations are needed to further understand the overall effects and to significantly improve the implementation of such policies.



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# THE ROLE OF THE DIASPORA

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## Diaspora and Regional Relations

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### Executive Summary

The diaspora of the Western Balkans (WB) is a huge yet not sufficiently tapped potential for developing its countries of origin. Still, after the hope for development effects of privatization and large inflows of foreign direct investment (FDI) started fading out, the diaspora's potential became a new development mantra in the region. In the last several years, many countries passed legislation, developed strategic documents, and introduced new institutions for cooperation with their diaspora communities. However, as for any other policy area, strategies that are drafted as a wish list, are not backed up by appropriate resources and institutions, and staffed by often incompetent party members do not deliver the desired outcomes.

Remittances are still the main development contribution of the diaspora in the WB. Current policies of the WB governments on attracting diaspora contributions are strongly geared towards attracting more remittances (and to some extent investment) and channeling them towards their productive use. In contrast, other potentials of the diaspora are often largely ignored. For that reason, this paper emphasizes other potentials that the diaspora has and offers best practice examples and policy solutions for those areas of intervention.

The diaspora communities from the WB have some specific features that make cooperation with them challenging. First, the diaspora is rather spread across the world. It does not have organizations representing large numbers of diaspora members to make cooperation between the diaspora and the governments of the countries of origin easier. Moreover, even if they are organized, this organization often does not follow national borders but replicates ethnic divisions from the countries of origin. As a result, it is more difficult to implement national strategies and initiatives targeting the diaspora. Such circumstances further strengthen the argument for regional cooperation of WB countries in their approach towards the diaspora community.

Also, the diasporas lack a particular political influence in their countries of origin, even though they usually have voting rights and their remittances and other contributions give them a potentially strong leverage. The main reason is that they are often not well organized and lack representatives and well-articulated demands.

Finally, most current strategies and institutions for cooperation with the diaspora were introduced only recently, and it is still too early to assess their effectiveness. Also, there are already some good practices that can be used by all countries in the region to improve their cooperation with the diaspora and to attract more contributions from it for the development of their countries of origin. Exchange of good practices and good examples of policies based on evaluating their effectiveness would hugely benefit from a regional platform for policy discussions and the exchange of good practices.

### Introduction

As an economic periphery of Europe, the Western Balkans region has a rich tradition of emigration of its population, often pushed by political uncertainties in their countries and pulled by economic opportunities abroad. The first significant waves of emigration were recorded in the second half of the 19<sup>th</sup> century, with economic migration to the United States and forced migration of the regional Muslim population to Turkey. After World War II, emigration was mainly driven by economic motives and further supported by bilateral guest workers agreements since the 1960s, such as the one between Yugoslavia and Germany. The exception was Albania, where emigration was strictly controlled until 1989. The easing of restrictions resulted in a large outflow of around 20% of the Albanian population, mainly to Greece and Italy in the early 1990s. In other countries, the transition and the related economic downturn and conflicts in some countries (Bosnia and Herzegovina and Kosovo, and to a limited extent also in Albania and North Macedonia) have exacerbated the

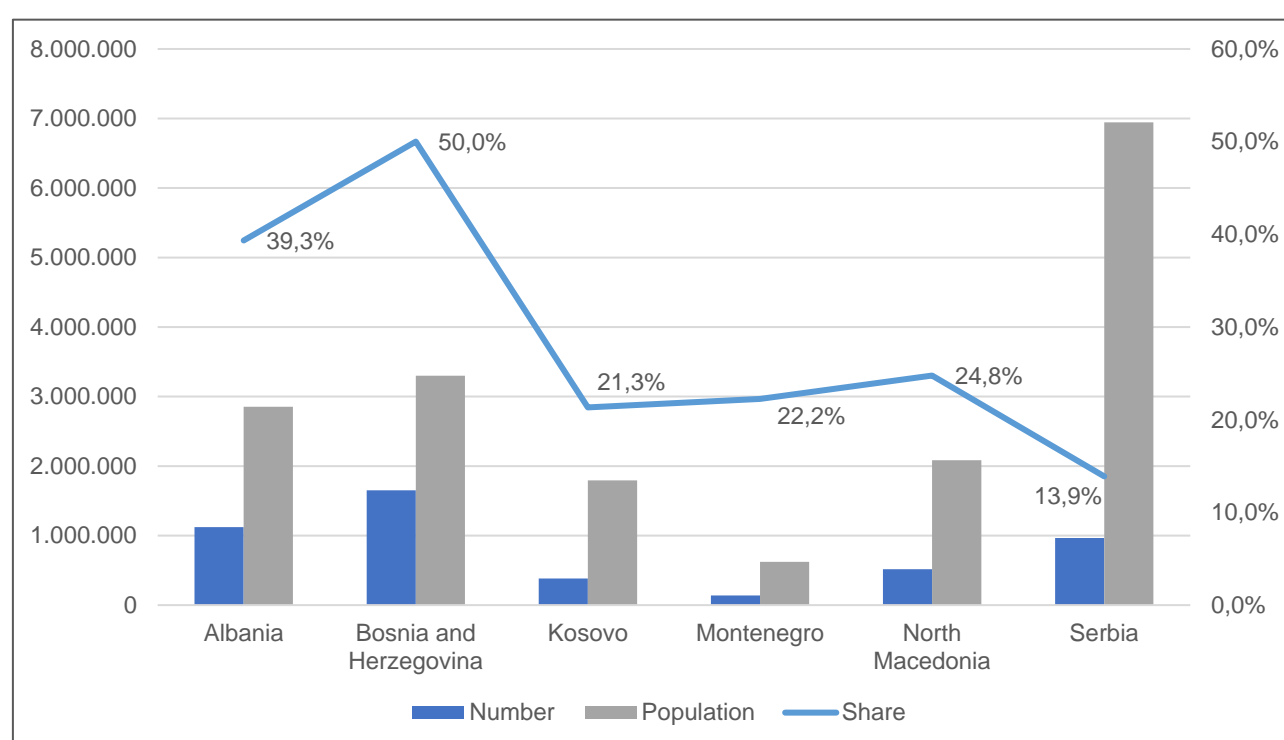


emigration of its population since the 1990s. For instance, around 25% of Bosnia and Herzegovina's population was forced to flee the country during the 1992-1995 war. After the 1990s, economic and political instability in all the countries of the region have continued to drive emigration, and it is expected to continue in the future.

### The Size of the Diaspora

The total stock of migrants from the Western Balkans currently living abroad is at around 4.5 million. The main sending countries are Bosnia and Herzegovina (BiH) and Albania. The stock of emigrants from Albania and Bosnia and Herzegovina in 2015 was 39% and 50% of the total population residing in these two countries, respectively. In other countries of the region, the share is still rather high, accounting for between 14% in Montenegro and 25% in North Macedonia (Figure 1).

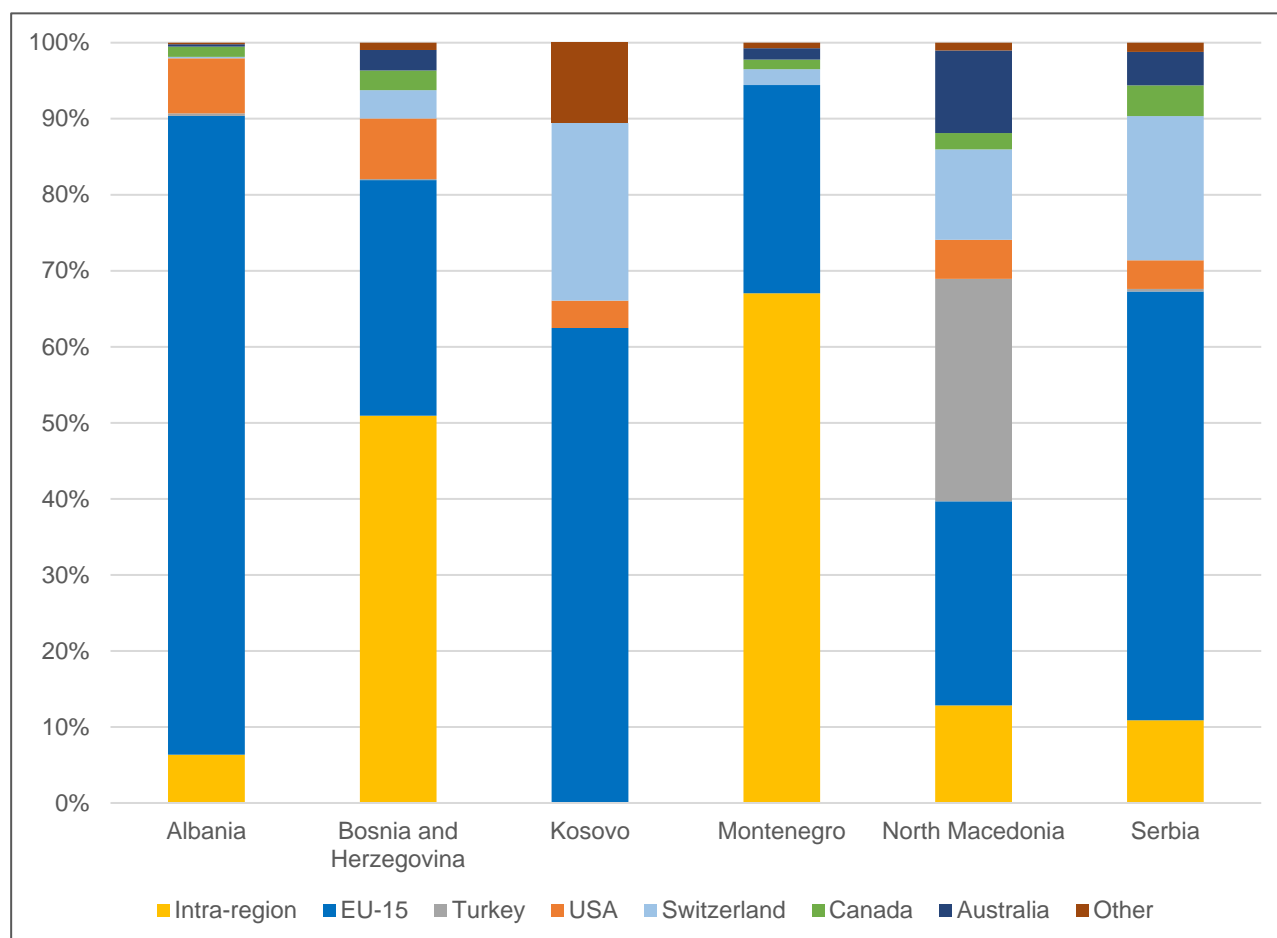
Figure 1: Stock of emigrants, population and share of emigrants in total population, 2015



Source: World Bank

We can also observe some differences among the migrants from the countries of the region in their intra-regional mobility and the main destination countries outside the region. Around 23% of total emigration has destination countries within the region. Particularly, this has been the case for countries such as BiH and Montenegro, where half and two-thirds of emigrants respectively moved to another country within the WB region. This situation may, to some extent, be explained by the ethnic composition of these two countries, where emigration – that used to be rural-urban migration in former Yugoslavia and was for the majority of migrants geared towards the largest cities of the same ethnic group – has now become an international migration across the new borders. It also has to be noted that the stock of emigrants currently residing outside the region includes what was previously an internal migration from eastern to western Yugoslavia, now becoming two countries outside the region (Croatia and Slovenia).

Figure 2: Main destination countries of WB emigrants, 2015



Source: I. Mara, N. Oruč, Migration and Remittances in the Western Balkans, manuscript, 2016.

As we can see from Figure 2, migration outside the region – especially towards the EU-15 – has involved almost half of the emigrants from the region. The EU-15 countries have been the main destination for 84% of emigrants from Albania (especially Greece and Italy), 51% from Serbia (e.g. Austria and Germany), and 61% from Kosovo (e.g. Germany). Switzerland is another European country hosting an important number of emigrants from the region, and this is especially true for migrants from Serbia (17%), Kosovo (22%), and North Macedonia (11%). Other destinations, such as the United States, Canada, or Australia, host 11% of emigrants from the region. The U.S. has been particularly attractive for 7% of Albanian and BiH migrants, whereas migrants from North Macedonia and Serbia have chosen Australia, with 10% and 4% respectively. In the particular case of migrants from North Macedonia, an important destination is Turkey, which attracted 28% of its emigrants.

Mass emigration from the Western Balkans has contributed to brain drain, demographic decline, and economic stagnation, especially in less developed areas of each WB country. These trends, accompanied by the fertility rates being among the lowest globally, are speeding up the depopulation and aging of the population, limiting the human resources for the development of the region. For these reasons, the migration-development-nexus has become an increasingly important issue for WB countries in recent times. The interaction of emigrants with their countries of origin is the main channel by which emigration can contribute to the sending countries' development. This goal can be achieved by transferring money, such as remittances and investments, knowledge, new ideas, and entrepreneurial attitudes between destination and origin countries. In this way, migrants are expected to play a largely positive role in the development and contribute to the modernization of their countries of origin. An alternative is to attract immigrants to the region. Still, it may be a rather challenging task for a region without such a history and attractiveness.

## The Diaspora's Contribution

The diaspora is an important but not yet sufficiently utilized resource for developing the Western Balkan countries. As explained above, the diaspora already sends a considerable amount of remittances to the region each year. Approximately 9 billion USD have been sent annually in the last 15 years, which has a positive effect on the development of the region. However, the perception of the diaspora's potential contribution to the home country is often limited to the remittances they send. In contrast, the potential for investments, transfer of knowledge, and tourism are largely ignored. In particular, the potential of return, with returnees bringing back specific skills and repatriated savings, as well as starting new businesses upon return, must be better understood.<sup>1</sup>

All countries of the region are under-performing when it comes to attracting foreign direct investments. The diaspora community, which is often interested in developing the region based on patriotic feelings beyond purely economic incentives, should be the main target of government efforts to attract foreign investments. The diaspora's willingness to invest in the Western Balkans indisputably exists. According to all surveys conducted (e.g. Diaspora Mapping survey in BiH by the International Organization for Migration (IOM), or in North Macedonia by the think tank 'Macedonia 2025', suggested that diaspora investors choose their home country for patriotic reasons and to provide employment opportunities for friends and family as some of the main reasons for their investments.

There are various forms of diaspora investments in the WB. There are several cases where diaspora members who worked for a company abroad opened an affiliation in their country of origin or cases where a company established by a diaspora member has been a support (or supplier) to a large company abroad. This situation particularly applies to the information technology (IT) sector and business process outsourcing sectors. The Diaspora Survey implemented for the development of the first BiH Strategy on Diaspora and the Diaspora Investors Survey implemented in North Macedonia in 2017 have shown that diaspora investors are not facing obstacles for starting their business in the WB countries any differently from other investors. Administrative barriers, government inefficiency, and corruption have been listed as the key obstacles for efficient and sustainable diaspora investment. These problems mean that no policies offer any preferential treatment for diaspora investors in the WB. Attracting diaspora investors thus requires reforms in improving the business climate for all investors.

Diaspora from the Western Balkans is rather well integrated into their host countries (see, for example, Halilovich et al., 2018<sup>2</sup>). The Western Balkans diaspora are not considered 'visible minorities' and their integration level is relatively high compared to other migrant groups. However, a considerable proportion of the WB diaspora remains nostalgic about their culture, tradition, and language. This nostalgia offers an opportunity to motivate the diaspora to invest in the country and increase their contribution through visits, educational exchange, and philanthropy. However, these feelings may fade with second and third generations of migrants who do not feel as connected with their country of origin as their parents did.

## Organizational Forms

The diaspora community is organized around several small cultural, educational, political, and other associations. However, the total membership in these associations is still low compared to the diaspora population's total size, and there is no umbrella organization coordinating these small associations' activities. There were attempts such as the World Association of Diaspora established in Birmingham, UK, but with a limited reach. A Macedonian umbrella association, 'United Macedonian Diaspora', claimed to be the sole

<sup>1</sup> This should not necessarily be considered as a positive sign. Some evidence suggests that one of the reasons for higher propensity to self-employment by returnees is due to the obstacles for paid employment at the labor market, making them 'necessity-driven entrepreneurs'.

<sup>2</sup> H. Halilovich, J. Hasić, D. Karabegović, A. Karamčić-Muratović, N. Oruč, Mapping the Bosnian-Herzegovinian Diaspora (BiH migrants in Australia, Austria, Denmark, Germany, Italy, Netherlands, Slovenia, Sweden, Switzerland, and the United States of America). Utilizing the Socio-Economic Potential of the Diaspora for Development of BiH. Vienna, Sarajevo: International Organization for Migration, Ministry of Human Rights and Refugees BiH, 2018.

representative of all Macedonian Diaspora abroad. This claim was disputed by the Minister without portfolio in the Republic of North Macedonia, who is in charge of diaspora affairs.<sup>3</sup> Also, there are only a few professional associations, such as the Bosnian-Herzegovinian American Academy of Arts and Science (BHAAS), in BiH. According to the diaspora community, one reason for the lack of coordination among diaspora organizations is their limited reach of diaspora members. The low scale of BiH diaspora's activities, as often explained by diaspora communities, results from the lack of access to funding. This issue could be resolved by strengthened cooperation between governments of countries of destination and of origin in supporting diaspora associations, targeting particularly professional associations that gather members who can provide skills, expertise, investments, and connections with potential investors from their countries of destination.

The recent emigration of the labor force has brought some important changes in the composition of the region's diaspora community. While the diaspora in the 1990s was mainly composed of emigrants fleeing the communist regime between 1945 and 1980s (in addition to legal migration of low-skilled labor, i.e., 'Gastarbeiter'), and was then rather involved in the rise of nationalism in their countries by supporting nationalist parties through financing or direct involvement in political life as (often very prominent) members of such parties, the current diaspora community is increasingly composed of political opposition to the current (often autocratic) regimes. There is evidence of such a difference in political views in the results of the election when votes of the diaspora are compared to the local populations' votes in the country. For example, most Serbian diaspora members voted against Aleksandar Vučić in the 2017 election, contrary to the population still living in Serbia.<sup>4</sup> Available evidence suggests that the results are similar in other countries in the region.<sup>5</sup>

## Part 1: Status Quo

The diaspora's potential recently became a new development mantra in the region. In the last several years, many countries passed legislation, developed strategic documents, and introduced new institutions for cooperation with their diaspora community. However, their scope and effectiveness are rather limited. The focus usually lies on attracting the diasporas money in the form of remittances or investments. The majority of relevant development initiatives of the countries of origin that were implemented so far are driven by the international donor community agenda and individual motivations. In this section, the national institutions in charge of diaspora issues, main laws, and strategic documents dealing with diaspora and the most important initiatives targeting diaspora are presented, per each country of the WB region.

### a) Albania

Albania has recently advanced rather well – concerning policies, institutions, and initiatives targeting its diaspora. During the last decade, the Government of Albania has introduced new migration policies, considering migrants as a resource for development. Albania introduced a new agenda on migration in 2017, reflecting the Albanian government's strategic vision for the synergy between migration and diaspora. The country adopted numerous legislative and administrative decisions to engage its diaspora and has established several institutional bodies to promote and advance these ties, including the establishment of a State Ministry for Diaspora in May 2018, as well as the Subcommittee on Diaspora and Migration (part of the Permanent Parliamentary Committee on Foreign Policy) and the State Committee on Diaspora.

Also, a new law and National Strategy for Diaspora (2018-2020) was adopted. The strategy focuses on boosting the diaspora's engagement in its development and facilitating investments.<sup>6</sup> It also assesses other issues, such as import tax exemption for equipment and raw materials for investment, corporate tax exemption, reduction of the number of procedures for obtaining a construction permit, promotion of specific banking

<sup>3</sup> The Balkan Forum, Western Balkans Diaspora: Opportunities for the Region, Briefing, 2020.

<sup>4</sup> T. Prelec, The Serbian Diaspora's Political Views: A Study on the 2017 Serbian Presidential Election, Journal of Balkan and Near Eastern Studies, 21:1, 2019, p.74-89.

<sup>5</sup> E.g. The Balkan Forum, Western Balkans Diaspora: Opportunities for the Region, Briefing, 2020.

<sup>6</sup> A. Krasteva, A. Haxhikadrija, D. Marjanovic, M. Neziri Angoni, M. Petreski; N. Oruč, Maximising the Development Impact of Labor Migration in the Western Balkans, IBF Project Report, 2018.

products for the diaspora, as well as supporting the drafting of special banking policies such as the establishment of the Diaspora Bank or a platform that will provide micro-credits for the diaspora. A respective action plan supports the diaspora strategy. However, the government has not yet mobilized the financial resources to implement it. Also, the lack of synergy among institutions creates a risk for efficient implementation, as the Ministry for Diaspora, the Ministry of Finance and the Economy, and the Ministry of Interior are now competing for competencies in addressing migration and diaspora issues.

An important novelty introduced by the new Strategy for Diaspora in Albania was developing a legal framework for registering Albanian migrants in receiving countries, starting with Italy and Greece as the main destination countries. However, incentives for registration were not specified, and the effectiveness of this initiative remains to be assessed. Empirical evidence shows that the main gap concerning the National Strategy for Diaspora is between its ambitious political program and the need for adequate technical expertise and financial support for its implementation.<sup>7</sup> The government has also set up other support mechanisms for the diaspora, including the Diaspora Business Office, to support investors and the Diaspora Publishing House to support Albanian language learning. Finally, the Government of Albania has also signed Memoranda of Understanding with several countries.

As part of the efforts to promote economic capital, in 2018 the Parliament of Albania passed the law on the Albanian Diaspora Development Fund. The Fund will be the guarantee fund for diaspora investments through replicating successful models from Latin America and through substituting collateral for getting loans. The Fund also aims at increasing the negotiating power of financial intermediaries and loan opportunities in destination countries, encouraging Albania's financial institutions to facilitate through offering additional guarantees and multiplying the investing power of diaspora members.

There are also various initiatives targeting the Albanian diaspora, implemented by government and non-governmental and international organizations. Recently, the government implemented several measures for promoting diaspora investments: i) Improving business climate; ii) Fighting corruption; iii) Reviewing fiscal policies and applying fiscal incentives; iv) Reducing procedures for opening businesses; v) Improving banking services and reducing interest rates; vi) Promoting Public-Private Partnership, with particular focus on infrastructure projects; vii) Encouraging local government to establish direct collaboration with respective authorities in migrants' destination countries to help local development and local communities. The government also organized Diaspora Summits in 2016 and 2019 to increase the awareness of diaspora potential investments in Albania and to further foster the relationship between Albania and its diaspora.

As of 2018, IOM Albania started with the three-year program 'Engage the Albanian Diaspora in the social and economic development of Albania', funded by the Italian government. Within this program, an innovative investment boosting mechanism called 'Connect Albania' was established. The idea behind this platform is to provide services directly to potential investments by members of the Albanian diaspora, aiming to create the foundations and to share experience and best practices to facilitate investments of the Albanian diaspora aimed at the economic development of Albania.

IDEAL, the Integrative German-Albanian Association, organized a Dialog Day in 2013 in Essen, Germany, to initiate new and deepen existing cooperation and exchanges between entrepreneurs in Albania, western North Macedonia, Kosovo, and Germany. The dialog between the countries of origin and the German State North Rhine-Westphalia (NRW) was fostered with the diaspora mediation. The Dialog Day was organized in collaboration with the Chambers of Commerce and Industry of Tirana and Essen.

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<sup>7</sup> A. Krasteva et.al, 2018.

## b) Bosnia and Herzegovina

Current migration flows from BiH are predominantly characterized by the emigration of highly skilled people. They are supported by the country's programs to employ individuals in Germany and Slovenia. This emigration contributed to changing the structure of the diaspora, which, on the one hand, has increasing potential for contribution to the country's development through investments, skills transfer, and tourism. Such a development potential was largely ignored for years. An under-staffed sector within the Ministry of Human Rights of Refugees (MHRR) was the only institution in charge of cooperation with BiH's diaspora. The MHRR has exclusive jurisdiction over creating diaspora policies. Its Diaspora Department operates over two sectors, that of Status and Information and that of Economic, Educational, Scientific and Cultural Cooperation. A recent development is that the BiH Ministry of Foreign Affairs, which has been expressively mentioned in the first Policy on Cooperation with the Diaspora from 2017, started activities towards more active involvement of this government institution in cooperation with Bosnia's diaspora.

The Policy extended the list of relevant institutions to work with BiH diaspora besides MHRR, introducing the Ministry of Foreign Affairs as solely responsible for BiH foreign policy and, consequently, encouraging, developing, and coordinating cooperation with BiH diaspora through diplomatic and consular missions. The BiH Ministry of Civil Affairs administers support and materials for the diaspora to learn the Bosnian-Croatian-Serbian (BHS) language. Due to the lack of institutional cooperation with the diaspora at the state level, and diaspora needs requiring multi-sectoral involvement, many issues are solved at the entity, cantonal, and municipal levels.

In addition, at the entity level, the BiH House of Representatives Parliamentary Assembly (PA HoR) recently adopted a set of conclusions on migration and brain drain, which also include specific conclusions related to the diaspora and diaspora investment. The conclusions propose establishing the Office for Economic Cooperation with the Diaspora within the Office of the BiH Prime Minister and request that the Federation of Bosnia and Herzegovina government prepare information for the BiH House of Representatives Parliamentary Assembly on potential diaspora investment projects.

Although BiH has had a large diaspora community for decades, only in 2017, the first Policy on Cooperation with BiH Diaspora was finally adopted after years of blockage and as a compromise for the initially envisaged Law on Diaspora. The policy is the first document that institutionalizes the cooperation between BiH and its diaspora. It results from the joint effort of the Ministry of Human Rights and Refugees of BiH and other institutions in the country, aiming at improving cooperation with the emigration to mutual interest. The policy also envisaged the design of a development strategy document that will establish a program for attracting investment and savings of emigration and removing administrative barriers to such investments. One of the activities proposed in the policy, i.e. mapping of the diaspora in key destination countries, was already implemented by IOM in 2017. The mapping included eight EU countries, the United States, and Australia. The IOM mapping report<sup>8</sup> was published in 2018.

Then, work on the first BiH Diaspora Cooperation Strategy was initiated by the Swiss Agency for Development and Cooperation's (SDC) Democracy for Development (D4D) project in 2017. The state-level strategy was initially agreed upon; however, the Republika Srpska (RS) entity withdrew from the work on the strategy, although its request for a modular approach was adopted. The main issue was that the RS government does not want to recognize the term 'BiH diaspora'. In 2019, BiH adopted the D4D project framework strategy, while RS decided to create its own and adopted it in May 2020.

Regarding the key initiatives, it is worth mentioning projects aiming to utilize the development potential of the Bosnian diaspora that two international development agencies, USAID and SDC, started in 2017. USAID is implementing a four-year 'Diaspora Invest'<sup>9</sup> project, and UNDP implemented the 'Diaspora for

<sup>8</sup> The report is available here: <https://dijaspora.mhrr.gov.ba/wp-content/uploads/2018/08/Mapping-BIH-Diaspora-Report.pdf>, (accessed 15 October 2020).

<sup>9</sup> [www.diasporainvest.ba](http://www.diasporainvest.ba), (accessed 15 October 2020).



Development’<sup>10</sup> project. In addition, local NGOs in BiH, such as Naša Perspektiva and Restart offer advisory services to potential investors from the diaspora and organize events for diaspora investors to connect them and share positive stories. The first Diaspora Business Forum was held in 2013 in Prijedor, BiH, and was the first of its kind in the region. The event was organized by the NGO Naša Perspektiva and its partners, the City of Prijedor, the Foreign Trade Chamber of BiH, and the World Diaspora Association of Bosnia Herzegovina. Since then, the NGO Naša Perspektiva has organized a series of conferences for diaspora investors and other business-to-business (B2B) events, in cooperation with USAID’s Diaspora Invest project. On the other side, government institutions, such as the Foreign Investments Promotion Agency, generally lack concrete action.

Although emigration is a phenomenon already making a significant negative impact on the demographic and labor market trends in BiH, government policies are still designed to promote emigration, probably with the interest of reducing the unemployment pressure and increasing subsequent remittances inflows. For example, in the last five years, BiH signed bilateral agreements for the employment of BiH workers in Slovenia and Qatar and an agreement with Serbia on the employment of BiH workers in Serbia and Serbian workers in BiH. Also, BiH signed an agreement with Germany on the temporary employment of healthcare staff from Bosnia in Germany. The direct consequence of these agreements is that only through the assistance of the BiH Labor and Employment Agency, around 3,000 health workers were employed in Germany in the last several years, and 15,000 (mainly construction) workers were employed in Slovenia. The main characteristics of these agreements are that contrary to the ‘Gastarbeiter’ agreements signed between Yugoslavia and Germany in the 1960s, the new agreements do not include any clause about requirements for the workers’ employed through these programs to return to BiH after temporary work abroad. However, since this policy does not require workers to return after a certain period it further contributes to the permanent emigration of individuals from BiH and the loss of its labor force. Skills shortages are already present in some sectors, such as healthcare or IT,<sup>11</sup> affecting the availability and quality of health services, particularly in rural areas. However, there is no sign of the government’s awareness of these issues.

### c) Kosovo

Until early 2020, Kosovo had a Ministry of Diaspora, which has now been merged into the Ministry of Foreign Affairs and Diaspora. The Government of Kosovo launched a Ministry of Diaspora (MoD) and introduced the Law on Diaspora in 2011. The Strategy for Diaspora 2014-2017 was a key guiding policy, which set out the goals of supporting diaspora integration in their countries of destination while at the same time facilitating investments and transfer of skills to their country of origin. There is, however, no evidence that this strategy has led to any actual changes in policy as of yet.

A new Law on Diaspora is currently being drafted. The previous law aimed to preserve and cultivate national identity, language, culture, and education of the diaspora members and their relations with institutions of the Republic of Kosovo. It also claimed to help with the organization of the diaspora in various countries where they live and to encourage and develop inter-cultural relations. Kosovo has created an online database of its diaspora. Some political figures in Kosovo have expressed views to amend the constitution to create room for political inclusion of the diaspora into the national Parliament by reserving five seats for the diaspora, out of 120.

Several initiatives targeting Kosovo’s diaspora have been implemented, such as the organization of Diaspora Business Unions, regular diaspora business fairs, conferences and forums, agreements with diaspora host countries on issues such as the protection of investments and issuance of investment guarantees by the Kosovo government, or the provision of tax breaks and other financial incentives on imports. The establishment of the Unions of Diaspora Businesses is widely recognized as a great achievement towards better connection and eventual joint investment in Kosovo.<sup>12</sup> There is also an initiative for the establishment of the Bank of Diaspora. Moreover, since 2015 the Ministry of Diaspora coordinates summer internships that public institutions offer

<sup>10</sup> [https://www.ba.undp.org/content/bosnia\\_and\\_herzegovina/en/home/presscenter/articles/2018/D4DInvestcijskifond.html](https://www.ba.undp.org/content/bosnia_and_herzegovina/en/home/presscenter/articles/2018/D4DInvestcijskifond.html), (accessed 15 October 2020).

<sup>11</sup> For example, see: <https://balkaninsight.com/2016/12/23/germany-drains-bosnia-of-doctors-and-nurses-12-21-2016/>, (accessed 15 October 2020).

<sup>12</sup> A. Krasteva et al., 2018.

to Kosovar diaspora students who are placed in public institutions in Kosovo during the summer. These internships are bringing around 100 diaspora students to Kosovo every year. Another similar initiative was the Brain Gain Program (BGP) – a project implemented by the World University Service Austria with the support of the Austrian Development Cooperation from 2002-2011, bringing diaspora academics to deliver courses that were not available at Pristina University. Finally, there were several events focused on the diaspora so far. For example, the Albanian Diaspora Economic Forum was organized on November 25-26, 2017, in Pristina. The Diaspora School organized in Kosovo (October 11-15, 2017), brought together young professionals (aged 18-35) from Kosovo and its diaspora to connect, share knowledge, and create community solutions that address pressing issues at the local level.

#### d) Montenegro

Montenegro interacts with its diaspora primarily via the Council for Cooperation with the Diaspora, an advisory body to the government on strategies and laws of interest to the diaspora. It approves the council's codes and rules and administers activities to protect and promote the Montenegrin language, culture, and tradition. Council members include diaspora representatives from each country where citizens of Montenegro live abroad, proportional to the percentage of the diaspora in each country, as outlined in the Law on Cooperation of Montenegro with Diaspora, adopted in 2018.<sup>13</sup>

The Montenegro Diaspora Centre, which operates within the Ministry of Foreign Affairs of Montenegro, is the main institution coordinating and promoting diaspora links with Montenegro. The Centre organizes meetings of emigrants and provides logistical support in the organization of visits of business, cultural and other delegations from their destination countries to Montenegro. The Centre also organizes humanitarian assistance from the diaspora to Montenegro and solves individual problems of diaspora members. The diaspora can also make suggestions and proposals to state institutions through the Montenegro Diaspora Centre.

#### e) North Macedonia

The Ministry of Diaspora in North Macedonia was established for the first time in June 2017. Its objective is to serve as a 'one-stop-shop' for diaspora investors since several ministries had had competencies over diaspora matters until its establishment. The Ministry of Foreign Affairs of the Republic of North Macedonia is in charge of coordinating institutional activities to enhance the cooperation with its diaspora. This Ministry approves strategic documents that envisage state cooperation with its diaspora.<sup>14</sup>

The National Strategy of North Macedonia for Cooperation with the Diaspora 2019-2023 was recently adopted. This strategy aims to address the following matters: mapping of the diaspora, the establishment of a cooperation mechanism between the government and the diaspora, acknowledgment of rights and obligations of the diaspora in the political context, systematic acknowledgment of diaspora priorities, and the advancement of cultural, business and education cooperation between North Macedonia and its diaspora. The strategy envisages the introduction and revision of several new laws and government documents. A measure that had been adopted even before the new strategy was a provision in the law on the financial support of investment in April 2018, which stipulates that a diaspora investor is entitled to receive a 10% subsidy of the amount of the investment, on top of the subsidy for which they are eligible as any other foreign investor.

There have been several initiatives to engage the diaspora in the political and economic life of North Macedonia, such as Macedonia 2025. It was established in 2015 as an NGO founded by prominent Macedonians residing and working abroad. The objective of Macedonia 2025 is to foster various ways in which the diaspora could support the socio-economic development of the country through establishing links, supporting diaspora investment, educational exchanges, and similar activities.

<sup>13</sup> A. Krasteva et al., 2018.

<sup>14</sup> Ibid.

#### f) Serbia

Until 2012, Serbia had the Ministry of Religion and Diaspora in charge of diaspora affairs. The responsible institution now is an Office for Cooperation with the Diaspora and Serbs in the Region within the Serbian Ministry of Foreign Affairs. The Office performs public administration and professional activities set forth by the law, such as: preserving and developing the spiritual, national and cultural identity of Serbs outside the Republic of Serbia; improving ties between Serbian citizens living abroad and their organizations in Serbia, keeping the diaspora informed about the policies of the Republic of Serbia, supporting the process of inclusion of the diaspora into the political, economic and cultural life of the Republic of Serbia, and their return to the Republic of Serbia, among other things.

In 2014, the Serbian Parliament adopted the Law on the Diaspora and Serbs in the Region. This law stipulates that the Assembly of the Diaspora and Serbs in the Region shall be the highest body of the diaspora and Serbs in the region and that a Budget Fund and a Council for Diaspora should be established.

The Strategy for Sustaining and Strengthening of Relations between the Home Country and Diaspora and between the Home Country and Serbs in the Region points out to the need to create a database of persons with university or college degrees who moved out of the country, and to the need to mobilize the emigrant population and their resources for the country's development, including for reducing the unemployment rate and poverty in Serbia.<sup>15</sup> Unfortunately, not much progress has been made in this respect, and no such database was initiated.

The Serbian Chamber of Commerce has been active in attracting diaspora investment for the past several years. A new project, initiated in 2020 in partnership with the Ministry of Foreign Affairs, intends to map investment potential across Serbia and make this information available to members of the diaspora interested in investing in Serbia. Other than this, the state is doing little to maximize either the know-how of Serbians living abroad or attract their investments.

## **Part 2: Policy Ideas**

As presented above, all WB countries have established institutions for cooperation with their diaspora and formulated legal and political strategy documents aimed at strengthening such cooperation. Under the current circumstances, it is difficult to implement the strategies and improve cooperation with a dispersed and institutionally not very well organized diaspora community. Hence, national government efforts in that regard are required, for which the support of destination countries' governments is very welcome. This support includes collecting more data about the diaspora, their needs and their skills and investment potential, and more information about their rights and investment opportunities in their country of origin. The review of initiatives has shown that, although the increasing number of policies and initiatives exists, they are still limited to remittances and, to some extent, investments.

In contrast, skills transfers, tourism, and philanthropic contributions are generally lacking. Moreover, regional initiatives are lacking. For such initiatives certain preconditions need to be assured. In addition to improved communication and cooperation with the diaspora, improvements in the investment climate, and access to the labor markets by highly skilled diaspora members in the countries of origin need to be made. Moreover, the diaspora should be offered additional benefits for their linkage with the home country, including increased political involvement. Some specific policy ideas for each of these areas of intervention are identified and presented in the upcoming parts of this section.

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<sup>15</sup> A. Krasteva et al., 2018.

#### a) Data and communication

WB countries do not know much about their diaspora. There is no systematic collection of data by national governments, except for data on the number of emigrants produced in national Migration Profiles. Available migration data provides mainly statistics on stocks available from destination countries' statistics reports, revealing little about the migrants' age, sex, education, or other important characteristics. Good policy design and practice require a stronger evidence base on migration by collecting and disseminating detailed data disaggregated by age and sex, country of birth, country of previous residence, country of citizenship, education, occupation, employment status, qualifications, and skill level. Relevant information will help design and implement effective policies for migrants. Both, qualitative and quantitative research is needed. Consequently, more efforts should be put into improving the collection and analysis of migration data, focusing on administrative and survey data already available at national institutions. IOM's current efforts in the WB region to improve migration statistics and establish a regional portal for the exchange of migration data (WB-MIDEX) are important steps to that end.

Moreover, if we expect increased involvement of the diaspora and their contribution to developing their countries of origin, the diaspora has to be provided with reliable information that would allow it to recognize its interest. The first step that should be taken in this respect is to develop and present a coherent set of economic opportunities for diaspora investment in the WB, accompanied by success stories. This information is particularly important for the WB, as many members of the diaspora still primarily see their countries as non-competitive and politically unstable, and therefore may not appreciate or be aware of opportunities there today. In this area, good practice is the work done so far by the BiH Foreign Investment Promotion Agency (FIPA) for attracting investment to BiH. FIPA has developed a project investment list that contains 250 possible investment projects in BiH.

#### b) Regional cooperation

The WB is known for its political, ethnic, and religious divisions, and this is also prevalent among the different diasporic communities of the region, often 'exported' to the diaspora through institutions led by nationalist parties and diaspora cooperation strategies that have 'preservation of national identity' as their first pillar, which is not necessarily attractive to diaspora members from minority groups from that country. Minority groups are usually over-represented in the population of emigrants from each country. For that reason, communication towards the diaspora needs to be more sensitive to its composition, attitudes, and needs. Also, members of one WB diaspora may hesitate to interact with members of the other regional diaspora. There is a sense of isolation and even rivalry between the different diasporas. While there may be several associations linked to the diaspora in each home country, regional cooperation has proven to be challenging. Despite this challenge, cooperation amongst the WB countries is crucial. Individual efforts by each country toward their diasporas and cross-regional efforts to effectively increase the diaspora contribution to socio-economic development. There is hope that the situation can improve with more robust and innovative initiatives, backed by the good intentions of the WB countries and a diplomatic push by the international community, particularly the EU. The examples from the region demonstrate that cooperation between diaspora communities of different backgrounds is possible despite the dominant divisive narratives and numerous challenges. The EU's involvement is expected. It promotes regional cooperation in various areas (that can be extended to regional cooperation with WB diaspora) as one of the key pillars in advancing the accession process. Although the region is currently competing in attracting FDI that are usually national-level investments, regional cooperation in attracting FDI and promoting regional opportunities is expected to increase investments in the region from new sources, so the cooperation would increase, not reduce, total investments in the region.

### c) Stability and business climate

Improving political stability and the business climate to attract foreign investments will also attract investments by the diaspora. Several surveys of diaspora business communities have shown that there are identifiable obstacles for diaspora economic engagement. However, most of them think that diaspora investors are not facing any different difficulties from the ones faced by any other foreign investor. The main obstacles emphasized by investors are the lack of information on investment opportunities, complicated administrative procedures, the related lack of information and guidance and lack of a skilled labor force. It is vital to develop the region's competitiveness, and to focus on expanding the private sector and easing the administrative bureaucracy currently required to start a business. Supporting the creation of new businesses will improve investment opportunities, encourage further entrepreneurship, and positively impact employment.

Policies to attract diaspora investments are needed. Given that the diaspora community is often organized across ethnic lines that do not necessarily match the borders of countries, an approach of regional cooperation to this potential would be highly welcome. In addition, cooperation would offer regional investment projects for funding by a diaspora community from the region. Support for establishing a diaspora business organization is also an important precondition for more effective investment attraction initiatives. A recent survey of diaspora businesses and relevant government institutions in BiH has shown that the vast majority of respondents emphasized the need to establish associations of BiH diaspora businesses. One possible approach would be to replicate two recent initiatives: Diaspora in Switzerland<sup>16</sup> and the diaspora representative body in Germany. However, it is still too early to assess the results and sustainability of these efforts.

### d) Skills

WB countries need to examine different ways to harness possibly the largest development potential that its diaspora has, namely the strong human capital. This examination is particularly important in a situation of low quality of education in the home country and its inability to create human capital with appropriate and up-to-date skills in many sectors. A highly educated and skilled diaspora is an opportunity to overcome such a weakness of the education system and to create potential gains for the country of origin. The challenge lies in mobilizing these highly skilled people to promote the region's economic growth. Collective action is needed to identify actors, leaders, and agents of change among the diaspora communities who can contribute. Therefore, it is fundamental to give a voice to members of the diaspora and create new participation and collaboration opportunities.

Student and staff mobility are increasing but is still at a rather low level in the WB, reflected by their participation in the EU mobility schemes. Such initiatives can strengthen mobility and cooperation between WB and the diaspora's destination countries, involving diaspora members and people from the WB. Some diaspora organizations support educational exchanges of WB students, academics, professionals, and executives in destination countries of the diaspora. Also, they offer opportunities for the second and further kin of the diaspora to spend the summer in the country of origin. However, there is no systematic government policy in any of the WB countries to support these trends.

It may also be difficult to provide appropriate incentives to highly skilled people to return in some cases. Still, a concept of 'virtual return' as a channel of the diaspora's contribution to the development of their countries of origin, particularly of researchers and other experts to work on such projects, can be explored. This type of return will be even more attractive to many people after the recent pandemic and border controls are expected to reduce circular migration. Diaspora members can transfer their knowledge to their colleagues in the country of origin regularly without the need to be physically present there.

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<sup>16</sup> <https://www.i-platform.ch/>, (accessed 15 October 2020).



The idea of establishing virtual ‘think-nets’<sup>17</sup> could be explored to improve scientific research that is generally lagging behind the EU in all relevant indicators. At the same time, it could be an important driver of improved competitiveness, government effectiveness, and overall development of the WB countries. Transfer of knowledge can include webinars, online conferences, and other events, as well as short-term involvement of diaspora members in knowledge transfer activities in their home country. A regional migration think-net can be established through the already existing WB-MIGNET research network. Also, an initiative recently started in Bosnia and Herzegovina, where a community of researchers from the diaspora working at leading EU and U.S. universities are offering pro bono mentorship support to Ph.D students at universities in Bosnia and Herzegovina, coordinated by a local independent research institute.<sup>18</sup>

#### e) Political role

Finally, the diaspora community’s potential is to bring needed democratic change to the region that could be further explored. The main precondition to such a contribution by the diaspora, the same as for their increased investments, is better organizing the diaspora in economic and political associations and communities. Since many important positions, including in government and universities, are filled with members of political establishments who are well-off and do not have any incentive to emigrate, the ‘best and brightest’ individuals, who are also in discontent with the incumbent political views tend to choose to emigrate. These people could be a long-awaited driver of political change in the region as they represent a ‘democratic alternative’ to the current regimes, to use the name of a group of intellectuals who emigrated from Yugoslavia in the 1950s and who established a multi-ethnic political group to advocate democratic changes in Yugoslavia.<sup>19</sup> There is evidence of such a difference in political views in the results of elections when votes of the diaspora are compared to the votes of the local populations in the country.

Given that countries of the Western Balkans are heavily dependent on remittances, the diaspora already has strong political leverage. However, the political involvement of the diaspora community is rather limited. Registration for participation in the 2020 local elections in BiH was the highest and still reached only around 5% of the estimated diaspora population. Membership of diaspora members in political parties is also rare. Simplifying the voting process and attracting diaspora members to get involved in the election and political process in the country of origin would be an important step towards establishing partnerships of governments with their diaspora. Finally, reserving seats for diaspora members in their parliaments could be an effective way to increase the diaspora’s interest in participating in elections in their countries of origin.

### **Conclusion**

Countries of the Western Balkans, having a large and relatively highly skilled diaspora community, should tap into that potential and attract their diaspora’s contribution beyond remittances. This background requires a whole range of well-coordinated policies that should tackle the issue from different angles and treat symptoms as well as causes. All WB countries have established institutions for cooperation with their diaspora and formulated legal and political strategy documents that underpin their various diaspora-related programs and projects to forge strong ties for improved socio-economic benefits. Despite this progress, much remains to be done, particularly given governments’ effectiveness in and commitment to implementing these strategies. Moreover, it is difficult to cooperate with dispersed and not well institutionally organized diaspora communities. Efforts by national governments in this regard are required. More information about the diaspora’s rights and investment opportunities has to be provided to the diaspora.

<sup>17</sup> It is an organizational model for a research center that allows collaboration between researchers at different locations.

<sup>18</sup> More information can be found at [www.inquire.ba](http://www.inquire.ba).

<sup>19</sup> B. Trencsenyi, M. Kopeček, L. L. Gabrijelčič, M. Falina, M. Baár, *A History of Modern Political Thought in East Central Europe – Volume II: Negotiating Modernity in the ‘Short Twentieth Century’ and Beyond, Part II: 1968-2018*, Oxford University Press, 2018.



The review of initiatives has shown that, despite the increasing number of national-level initiatives, it is clear that regional initiatives are lacking. Regional cooperation is even more important if we consider that the diaspora is often organized along ethnic lines that cross national borders of WB countries. As such, the diaspora may be even more interested in supporting cross-border or regional projects and initiatives and can have more trust in such initiatives or coordinating institutions than in national governments that were often among the main reasons for the diaspora's emigration. Despite the challenges of connecting diaspora communities from different countries, strengthening regional cooperation is an idea worth exploring.

Cooperation needs to be extended beyond remittances and focused on attracting investments, skills transfers, tourism, and philanthropic contributions. Still, certain preconditions need to be assured. In addition to improved communication and cooperation with the diaspora, improvements in the investment climate and access to labor markets by highly skilled diaspora in the countries of origin need to be made. Moreover, the diaspora should be offered additional benefits of their linkage with the country of origin, including increased political involvement.

Collection and harmonization of data on migration in the Western Balkans, particularly about highly skilled emigrants and returnees, should be improved. Such efforts are needed for improving data analyses and evidence, which is a precondition for designing good policies to tackle migration issues in the region. Any policy design should be based on high-quality, comprehensive, and comparable statistics. As some efforts were already made in the legal provision that requires more substantial involvement of ministries of foreign affairs with the diaspora, it would be important to get consular offices equipped and involved in developing a registry of WB nationals abroad. There is room for regional cooperation in this area, which can build on some previous regional cooperation initiatives of consular offices of WB countries worldwide, overcoming a barrier of limited coverage of the destination countries by some WB countries. Finally, national administrative records can be improved by developing national population registries, accompanied by legal requirements and incentives for deregistration of emigrants from the registry.

In addition to the data availability and quality, efforts in improving research capacities are a precondition to producing regular and high-quality evidence for informed policies. Research capacity building initiatives should be promoted in the Western Balkans, where a strengthened role of the EU in a situation of limited available funds in the WB is needed. Also, specific research activities need to be promoted, such as mapping and research of the diaspora to understand their characteristics, needs, and motivations for contribution.

### **Key Points**

- The WB region has a large and motivated diaspora community; however, it does not yet sufficiently tap into this potential.
- The WB are already relying a lot on its diaspora through remittances inflows, which the diaspora could use as a political leverage to advance its goals.
- However, further organizing the diaspora is needed, for both their activities and for more effective support to them. There is a lot of room for governments of the WB and destination countries (e.g. the EU) to cooperate in this area.
- Once this precondition is assured, cooperation between national governments and their diaspora should be improved and based on trust and mutual interests.
- A great development potential exists in attracting investments and skills transfers. There are some good initiatives, but a lot of work remains to be done.
- Given the ethnic organization of the diaspora, regional projects and initiatives could be even more attractive than regional ones.
- Finally, for improving cooperation with the diaspora and their increased contribution to development of their countries of origin, they should be more involved in the political life of these countries.

## The Relationship between Locals and Emigrants in the Western Balkans

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### Introduction

Emigration from the Western Balkans<sup>1</sup> is a pressing challenge. Oftentimes increasing contact to the diaspora or remigration is proposed as a potential solution. But what are the characteristics of the actual relationship between the locals and the emigrants? Research into the relationship between local and emigrated groups of a country presupposes, on the one hand, that two different group identities have formed, and on the other hand, that these groups are in a relationship with each other despite the emigration of one group as a result of circular migration. This article takes on these hypotheses, focusing on the Western Balkan countries (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia).

The terms emigration and immigration depend on the state and its borders. In the languages of the Southeast European countries discussed here, the only official term for moving from one's home country to a different one is *emigration*, which is derived from late Latin and has become common in many languages of the world. It means leaving the home country for good. Population movements in Southeast Europe were not understood as emigration or immigration for a long time because the region was part of two great empires, the Ottoman Empire and the Habsburg Monarchy. Although migration movements were very frequent in these empires, they were regarded as 'only' internal migrations. These took the form of the resettlement of entire families or tribes or tribal segments and had a rather negative connotation. Even with this kind of 'emigration', there was no contact to the region of origin afterwards.

A circular movement was only carried out by individual male labor migrants, who were an integral part of all cultures in Southeast Europe and were identified with two terms, Alb. *kurbet* (> Turkish *gurbet* 'foreign land') and Slav. *pečalba* ('profit; labor migration'). *Kurbet/pečalba* did not necessarily have to take place abroad, but simply outside the region of residence.<sup>2</sup> It was only with the collapse of the two empires that *kurbet/pečalba* became the term for a permanent employment abroad because there were ever more borders to be crossed. With the introduction of the solidified structures of the nation-states (which meant residence permits for foreigners) and the modern working world (with its employment contracts), labor migration lost its seasonal character.<sup>3</sup> The founding of families and semi-annual visits to the homeland were still witnesses to the old seasonal character. In essence, however, the transitional status remained. That is why there is still no mention of emigration in the discourses in the region today, even though emigration and return migration have been taking place continuously ever since.<sup>4</sup>

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<sup>1</sup> The article was developed as part of a larger project by the author about the connection between migration and cultural transfer in the Albanian Western Balkans. Another article by the author on Kosovo also flows into this paper: L. Jusufi, Die kosovarischen „Schatzis“. Das Verhältnis zwischen den einheimischen und den ausgewanderten Bevölkerungsgruppen in Kosovo. In: Südosteuropa-Mitteilungen 2020 [in print]. Furthermore, a broad survey on stereotypes was conducted explicitly for this article in all Western Balkan countries. The total number of interviews was 121. The citations introduced in this article have been taken from the questionnaires. For more details about the survey, see the consulted bibliography and references at the end of this article. Nevertheless, it should be emphasized that the survey is only used to show tendencies based on random samples, but in no way claims to be representative.

<sup>2</sup> *Kurbet/pečalba* represents an old collective wound in all Southeast European cultures, which is reflected in a rich musical genre.

<sup>3</sup> On historical labor migrations in Southeast Europe, cf. K. Kaser, *Balkan und Naher Osten. Einführung in eine gemeinsame Geschichte*, Wien, Köln, Weimar, Böhlau Verlag, 2011, pp. 108–113.

<sup>4</sup> Hardly any Southeast European country lists emigrants in statistics, and if it does, this category offers the greatest variety for political instrumentalization. Kosovo, for example, counts every Albanian living abroad as part of its 'diaspora'.

This new type of emigration has brought and continues to bring with it many different forms of remigration. ‘Classical remigrants’ were initially returned foreign workers who went abroad again as refugees in the course of the Yugoslav Wars.<sup>5</sup> Classical remigrants are also former war refugees, especially from Bosnia and Kosovo, who try to go abroad again through the various forms of emigration mentioned above. A third group of classical remigrants are former labor migrants who returned to their countries of origin as pensioners although very few of them remain permanently. They, too, have become part of the next form of remigration: transmigration. Most pensioners live seasonally in their country of origin and their country of immigration, or in their country of origin when in good health, but in cases of illness or old age, they tend to live in their country of immigration. This is due to the social security system, the high level of medical care and care provided by children or other relatives who also live in the country of immigration.<sup>6</sup>

However, the largest group of transmigrants is made up of younger age groups. These people have settled abroad for a longer period or for good, but regularly return to their state of origin for various purposes, including holidays, family events and obligations (i.e. caring for parents and family property), and official duties. They also provide extremely high levels of funding to their relatives, which is also a way they are present in their country of origin. Cultural transfer is another way these emigrants are present in their home countries, for example in form of material transfers in the household, construction, and automotive industries, or immaterial transfers, for example languages. Economically, for example, in Kosovo and North Macedonia transmigrants determine the forms and means of family celebrations. With their seasonal stays, they have become kind of tourists, which overwhelm the countries of origin in certain months.<sup>7</sup> Because of the cheaper and modern forms of travel and communication, they are also able to visit and communicate with their home countries much more frequently.

### Biased Reciprocity

The relationship between locals and emigrants exists on three various levels and is characterized by different reciprocal potential conflicts:<sup>8</sup>

1. First and foremost, these relationships exist within the **nuclear family**. Here, one finds the emigrated father and husband who leaves the country of origin and finances his family completely from abroad. One finds the emigrated son who covers all costs for the parents, and the emigrated brother who feels a duty to care for his non-emigrant siblings. This usually involves major financing such as building a house, buying an apartment, buying or importing electrical appliances and cars, as well as covering major medical procedures, education for siblings or their children, and numerous, often very large family celebrations. Although daughters and sisters, most of whom have emigrated by marriage, are traditionally exempt from these duties, they are often held morally accountable for smaller financing projects. The local family members often have to care for their parents, if they have not emigrated, or take them into their own household. They have to look after the land and the family’s estate, manage house construction, whether for themselves or for the emigrated family members, and organize family celebrations. The idea of remigration still characterizes the migrant worker class today. In the course of family reunification, the migrant workers often took only one son with them and left the other(s) behind to guarantee the division of tasks within the transnational family, and also to provide for themselves in old age in both countries. The dispute over who made the largest contribution to the family has long since broken out between these separated brothers.

<sup>5</sup> This flight was preceded by numerous integration problems of these returnees. Vgl. Ž. Maravić, M. Milonević, Probleme der Wiedereingliederung in Jugoslawien, W. Althamer (ed.), Das Gastarbeiterproblem – Rotation – Integration – Arbeitsplatzverlagerung: Jugoslawien, Griechenland, Türkei, Südosteuropa-Studien (23), München, 1973.

<sup>6</sup> C. Kaiser, Transnationale Altersmigration in Europa. Sozialgeographische und gerontologische Perspektiven, Wiesbaden, Verlag für Sozialwissenschaften, 2011.

<sup>7</sup> H. Egnér (ed.), Tourismus – Lösung oder Fluch? Die Frage nach der nachhaltigen Entwicklung peripherer Regionen. Mainz, Geographisches Institut, 2003.

<sup>8</sup> In this context it is important to mention that some informants also make this distinction.

2. Secondly, relations between locals and emigrants exist in **extended families**, especially in rural areas, between uncles (rarely aunts) and nephews (rarely nieces) and cousins. At this level, the conflict is more noticeable because the dependencies are weakened. The conflicts often involve disputes over land ownership, shifts of estate demarcations and the appropriation of formerly shared living space/residential buildings. The locals feel disadvantaged by remaining at home, whereas the emigrants feel overburdened. For example, in North Macedonia and Kosovo, informants report that in the absence of the emigrants, locals conduct court cases or proceedings at cadastral offices which are often decided in favor of the locals. This is happening a lot at the moment due to the Corona crisis, due to which the emigrants cannot return to their countries of origin.

3. The third level of relations between emigrants and their countries of origin are relations within **society as a whole** and **structural ties to the state**.

(a) Emigrants are the biggest buyers and consumers of material goods. These include local food products for personal use abroad, traditional clothing for family celebrations and construction materials. This consumer power is also present during extended visits to the country of origin.

(b) The emigrants have long since developed the characteristics of tourists. Their stays put a strain on the entire supply system of the countries of origin, such as traffic infrastructure, water and electricity supply, waste disposal, and the air quality in the cities.

(c) Well-educated descendants of older labor migrants are sometimes partners in cooperation projects, and at times even competitors in various fields, however only to a limited extent, because they often struggle with exclusion.

(d) The emigrants are also active citizens of their home countries. They make use of various government services, such as the supply of personal documents, civil services (birth, marriage, death) and various legal services (divorce, family conflicts, demarcation conflicts). In this area, emigrants often complain about a lack of transparency, corruption, nepotism, and of being excluded. The locals complain of arrogance, attempts at bribery, and rejection by the emigrants. But the emigrants are also a welcome source of income for the customs offices. Up until today in some cases, they are even the most important source of income for the local police through fines in road traffic, which can often be averted by paying small amounts of money to the traffic policemen.

(e) The emigrants are usually also entitled to vote in their country of origin. But only in rare cases is it possible to exercise this right from abroad. Therefore, their mobilization to vote in person in their home country allows for a certain influence of political parties. In the case of high voter turnout, the emigrants are accused of unacceptable interference, in the case of a refusal to vote, on the other hand, of disinterest. In general, the right to vote for the emigrants is perceived as unjust by the locals (e.g. 'they have no right to interfere in domestic politics'), while obstacles to exercising this right are perceived as unjust by the emigrants.<sup>9</sup>

(f) In the former Yugoslav countries, the emigrants were also seen as promoters of the wars of the 1990s. The locals see themselves as fighters in the war and the active builders of the new states, and the emigrants feel cheated of their contribution to the war and the reconstruction.

(g) The population in ethnically heterogeneous states like Kosovo or in ethnically mixed regions like western North Macedonia feels nationally weakened by the expatriation of emigrants. The emigrants, on the other hand, often face huge barriers regarding citizenship, which is important for private and professional travel, and for integration in the countries of residence, which in most cases do not allow dual citizenship. Obtaining personal identification documents from their countries of origin, which only seldom

<sup>9</sup> 'External interference' and the accusation of emigrants as troublemakers in the political life of their country of origin has been a popular method of marginalizing and persecuting emigrants in Albania and Yugoslavia, even during communist times (cf. K. Novinščak Kölker, *Migrationsnetzwerke zwischen Deutschland und den Herkunftsstaaten Republik Albanien und Republik Kosovo*. Bonn, GiZ, 2016).

is possible in the consulates abroad, is also absurdly difficult in the countries of origin due to frequent delays, exorbitant ‘express’ prices, non-transparent opening hours or closures, or restrictions during the summer months due to holidays. The expatriates have to deal with difficulties such as harassment at the borders, derision within families, institutional difficulties, additional or unequal taxation in the case of inheritance, or rejection of applications. The final battle is often fought at the registry office, which denies these people their birth certificates.

## Stereotyping

These conflict-ridden relationships show that two different identities have long since formed, which has led to the irreconcilable division between ‘us’ vs. ‘them’. The higher the proportion of emigrants, the more conflict-ridden or pronounced these discourses are.<sup>10</sup>

On the part of the emigrants, there is no specific term for the locals, except neutral terms like Alb. *vendas* or Slav. *zemjak/zemljak* for ‘compatriots’ or ‘those at home’. Nevertheless, as shown by the small survey conducted for this article there are a number of stereotypes, clichés, and negative attributions among the emigrants concerning the locals, such as corruption, nepotism, arrogance, poor education, laziness, envy, filth, distrust, ignorance, nationalism (‘The smarter ones left, the dumb ones were left to vote for nationalistic parties’), backwardness, patriarchy, and environmental pollution.<sup>11</sup>

On the part of the locals, terms for the emigrants are more numerous and concrete, both the negatively connoted terms and the stereotypes. The natives are consciously or unconsciously dividing between the early emigrants (i.e. the *Gastarbeiter* in Germany, seen negatively) and the later emigrants (i.e. the *diaspora*, seen positively):

1. In all countries the neutral term *diaspora* (Alb. *diasporë*, Slav. *dijaspora*) is used, although in Montenegro it has a negative connotation. However, it is often understood to refer only to educated emigrants, such as doctors and students who migrated (in the last few years).<sup>12</sup> With this term, the emigrants are claimed as part of their own nation. Bosnia is an exception in this regard.<sup>13</sup> Here, this term has a totally negative connotation. The derivation *dijasporaši* (‘diasporian’) is a swearword.
2. The earlier migrant workers and their descendants are called *gastarbajteri* (< German *Gastarbeiter* ‘guest worker’) in Serbia and North Macedonia (but not in Bosnia and Herzegovina and Montenegro), regardless of their level of education. In Serbia, the derivation *gastosi* (< Ger. *Gast* ‘guest’) is also used. Both terms have negative connotations. The Macedonians also mentioned the following designations: *outsajder* (< Engl. *outsider*), *auslajnder* (< Germ. *Ausländer* ‘foreigners’) and *stranci* (Slav. ‘stranger, foreigners’), all with a negative connotation.
3. Albanian is more heterogeneous. Following *kurbet*, there exists *kurbeçarë* (in Macedonian *pečalba* > *pečalbari*). In Albania *kurbet* is outdated, in former Yugoslavia it is still used and has a neutral connotation and the old character of labor migration. The ethnonym *kurbeçarë* is mostly used in North Macedonia. In all ex-Yugoslavian Albanian regions, the neutral ethnonym *mërgimtarë* (< *mërgoj* ‘to move away, to be expelled’) is used, but in the sense of a collective pain the ‘homeland’ is suffering due to the strong emigration. In Albania, *mërgatë* (also by *mërgoj*) has a negative connotation, because in communist times it was used to insult the anti-communist diaspora. In Kosovo the term *shaca* (< German *Schatz* ‘darling’)

<sup>10</sup> Cf. for Croatia J. Čapo, La sixième personne de Kafka: rencontre et conflit entre anciens et nouveaux habitants, M. Colardelle and D. Chevallier (eds.), Entre autres. Rencontres et conflits en Europe et en Méditerranée. 8e conférence de la Société Internationale d’Ethnologie et de Folklore Marseille 26-30 avril 2004, Marseille, Musée des civilisations de l’Europe et de la Méditerranée, 2007, pp.55–64.

<sup>11</sup> Cf. K. Novinščak Kölker, Migrationsnetzwerke zwischen Deutschland und den Herkunftsstaaten Republik Albanien und Republik Kosovo, Bonn, GiZ, 2016. Many of these stereotypes coincide with the German side’s attitude towards the Balkans in general. (cf. B. Langer, Fremde, ferne Welt, Mazedonienimaginationen in der deutschsprachigen Literatur seit dem 19. Jahrhundert. Transcript Verlag, Bielefeld, 2019; S. Drude, Hundert Wochen Kosovo. Aachen, Fischer Verlag, 2008). The attitude of ‘superiority’ from the German side towards the Balkans is almost entirely adopted by the emigrants in Germany.

<sup>12</sup> In Serbia this group is also referred to as ‘Braindrain’, ‘Talent-emigration’ and ‘Lost Generation’.

<sup>13</sup> For more information see B. Rogers, The ‘diaspora’ diaspora, Ethnic and Racial Studies, 28, 1, 2005, pp.1-19.



is often used with a negative connotation, as well as the term *auslandera* (< Germ. *Ausländer* ‘foreigners’) but very occasionally. In North Macedonia rarely and rather jokingly *turistë* ‘tourists’ is used and during the Corona pandemic also *strancat* (Slav. *stranci* ‘foreigners’) is used as an offence. In Albania *refugjatë* (< Italian *rifugiati* ‘refugees’ of the 1990s) is used seldomly with a negative connotation.<sup>14</sup> In Albania today the term *emigrant* can have a negative connotation, as people who wrongfully interfere (‘occupation by emigrants’). Oftentimes they are referred to by the ethnonym of their country of residence, e.g. American, Greek, Italian, etc., and this is not always neutral, but very negative with typical personal names of the countries of residence, e.g. *Pepino* (< Italy), or *Jorgo* (< Greece).

The terms with positive connotation, such as *diaspora* and *mërgimtarë* for educated people include attributes such as happy, with ‘better standard of living’, rich, successful, imaginative, and hard-working people who want a better future. The loss of this group is regretted, and the blame is placed on politics (‘lost generation’, ‘loyal people’). Sometimes they are regarded as people with a heavy fate (‘struggle for survival’). These people are seen as part of the own nation and should be worth the effort to reintegrate in the event of remigration.

*Gastarbajteri*, *gastosi*, *dijasporaši*, *autsajder*, *auslajnder*, and *shaca* are not seen in this way. All of these negatively connotated terms in the ex-Yugoslavian countries occur only in the plural and show that the migrant workers of the 1960s together with their descendants are regarded as a collective. There are many, very specific stereotypes associated with them. On the one hand, they are seen as uneducated, naive, ‘the stupid ones’, unadaptable, and part of a lower social class who make their living with unskilled jobs (cleaning lady, ‘toilet cleaning’, construction workers), or live entirely at the expense of the state or finance themselves through loans. The descendants of emigrants are ridiculed for their lack of knowledge of their parents’ language or for having a foreign accent.<sup>15</sup> On the other hand, they are perceived as rich people (‘bogus aristocrats’).<sup>16</sup> They stereotypically buy expensive cars (mostly Mercedes) and expensive clothes, build the biggest (‘kitschy’) villas and celebrate the biggest weddings in their home country, just to boast and show off (‘they are wasteful’). They are bad for the environment (‘drive around a lot’, ‘produce a lot of garbage’, and ‘dump the garbage in the street’) and are traffic offenders (‘park badly’, ‘drive fast’, ‘cause accidents’). They are seen as arrogant and presumptuous and think they can settle everything with money. In the eyes of the locals, they categorically vote for the wrong party, sometimes too far left, sometimes too far right, sometimes too nationalist, sometimes too conservative. For the Macedonians, *gastarbajteri* are Albanians living in North Macedonia, which adds another component to the ethnic conflict.<sup>17</sup>

Very often an accusation of betrayal is levelled against the emigrants in all countries: ‘they are going to forget their country, they had an easy escape from problems, they are too integrated and forgot our cultural values and background’, they are ‘traitors of their homeland; they should stay in their country of origin’, they ‘reject their origin and their traditions’. These accusations are subtle and varied. Sometimes it is the expatriated emigrants, sometimes the refugees who have not returned (in Kosovo it is refugees in general), and sometimes all emigrants ‘who do not bother to return’. Sometimes it is the accusation of not sending enough remittances, sometimes of not being involved in the war, and sometimes of disrespect and disinterest towards the ‘home country’.<sup>18</sup> Overall, fewer stereotypes have been observed in Albania with regard to the *refugjatë*. They, too, are perceived as a lower social class with little education and unskilled jobs, although these biases have gradually faded because in recent years the emigration of educated people has increased.<sup>19</sup>

<sup>14</sup> The term ‘refugee’ (izbjeglice) for the emigrants or returnees was also mentioned in passing for Montenegro and Bosnia and Herzegovina.

<sup>15</sup> Many informants in Kosovo even claim that the young emigrants are called *shaca* in linguistic terms.

<sup>16</sup> In Kosovo, this discrepancy has changed the entire class society because the less educated emigrants are richer than the well-educated locals (cf. L. Jusufi, Die kosovarischen „Schatzis“. Das Verhältnis zwischen den einheimischen und den ausgewanderten Bevölkerungsgruppen in Kosovo. Südosteuropa-Mitteilungen 2020 [in print]). On the role of money in class societies see the classic P. Bourdieu, Die feinen Unterschiede. Kritik der gesellschaftlichen Urteilskraft. Frankfurt am Main, Suhrkamp, 1982.

<sup>17</sup> R. Dimova, Ethno-Baroque: Materiality, Aesthetics and Conflict in Modern-Day Macedonia. New York, Berghahn Books Inc, 2013.

<sup>18</sup> Schachinger describes many of these stereotypes in great detail in relation to Kosovo (cf. M. Schachinger, Kosovarische Korrekturen. Versuch über die Wahrheit eines Landes, Wien, Promedia, 2019). The accusation of betrayal regarding emigrants in general is also dealt with by Sayad, who even interprets the financial support for the locals as ‘penance’ for the guilt (cf. A. Sayad, La doppia assenza. Dalle illusioni dell’emigrato alle sofferenze dell’immigrato. Palermo, Culture e Società, 2002, pp.8-16).

<sup>19</sup> E. Germani, I. Gëdeshi, Highly Skilled Migration from Albania: An Assessment of Current Trends and the Ways Ahead, Development Research Centre on Migration, Globalisation and Poverty (ed.), Working Paper T-25, January 2008.

Recently, the emigrants were held responsible for the spread of the coronavirus in almost all countries, especially in Serbia where President Aleksandar Vučić publicly blamed emigrants.<sup>20</sup> Among the Albanians in North Macedonia, a new insult has arisen since the beginning of the pandemic: *stranca* (takeover of a foreign word) for foreign intruders and virus spreaders.

These stereotypes arise mainly in the second and third level described above, i.e. at the level of extended families and society as a whole, with the state, politics, and the public bearing the main responsibility. Within the nuclear family and among close friends with a close, familial relationship and financial dependence there is no room for stereotyping.

## Conclusion

The Western Balkan countries are unable to cope with the modern forms of emigration and remigration, not only in statistical and economic terms, but also culturally. Modern travel and communication facilities have greatly intensified contacts with the country of origin. The comparison between people still living in the Western Balkans and those who have emigrated no longer takes place once a year, but every day, and not only peripherally, but pervasively. This results not only in incentives for further emigration, but also in different forms of exclusion and competitive thinking on both sides. On the one hand, emigrants are becoming more and more integrated in their countries of residence, and on the other hand, as they become more educated, they are becoming more politically and culturally aware, which makes them more willing to become involved in their countries of origin.

The numerous stereotypes, prejudices, and clichés about each other analyzed in this paper make for a strong opposition that encourages emigration and hinders remigration. In all the countries analyzed here, emigrants are perceived as happy, successful, and rich which is the most important reason why others are motivated to emigrate. The fact that the emigrants themselves see the local population as corrupt, envious, and backward people hinders their motivation to return.

Politicians and the public in the Western Balkans fuel this conflict because for decades they have been relying on emigrants both financially and politically. The countries of origin do not want to understand or accept the fact that emigrants have emancipated themselves strongly from the countries of origin in the last 20-30 years, especially the descendants of the original labor migrants, who identify more and more with their countries of residence. Political and public institutions often fight hard against remigration or cooperation plans of well-educated emigrants, especially in the field of academics. However, emigrants also demand more and more rights in the countries of origin which either cannot or do not want to grant them.

There are many similarities in the countries analyzed here, but also differences. Kosovo is a special case with the highest potential for conflict between the two groups presented here. This is because Kosovo's economy is the weakest in the region, and unemployment is the highest. Kosovo suffers extremely from the EU's refusal to grant visa liberalization. Attempts to emigrate are often not well thought-out and arise mainly from the desire to live abroad for a longer period of time, especially among young people. This emigration then follows the emigrant cliché. The swearword *shaca* with all its accompanying stereotypes is more a sign of the locals' dissatisfaction than of the actual relationship with the emigrants. The situation in Bosnia and Herzegovina is similar.

In general, the transnational character of emigrants is not only not accepted in the countries of origin as well as in the countries of residence, but oftentimes strongly condemned. The demand that emigrants must identify completely with one nation increased enormously after the political upheaval of the 1990s when the nation-building processes started all over again. The emigrants' multilingualism and trans-culturalism often

<sup>20</sup> D. Dedović, Vučićev menadžment straha. Deutsche Welle, 24.03.2020, <https://www.dw.com/bs/vu%C4%8Di%C4%87ev-menad%C5%BEment-straha/a-52898973>, (accessed 15 July 2020).

constitute a barrier to integration in both directions. With this multifaceted discrimination, any type of remigration will face difficulties. The emigrants should be seen as transnational generators of ideas, as cultural bridges and a potential for opening up both sides. However, specific measures to change these images have not been taken because each side fears losing the support of the other, and because these measures would mean the official acknowledgment of the conflict. This is why nobody speaks of discrepancies officially in public.

## Recommended Actions

- **Facilitate travel and connections between the EU and the Western Balkan countries**

The acceptance of the Western Balkan countries into the EU or visa liberalization for Kosovo could promote remigration and thus improve the relationship. The living conditions of the emigrants abroad would become more visible, relationships closer and the possibilities for return easier. This would allow a kind of test phase in the other country before serious emigration decisions are taken. Many young Albanian men from North Macedonia, for example, went to work illegally in the first phase of visa liberalization in Western Europe and returned because they were dissatisfied. Allowing dual citizenship would greatly defuse the stigmatization and exclusion of expatriate emigrants in their home countries.<sup>21</sup>

- **Improve public services for emigrants and make use of their seasonal engagement**

The countries of origin could defuse the conflict by extending consular services and postal voting abroad,<sup>22</sup> as well as by increasing work capacity in the administration during the summer months. Emigrants' home visits offer great potential for the tourism industry. If festival halls where family events are held were obliged to pay their workers better, this could create a stable labor sector, albeit seasonally.

- **Unbiased media reporting and public discourse**

The media report only 'good' (mostly nationalistic activities of the emigrants abroad), or 'very bad' (organized crime and serious crimes) but almost never cover their problems with integration or other difficulties of emigrants abroad or the normal everyday life. This reinforces the existing stereotypes about the emigrants and about the foreign country as 'the promised land' ('the money is to be found in the streets', 'you earn sacks of money there', 'honey and milk flow'), which encourages emigration and intensifies the conflict analyzed here.

- **Educational and cultural offers**

Many young people with a migration background from the Western Balkans, would like more opportunities to learn about the history, culture, and language of their countries of origin. For example, summer schools, internships, scholarships, exchange programs, or language courses could be organized for this group in the Western Balkans, especially during the summer months along with cultural programs, e.g. theatre, cinema, museums, etc.

- **Facilitate re-integration of remigrants**

(1) The classic remigrants and refugees have experienced massive integration difficulties and exclusion in their country of origin. Comprehensive integration concepts in areas like the labor market, language, family services, and public administration for returned emigrants can soften this 're-emigration', but also encourage further remigration when the positive experiences of the returnees become known.

(2) Old-age migration offers great potential for the development of the region, both as a consumer factor and as a professional sector. This group can certainly be won over to the country of origin in the long term if all the above-mentioned factors are improved.

<sup>21</sup> In Croatia it is reported that there is no hostility there. United States citizens are also not accused of treason in this regard.

<sup>22</sup> At the moment there is a large initiative by emigrants for the right to postal voting in Albania, cf. <https://www.thepetitionsite.com/de/361/966/717/petition-demanding-diaspora-vote-and-election-reform-in-albania/>, (accessed 5 September 2020).

(3) Transmigration, on the other hand, is less promising because the efforts are only aimed at the migrants' money. Transforming private commitment and family-related investments into state and collective enterprises will not succeed.<sup>23</sup> The improvement of the situation in the countries of origin will at least eliminate the dependence of the natives on the emigrants (remittances). However, here the focus should be on the remigration of well-educated people. To this end, processes for the recognition of qualifications should be made fairer and simpler. Academic job openings should be advertised publicly and internationally, not only within an institute. For applications it is often a requirement that the applicant must live in the country – this requirement should be eliminated. International offers should not have a person's origin as a criterion, as this often excludes emigrants. Finally, remigration can also be promoted specifically and actively, always with the component of internationality and transnationality.<sup>24</sup>

- **Raise awareness about transnational character of (r)emigrants**

Both, the countries of origin and the countries of residence systematically exclude emigrants from their bilateral relations. Each of them tries to make the emigrants/immigrants into 'full' citizens (again) but does not see them and their transnational character as a positive force for development both at home and abroad, and certainly not as a bridge between two countries.

## Empirical Data

1. Working Draft, language of the interviews: Albanian, English, German, and Macedonian, May-June 5, 2020, via mail and phone, known to the author but here anonymous, interviews total=20 (female=14, male=6, age: 27-54), emigrants 10 (Germany=9, Italy=1), locals=10 (Albania=4, Bosnia and Herzegovina=4, Kosovo=2, Montenegro=0, North Macedonia=2 (only Macedonians) and Serbia=8).
2. Final Version, language of the interviews: Albanian, English, German, Croatian, and Macedonian, June 5-July 12, 2020, online questionnaire, completely anonymous, interviews total=121 (female=85, male=36, age: 16-70, mostly: 20-50), emigrants=67 (USA=10, Germany=9, Italy=5, Great Britain=2, Luxembourg=1, Netherlands=1), locals=60 (Albania=22, Bosnia and Herzegovina=5, Kosovo=22, Montenegro=4, North Macedonia=46 (Albanians=23, Macedonians=23) and Serbia=1).

<sup>23</sup> The great losses are known from the past, when numerous guest workers deposited their savings in Yugoslav banks and lost them completely with the disintegration (cf. Novinščak Kölker, Migrationsnetzwerke zwischen Deutschland und den Herkunftsstaaten Republik Albanien und Republik Kosovo. Bonn, GiZ, 2016, p. 39). In addition, the emigrants complain that the countries of origin want their money but not the people ('Immigrants are seen as walking wallets', 'money source', 'invest, but keep your mouth shut').

<sup>24</sup> The fact that these strategies can be successful is currently demonstrated by Turkey, which is increasingly attracting well-educated descendants of former labor migrants to the country (cf. M. Brüggmann, Gut ausgebildete Türken verlassen Deutschland, Handelsblatt 6, 17.12.2012).

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# THE ROLE OF REGIONAL RELATIONS

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## Possibilities for Regional Cooperation in Counteracting Emigration from the Western Balkans

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### Introduction

Emigration from the Western Balkans (WB, i.e., Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia) is a long-term phenomenon with negative effects on the human capital of these countries. Although the problem has been perceived as enormous in magnitude and implications, precise and coherent global statistics are not available. Eurostat data refers to the EU countries, while WB citizens also emigrate to other destinations. According to the EU Statistical Service, over 228,000 people have left the Western Balkans in 2018 heading for the EU alone.<sup>1</sup> This figure represents 7.1% of the total residence permits for the first arrival issued in the EU that year.<sup>2</sup> The permits include family reunions, labor, education, and other reasons. At the same time, the population of the WB decreased by around 1.3% in 2018 as result of emigration to the EU. If other emigration destinations are taken into consideration and the analysis is conducted over a longer time span, more severe implications would be revealed. The WB countries try to cope with the problem individually, although without notable success. This paper discusses the potential for regional cooperation in the WB to reduce the emigration flows.

### Emigration from the Western Balkans

Emigration from the Western Balkans has been one of the major problems in the region for over three decades. Most WB countries had a tradition of migration before their post-socialist transition, except for Albania, where Enver Hoxha's regime was very rigid in this sense.<sup>3</sup> However, after 1990, people from all the WB countries started to flow massively out of the region. There are no coherent and worldwide statistics that provide accurate data on the emigration flows and migration stock of the WB, so the dimensions of the problem cannot be fully measured. In addition, the census data that are available date from 2011 in Albania, Kosovo, Montenegro, and Serbia, 2013 in Bosnia and Herzegovina (BiH), while North Macedonia's last census was conducted in 2002.<sup>4</sup> New censuses should be conducted in 2021 in all countries, except for BiH (2023), if the Covid-19 situation allows. The census data should provide a detailed overview of the population in the WB countries and shed light on the magnitude of emigration, too. Despite the lack of precise data, there is no doubt that emigration is a real problem, as the populations have visibly shrunk in all WB countries.

There are a few global databases of migration statistics, but it is rather difficult to take any of them as fully reliable with regards to the WB. The countries themselves do not have proper statistics of emigration, while the destination countries have different methods of collecting data on immigrants. In addition, no mirror data (origin versus destination countries) are available. This paper does not aim to contribute to the measurement of migration, neither to discuss databases. While the implications of people's outflows from the region can be discussed on estimations, proper policy responses should be built on (more) accurate statistics. The WB countries must therefore work on developing proper emigration statistics.

According to a study, the stock of emigrants from the WB countries in 2015 varied from 43% of the resident population in Bosnia and Herzegovina to 14% in Serbia, with all other countries having more than 20% of

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<sup>1</sup> HINA, Almost 250,000 Nationals of Western Balkan Countries Emigrated to EU in 2018, Total Croatia News, 15 August 2019, <https://www.total-croatia-news.com/politics/37853-western-balkan>, (accessed 5 September 2020).

<sup>2</sup> Author's calculation based on Eurostat data (Eurostat News Release: Residence permits for non-EU citizens, No. 164/2019, 25 October 2019).

<sup>3</sup> M. Kupiszewski (ed.), Labor Migration Patterns, Policies and Migration Propensity in the Western Balkans, IOM 2009, p.14.

<sup>4</sup> Data obtained from National Statistical Services of the WB countries.



their populations outside their borders.<sup>5</sup> An illustration of the annual emigration from the WB to the EU-28 in 2018 provides basic ground to grasp the emigration flows from the region. Eurostat data has been used, as it is based on the statistics of the host countries. As noted above, Eurostat data showed an outflow of 1.3% of the WB population to the EU-28 in 2018. In terms of emigration from specific WB countries and its share in the countries' overall population (in percentages), the 2018 data were as follows:<sup>6</sup>

62,000 Albanians (2.2%);  
24,300 Macedonians (2.1%);  
34,500 Kosovars (2%);  
53,500 nationals of Bosnia and Herzegovina (1.5%);  
51,000 Serbs (1.3%);  
3,000 Montenegrins (0.5%).

The WB emigration to EU-28 countries has been estimated to represent around 50% of the total emigration flows from the region.<sup>7</sup> In this respect, WB flows towards the EU matter a lot. Most of these emigrants settled in Germany. More specifically, 19,000 Kosovars; 16,000 citizens of BiH and Serbia each; 11,500 citizens of North Macedonia and 1,500 Montenegrins emigrated to Germany in 2018.<sup>8</sup>

In 2018, the EU-28 issued a total of 3.2 million residence permits for the first arrival. Poland issued 635,000 permits, Germany absorbed 544,000 immigrants, the UK around 451,000, followed by France (265,000), Spain (260,000), Italy (239,000), and Sweden (125,000).<sup>9</sup> This approach clearly shows that the EU is open to immigrants. Further, some of the countries, in particular Germany, have additionally relaxed the criteria for entrance for skilled immigrants, as of 2020.<sup>10</sup> This change, in addition to the geographical proximity of the EU, serves as a major pull factor for migration in the WB region.

The emigration of the past three decades was rarely a circular migration, i.e., migration going forth and back between countries of origin and destination countries. Emigrants set up their lives in the host countries, contributing to the persistent decrease of the human capital in their countries of origin. The openness of the EU (and other developed countries in the world), in particular for certain professions (medical staff, IT, etc.) and highly skilled professionals, is a major pull factor. Still, the question persists: what pushes people out of their home countries?

Political instability, lack of job opportunities, low standards of living, and poverty were identified as major push factors in the 1990s. It could be argued that today, additional factors matter as well. These include environmental pollution, quality of health care and education, as well as the functionality of the major bodies of government: the legislative, the judiciary, and the executive branches. In the recent waves of emigration, economic survival has been accompanied by quality of life as the main cause for leaving the country. This factor adds to the complexity of the problem.

### Policy Responses to Emigration: Possibility for a Regional Approach?

Despite the seriousness and longevity of the emigration, none of the WB countries have developed a profound and successful strategy to cope with the problem. Such an approach would require policy actions that would yield results, not just formal documents that exist in most of the countries. As noted above, in 2018 alone, the outflow from the WB countries to the EU ranged from 0.5% to 2.2% of the countries' populations. If 2018 is considered a representative year for the average annual emigration from the region in the past decade, then the

<sup>5</sup> I. Mara, M. Oruč, Systematic Review of Migration and Remittances in the Western Balkans", in: Arandarenko, M. (ed.) Labor Markets in the Western Balkans: An Outline of Exit-Loyalty Framework, 2016.

<sup>6</sup> HINA, Almost 250,000 Nationals of Western Balkan Countries Emigrated to EU in 2018.

<sup>7</sup> Regional Cooperation Council Report: Labor Markets in the Western Balkans: Performance, Causes and Policy Options, 2018, p.26.

<sup>8</sup> Ibid.

<sup>9</sup> Eurostat News Release 164/2019 - 25 October 2019.

<sup>10</sup> Federal Ministry of Education and Research (Germany), Recognition in Germany, Information Portal, <https://www.anerkennung-in-deutschland.de/html/en/index.php>, (accessed 5 September 2020).



outflow of people from the WB to the EU would have been over 2 million between 2010-2018. Given that WB emigration does not flow exclusively into the EU, but also to Switzerland, the U.S., Canada, and Australia, the problem is of global proportion.

Moreover, emigration from the WB has been going on for almost 30 years, while immigration into the region is not particularly popular. Owing to lack of reliable data, the intention of this paper is not to make estimations, but rather to point out that the emigration resulted in a deterioration of these countries' human capital. It has also sped up the process of population aging, as youth emigration is a particular problem. As human capital is one of the fundamentals of economic growth, the potential for development is reduced. In this context, the countries need to assess the current state of human capital in order to undertake proper policy measures.

The policy responses to emigration and human capital deterioration usually aim towards two goals:

- 1) Decreasing future emigration
- 2) Attracting some of the emigrants to come back to the country of origin.

The policy for counteracting emigration is primarily a national policy. However, provided that the WB countries face similar problems and apply ineffective policies, a regional approach should be considered. The common denominator of the emigration from all WB countries is low standards of living and limited job opportunities, with dysfunctional core institutions of society – the judiciary, health care, and education – as increasingly important push factors. The weaknesses of the rule of law and the judiciary have regularly been pointed out in the European Commission (EC) Progress Reports for the Western Balkan countries. Health and education systems face numerous problems, which negatively affect the standard of living. Although these crucial factors must be addressed by the individual countries, WB governments could also join efforts to create a stronger, safer, and more reliable region. Improvements that need to happen according to the EC are often perceived as necessary to increase WB countries' credibility in the eyes of the EU. The WB image abroad is certainly relevant, and EU driven reforms would contribute to better lives within the countries. However, the crucial issue with regards to emigration is the perception of the countries by their own citizens. In this respect, the WB countries must tailor the reforms to increase their credibility in the eyes of their citizens.

Could the increase in the WB countries' credibility and improvement on the major pillars in the societies be undertaken as a regional task? In theory, it certainly could. Two major instruments could be used for this purpose: establishing common goals and peer-to-peer learning. In addition, WB cooperation should also tackle pull factors of emigration, in particular those posed by the EU.

#### a) Establishing common goals

Establishing common goals has already begun by enhancing regional cooperation under the EU auspices. The Regional Economic Area (REA) of the WB was envisaged as a borderless area for the free flow of goods, services, and labor, along with cooperation in the field of digital technologies.<sup>11</sup> There are four dimensions of the REA – trade, investment, labor mobility, and digitalization. For the implementation of the REA, a Multiannual Action Plan (MAP) has been developed, coordinated by the Regional Cooperation Council and supported by the CEFTA Secretariat (for the first dimension on trade).<sup>12</sup> With regards to setting common goals to counteract emigration, the second and third dimension of REA are the most relevant.

The second REA dimension focuses on harmonization of the investment policies of the countries aiming toward the attraction of more foreign investment in the region. Considering that the countries have small individual markets, acting as a region has a strong economic logic. In this regard, the Regional Investment Reform Agenda (RIRA) has been developed. The third dimension, labor mobility, aims at increasing the

<sup>11</sup> European Commission, Western Balkans: Regional Economic Area, 12 July 2017, [https://ec.europa.eu/commission/presscorner/detail/sl/MEMO\\_17\\_1967](https://ec.europa.eu/commission/presscorner/detail/sl/MEMO_17_1967), (accessed 5 September 2020).

<sup>12</sup> Regional Cooperation Council, Multi-annual Action Plan for a Regional Economic Area in the Western Balkans – MAP, [https://www.rcc.int/priority\\_areas/39/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans--map](https://www.rcc.int/priority_areas/39/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans--map), (accessed 5 September 2020).

mobility of professionals in the WB, through mutual recognition of professional qualifications and by removing obstacles to the mobility of students, researchers, and academics. This approach could promote intra-regional migration (instead of flows to the EU and other destinations), which could be circular given the geographical proximity.

In practice, REA is a very complex and ambitious project. It requires a lot of effort and coordination to achieve progress. In this context, establishing common goals should be done in more practical and achievable terms. In order to lower emigration, the common goals related to the Regional Investment Reform Agenda (RIRA) should focus on building regional supply chains. Attracting foreign direct investment (FDI) is within the scope of national policies, but the regional aspect could be enhanced by ensuring regional understanding to encourage FDI in the industries that operate as supply chains. In the end, the investors decide where to invest, while the countries provide the framework for investment. If national frameworks are more aligned, focusing on strengths of the region, the attractiveness of the WB for FDI is likely to increase. The annual FDI inflow in WB ranged from 2.8 billion EUR in 2012 to 6.2 billion EUR in 2018.<sup>13</sup> WB countries compete among themselves to attract FDI. Around half has been absorbed by Serbia, as the largest country in the region. Setting a common approach for attraction of FDI based on complementary investment policies should be a regional response in this field.

The alignment of national policies is a process that requires vision and substantial policy dedication by all WB policymakers. In order to balance the national and regional context of FDI, pilot industries or services for regional attraction of FDI should be identified. Such gradual approach would enable more structured alignment in selected fields, specific enough not to be perceived as a threat to the national FDI policies, while ensuring faster results. In contrast, setting ambitious goals for harmonization of the investment policies bears high risk to remain only on paper.

Furthermore, regional supply chains should not be necessarily built by FDI originating outside of the region, but through investment from within the region. In addition, the building of regional supply chains needs to be accompanied by joint initiatives in the field of education and training. This requires alignment of educational policies as well, through regional programs, vocational training, etc. In this context, regional cooperation in the field of FDI could reach realistic dimensions only if labor potential is recognized and included in the regional policy-setting. That could trigger a more efficient allocation of the available resources in the region and, to some extent, decrease emigration. Such joint initiatives for education and training on the regional level are also related to the third REA dimension.

The proposal discussed above is based on the idea of REA, launched in 2017, for the purpose of strengthening the credibility of formal cooperation. There are numerous regional initiatives that never progress from a formal agreement among the WB states. As mentioned above, there is an elaborated Multiannual Action Plan (MAP) for the implementation of REA. In this context, the WB authorities must urgently undertake initiatives to realize common goals, as prolongation or lack of results will fail to decrease emigration. In addition to the actions stated in the MAP, encouraging regional supply chains in selected industries should be a priority, along with regional initiatives to ensure higher propulsion of the labor force. Setting regional goals should also include the establishment of a regional fund to support start-up initiatives with regional potential. This would help young people to better understand the size of the regional market and to look at it from an entrepreneurial perspective.

In summary, the countries should examine the existing ideas, identify their potential to decrease emigration flows and the migration stock, and opt for the realization of the most promising ones. Developing new ideas is also an option. Covid-19 will likely affect the supply chains in the world. As stated by the International Labor Organization, a reaction to this might be a shift of parts of the global supply chains closer to the end user, with particular emphasis on regional supply chains.<sup>14</sup> This presents a window of opportunity for the WB countries that must be explored.

<sup>13</sup> The Vienna Institute for International Economic Studies (wiiw), statistical database, <https://wiiw.ac.at/>, (accessed 5 September 2020).

<sup>14</sup> ILO Research brief, The Effects of COVID-19 on Trade and Global Supply Chains, June 2020, p.3, [https://www.ilo.org/global/research/publications/WCMS\\_746917/lang--en/index.htm](https://www.ilo.org/global/research/publications/WCMS_746917/lang--en/index.htm), (accessed 5 September 2020).

### b) Peer-to-peer learning

With regards to the second instrument, peer-to-peer learning, WB countries have a wide field for action. They share the same push factors for emigration, which require adequate policy measures. This commonality refers especially to the ‘new’ push factors regarding the quality of life rather than economic survival. For the rational use of resources, policymakers should regularly exchange knowledge about good practices, with a reflection on expected costs and benefits. In addition, peer-to-peer learning should be used to develop new ideas which would be implemented in all countries, such as:

- establishing better and more reliable national and regional statistics on migration;
- setting up a database for tracking specific profiles and professions in the diaspora (i.e. scientists);
- incentivizing certain professions to stay in the country (such as medical professionals, etc.);
- building online platforms for jobs in the region.

Furthermore, experts from the region in the fields which are relevant for emigration should be gathered in a structured advisory forum to generate ideas to counteract emigration. This forum should consist of academia, policymakers, and other experts in the field of emigration, as well as in education, economics, foreign direct investment, etc., with the purpose of building more comprehensive insight into the interdisciplinary nature of the problem.

Although theoretically linked with many benefits, putting the regional approach into action is rather challenging. So far, the WB countries have mostly understood regional cooperation as a formal requirement set by the EU. Consequently, there were no profound results. The first step – establishing common goals – requires the development of a strong mindset that regional action would help to alleviate some of the push factors for emigration. The second instrument – peer-to-peer learning – also requires open minds for cooperation, although this undertaking is nationally driven, and therefore, may be more easily implemented. It is normal to expect that the national perspective on dealing with emigration will remain dominant, which should not be changed. Regional cooperation to counteract emigration, however, could add to the process by joint actions and better use of policymaking resources.

### c) Cooperation with regards to pull factors of emigration on the part of the EU

WB regional cooperation might be relevant with regard to pull factors as well. As mentioned, the major pull factor for emigration from the Western Balkans is the EU openness towards immigrants. For instance, further liberalization of the terms of entrance for specific professions in Germany is likely to increase the emigration flows from the WB.

In a globalized world, with high freedom of movement of people and labor, emigration will certainly not be terminated. In particular not from WB to the EU, given the declarations for future EU membership of these countries. However, (e)migration should be viewed in coherence with EU policies for accession. The EU enlargement policy declares assistance to the countries for reforms aimed at the fulfillment of the Copenhagen criteria for membership, which include strengthening of the competitiveness of the national economies. Human capital, as suggested above, is a crucial factor for development and competitiveness.

Parallel to the Copenhagen requirements, some EU member states pursue active policies to attract human capital from the WB, in particular highly educated and skilled individuals. In this case, some EU members’ national immigration policies are not in line with or even contradicting EU enlargement policy. A regional approach by the WB could be beneficial to clarify matters. The WB leaders should insist on including emigration into the dialog with the EU, in order to gain a better understanding of the future of the EU integration process. Still, by acting as a region, the WB might build certain positions and engage in dialog with ‘recruiting countries’.

While the right of the EU member states to make individual migration policies cannot be denied, the EU should provide more specific support to the WB countries to counteract emigration by providing relevant know-how and assistance for alleviation of the push factors in WB countries. Otherwise, a large number of citizens of the WB are likely to emigrate to the EU, leaving their countries of origin with fewer resources for an eventual EU accession in the future. In this respect, further EU policy coordination is needed to make the region a more attractive place to live.

## **Conclusion**

Emigration from the Western Balkans has been among the major problems of this region in the last three decades. Deteriorating economic well-being has been a primary reason for emigration, although the factors related to quality of life are of rising importance. The relative openness of the recipient countries, in particular the EU, act as pull factors for the emigration flows from the WB.

Policies for counteracting emigration exist primarily on the national level. Reforms in WB countries must increase government credibility in the eyes of their citizens to show them the value of staying in their countries of origin. However, there is room for regional initiatives, too. The regional approach could be built on the following ideas:

- Building regional supply chains. The existing common initiative, REA, should work to identify common goals for encouraging investment that could create regional supply chains. This should be done gradually, by harmonizing policy instruments and investment frameworks in selected industries and services. Such an approach should contribute to job creation and increased competitiveness of the region.
- Establishing a regional fund for support of the start-up initiatives with regional potential.
- Exploring the necessity of adapting to changes forced by the Covid-19 pandemic in terms of building regional supply chains and counteracting emigration.
- Promotion of labor mobility within the region through mutual recognition of professional qualifications.
- Development of joint initiatives for education and training, tailored to the needs of regional supply chains and implemented by removing obstacles to the mobility of students, researchers, and academics.
- Bringing to life existing and new initiatives aimed at fostering a regional mindset and improving the reputation of the region.
- Encouraging peer-to-peer learning about ideas and instruments to counteract emigration, thereby developing new ideas:
  - Establishing more reliable national and regional statistics for migration;
  - Setting up a database for tracking specific profiles and professions in the diaspora (scientists for instance);
  - Encouraging certain professionals to stay in the country (such as medical professionals, etc.);
  - Building regional online platforms for jobs;
- Establishing an expert regional advisory forum for counteracting emigration.

In addition to the ideas mentioned above, the WB should cooperate regionally on emigration in the dialog with the EU on the future European integration of the region. A more stable and prosperous region would certainly be more attractive to its citizens.

## Civil Society Impetus for a Systematic Approach Towards Migration: A New Narrative for the Western Balkans

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### Introduction

When it comes to the Western Balkans (WB), migration is one of the most concerning issues as high numbers of emigrants leave every year, many heading towards EU countries. Huge migration flows appeared for the first time in the 1990s and the developments of that era seem to have influenced even the current situation. Characterized by regime turnovers, political instability, and economic difficulties, the WB region produced a huge number of migrants and asylum seekers especially towards Eastern and Central Europe.<sup>1</sup> At that time, the migration flows were not only characterized by forced movements but also migrants seeking better employment opportunities abroad.

The WB6 region that includes Albania, Serbia, North Macedonia, Bosnia and Herzegovina, Montenegro, and Kosovo has traditionally been a source of labor migration with the exception of Albania, which was closed during the period of communist rule from 1945 to 1990, while former Yugoslavia has exported low skilled labor to Germany and other Western European economies since the 1960s. According to statistics, the total number of emigrants from the WB6 region doubled from 2.2 million in 1990 to 4.4 million in 2015, equivalent to 24% of the region's population in 2015.<sup>2</sup> Since then emigration continued, but unfortunately the available data does not account for the current situation as specific figures for each country of the region are lacking.<sup>3</sup>

One of the main push factors for labor migration from the WB remains the high level of unemployment, especially among young people aged 15-30. Even though there has been a slight improvement of employment rates, youth unemployment remains high in the WB6 region in comparison to the EU countries. According to a recent World Bank report (2016)<sup>4</sup> on youth employment in the Western Balkans, many young people fall under the NEET classification (not in education, employment, or training) and young women in particular face difficulties to enter the labor market. Moreover, the transition from school to work remains a particular challenge for young people in the region. Available data show that, on average, it takes 21 months for a young person in Montenegro to find their first job, 24 months in Serbia, and 25 months in North Macedonia.<sup>5</sup>

Another issue that limits this paper and several studies conducted before is the availability of data in order to have a high-quality comparative analysis. It is difficult to quantify international migration since different countries have different ways of measurement. Ethnic wars in former Yugoslavia greatly reduced the availability and the quality of migration statistics. Furthermore, the economic and social problems of the transition period made for an unfavorable climate for the organization and implementation of a complex recording system for this phenomenon. Finally, other problems have arisen from more recent migration flows, in which informal, irregular, or illegal flows have become increasingly important.<sup>6</sup>

Mass emigration has a severe impact on the public sector (health care, primary and higher education, science, and public administration); however, what often remains untold is that emigration also has the potential to bring much-needed vigor, human capital exchange, and transfer of know-how. The evidence shows that many

<sup>1</sup> C. Bonifazi, M. Mamolo, Past and Current Trends of Balkan Migrations, Open edition Journals, ESPACE, POPULATIONS, SOCIETES, Roma: Istituto di Ricerche sulla Popolazione e le Politiche Sociali IRPPS, 2004, pp.519-531.

<sup>2</sup> I. Mara, N. Oruc, Systematic Review of Migration and Remittances in the Western Balkans, in: Arandarenko, M. (ed.) Labor Markets in the Western Balkans: An Outline of Exit-Loyalty Framework, 2016. Based on elaboration of UN Statistics: The World Population Prospects, 2015.

<sup>3</sup> N. Oruč, W. Bartlett, Labor Markets in the Western Balkans: Performance, Causes and Policy Options. Sarajevo: Regional Cooperation Council, 2018.

<sup>4</sup> World Bank, Western Balkans Labor Market Trends 2018.

<sup>5</sup> Ibid.

<sup>6</sup> International Organization for Migration, World Migration Report 2018, Geneva, 2019; Migration, Asylum, Refugee Regional Initiative, n.d., <http://marri-rc.org.mk>, (accessed 5 September 2020).



emigrants would be willing to contribute to their home country – in some cases, even return for a certain period of time or permanently – provided that conditions back home improved, primarily in socio-economic but also political terms. Circular migration schemes are rare and often understate the real potential which the diaspora can generate. The Western Balkans lack systematic data about their diaspora, their skill sets, locations, preferences, competencies, and interests. However, the available data show that the returning emigrant earns a 7% higher salary relative to people with similar qualifications and experience who have never lived abroad.<sup>7</sup>

People leaving the Western Balkans are often perceived to be hard working in the receiving states and to possess great potential if they choose to return. They can transmit knowledge, positive practices, and intercultural exchange, but current policies do not enable their return. The payment gap, instability, and lack of infrastructure are some of the reasons that many migrants list as reasons not to return. The current policy framework leaves little space for understanding the future developments of migration as there are varied developments from country to country. If the Western Balkan governments and other stakeholders strengthen cooperation and express goodwill for solving this issue by creating opportunities, enabling stability, and creating a friendly environment for emigrants to come back, the regional dynamics might experience many positive developments both in social and economic terms.<sup>8</sup>

### The Need for National and Regional Coordination and Cooperation on the Issue of Migration

This paper aims to give a brief overview of existing migration policies in the Western Balkans and to assess the roles of civil society and regional initiatives regarding this issue. Special attention is paid to the potential that civil society organizations possess to improve the migration situation in the Western Balkans and how this potential could be turned into possible solutions.

Until now national strategies have regulated migration on the national level. The table below gives an overview of the WB countries' national strategies on migration.<sup>9</sup>

Albania	1. National Strategy on Migration 2019-2022.	2. IBM <sup>10</sup> Strategy and Action Plan 2014-2020	3. National Strategy on the Fight against Trafficking in Human Beings 2018-2020
Bosnia and Herzegovina	1. Strategy in the Area of Migration and Asylum and Action Plan 2016-2020	2. IBM Strategy and Action Plan 2015-2018	3. Strategy to Combat Human Trafficking 2013-2015 and Action Plan 2016-2019
Kosovo	1. National Strategy on Migration and Action Plan 2019-2023	2. IBM Strategy 2019-2023	3. National Strategy against Trafficking in Human Beings in Kosovo 2015-2019
Montenegro	1. Strategy on Integrated Migration Management 2017-2020	2. IBM Strategy 2014-2018	3. Strategy on Combating Trafficking in Human Beings 2019-2024
North Macedonia	1. Resolution on Migration Policy and Action Plan 2015-2020	2. National IBM Development Strategy 2015-2019	3. National Strategy on Combating Trafficking in Human Beings and illegal Migration 2017-2020
Serbia	1. Strategy on Combating Irregular Migration 2018-2020 and Migration Management Strategy 2009	2. IBM Strategy 2017-2020	3. Prevention and Suppression of Trafficking in Human Beings 2017-2020

<sup>7</sup> International Institute for Peace, Young Generations for the New Balkans Vision 2030, Towards Alternative Horizons, 2019.

<sup>8</sup> Ibid.

<sup>9</sup> J. Unijat, Common Western Balkan Migration Policy: Borders and Returns, Balkan Refugee and Migration Council, 2019.

<sup>10</sup> Integrated Border Management.



But the dynamics of migration defer from national ones. Besides state institutions, which are the main regulatory bodies of migration policies on the national and international level, international organizations, and local civil society organizations (CSOs) in the WB region have a complementary role and huge impact on the work with migrants. However, more cooperation is needed among national governments, international organizations, and other stakeholders which have a say on migration issues.

The cooperation between different stakeholders such as government representatives, donors, academia, civil society, and the business sector could create a sustainable basis for the improvement of the migration situation. This could include migrant education, employment, and integration into the receiving countries. Even though the freedom of movement is a fundamental freedom for the people living in democratic countries, uncontrolled movement can present a problem in the relations between states and among different minorities. As a result, a cross-sector approach towards migration and better cooperation between donors and businesses is needed in order to ensure a sustainable budget for upcoming initiatives. A systematic approach to addressing common problems, inter-governmental cooperation, and civil society dialog in a cross-border perspective are key elements for a potential solution.

The inclusion of think tanks and activist organizations in decision-making is traditionally low in the Western Balkans, at both the local and the national level. Activist organizations, think tanks, business associations, trade unions, and other potential non-governmental participants need to increase their capacities, clearly formulate policy proposals and interventions, and advocate for the adoption of these proposals. In order for this to happen, more support is needed from federal institutions to consider recommendations from CSOs and to involve them in joint meetings and initiatives.<sup>11</sup>

Public stakeholders should consider and integrate the work of non-governmental actors when drafting their strategic papers and documents, especially in the preparatory phase. This preparatory phase might include desk research, collection of primary and secondary data, and analysis of the current situation, as non-governmental actors are often specialized in analysis and fieldwork as they work directly with migrants and stakeholders. This way, state actors would involve civil society organizations in their daily work, increase the number of stakeholders and opinions, and save some expenses that are spent on the same work CSOs do daily. Also, cooperation among interstate actors and initiatives on the regional level should be better coordinated to avoid job overlapping and repetition.

### **Promising Regional and Civil Society Initiatives in Addressing the Emigration Challenge**

There exist several regional and civil society initiatives that either directly or indirectly target the challenge of emigration. The Migration, Asylum, Refugees Regional Initiative (MARRI) is an important regional inter-governmental initiative with all WB countries as its members. It is a regional mechanism with the core mandate to support the Western Balkans region in migration management. It was established in 2004 in the context of the Stability Pact within the South-East European Cooperation Process (SEECP) and since 2008 it has six participants: Albania, Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro, and Serbia. The Secretariat of the MARRI Initiative (MARRI Regional Centre) is based in Skopje.<sup>12</sup>

Other initiatives working on the migration issue have been developed with the aim of providing cooperation and joint solutions. An important initiative on the regional level is the WB-MIGNET (Migration Network). It is an initiative of seven WB think tanks that have operated in the field of migration for many years. Established in 2015 this network's first activity was the development of an observatory for the WB, an online platform for policymakers, researchers, and donors interested in migration in the WB countries. The daily work of WB-MIGNET is related to research (research projects, consultancy, and advisory services); capacity building (such as trainings, summer schools, and introduction and improvement of migration-related curricula in collaboration with universities), and information dissemination including conferences, workshops, webinars, publications, and promotional activities.<sup>13</sup>

<sup>11</sup> N. Oruč, W. Bartlett, Labor Markets in the Western Balkans.

<sup>12</sup> Migration, Asylum, Refugees Regional Initiative, n.d., <http://marri-rc.org.mk/>, (accessed 5 September 2020).

<sup>13</sup> Western Balkan Migration Network (WB-MIGNET), Fellowship Programme, <https://wb-mignet.org/>, (accessed 5 September 2020).

MARRI and WB-MIGNET especially contribute to the fields of research, capacity building, and providing recommendations to state institutions. These initiatives are promising because they are very important for analyzing, monitoring, reporting, and training stakeholders who deal with migration issues, as well as migrants themselves. In addition, WB-MIGNET has close relations with universities, providing trainings, summer schools and curricula related to the improvement of the migration situation, which address the issue in the long term.

The Regional Economic Area (REA), the Regional Cooperation Council (RCC), and the Regional Youth Cooperation Office (RYCO) are other existing initiatives that can contribute to preventing or mitigating emigration from the region. Their projects mainly have to do with the improvement of standards of living on the national and regional level through bilateral agreements, investing in strategic sectors, increasing civic awareness, and calling on people, especially youth, to stay in their countries and invest their capacities. Their projects especially target the labor migrants by supporting self-employment initiatives, capacity building in skills and knowledge, and exchange of experiences and know-how. Their common goal is to fight youth migration and brain drain, and contribute to brain gain, attraction of foreign investments, and facilitation of cooperation among existing stakeholders.

The Regional Economic Area is an interstate initiative on the regional level with the aim to create a common area where goods, services, investments, and workers can move between borders without obstacles. It also contributes to the creation of a single market and to raising the competitiveness with the EU market. This relates to the migration issue by addressing the push factors that motivate migrants to leave.<sup>14</sup>

The Regional Cooperation Council (RCC) aims to contribute to the European and Euro-Atlantic integration of Southeast Europe by developing the region from within. The RCC works to develop and maintain a political climate of dialog, reconciliation, tolerance, and openness towards cooperation, with a view to enabling the implementation of regional programs aimed at economic and social development to the benefit of the people in the region. So far, the implemented projects are Roma Integration 2020, ESAP (Employment and Social Affairs Platform), Tourism Development and Promotion, and the Western Balkan Youth Lab Project.<sup>15</sup>

RYCO is an independently functioning institutional mechanism, founded by the WB6 countries, aimed at promoting a spirit of reconciliation and cooperation between youth in the region through youth exchange programs. This indirectly contributes to the improvement of youth migration as they create possibilities of mobility which are especially important for learning new things and sharing best practices without the need to permanently leave the country. The establishment of RYCO is seen as a victory of youth organizations and initiatives, and a major achievement for young people within the framework of the Berlin Process. All national reports focus on RYCO and discuss its effects on their respective countries. While underlining the success of establishing RYCO, national reports also allude to certain risks in the implementation of RYCO programs and activities. For example, it is stressed that the regional cooperation for youth should be more oriented towards inclusiveness and concrete activities, while at the same time developing monitoring mechanisms to maintain and develop independence from political interference. So far, RYCO has successfully implemented four projects on capacity building, enhancing youth cooperation in the WB6, mobility programs, and the WB6 Lab.<sup>16</sup>

1. The 'WB6 Lab' is a project which aims to foster reconciliation of youth in the WB through the promotion and strengthening of social entrepreneurship in the region.
2. In order to fulfill its objectives but also contribute to the region, RYCO has implemented 'ROUTE WB6', a promising initiative to promote long-term and short-term cross-border volunteering as a tool to reduce ethnic distance among young people in the region and to strengthen pro-social and European values that will lead to reconciliation, stability, and prosperity in WB6 region.

<sup>14</sup> Regional Cooperation Council, Multi-Annual Action Plan for a Regional Economic Area in the Western Balkans – map, n.d., [https://www.rcc.int/priority\\_areas/39/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans--map](https://www.rcc.int/priority_areas/39/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans--map).

<sup>15</sup> N. Oruč and W. Bartlett, Labor Markets in the Western Balkans.

<sup>16</sup> Regional Youth Cooperation Office, n.d., <https://www.rycowb.org/>, (accessed 5 September 2020).

3. 'Supporting the WB Collective Leadership on Reconciliation: Building Capacity and Momentum for RYCO' is one of the projects that RYCO has implemented in the field of social cohesion and reconciliation. The main goal of this initiative was to encourage tolerant and peaceful behavior and avoid discrimination.
4. Another important initiative that RYCO started to implement is 'Enhancing Youth Cooperation and Youth Exchange in the WB6' which not only creates new mobility opportunities for young people of the WB, but also increases their capacities and awareness toward RYCO's work and the implementation of regional youth mobility projects.

The work of the above-mentioned actors and institutions is very important as they are the driving force working on migration issues in the region. However, their job needs to be sustained and further expanded even with other initiatives. Some of them operate with national funds and some others rely on international donors. The donor-based projects are faced with two issues: the lack of sustainability and the risk of dependencies. In these circumstances a greater focus by political leaders from the region is needed, not only to increase the funding but also to better cooperate with the existing actors in the migration field.

### **Time for a New Narrative**

All existing initiatives to some extent have contributed to improving the situation of migration in the Western Balkan countries. But a high number of initiatives alone does not guarantee outcomes and results. What is noticeable is that actors are isolated and not well-connected with each other – a fact that needs to change. Even though the work of CSOs in the region is impressive, there is still a need for better coordination among stakeholders and the implementation of initiatives to ensure sustainability and well-being, especially for the younger generations. The examples of achievements and good practices listed in the national reports are not presented in a systematic way. This does not allow for continuous learning and the designing of new programs and initiatives based on past practices. It also does not guarantee a comprehensive involvement of other stakeholders such as academia, civil society, and the business community.

When designing future strategies, a result-oriented approach should be adopted. Local ideas and forms of engagement should be put in the forefront of all activities. Best practices should be described in depth and then analyzed in order to enhance the learning effect for future initiatives. Only a solid groundwork can properly back up the regional initiatives, and only an effective strategy on the regional level could make a considerable impact. This paper suggests the need for a new narrative that includes all actors dealing with migration under a common goal on the regional level and puts forward several recommendations and ideas.

To realize these recommendations, there are several prerequisites:

- Improvement of the understanding of migration processes in the WB region;
- Better statistics on labor migration and brain drain in the WB region, including a common approach for measurement in order to make data comparable between countries;
- Mechanisms to support intraregional mobility throughout the WB;
- Encouragement of circular migration;
- Bilateral cooperation between the diaspora and the country of origin, especially on external expertise, research and development, and sectors with a potential for development such as information and communication technology (ICT), tourism, agriculture, energy, education, and transport.

## Recommendations

- A **Western Balkans Migration Index (WBMI)** should be created. The WBMI should serve as a tool to measure migration policies in the Balkans, taking into consideration policy indicators. This project is extremely important for generating data that can be used by governments, civil society, and academia to compare existing policies and their effects on the regional level, and create new policies based on the results and needs of the people. The WBMI should also include indicators to track labor migration and brain drain, but also asylum seekers, immigrants, and transit refugees on the regional level in order to have an all-encompassing approach towards migration.

The WBMI should include all WB6 states and should be co-financed by them and the EU in order to assure sustainability and continuation of the project. However, this initiative should not only be state based as the contribution of civil society and academia is extremely important in designing and implementing multidimensional projects on national and regional level. The main goal of this project is to generate data on migration indicators and facilitate data collection, analysis, and comparison. The national governments should ensure data sharing and serve as regulatory bodies to properly implement migration policies and to integrate policy recommendations from other stakeholders.

- Create **Regional Sector Offices** (interstate mechanisms) based on the RYCO model, but focus on specific sectors that have a great potential, such as research and development, digitalization, tourism, ICT, agriculture, transport, and energy. Online platforms created for each sector might regulate and better coordinate the work of involved actors. The main work will focus on capacity building, assistance of stakeholders taking part in EU projects, and mobility programs for staff. These offices shall include all six WB states and 12 civil society organizations, 12 academic institutions, and 12 business representatives for each sector, respectively two representatives for each country. This way we contribute to a new governing and cooperation model based on inclusiveness and participation. National governments should finance this initiative, while other stakeholders can contribute based on a financial quota.
- Create a **Youth Resource Center** to serve as a core mechanism for capacity building of youth organizations on the regional level, by aligning all youth policies, activities, and initiatives. This can serve as a regulatory mechanism between public and private stakeholders, and between local, national, regional as well as the EU level. It could be a joint initiative co-financed by states and other regional actors such as the RCC. The main work will focus on capacity building, development of regional projects in the field of youth, networking, and aligning local and national policies with regional initiatives and the EU acquis.
- Create a **Regional Business Center** as a regional mechanism focused on start-up development, business capacity building programs, regional cooperation of business units, internationalization of markets, and raising competitiveness vis-à-vis the EU market. It should have a head office in one Western Balkan country and local branch offices in the others. The regional head office can serve as the main office for research and development, advocacy for the business community on the EU level, and coordination of programs among local branches. The national tasks would be capacity building, exchange of know-how, and mobility programs with EU countries and among the WB countries themselves. It should be co-financed by the EU and national governments.
- Revitalize **diaspora unions** to share experiences and expertise among emigrants, and to reconnect migrants living abroad with their countries of origin. The creation of a regional diaspora union with representatives from all national diaspora unions to foster cooperation and good relations, and to address common issues of concern of the Western Balkans region should also be considered. National governments, diaspora unions, and civil society organizations would be the main stakeholders involved. Project-based external funds might serve to implement joint initiatives and connect the diaspora with the country of origin.

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# LIST OF ABBREVIATIONS

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BiH	Bosnia and Herzegovina
CEE	Central and Eastern Europe
CEFTA	Central European Free Trade Agreement
CPFs	Country Partnership Frameworks
CSOs	Civil Society Organizations
D4D	Democracy for Development
DIMAK	Deutsches Informationszentrum für Migration, Ausbildung und Karriere (German Information Centre for Migration, Training and Career)
EC	European Commission
EU	European Union
FBiH	Federation of Bosnia and Herzegovina
FDI	Foreign Direct Investment
FES	Friedrich-Ebert-Stiftung
GDP	Gross Domestic Product
GIZ	Deutsche Gesellschaft für internationale Zusammenarbeit (German Corporation for International Cooperation)
IBM	Integrated Border Management
IOM	International Organization for Migration
IPA	Instrument for Pre-Accession Assistance
ISCED	International Standard Classification of Education
MAP	Multiannual Action Plan
MARRI	Migration, Asylum, Refugees Regional Initiative
MHRR	Ministry of Human Rights of Refugees (Bosnia and Herzegovina)
MIDWEB	Migration for Development in the Western Balkans
NEET	Neither in Employment, Education nor Training
NES	National Employment Services
NGO	Non-Governmental Organization
NIS	National Institute for Statistics in Romania
NUTS	Nomenclature of Territorial Units or Statistics
OECD	Organization for Economic Co-operation and Development
OMC	EU's Open Method for Coordination
Ph.D.	Doctor of Philosophy
PISA	Programme for International Student Assessment
pp.	Percentage Points
PPS	Purchasing Power Standard
RCC	Regional Cooperation Council
REA	Regional Economic Area
RIRA	Regional Investment Reform Agenda
RS	Republika Srpska
RYCO	Regional Youth Cooperation Office
SDC	Swiss Agency for Development and Cooperation
SEE	Southeast Europe
U.S.	United States
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
VET	Vocational Education and Training
WB	Western Balkans
WB6	Western Balkans Six (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia)
WBG	World Bank Group
wiiw	The Vienna Institute for International Economic Studies (Wiener Institut für Internationale Wirtschaftsvergleiche)





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# ABOUT ASPEN

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## **EMIGRATION FROM THE WESTERN BALKANS**

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