

Kosovo's biggest challenge: Encouraging Kosovan migrants to move back to their home country

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Emigration from Kosovo into western European countries has been a large-scale phenomenon in recent years. The money sent back to Kosovo by migrants working abroad is currently an important element of the country's economy, but a recent study has found that the return of migrants to Kosovo could prove even more beneficial. [Ardiana Gashi](#) and [Nick Adnett](#) suggest that government policies should encourage the retention of strong ties between the migrants and Kosovo, allow for the speedy accreditation of qualifications obtained abroad, and facilitate the flow of migrants' savings into the Kosovan economy.



Large scale emigration has been a key feature of the Kosovan economy in recent decades and remittances (money sent back to Kosovo by migrants working abroad) account for between 10 and 15 percent of the country's GDP. There is no registration of Kosovo migrants so estimations vary from 400,000 (estimated through 2011 Population Census) to 874,000 (estimated by the 2014 Kosovo Human Development Report based on emigration between 1981 and 2011). Aside from remittances, another largely neglected but potentially important additional contributor to the country's economic development is return migration. Determinants of such return migration have been relatively under-researched, largely due to a lack of appropriate data.



There are three main channels through which return migrants can facilitate the economic development of their home country. The first channel is through their accumulated financial capital, which can be invested upon return and facilitate the transfer or adoption of new technologies. The acquired knowledge, skills and familiarity with the latest technologies which can be utilised upon return provide a second channel. Thirdly, the augmented social capital of return emigrants can stimulate economic development through the establishment of new networks and the challenge presented to traditional norms and values.

Policies that seek to use return migration to make a greater contribution to a country's development can be classified into three broad groups. The first group contains policies that aim to reduce the informational, bureaucratic and regulatory barriers faced by potential return migrants. The second group provides financial or other incentives to returnees, and the final group targets their reintegration into society and raises their labour market productivity.

Recognising the potentially important role that return migrants may play in their home country, we have examined the determinants of return migration by using data from the 2009 Kosovo Migration Survey, which included a total of 2,024 households. As reported by households in Kosovo, only 12 percent of migrants were likely to return in the following five years and there were no gender differences in plans to return. Youths are less likely to return home but once they turn 29 years of age their likelihood to return increases. Interestingly, migrants who had initially migrated for work-related reasons were more likely to return compared to those who had migrated for other reasons, which implies that they left the country for financial motives and once those motives are fulfilled they return home.

Education is an important contributor to an individual's decision to return, with more highly educated migrants more likely to return compared to less educated ones. One explanation for this is that those with higher levels of education may receive higher incomes in their host country and hence achieve their targeted level of wealth accumulation earlier. Moreover, those with higher levels of education may have better labour market prospects in Kosovo and hence are more likely to return. Those emigrants who had acquired additional education while abroad were also more likely to return, suggesting that there may be a significant premium in the home country from the acquisition of

human capital in the host country. The positive association between education and probability of return seems consistent with a 'calculated strategy' which results from the successful achievement of goals to be attained while abroad: i.e. the accumulation of savings and human capital.

The longer a migrant lives outside of Kosovo, the less likely they are to return and this finding is in line with the theory that return migration is more likely to occur in the early stages of migration when networks in the host country are not well developed. Additionally, this finding may reflect the inability of a new migrant to find a job and/or an inability to cover their higher costs of living in the host country. Migrants with permanent resident status were less likely to return home compared to those that do not have such status. This may imply that migrants with permanent status are in a position to more easily access 'good' jobs in the host country's labour market and benefit from education and social service provisions in those countries. Consequently, they are less likely to return.

Migrants that had their families abroad were less likely to return which may indicate that they had made a decision to permanently resettle with their families, while the stronger the family ties of a migrant with the home country (more frequent visits and communications), the more likely the migrant is to return. One explanation for this is that regular visits and communications enable migrants to plan their return and reintegration. Finally, Kosovan migrants that expected to invest in businesses in their home country were more likely to return in the next five years. This finding suggests that returning migrants with accumulated financial capital, acquired skills and knowledge are disproportionately likely to engage in entrepreneurial activities on their return. By investing in their home country, migrants also start preparing for their return.

Given the relatively large potential benefits from encouraging return migration, domestic policy should encourage, where possible, the retention of strong ties between emigrants and Kosovo. Policies which lower communication costs between emigrants and their families, lower the cost of sending remittances, and favour remittances being utilised for investment in local production, not only directly contribute to economic development, but are also likely to have a second round effect of increasing return migration.

Policies should also encourage emigrants to acquire education and training in their host country. These include the speedy and low cost accreditation of qualifications earned abroad for migrants returning to Kosovo. The Kosovan government should design incentive mechanisms facilitating the flow of migrants' savings and investments into the country's economy, which in turn will also be likely to positively impact on their decision to return. The investments of migrants may also be accompanied by 'know-how' and technology acquired and available in the host countries, which could greatly contribute to business development in Kosovo.

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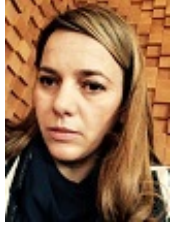
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