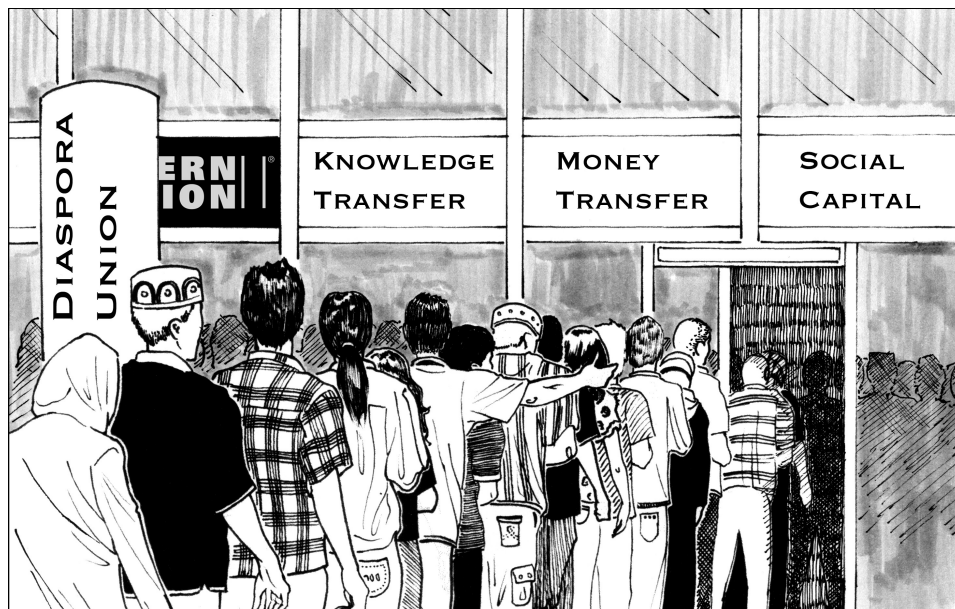


Policies and Politics in Diaspora Contribution

Effects of Migrant Sending and Receiving Government Policies on Diaspora Contribution to the Home Country - Including a Case Study on the Bosnian Diaspora in Germany



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Abstract

Diasporas of developing sending countries are increasingly seen as 'agents for development'. This raises the question which factors shape an enabling environment for diasporas to effectively contribute to the socio-economic development of their home countries. In order to obtain a comprehensive picture, this study examines the role that the governments of *both* the migrant sending and receiving countries play in shaping the diaspora contribution environment.

Brinkerhoff's model on enabling government roles is applied to analyse the effects of the most salient government policies on the contribution environment. Subsequently, Hollifield's theory on the liberal paradox in combination with the theoretical approach of Delgado Wise and Márquez Covarrubias on Northern dominance are used to examine the reasons for those policies to be in place. This paper argues that a mandating general development environment in the home country, facilitating migration and development strategies in both countries, and a resourcing stance on the mobility of persons and capital are crucial to an enabling contribution environment. Moreover, the case study on the diaspora contribution environment of the Bosnian diaspora in Germany shows how politics is one of the main obstructing factors to an enabling contribution environment. For Bosnia, the absence of an official diaspora policy is mainly the result of political unwillingness and inability to form a consensus, whereas German restrictionist immigration policies counteract promising migration and development initiatives.

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List of acronyms

BAMF	Bundesamt für Migration und Flüchtlinge (German Federal Office for Migration and Refugees)
BiH	Bosna i Hercegovina (Bosnia and Herzegovina)
BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (German Federal Ministry for Economic Cooperation and Development)
EU	European Union
GIZ/GTZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Association for International Cooperation)
IASCI	International Agency for Source Country Information
IMF	International Monetary Fund
IOM	International Organization for Migration
MIDWEB	Migration for Development in the Western Balkans
MTO	Money Transfer Operator
NGO	Non Governmental Organisation
OECD	Organisation for Economic Cooperation and Development
RQN/TRQN	Return for Qualified Nationals program/Temporary Return for Qualified Nationals program
TOKTEN	Transfer of Knowledge Through Expatriate Nationals program
UNDP	United Nations Development Program
USAID	United States Agency for International Development

1. Introduction

... migration is one of the few areas of international public policy in which all (migrants themselves, sending countries and receiving countries) stand to gain if managed appropriately (Sriskandarajah, 2005, p. 27).

Even though international migration is no recent phenomenon, immigration has become an increasing force since the 1960s. Migration routes have been changed over time in such a way that currently international migration has become a basic structural feature of almost all industrialized countries (Massey et al., 1993). It is likely that this is the result of a process of globalisation. International migration is a feature of an increasing global economy and the development of growing transnational engagement between people all over the world (Sriskandarajah, 2005). Especially since the relatively recent developments in means of communication, the internet has exponentially increased the options for sustaining transnational networks between migrants and family and friends at home (Østergaard-Nielsen, 2003). Hence, developed western societies are more and more characterised by a mix of ethnic, religious, and national backgrounds of its citizens.

However, with the growing right-winged popular anti-immigrant sentiment currently strengthening its grip in many European immigrant countries, there is a dire need to look at the positive impact of diasporas worldwide instead. Apart from the long-recognized contribution of migrants to their host countries, since a few decades academics and politicians in migrant sending and receiving countries, Non Governmental Organisations (NGOs), and international organisations have increasingly acknowledged that migrants also provide the possibility of contributing to the socio-economic development of their countries of origin. In this line, migration and development domains have increasingly been linked in both the growing academic and political fields, in order to analyse the negative and positive effects of migrants on their home countries. During the last two decades, an immense increase in money sent by migrants to developing home countries, from \$31.1 billion in 1990 to \$76.8 billion in 2000 and \$325 billion in 2010, has led to a renewed interest in migration and development (de Haas, 2007; World Bank, 2011). These so-called remittances are an important reason for migrants to be viewed as 'agents for development', since

their financial contributions have shown to have a positive direct impact on poverty alleviation (Faist, 2007). Hence, following these good results, other forms of diaspora contribution such as the transfer of knowledge and skills extend the development potential of diasporas worldwide.

However, upon recognizing this potential, the question arises if the migration and development potential is being fulfilled and what the conditions are for diasporas to effectively contribute to their home countries. One way to formulate whether the potential is fulfilled is when one can identify people who have expressed their interest and have the ability to contribute but are not engaged in doing so. In this case, more and more national and international bodies pay attention to the question how to create an enabling environment with conditions that facilitate diaspora contribution (Brinkerhoff, 2012). Nevertheless, where it concerns the analysis of possible effective government measures to create an enabling environment, academic and political attention is increasing, but still makes up a small subject of interest within migration and development. In specific, models that combine policies and initiatives from both the sending *and* the receiving government in order to analyse the overall contribution environment are scarce. Since migration and development involves transnational practices, the factors that shape the diaspora contribution environment are in both the sending and the receiving country and furthermore include the global level. Hence, research that combines the different levels and policy fields could provide for valuable insights (Glick Schiller, 2009).

As well as the potential to development contribution, the environment to contribute is, among other factors, dependent on the specific country characteristics and differs for each case. Bosnia and Herzegovina¹ has always had significant emigration flows, but due to the destructive civil war that took place between 1992 and 1995, one third of its current population lives outside Bosnian borders. Directly after the war, Bosnian refugee policy focussed on bringing back as many refugees as possible. However, a large number, especially those who in the meantime have been able to find asylum in the USA, Canada, or Australia, stayed permanently in their host countries. Furthermore, since the war, significant flows of economic migrants have moved abroad in search of better education and job opportunities (Valenta & Ramet, 2011). Even though the Bosnian diaspora has significantly been shaped by its war history, currently almost all Bosnians abroad have solved their legal status issues and none are residing under refugee status anymore

¹ Hereafter Bosnia or BiH.

(Ministry for Human Rights and Refugees, 2008). Nevertheless, to many, Bosnia still wears the image of the war-torn country, and literature on the Bosnian diaspora in many cases still perceives the diaspora as former refugees who have not (yet) returned, instead of as a permanent diaspora. As a result, the recognition of the potential of the Bosnian diaspora to function as 'agents for development' develops only slowly. Literature that analyses the Bosnian diaspora contribution environment in general is highly insufficient, and on the Bosnian diaspora in one the most important destination countries, Germany, is lacking at all.

In order to gain a better understanding of the government factors that shape an enabling diaspora contribution environment, this paper asks the following research question: In which ways do government policies of the sending and receiving country affect diaspora contribution to the development of the home country? The research question will be answered by following the next two subquestions:

1. Which policies are in place in migrant sending and receiving countries, why are they there, and what are their effects on diaspora contribution?
2. How does the case of Bosnian migrants in Germany clarify the complexity of the politics of the diaspora contribution environment?

2. Methodology

For the clarity of this study's coherence, this chapter outlines the research scope and strategy and explains the reasoning of the study and methods used.

2.1 Aim of the study

As stated in the research question, this paper concentrates on home and host country government policies and their effects on diaspora contribution to the home country. The role of government policies on migrant contributions cannot be under estimated, as they are able to influence the ability, the motivation, and the general living conditions of contributing migrants (Brinkerhoff, 2012). In this sense, this focus may throw some light from a political perspective on the question why diasporas contribute the way they do. Consequently, when one knows which and how policies enable or hinder diasporas to contribute, a clearer picture can be formed of the migrant contribution environment. When converting this academic debate to political implementation, outcomes could provide suggestions for improvements of policies that are then better able to realize the full potential of diasporas to contribute to the socio-economic development of their home country.

Although migration and development is, with its sixty years, already a relatively 'young' theme, the issue of contribution enabling policies is even newer. It is perhaps for this reason that the amount of literature on this specific topic is relatively small. Even more so, Grieco and Hamilton (2004) argue that “The role of governments in transferring resources and skills has remained inside the proverbial black box” (p. 3). It is not entirely clear why this topic has received relatively little attention up to now, but Glick Schiller (2010) suggests that this is the case because “discussions of migration and development have increasingly taken the sending of remittances for granted” (p. 40).

Regardless of the reason, it seems to be apparent that more research is needed. Therefore, this study aims to contribute to the developing field of migrant contribution enabling environment. In specific, it attempts to provide an overview of the most salient policy issues of both the migrant sending *and* the migrant receiving country. Reason is that, up to the knowledge of the author, almost all academic studies in this specific field focus exclusively on either the migrant sending, or the migrant receiving country, which places the focus on either one of the country governments.

By including both countries, the focus shifts to the migrant as the central point of attention, being affected by both countries' government policies. Additionally, by including both countries in one analysis, one can better observe whether those policies work either counteractive or cooperative. Moreover, in order to gain a better understanding, this study attempts to analyse not only the effects, but also the reasons for these policies to be in place.

This paper therefore aims to answer the question which policies are in place, why they are there and which effects they have on diaspora contribution. However, before one can start explaining policy issues within the field of migration and development, it is indispensable to first briefly explore the theoretical and political field in which this discussion is embedded and which shapes this study's starting point. To that end, chapter 3 gives an introduction in the migration-development nexus and its corresponding core concepts. Subsequently, chapter 4 establishes a theoretical and conceptual framework, which serves to analyse the effects of and the reasons for the government policies discussed. In order to reach an answer to the research question, two subquestions together build the analysis. The first question focuses on a general analysis of government policies, and is discussed in chapter 5. The second question, then, uses the case study of the Bosnian diaspora in Germany to provide a case-specific perspective. The case study in chapter 6 is applied to better clarify the complexity of the migration and development environment by focusing on the interrelated political factors of the contribution environment of the Bosnian diaspora in Germany. Chapter 7 will then combine the case study with the general analysis to develop a final conclusion on the research question.

2.2 Research design

In order to develop this study's theoretical and conceptual framework, an inductive approach has been used. The reason is that the characteristics of the topic at focus shape the analytical framework and hence also determine the theories and concepts that build and analyse this study's research. First of all, the choice to include both the sending and the receiving country in the analysis inherently formed the choice of theories. Since the majority of migration theories in the political strand focuses *solely* on either one of the countries, a combination of theories had to be used to be able to analyse both sides. Hence, Uphoff's theory on the access of power that is included in Brinkerhoff's model on (originally only sending) government enabling policy models,

was used to extend Brinkerhoff's model to be applicable to migrant receiving countries as well. Additionally, Hollifield's liberal paradox that focuses on the receiving country is complemented with a theory by Delgado Wise and Márquez Covarrubias that serves to analyse the perspective of the sending country.

Secondly, in order to gain a further understanding, not only the policy effects but also the reasons for those policies to be in place are analysed. Because none of the theories mentioned above provides a framework that includes both effects and reasons, the two points are divided over the three theories that are used and hence together form the overall theoretical framework. Brinkerhoff's model mainly focuses on policy effects, whereas the theories of Hollifield and Delgado Wise and Márquez Covarrubias are applied to throw light on the background reasons of policy trends in migration and development. Furthermore, Delgado Wise and Márquez Covarrubias' theory on international Northern dominance brings in the international community and places the study in a global, multi-level context.

The theoretical and conceptual framework functions to form the analytical outline along which the lines of argumentation are built and a coherent analysis of the different factors can be constructed. In this line, the conceptual framework builds the conceptual basis from which this study can be analysed.

2.3 Choice of case study

The research population of the case study consists of the Bosnian diaspora in Germany. More specifically, this study concerns people with Bosnian roots, either because they themselves were born on the territory that is now the Republic of Bosnia or because their descendants moved from there, who have permanently settled in Germany. In a more general way, diasporas can be defined as “ethnic minority groups of migrant origins residing and acting in host countries but maintaining strong sentimental and material links with their countries of origin—their homelands” (Sheffer in Brinkerhoff, 2012, p. 76). The two countries at focus have been selected for several reasons. Firstly, Bosnia has such a high percentage of citizens that resides abroad, that their potential to serve as 'agents for development' is difficult to be overlooked. Secondly, a considerable number, the second highest in Europe, of those emigrants lives in Germany and when considering the high living standards of this receiving country, this specific diaspora group can certainly be of high

importance to the development of Bosnia. Thirdly, Germany is one of the countries with the highest percentage of immigrants in the world, which causes its migration policies to directly affect a large number of (developing) countries. Lastly, due to the predominant focus on the aftermath of the war in the literature on Bosnia, as previously noted, very little attention has been given to the context of the permanent Bosnian diaspora. Even fewer – or one could say hardly anything – has been written about the development contribution of the Bosnian diaspora in Germany in specific, even though this group amounts to approximately 240,000 people. This paper's case study on the development contribution environment for Bosnians in Germany, therefore aims to take a first step in filling the wide gap that currently exists in the literature, while at the same time applying the results to further analyse the general migration and development policy debate.

2.4 Research methods

This study is based on extensive literature research, in combination with email correspondence and one informal interview with academic experts in the field. Since this study aims to put together a range of issues that is currently discussed by various actors in both the academic and the political field, this research is mainly based on a wide range of literature from scholars, international organisations, policy papers and official country and international agency websites. However, for the case study a different research approach was necessary. Since the amount of literature on the Bosnian diaspora and Bosnian diaspora policy is too small to distract the necessary information, and Bosnian government institutions, including the embassy and the relevant ministries, have very few official sources in English and are very hard to reach for requesting information, another source of information had to be found. To this end, a number of authors who have written about either the Bosnian diaspora in Germany or the theme of migration and development regarding Bosnia in specific has been contacted. Two academics who are based in Germany and who have conducted research among the Bosnian diaspora in Germany, albeit on a different topic, were able to provide an insight in the research population, via email correspondence and via an informal interview with one of the scholars. Additionally, two Bosnian researchers based in Sarajevo have contributed hard-to-find information on Bosnia's stance towards migration and development and its diaspora policy, and provided insights for further analysis. Furthermore, a number of Bosnian

diaspora organisations in Germany has also been contacted, but unfortunately this did not lead to any usable information.

The choice for contacting researchers instead of personally conducting an empirical research through surveys or interviews with the Bosnian diaspora in Germany, is led by the notion that the contacted academics already have an overview of the topic, whereas individual migrant respondents could only provide a single sample perspective. Moreover, the time limit did not leave the possibility to conduct the extent of a research that would have been necessary to gather representative data. The Bosnian diaspora is very much dispersed over the different German provinces, is to a large degree ethnically divided, is in many cases not part of migrant organisations, and especially the younger migrants are often integrated to such a degree that it would be difficult to find and recognize them as having Bosnian roots (Valenta & Ramet, 2011). As a result, a representative empirical research of this migrant group would be an extensive task that could not be tackled in the short time span that this thesis had available and by one person alone.

2.5 Limitations

Apart from the limiting time frame concerning the collection of data, a number of other limitations with regard to both the research method and the scope of the content of this study can be recognised. A constraint that was prevalent in the research method is formed by language. One author mentions an elaborate discussion on the migration-development nexus in the French-language literature (Aumüller, 2005), but due to a limited knowledge of French this discussion has not been possible to be included in this paper. Moreover, only English, Dutch and German sources in this field have been included. Language also partly played an obstructing role in the case study, as Bosnian sources were more difficult to find and even more difficult to read.

This study focuses mainly on the individual country's policies and only to a lesser extent on the cooperation between the two governments in the migration and development field. The limited scope of this study prevents a thorough analysis of bilateral relations, as its complexity and scope could easily take up an entire research on its own. The same counts for the role of the international community in the migration and development field, which is only to a limited extent included here, but could also fill an extensive research of its own.

3. The context of the migration-development nexus

Before zooming in at the government policy field of migration and development, this chapter first provides the context of the academic and political migration and development debate, in which this study is grounded.

Migration is a topic that has been researched extensively for decades. Migration research has mainly focussed on explaining processes of international migration and proposing reasons for the continuous movement of people. Migration has an impact on both the migrant receiving and the migrant sending country, but conventional migration theories have failed to explain the *effects* on the development of immigration and emigration countries (de Haas, 2007a). The migration and development debate, in the academic world mostly known as the *migration-development nexus*, emerged about sixty years ago and aimed to fill this gap. The nexus specifically aims to explain the impact of migration on developing sending countries that have a relatively high number of emigrants. It researches the relationship between migrants and the development of their country of origin, and has largely evolved separate from the theoretical migration debate on the causes of migration (Ibid.).

Even though this paper does not directly contribute to the debate on the main question of the nexus – does migration have a negative or a positive effect on the development of the sending country? - it is grounded in this debate and not possible to fully understand without knowing the core reasonings on which the academic and political migration and development field is built.

3.1 Academic debate

In the academic debate on the migration-development nexus four phases can be distinguished in its sixty-year time frame. The first phase started after the end of the second World War and continued during the 1950s and 1960s. During this phase there was a widespread belief that the transfer of capital to developing countries would lead to the industrialisation and development of poor countries. Labour migration was considered one of the main instruments of national development by both migrant sending and receiving countries. It would bring about the transfer of remittances, knowledge, skills and experiences which would largely contribute to socio-economic development upon return to the country of origin (de Haas, 2007b). This rather optimistic view on the migration and development paradigm should be seen in the light of development and modernisation theories

that emerged after World War II (Ceschi & Mezzetti, 2011; de Haas, 2007a). The first phase brought forth one of the two main approaches to the nexus; *migration optimism* (also known as the *balanced growth* approach), which, as the term implies, views the development effect of migration on the sending country as dominantly positive.

The second phase turned the debate to a more pessimistic perspective, which persisted during the 1970s and 1980s. A combination of increasing empirical research that did not support the optimistic view and a paradigm shift towards more structuralist views in social science caused a turning point in the field of migration and development. Instead of positive contribution to development, the emigration of healthy, young, able-bodied workers was perceived as sustaining underdevelopment in migration-sending societies. The withdrawal of human capital was considered a *brain drain*, breaking down communities and their economies. There was also scepticism on the role of remittances, which were argued to be used for consumption instead of productive investment, as was assumed before. Moreover, the transfer of high amounts of capital was argued to cause dependency instead of autonomous economic development (de Haas, 2007b). In this phase of pessimism, also known as the *systematic view* approach, migration policies changed its focus to integration in receiving countries and migration was not as much and as strongly connected to the field of development policy as before (Ibid.).

In phase three, taking place during the 1990s, more empirical research was conducted, which led to a still dominantly pessimistic but more nuanced view on migration and development. One of the nuances of this pluralist view, put forward by the *new economics of labour migration* approach, was reconsidering the decision to migrate not as merely an individual act for financial income maximisation but rather as a livelihood strategy with a wide variety of possible improvements to households. These pluralist views changed the migration and development question from a dichotomous positive or negative development impact, to the question which factors are able to explain a positive impact in some communities and a more negative effect in others (de Haas, 2007a).

Phase four, which started in the 2000s and is still ongoing, was brought about by a boom in publications, in which views are more balanced but dominantly positive (Ibid.). The current phase thus brings the nexus back to a more optimistic view, in which migration and remittances have the *potential* to contribute to the development of migrant sending countries. Remittances have shown

in certain cases to protect families from, for example, income shocks and life cycle risks and can also provide improvements in income, education, health, and general living conditions in sending communities (Ibid.). Development contributions are not only made through financial remittances and human capital, but also through the accumulation and transfer of social capital, resulting in the opposite process of brain drain, namely *brain gain* (Faist, 2007). However, because migration is selective and its development effect is conditional to many other development factors in the sending country, the sustainable development impact of migration is potential rather than predetermined (de Haas, 2007b). Multiple scholars have therefore called this new enthusiasm a *development mantra* or *remittance euphoria* (Kapur in de Haas, 2007a; de Haas, 2007b), in which the positive side of the migration-development nexus, remittances in specific, is regarded a one-sided focus receiving too much emphasis.

This study is grounded in the current dominantly positive phase, in which the starting notion of this study is that migration has at least the potential to have a positive impact on the development of the sending country. It also places an emphasis on different forms of contributions, such as the transfer of social and human capital, next to the much-addressed remittances.

At the basis of migrant contribution lies the process of transnationalism. This describes the process in which migrants who live abroad remain strong ties to their home country, regardless of their integration in the host society. Transnational practices that maintain those ties are for example telephone calls and visits, and also include different forms of contribution (Delgado Wise & Márquez Covarrubias, 2010). Exactly how and in which forms migrants contribute to the political and socio-economic development of their country of origin is something that is a continuous point of discussion within the debate (de Haas, 2005). Without a doubt, however, the one form of contribution that has received the most attention in the academic debate is the transfer of money, called *remittances*. Their effects on (remittance) receiving countries have not only been researched by economists, but also by sociologists and political scientists. Although, with an inward remittance flow to developing countries of USD 325 billion in 2010 (World Bank, 2011), the (official) amounts of remittances are staggering, the actual factual long-term development effects are still subject to discussion. Receiving less attention than remittances, foreign direct investment and migrant savings are also potentially important financial contributions.

A second form of migrant capital transfer that has only been recognized in the recent development mantra is that of social capital. Contacts, networks, and social and political identities and practices are useful forms of social capital that can be transferred to migrants' home countries. Relatively recent IT developments such as mobile phones and the internet have made it much easier to maintain contact with the homeland and are essential for the transfer of social capital. The third main form of capital transfer is that of human capital. Many migrants move to another country because of better education and work opportunities. In the host country they are likely to gain knowledge, new skills, and useful experience, which they can use to the development of their home country when transferred (Faist, 2006; Nyberg-Sørensen, Van Hear & Engberg-Pedersen, 2002). Besides these three main forms of financial, social, and human capital transfer, other forms of diaspora contribution include philanthropy, political, peace-building, and religious contributions (de Haas, 2005).

Migrants not only transfer various forms of contributions, but also contribute in a variety of ways. One of the forms that is used most is the individual transfer of money to family or friends at home. The vast majority of those transfers is via informal cash transfer, also called *hawala* among other names, executed personally or via an acquaintance. This method is, however, not registered and therefore not included in the official remittance statistics. Official statistics only contain financial transfer via official routes such as bank transfers and money transfer companies such as Western Union. Other methods of contribution are more collective. Home Town Associations form one example, in which migrant networks are formed around the migrants' country, region, or village of origin, who together set up philanthropic charity projects to the benefit of the home community. Other types of diaspora networks and migrant organisations are those initiated by entrepreneurs or academics (Bakewell, 2008).

3.2 Political application - international organisations

International organisations and institutions such as the World Bank have played and still play an important role in shaping both the academic and political debates around migration and development. In 2003 the World Bank published its report *Global Development Finance*, which recognized migrant remittances as “an important and stable source of external development finance” (World Bank, 2003, p. 157). This attention for and recognition of migrant remittances

played an important role in the resurgence of an optimistic view on migration and development, with a special interest for remittances (de Haas, 2007a). Mundt (2007) argues that the report also put migration and development more prominently on the policy agenda. Similarly, in the 2008 European Pact on Immigration and Asylum, the European Union (EU) recognizes migration and development as one of the five objectives to work towards the development of European immigration and asylum policies. The European commitment to “create a comprehensive partnership with countries of origin and transit, encouraging synergy between migration and development” (Council of the European Union, 2008, p. 4) shows the recognition of migration and development and the need to support its development, though still at a very early stage of political implementation. The International Organization for Migration (IOM) is a worldwide organisation that is concerned with migrant rights and migration processes. Migration and development is one of its four areas of migration management (IOM, 2012).

In accordance with the recognition of the migration and development field, a number of international organisations currently runs programs to encourage and facilitate migrant contributions. Most of these donors focus on financial remittances and research in this area, but a few specifically aim at the transfer of human and social capital. The World Bank, the International Monetary Fund (IMF) and the Inter-American Development Bank are a few of the most active bodies running programs to encourage the potential of, mainly, migrant remittance flows (Newland & Patrick, 2004).

The IOM is one of the few organisations running programs on the transfer of human capital in specific. It has initiated its Return of Qualified Nationals (RQN) program already in 1964, facilitating the return of skilled migrants to Latin America in specific. Later they expanded this area focus to almost all continents, including a program in Bosnia. The programs aimed at the permanent return of qualified nationals, but although RQN projects proved to be successful for the home country, in many cases the program did not lead to long-term or permanent return of the participating migrant. Following this conclusion, IOM and United Nations Development Program (UNDP) started programs to enable short-term stays between three and twelve months of qualified nationals. One such example is the Transfer of Knowledge Through Expatriate Nationals (TOKTEN) program that was launched by UNDP. It gives qualified professionals in the diaspora

the opportunity to transfer their knowledge through short-term consultancies in the public and private sector of their home country, and has also run programs in Bosnia (Ibid.).

Brinkerhoff (2012) argues that donors like large international organisations and non governmental organisations can play an intermediary role between homeland and host country governments and diaspora groups. On the other hand, by officially acknowledging the importance of migration and development and taking initiative in the establishment of programs, international organisations in a certain way put pressure on national governments to do the same and shape an enabling environment for migration and development (Brinkerhoff, 2012).

Over the last decade, a growing number of European countries has put the migration-development nexus on their agendas. According to Faist (2007), at the start there were two aspects that were dominant in the governments' approaches. The first was the focus on the return and the reintegration of migrants to the home country. The second was the idea that development aid and development cooperation can be used to put the incoming flow of migrants from developing countries to a halt. It is only recently that immigrants are being recognized by politicians as potential development agents, not by returning to their home country, but rather by transnational activities while living and being integrated in the host country (Faist, 2007). However, despite growing national governments' efforts, international bodies still appear to be more actively involved in the encouragement of the migration and development potential via programs and research than national governments.

3.3 The 'Northern' approach

A number of scholars, among whom most notably Castles, Márquez Covarrubias, Delgado Wise, Faist, and Glick Schiller, have criticized the migration and development debate for being too 'Northern'. They argue that both the academic debate and the policy application have been originated and dominated by Northern governments and international organisations that are governed by Northern majorities. As a result, the debate is asymmetric and its guiding principles and priorities are set by the North and not by a North-South partnership. The debate should more involve the views from the South, and take into account migrant sending countries' and migrant associations' perspectives when designing and implementing policy approaches (Glick Schiller & Faist, 2010; Delgado Wise & Márquez Covarrubias, 2010; Castles & Delgado Wise, 2010). A

clear example of the Northern dominance is the recent renewed interest for remittances, which was, as previously mentioned, highly influenced by the World Bank's research and its concluding report. Bakewell (2010) attributes this Northern domination to a lack of cooperation on migration between developing countries, because of which the highly collaborative rich migrant receiving countries have the space to dominate and shape the debate.

Apart from the focus on remittances, this dominant Northern vision has put the issues of national security, control of migratory flows, and integration in the host society at the centre of the migration and development debate. An example is the previously mentioned application of European immigrant countries to put development programs to use to to slow down immigration flows. The Northern debate hence reflects and at the same time lays the foundation for “northern governments' strategies of entry restriction and temporary migration” (Castles & Delgado Wise, 2008, p. 8). Developed countries need workers, both highly skilled and low-skilled, but at the same time they want to prevent those labour migrants from settling permanently. Furthermore, receiving country governments want settled migrants and their descendants to integrate and simultaneously increase migration control to handle perceived threats to national security and social cohesion (ibid.). These conflicting interests serve as a useful framework for explaining sending governments' migration and development policies and will be further elaborated on in Hollifield's liberal paradox in the following chapter.

Opposing the dominant Northern approach, the 'Southern' approach, advocated by Castles and Delgado Wise, shifts the focus to migrant sending countries that consider migration and development their primary development strategy. Castles and Delgado Wise (2008) argue that migration and remittances cannot instigate sustainable socio-economic development when general development conditions such as corruption, education and health services, and an efficient investment environment are neglected by the sending country's government. This argument provides a useful and important basis for this paper as it forms a structural part in the analysis of enabling government policies. Delgado Wise's and Márquez Covarrubias' theoretical approach on migration and development that is part of the theoretical framework is based on the thoughts of the Northern and 'Southern' approach. Moreover, the Southern perspective on general development conditions is at the core of Brinkerhoff's migrant contribution enabling model that forms part of the theoretical framework, and will be discussed in the following chapter.

4. Theoretical and conceptual framework

In order to form a coherent analysis, a theoretical and conceptual framework that guides the line of argumentation is here outlined.

4.1 Theoretical framework

Although the migration and development debate has been ongoing for about sixty years, the volume of theoretical publications in this field has been rather limited. One of the reasons is that theories of migration and theories of development have, to a large degree, been developed separately. This resulted in an arrears in the theoretical and conceptual discourse in comparison with promoted policies (by international organisations) in the field of migration and development (Delgado Wise & Márquez Covarrubias, 2010). Notable scholars in the migration and development field, such as Hein de Haas, have repeatedly noted that the nexus “has remained somehow undertheorised and largely disconnected from more general debates” and called for further theoretical research in the field (de Haas, 2007a, p. 36). Another reason for the lack of theoretical improvement is the descriptive nature of much of the empirical research in this field. The descriptive nature of a large share of the research has not aided the development of new migration and development theories (ibid.).

Due to this theoretical void, the separate fields of migration theory and development theory are indispensable in order to explain migration and development phenomena such as governments' effects on diaspora contribution. Because migration and development has its theoretical basis in those two theories and is still up to a high degree entangled with both fields, these two theoretical strands can function well in analysing (parts of) migration and development processes. More specifically, the fairly recently developed political approach within migration theory (Hollifield, 2000) provides a theoretical base for this paper's research.

As outlined in the methodology, this study's theoretical framework is characterized by the distinctions between policy effect and policy reason, and sending country versus receiving country. Hence, first Brinkerhoff's model on policy effects for the sending country will be discussed, complemented by Uphoff's theory on the access of power in the sending as well as the receiving country. This is followed by Hollifield's theory on the liberal paradox that functions to explain policy reasons in the receiving country, and completed by Delgado Wise and Márquez

Covarrubias' theory on the Northern dominance in explanation of policy reasons on the side of the sending country.

4.1.1 Policy effects – government enabling policy model

The research question on how policies affect diaspora contribution leads to speculate which policies are actually necessary to enable and facilitate diaspora contribution. When one knows the ideal policy environment for effective migrant contribution, then one can compare the ideal model with the actual situation and observe to which degree governments are involved in shaping an enabling environment. Consequently, one can note the effects of an imperfect policy situation on diaspora contribution. A number of such ideal models have been developed by various scholars and include a range of recommendations on what governments could and should do. One notable framework of government strategies is the *diaspora option*, which is frequently used in this field. This will further be explained in the context of Brinkerhoff's model. Given the diversity of factors and perspectives on the ideal contribution enabling environment, it is impossible to provide a framework that is all-encompassing.

Brinkerhoff (2012) has, however, developed a model, which was adapted from a framework on an enabling environment for NGOs in achieving the Millennium Development Goals, that combines several models into one relatively integral framework. Her framework is especially useful for its application of Uphoff's model on the access to power resources. Overall, the framework aims to outline which actions governments can and should take to create an enabling environment for diaspora contribution to the development of the home country. The framework combines five proposed government enabling roles in combination with Uphoff's access to power resources, government strategies of the diaspora option, and government agencies involved (locus)².

The government roles in creating an enabling environment can be divided over the following five actions: mandating, facilitating, resourcing, partnering, and endorsing. Mandating refers to the legal and regulatory framework that affects diasporas, including both citizenship rights such as voting and dual citizenship and more general basic rights. This government role most importantly has to do with the general political and socio-economic development of the sending country, and

² For an overview of Brinkerhoff's model see Appendix I.

more specifically with democracy and economic liberalism that support a general developing environment, including diaspora contribution opportunities. A government's facilitating role provides incentives for diasporas to contribute, through active governmental support. Creating government agencies to connect with diasporas, support in improving diasporas' living conditions abroad, and creating inter-diaspora networks can all lead to providing the conditions for migrants to get involved in homeland contribution. Resourcing is mainly aimed at providing public funding and financial incentives for diasporas to engage in financial contributions such as remittances and foreign direct investment. For example, exemptions from tax and tariff policies could encourage diaspora investment. In partnering, a partnership based on mutual interest is established between the government and diaspora organisations. An example is the Return of Qualified Nationals program that was previously mentioned and which connects the IOM and the sending country's government with the diaspora in a collective program. Lastly, the role of endorsing points at the recognition by the government of the value that diasporas are to the homeland. Before examining how exactly those five government roles are linked to diasporas' power resources, it is useful to first take a look at Uphoff's model.

Uphoff argues that diaspora contributions are facilitated when diaspora members have access to five types of power resources: “economic, social (social status based on social roles or on complying with socially valued criteria), political (ability to influence the exercise of authority), moral (perceived legitimacy of actions), and informational”³ (in Brinkerhoff, 2012, p. 78). Government policies of both the sending and the receiving country can enable diasporas' access to these power resources, be neutral, or pose barriers to them (Wescott & Brinkerhoff, 2006). Nonetheless, power resources can still be accessible despite restraints. However, when applied to Brinkerhoff's government enabling roles, certain government actions can actively provide support to access power resources. A facilitating activity such as creating diaspora-orientated websites and newsletters establishes a connection between the home country government and its diaspora abroad. Consequently, it gives diasporas informational and moral power by recognizing them as homeland constituents. A resourcing government action such as creating special taxation policies for diasporas gives the latter economic power and creates conditions and an incentive to invest in and hence contribute to the development of the home country. Although Brinkerhoff applies

³ Following Brinkerhoff's model, I here exclude Uphoff's originally sixth power resource of physical power.

Uphoff's model solely to the sending country, it is also applicable to the receiving country. The mandating government role, consisting of policies involving the legal and regulatory framework, provides a good illustration of this. Receiving countries' policies on the entry and exit of immigrants directly influence the access to political and moral power, affecting the migrant's legitimacy of mobility. That said, it should be acknowledged that not all forms of government roles and types of power resources can be applied to the receiving country in the same way.

Apart from the access to power resources, two other factors are incorporated in Brinkerhoff's model: the strategy and the locus. Due to the limited scope of this paper and for the clarity of the argument they will both be briefly discussed, but not in its entirety be applied to this paper's case study in combination with the model. The first is the three government strategies that constitute the *diaspora option* (diaspora integration, diaspora networking, and remittance capture). The government strategy constitutes the focus and method through which the asset that diasporas' contributions bring can be captured. The strategy is strongly determined by the way a government views its diaspora. Some governments see them as a threat to state sovereignty, others as national heroes for their significant contribution to national development, and still other governments support some aspects but discourage others at the same time. This government's stance towards its diaspora is influenced by a variety of factors, such as the composition of the diaspora community (refugees or economic migrants), the percentage of national GDP that economic remittances constitute, and citizenship laws. The second extra factor in the model is the locus: the government agencies that are responsible for initiating and executing the establishing of a contribution enabling environment. Brinkerhoff mentions, among others, diaspora ministries or committees in the ministry of foreign affairs, embassies, technical ministries and specialized agencies.

For the use of the model in practice, Brinkerhoff calls attention to a number of cautions. Firstly, the author remarks that even though it might be desired, governments are not necessarily always the most enabling partner. Some diaspora development actions have been successful exactly because they did not cooperate with the government. Still, a government enabling role will be useful in those situations that diasporas require it necessary. Secondly, not all governments may be as welcoming to the interference of their diaspora communities abroad. Especially where it considers political influence, governments may view their diaspora as a threat, posing the ability for fuelling political opposition. This could particularly be the case for countries with a history of

intra-ethnic conflict, such as Bosnia. Third, diaspora involvement does not necessarily benefit the society as a whole but may only aid selectively some individuals or families. Even more, the government could feel that diaspora contributions counteract with the priorities of international organisations and government programs and thereby undermine other sources of aid. Lastly, this model presumes the unquestionable right to access of power for diasporas, which brings up questions about the legitimacy of, for example, voting for a parliament that diasporas are not subject to. For governments, the diaspora can be seen as an extra interest group next to the local residents, who are just another group looking for power and resources.

In combination with the government enabling model, these caveats form a useful tool for the analysis of actual diaspora contribution enabling environments and the specific case of Bosnians in Germany. The various government roles and corresponding actions that compose an enabling environment serves to explain the government's effects on the migrant's access to power resources and hence the diaspora's ability to contribute. Furthermore, the caveats can support in the analysis of why those policies are in place.

4.1.2 Policy reasons

Following Brinkerhoff's theory to explain government effects on the diaspora contribution environment, Hollifield and Delgado Wise and Márquez Covarrubias provide the theoretical ground to explain government policy reasons. Due to the lack of models including both the sending and receiving country, two complementary models, each focussing on one country, are introduced here.

4.1.2.1 The receiving country - the liberal paradox

Castles and Delgado Wise's notion of the Northern approach, as introduced in the previous chapter, points the attention to the domination of the issues of control and security in the current migration and development debate. Hollifield (2000) extends this notion to the theoretical *and* empirical study of politics of international migration. He recognizes three major themes in this field of study: control, national security, and citizenship. He defines the theme of control as “the role of the nation-state in establishing rules of entry and exit” (p. 185). National security leads back to the question how migration affects the sovereignty and security of the nation-state. Lastly,

the theme of citizenship explores the role the state plays in incorporating immigrants into society and the state's economy (Hollifield, 2000).

Inherently connected to the issues of security, control, and citizenship is the notion of exclusion. Whether it be territorial or social exclusion, it is the state's justification of national security that leads to the control over migration and citizenship and hence inherently to the exclusion of certain groups of people (Guild, 2009). In migration and development, both territorial and social exclusion have a direct effect on the migrant's ability to contribute. Policies led by issues of security and control therefore have a direct and far-reaching impact on the migration and development enabling environment.

Rooted in political liberalism, Hollifield's *liberal paradox* aims to explain the difficulty that lies with liberal democratic states in the regulation of immigration. Bearing in mind the significance of immigration policy to migrant contribution, the paradox provides a useful theoretical framework for the analysis of the background motivations of the host country for their migration and development affecting policies. The core of Hollifield's model is that there are two opposing powers of national immigration interest. One is the economic liberal interest of openness, recognizing the need for cheap foreign labour. The other is a political interest of closure, following the argument of national security. These two conflicting national interests shape immigration policy to a large degree. Migrants are economically attractive for a society because of the labour force they provide to their host community. Specifically low-paid, heavy, and dangerous jobs are gladly offered to immigrant workers, who are, opposed to many local workers, willing to take such unpopular jobs. Industrial democracies have relied to a high degree on immigrant workers for their successful post-war development. A well-known example are the many so-called *guest workers* who were invited by the German state to fill an abundant demand for workers as from the mid-1950s. However, also presently, immigrants form a “necessary component of labor supply in capitalist economies” (Hollifield, 1992, p. 8). Due to a demographic decline in industrial democracies the demand for highly skilled workers is still increasing. Immigrant workers are easier to hire and to fire, or, in Hollifield's words; they are “more easily exploited” (Ibid.). Thus, from a Northern, neoliberal perspective, relatively free markets should be protected and immigrant workers should be welcomed.

Opposing this economic liberalism is the industrial democracy's political restrictionism. As one of the most fundamental state principles, the control of territorial borders is viewed as the essence of state sovereignty. Hence, immigrants crossing those borders can be perceived a violation to state sovereignty and thus form a threat to national security. Apart from this physical threat, immigrants may also be perceived as forming a socio-cultural threat to the national identity and civic culture of the host society. It is said that migration changes the ethnic composition of societies and because of that, the population becomes too diversified and has problems identifying itself versus other states. Another effect of this changing *demos* is that the social contract may be violated, because of which the government's legitimacy is undermined and the state's sovereignty threatened. Migration can thus lead to conflicts within states, and hence forms a threat to national security (Hollifield, 2000). It is therefore in the political interest of the state to control immigration and establish or maintain restrictionist policies. Apart from nationalist, anti-immigrant political movements supporting restrictionism, also a public opposition to immigrants may result from the perceived immigrant threat. Politicians fear a 'nationalist backlash against immigrants' in the national community (Hollifield, 1992, p. 5).

4.1.2.2 The position of the sending country – Northern dominance

Delgado Wise and Márquez Covarrubias (2010) have developed an attempt to create a new theoretical and conceptual framework for migration and development, based on the political economy of development. Most important is the focus on development instead of on migration, which opposes the dominant Northern approach. Migration in this context is viewed as one of the problems to (under)development, of which the latter processes take place not only on the national level, but also on the global, regional and local levels. Moreover, this new analytical framework linking migration and development looks at the development challenges faced by sending countries.

A key element in the analysis of development in relation to migration flows is the challenge to the sending country of existing asymmetric relations between them and receiving countries. Coming back to the Northern approach, it is the developed receiving countries and the international organisations and corporations that decide over the regulation of migration and development. This hegemonic domination, which is led by the US, is accustomed to the

implementation of policies by force rather than by consensus. Additionally, “The governments of underdeveloped, migrant-sending countries tend to lack a concise national project, are subordinated to the interests of powerful groups, and have limited influence in their own national and local milieus” (Delgado Wise & Márquez Covarrubias, 2010, p. 164). These structural dynamics determine the spaces in which the different actors relate to one another.

At the heart of the explanation for these structural asymmetric relations lies the economy of cheap labour. According to Delgado Wise and Márquez Covarrubias, cheap labour is at the core of contemporary global capitalism. Capitalist developed countries' needs for inexpensive labour in part explains the exponential growth of international labour migration flows. neoliberal policies of sending countries enable the exportation of migrant workers, which creates an increased international dependency. Some sending states are dependent on the inflow of money sent by migrants, which puts them in a dependent and subordinate role in relation to the migrant host countries. The neoliberal globalised structural dynamics that contemporary capitalism has created, thus reproduces economic asymmetries between underdeveloped and developed countries, which magnify poverty and social inequalities.

4.2 Conceptual framework

In the analysis of enabling contribution policies, it is important to know what the benchmarks are that form the ideal policy that should be pursued by both governments. The concepts of *circular migration* and *co-development* provide such ideal models and form the basic assumptions on which this study's analysis of government policies is built. Whereas circular migration concentrates on ideal migrant mobility to both the sending and the receiving country and the migrants themselves as well, co-development solely focuses on the receiving government's approach towards migration and development. Together these two concepts form this paper's conceptual framework.

4.2.1 Circular migration

At the heart of migration and development and one of the crucial elements of policies creating an enabling environment, is the issue of migrant mobility. The mobility of migrants determines to a large degree the opportunity and manner in which migrants can contribute to their home country.

The amount of times that migrants move back and forth and their length of stay influence migrant development contribution, and in turn is affected by national government policies. Exactly how migrant mobility affects migrant development contribution is subject to discussion. Some academics argue that return migration supports migrant contribution most. Others, most dominantly the Northern countries and international organisations, say that temporary migration is most beneficial to the development of the home country. To know which type of migration is facilitating migrant contribution most is essential in order to be able to analyse the role government policies play in creating a (un)favourable environment for migrant development contribution. If, for example, temporary stays would be most beneficial, then government policies focussing on permanent stays instead would be detrimental to the contribution environment.

Circular migration is a term that is repeatedly linked to migration and development. By some scholars, circular migration is understood as short-term temporary migration. Glick Schiller and Faist (2010), for example, note that temporary migration is “presently referred to as 'circular migration’” (p. 7), implying that the ‘new’ and ‘fashionable’ circular migration is in fact only a change of terminology and not any different than the short-term migration that constitutes the term 'temporary migration'. To Glick Schiller and Faist, circular migration thus *only* includes short-term migration. Nevertheless, other experts in the academic and policy field give a broader meaning to the term. The IOM, a leading global organisation in the field of international migration, gives a comprehensive definition in its World Migration Report of 2008. It defines circular migration as “a continuing, long-term, and fluid movement of people between countries, including both temporary and more permanent movements” (Newland & Agunias, 2007, p. 3). According to this definition, circular migration thus does not only include short-term migration from developing countries to richer societies, but also refers to migrants who permanently settle in their host country but repeatedly return to their home country for short stays. It is the latter type of migration that gives a unique opportunity to be advantageous to migration and development and it is this definition of circular migration that will be used in this paper.

Faist (2006) argues that temporary migrants are those who send the most remittances home because they generally have family and friends at home whom they might support. These remittances are varied and include many different forms of capital like financial, political and knowledge transfer. When linking this to national policy, policies that accept relatively free

mobility lead to more temporary migration, which in turn increases diaspora remittances (Faist, 2006). Aumüller (2005) agrees that refugees abroad contribute most, via the use of remittances, and argues that the development contribution of migrants abroad is higher than that of migrants who return home. She argues that there is no evidence that the return of refugees actually contributes to the economic reconstruction of developing countries. Glick Schiller (2009) is one of the few who, instead of focussing on the sending and receiving countries' economy, sheds light on the question of circular migration from the perspective of the migrant. Opposing her fellow experts' predominantly positive perspective, she argues against circular short-term migration, calling it a new form of exploitation. The reason is that it restricts migrants' rights and limits access to naturalisation and settlement, while giving the home country the benefits of remittances and the host country cheap much-needed labour, in line with the neoliberal labour regime. She calls this 'the dehumanisation of migrants' (Glick Schiller, 2009, p. 29). However, Glick Schiller's criticism is essentially aimed at temporary worker programs, in which receiving countries aim to fill their labour gaps while preventing migrants from settling permanently (Newland, 2004). Circular migration in the definition of the IOM, which includes permanent residence of migrants, is thus not entirely subject to this criticism and in this way can still account for the most effective form of migration for migration and development to the receiving country, the sending community, and the migrants as well.

Concluding from this discussion, it is important for this study to distinguish between 'temporary' and 'circular', as these two somewhat conflicting terms are at the heart of the contribution enabling policy discussion. 'Temporary' points at temporary worker programs aimed at a short stay of the migrant, whereas, in the definition of the IOM, 'circular' includes the option of permanent settlement with repeated short-term returns to the home country. When viewed from this perspective, a majority of scholars agrees that circular migration provides a good opportunity for sending countries to receive development contribution and for receiving countries to fill labour gaps. This notion of circular migration being the ideal form of migrant mobility to enable diaspora contribution forms the basic assumption in the question which policies create an enabling environment to migration and development.

4.2.2 Co-development

When researching the effects of government policies on migration and development, one important component is the government approach towards migration and development, as previously addressed in Brinkerhoff's model. Co-development refers to a policy approach in migrant receiving countries that aims to create a singular migration and development arrangement, by incorporating migration policy in development cooperation policy, or the other way around. The opposite government option is to treat migration and development as separate fields; immigration in migration policy and development in national development cooperation policy. Nyberg-Sørensen, Van Hear and Engberg-Pedersen (2002) argue that in many European countries this separation still exists, creating a lack of policy coherence between the state's government policies, but also between governments, diaspora groups and international organisations. While development policies are directed towards poverty reduction of the poorest countries and follows explicit poverty reduction objectives accordingly, migration policy is not engaged in addressing development needs of migrant-sending countries. By separating the two domains, the potential of the overlapping field of migration and development, which affects both poverty reduction and international mobility among many others, is not being used effectively.

The concept of co-development was launched by France in the late 1990s. Its idea was to integrate immigration and development in such a manner that both the community of origin and the community of reception benefit from the migration flow, transnational migrants thereby serving as bridges between the two societies (Naïr in Vidal & Martínez, 2008). France was the first country to connect development and migration in a singular government policy, and to attempt to implement assistance strategies for migration and development (Aumüller, 2005). In the last decade, the concept of co-development grew to generally stand for a coherent migration and development policy (Ibid.). It is this notion of co-development that is applied in this study and is implemented in the basic assumption that a coherent migration and development policy is the ideal approach for the receiving country, which should be pursued to generate an effective enabling contribution environment.

5. The role of the government in diaspora contribution

In order to answer the first subquestion, this chapter looks at which government policies in both sending and receiving countries are in place, and analyses which effects they have on diaspora contributions and why those policies are in place. Before outlining the various government policies that affect migration and development, first the wider perspective on factors that shape diaspora contribution behaviour is explored in 5.1. Subsequently, 5.2 will narrow down by discussing the general role the government plays in diaspora contribution. Chapter 5.3 will then discuss the main question which effects policies have on diaspora contribution, after which the reasons for the policies to be in place will be analysed in 5.4.

5.1 From individual motivation to opportunity structures

There are many different motivations and incentives for migrants to transfer financial, human and social capital to (people in) their home country. Individual capacity, personal motivation, the global economic environment (think of the financial crisis), and whether one has contacts in the home country are all examples of factors that affect the decision and the level of engagement in contribution to the home country. Wescott and Brinkerhoff (2006), for example, distinguish between three main factors; the ability, opportunity structures, and the motivation to act (altruism versus self-interest). The ability and motivation to act point at individual characteristics of the migrant, whereas the opportunity structures focus on the structures that are in place in the home and host countries. Many academics in the field focus mainly on individual factors in the explanation of diaspora contribution behaviour.

An example is Glick Schiller (2009) who outlines five conditions that shape the remittance-sending context. The first, and elementary, condition is whether direct family is left behind in the home country. The second criterion is the question of a secure situation in the host country; whether a migrant is subject to political, social or economic discrimination. Point three is the question of a stable income, and condition four the need for rebuilding status and class position through remittances. Lastly, criterion five points at remittances as an alternative economic possibility to build economic resources in the home country. Even though these contribution conditions are in the first place individual factors, at a closer look they point at deeper political structures inflicting them. Especially points two and three are actually conditions that are not based

on individual motivation, but rather on opportunity structures in place in the host country. Moreover, condition one can be influenced, but not necessarily determined, by migration structures.

It is therefore interesting and useful to look at the opportunity structures that are in place in the home and host countries that shape individual diaspora contribution conditions.

5.2 The role of government policies

“Migration is no panacea for development”, is a commonly heard and written saying (Taylor in de Haas, 2005, p. 1254). Academics have repeatedly noted that migration cannot contribute to the development of sending countries when the political, economic and social circumstances in both the sending and receiving countries do not support this (de Haas, 2005). Additionally, global opportunity structures such as unequal global economic relationships and unfair distribution of education also limit the realisation of migration and development (Ceschi & Mezzetti, 2011). For example, for a migrant to invest in his or her home country, a favourable business environment needs to be in place in the homeland, as well as a legally secure position in both countries (de Haas, 2005; de Haas & Rodriguez, 2010). The structural conditions that are present in the opportunity structures of both countries and the wider environment thus determine to which extent the migration and development potential can be put to full use. Generally, development cannot occur where an unattractive investment environment, political instability, repression, or insecurity prevails. For this reason, many scholars warn for the risk of exaggerating the development potential of migration (Ibid.).

Even though there are a number of structural conditions that are subject to forces that are out of national reach, there is also a large part that is directly shaped by the national government. National government policies in part have the ability to create or at least influence the general conditions that shape an enabling environment for diaspora contribution. De Haas even claims that “if states fail to implement general social and economic reform, migration and remittances are unlikely to contribute to nationwide sustainable development” (2007b, p. 180). The development effect of migrant contributions is hence conditioned by the government policies of both the sending and receiving countries (Valenta & Ramet, 2011). National governments and other institutions thus play an important role in shaping favourable general conditions for migration to

bring about social and economic development (de Haas, 2007a). Ceschi and Mezzetti (2011) argue that migration and development actions should be structurally and politically supported by a political process of public policies that specifically aims at fostering human mobility, grassroots exchange, and dealing with activities in the transnational field.

Some scholars, like de Haas previously implied, do not only recognize the causal link between the national government and diaspora contribution, but moreover argue that the state carries a responsibility to support this contribution potential. Also Bakewell (2008), and Castles and Delgado Wise (2008) find that a key responsibility lies with the government to provide 'an appropriate legislative framework' and play a proactive role in setting up institutions and programs to facilitate migration and development.

5.3 The effect of government policies on diaspora contribution

There is a varied number of policies that affect migrant contribution either directly or in more indirect ways. It is unnecessary to state that it is a rather inconceivable aim to include all policies that affect diaspora contribution and all their various effects, since a selection like this is inherently subject to the theoretical perspective of the researcher selecting, and also differs according to the countries in question. Additionally, there is a boundless number of ways in which one can structure the different fields of government roles, actions, policies and measures. In this paper, government policies and measures are chosen of which the selection generally reflects and summarizes the most salient points that are raised in both the literature and the political debate on this topic. The way of structuring them is according to what this author found most relevant, in accordance with the categorisation of the issues most important in migration and development.

The chosen structure of policy division coincides up to a certain degree with Brinkerhoff's five government roles. The role of mandating loosely overlaps with policy field I, whereas facilitating is discussed in field II, and resourcing in field III. The other two government roles of partnering and endorsing are not separately discussed, but instead are part of the three policy fields mentioned above. In comparison with Brinkerhoff's normative model that concentrates foremost on government policy *options*, this paper's structure is based on policies that are currently in place and affect migrant contribution in either a positive or negative way.

This study identifies three fields of government policies and measures:

- I. Policies on the general development environment of the sending country
- II. Policies and initiatives on framing a migration and development policy
- III. Policies that directly affect the mobility of capital or people

I. The general development environment of the sending country

As the example on migrant investment in the previous subchapter showed, the general development environment in the sending country must be favourable to migrant contributions in order for them to have any developmental effect. Hence, policies that improve the political, economic and social environment in the sending country are essential for social and economic development to occur as a result of migrant contribution. The government must take up its mandating role to establish and maintain democracy and economic liberalism that are needed for socio-economic development. Creating both an enabling economic and a facilitating political environment are the two policy fields that are essential to foster diaspora contribution (Lucas, 2005; Newland, 2004).

A transparent political climate in which corruption is being kept to a minimum and where government institutions hold the trust of its citizens provides a reliable basis not only for its citizens, but also to its diaspora. It gives citizens abroad access to political and moral power, because their transnational actions become legitimized while being and being perceived as part of the political entity that they originally come from. Furthermore, to create security through constraining crime and maintaining peace, and to establish transparency in the legal and regulatory framework also contribute to an enabling political environment (de Haas, 2005; Lucas, 2005; Newland, 2004).

An economic climate that fosters the business and investment environment and that creates jobs is at the heart of economic development. Migration and development academics call macroeconomic stability, trade reform and regulation of the financial system the most important economic policies that sending governments should master in order to create a contribution enabling environment. Factors such as difficult access to international markets because of trade barriers, a lack of access to credit, a lack of training in entrepreneurial skills, and disincentives to savings (Ibid.) constrain both citizens and diasporas to obtain economic and informational power,

which are needed to be able to successfully invest in the home country. Consequently, a negative investment environment not only hinders migrants to invest in their home country, but it also negatively affects the development effect of sent remittances and migrant savings in the home country.

A lack of government policies that actively engage in enhancing the political and economic environment thus limits diasporas' access to political, informational, economic, and moral power resources. As a result, emigrants are limited in their ability to invest financially, politically, and socially in their home country, and are less inclined to return or circulate between their host country and their country of origin.

II. Policies and initiatives on framing a migration and development policy

To optimise the impact of migration on development and poverty reduction, it is crucial to policymakers to decide the right framework and institutions that can address this issue (Sriskandarajah, 2005). Brinkerhoff's government role of facilitating envisions exactly this point; to provide the incentives to contribute through the creation of a facilitating political migration and development structure. Since the sending and the receiving country play such different roles in the migration and development process, one being able to benefit by sending its citizens abroad and the other by receiving foreign workers, their policy methods also differ accordingly. Even though the policies in the two countries indirectly affect one another, in core those policies are national strategies and the two countries generally cooperate very little in this field. Hence, the migration and development structures of the two countries are here discussed separately.

A. Coherent migration and development policy in the host country

The concept of co-development, as discussed in the conceptual framework, aims to integrate migration into development and poverty reduction strategies. In reality, however, migration and development are generally separate policy domains in many developed receiving countries. Not only might these policies be contradictive and work counteractive, a separation of policies also hinders the development of more effective policies that positively connect migration and development. The result is that in reality migration policies of most host countries often tend to reduce the migrant contribution potential to both the sending and receiving country (de Haas, 2005; Newland & Patrick, 2004). Therefore some institutions who are engaged in research and policymaking of migration and development, like the UK House of Commons International

Development Committee, call for governments to act more to create and ensure coherence between related policies with development goals (in Newland & Patrick, 2004).

Some countries, such as France, have taken initiatives to implement migration and development programs. However, especially in the beginning in the 1990s, those programs did not necessarily have the aim of putting migration in use to reduce poverty in migrant sending countries. Instead, migration and development programs were primarily used to attempt to control migration processes through decreasing the flow of immigrants from developing countries (Aumüller, 2005). Not only on a national level, but also regional institutions such as the EU still indirectly express the hope that the transfer of financial, social and human capital will support economic growth, in order to reduce the migration pressure of developing countries (Faist, 2007). Even though the general trend is now slowly changing towards a more favourable stance on programs to facilitate the migrant potential for the development of sending countries, these policies are to a certain degree still linked to the concept of preventing migration. According to Niessen and Mochel (in Aumüller, 2005), the reason for this is that the concept of preventing migration simply 'sells' better to the public than the aim of supporting development potential in migration. Contrary to this political trend of migrant prevention, de Haas (2006a) argues that the reasoning behind it is actually incorrect. Instead of reducing, economic growth will initially lead to an increase of migration because more people will have the resources to be able to migrate. Therefore, attempting to decrease migration through development is 'an unrealistic aim' (p. 92). Additionally, when diaspora organisations become aware of this contradictive agenda point, they are unlikely to want to engage in migration and development cooperation with government institutions.

Following France's example, more and more European countries initiate attempts to merge migration policy with development policy. However, in practice in many cases they reach the opposite effect, as migration and development policies are actually diverging increasingly. An example is the Netherlands, whose migration and development policies have been recognized as an example of reaching greater coherence. However, in practice, increasingly restrictive migration policies that focus on temporary migration and return have been imposed on the development agenda. Another example of inefficient migration and development policy is the fact that most countries that are targeted in development cooperation are in fact not the countries where the

majority of migrants come from. To target these countries in so-called migration and development policy will thus only minimally affect their migrant communities (de Haas, 2006a).

B. Diaspora policy in the home country

In the sending country, migration and development policies, when present at all, are part of the country's diaspora policy and almost never constitute a separate policy field. Also in academic analysis, one cannot regard migration and development policy as separate from a country's general diaspora strategy, since the existence of the former is influenced by a government's general stance towards its diaspora. For governments to establish a formal diaspora contribution strategy, it is foremost essential that they recognize the value of their diaspora. Those countries who have the most elaborate diaspora contribution policies in place are overwhelmingly those who view their diasporas as important contributors to the development of their national economy. Furthermore, a government's engagement with its diaspora lies at the heart of effective diaspora policy. The diaspora option strategy of diaspora networking, which takes place within the government role of facilitating, uses the focus on the home country connection with its diaspora as a method to encourage an increasing flow of diaspora contribution (Brinkerhoff, 2012).

In a study on migration and development from the perspective of the South, Bakewell (2008) concludes from five case studies of major emigrant countries (India, Turkey, Morocco, Mexico and the Philippines) that “over the last 20 years there has been a general shift in attitude towards emigrants among the governments of sending countries” (p. 289). He notes that both emigrant countries that promoted labour migration, and migrant sending countries that previously had no migration policy at all, have started to actively engage with their diasporas abroad. Sending countries have set up a range of policies, commissions and organisations to support and protect their migrants abroad. Bakewell distinguishes between five different types of diaspora policies, grouped according to the stages of the migration process. The first is pre-departure programmes of support to prepare potential migrants for departure. Only few countries have such policy measures in place. Countries that have a high number of emigrants and (unofficially) regard them as part of official development policy, such as the Philippines, encourage their departure and sometimes provide preparation programs accordingly.

The second concern for sending governments is the protection of their diasporas in the host country. Protection may mean mediation between the migrant and the host country by the consulate or a specialist migrant agency, or programs on the prevention of exploitation by employers, and is often based on international law. Diaspora protection is a major concern for many sending countries, although the form of protection differs highly between different countries and even government departments. This form of diaspora strategy is highly affective on the contribution environment, as it has the ability to improve migrant conditions in the host country, thereby increasing a migrant's access to various power resources and hence improve contribution conditions. A third field, which is strongly connected to the previous government concern, is the process of migrant integration in the receiving country. To support migrants to gain a better living standard and become part of the host society, some sending states, such as Turkey and its large diaspora community in Germany, provide support in access to cultural and religious resources and education (Bakewell, 2008).

The fourth, and most important policy for diaspora contribution enhancement, is that of maintaining diaspora links with the home country. This strategy is one that is of central concern to many sending countries, especially since there is a growing recognition that integration and transnational activities go well together with maintaining and strengthening ties with the country of origin. One measure that is often implemented is government support of migrant associations that connect migrants abroad and pass on the sense of belonging. Specific information channels aimed at the diaspora, such as television and radio channels, also help maintaining links with the country of origin. Another strategy is to create and promote investment and saving opportunities in the home country, for example by establishing overseas banks and introducing tax exemptions. However, the intention behind these type of measures to provide attractive investment conditions to migrants is highly disputed. A Turkish initiative to create a special investment fund for migrants in agriculture who are settled in Germany turned out to be a German effort to encourage migrants to return to Turkey. Apart from the hidden German agenda, many migrants felt on the part of the Turkish government that their home country was only interested in their remittances, and not so much in their well-being and ties with their diaspora. Such (hidden) agendas lead migrants to mistrust government programs and discourage them to invest in their home countries. Moreover,

programs like the Turkish example above often have not led to positive results due to a lack of adequate infrastructure and bureaucracy in the home country (Ibid.).

Other than financial involvement, facilitating political engagement has been one of the most significant measures to strengthen migrants' ties with their home country. An increasing number of sending countries allows members of the diaspora to gain dual citizenship and voting rights. Such policies enable migrants' access to political, moral, social, and informational power resources. Through these measures, the government directly facilitates but also encourages their diaspora to engage in development contribution. The fifth and last type of government migration program concerns the support for return. This type of measure focuses on the transfer of human and social capital upon return to the home country and often mostly focuses on the return of highly qualified migrants (Ibid.).

The measures that governments of sending countries are generally most interested and engaged in are those that encourage investment and those that facilitate return. They emphasize the importance of creating the necessary conditions by building infrastructure and services and enhancing the regulatory framework (Ibid.). Nevertheless, even though the recognition of diasporas as potential development contributors is rapidly increasing among sending countries, an effective and all-encompassing diaspora policy is still in an initial stage in many developing sending countries (Ibid.).

III. Policies that directly affect the mobility of capital or people

A. Immigration policies in the host country

Policies of entry, legal residence and integration are very closely connected to an enabling contribution environment. Newland and Patrick (2004) argue that an immigration policy that facilitates the opportunity of contribution is “...an immigration policy that creates opportunities for legal residence and fosters integration” (p. 32). The position of the migrant in the receiving country, which is shaped to a large degree by the host country's immigration policy and migrant rights accordingly, directly affects the migrant's ability to contribute (de Haas & Rodriguez, 2010). To some scholars, immigration policies seem to be the main tool through which developed receiving countries can have a significant effect on diaspora development contributions to the home country (de Haas, 2005). A variety of policy factors, of which most notably a secure legal

status, incorporation in the labour market, and access to education build the capacity of diasporas to contribute (Newland & Patrick, 2004).

Restrictive immigration policies, which are a current increasing trend among EU countries, have negative consequences for irregular migration flows and are likely to increase the number of illegal immigrants. Additionally, the number of cases of human trafficking and smuggling of persons increases. Migrants with an insecure legal status or no legal status at all generally enjoy less rights, because of which their living condition deteriorates. For example, they generally earn less than legal workers, but they also have a higher chance to be exploited in jobs with little salary and bad working conditions. Illegal migrants are also less able to search judicial help in cases of, for example, labour right violations (Wickramasekara, 2008; Newland, 2004). Since illegal migrants are likely to earn much less than legal immigrants, their resources will be little and there are fewer chances that they have something left after spending their own daily survival expenses that they can send home. An illegal status also makes it harder for the migrant to remit, at least via official channels (Lucas, 2005). A lack of migrants rights and bad working conditions that are the result of strict immigration policies consequently constrain the migrant's access to economic and social power. Hence, migrants hold less opportunities to contribute to the home country *and* to the host country, and the development benefits of migration are limited (Wickramasekara, 2008).

Furthermore, restrictive entry policies together with a lack of legal status seriously hinders circular migration, as it makes migrants less likely to repeatedly return to their home country for short stays with families and friends. As a result, the maintaining of social networks at home reduces, thereby loosening ties to, involvement with, and very likely loyalty towards the home country, reducing the probability of a migrant's engagement in home country development contribution. Furthermore, with legal options to cross the border being limited and prices and risks of illegal crossings being very high, migrants are pushed into permanent settlement, while they might actually have aspired temporary or circular migration (Newland, 2004; Lucas, 2005). By obstructing migrants from visiting their home country through harsh border enforcement, the host country limits their access to social, political, and informational power. Without political power in the homeland, diasporas will feel less connected and hence will feel less inclined to (politically) contribute. A lack of social and informational power will add to this decrease of the strength of

homeland ties and additionally constrains contribution ability. Therefore, in order for migrant contributions to foster, the mobility of migrants should be promoted (Sriskandarajah, 2005).

In specific for brain gain to occur, facilitating circular migration is essential. To be able to transfer skills, knowledge, and networks, migrants need to be able to travel back and forth to transfer this human and social capital. A number of brain gain programs have been established, mostly by international organisations such as the UNDP and IOM. However, the majority of those focus on the transfer of skills upon the definitive return of migrants. De Haas argues that such programs that have a conditionality of return are not likely to be successful, as few migrants aspire to return with the high probability of not being able to return to the host country once returned to the country of origin for more than six months. Examples of successful programs that do not focus on return are UNDP's previously mentioned TOKTEN program and the Dutch IntEnt projects (de Haas, 2006b).

Restrictive entry policies are especially aimed at low-skilled workers. This is mainly the result of the guest worker programs, such as existed in Germany, where many migrants unexpectedly settled permanently. Low-skilled migrants mainly come from relatively poor families, hence refusing them entry restricts the possibility of sending direct poverty-alleviating aid to their poor families at home (Wickramasekara, 2008). At the same time, entry policies for skilled workers have been liberalized in many developed countries and regions. One clear example is the directive of the *Blue Card*, adopted by the European Commission in 2008. The directive provides special relaxed entry requirements for highly-skilled workers from all over the world (Ibid.). The effects of such selective admission policies is that entry requirements are really high, and there is a high chance that relatively wealthier migrants will make up a large share of the immigrant population. Low-skilled workers who generally come from poorer families then have fewer chances to gain a better living standard abroad and support their families.

Another aspect of the position of the migrant in relation to home country contribution is the degree of integration. Some, especially governments, argue that migrants who are not well-integrated contribute more than those who are highly integrated because the ties of the former with the home country are closer. Additionally, the argument also runs the other way around; transnational practices prevent migrants from integrating in the host country. In reality, however, both claims are proven to be untrue. Transnational practices such as sending remittances do not

necessarily conflict with integration in the host society. Several studies have shown that in fact the opposite is the case. Those migrants who are relatively successful and well-integrated tend to have the resources and skills to positively contribute to their country of origin. Being integrated means to be part of the labour market and social networks, each increasing the amount of power resources of the migrant. Integrated migrants therefore have the know-how, the resources, and the time to participate in diaspora organisations, send money, and be engaged in the development of their home country. What is more, transnational practices can also reinforce involvement in the host society (de Bree, Davids, & de Haas, 2010; de Haas, 2006a; Newland & Patrick, 2004).

B. Policies on financial contributions

The focus of both researchers and policymakers in possible home and host country policy methods to optimize financial contributions of migrants has primarily been on the capture of remittances. This overwhelming focus of attention on remittances can partly be explained by the tremendous increase in remittance flows to developing sending countries over the past few decades. The remittance interest is also reflected in the literature, in which there is far more attention for policies on remittance capture than on other forms of diaspora contribution (Carling, 2008). Remittance capture is one strategy in the government's role of resourcing, in which the aim of the government is to provide financial incentives for migrants to engage in financial contribution. Brinkerhoff applies this government role only to the home country, but when taking into account that both the sending and the receiving country provide for obstructions to financial contribution, both countries could take initiatives to instead facilitate financial contributions.

Remittance capture entails the strategy to increase the volume and productivity of remittances and diaspora investment through policies such as regulatory reforms, tax-free investment opportunities, remittance-backed bonds, foreign currency accounts, investment tax breaks, and exemption from import tariffs on capital goods. Through these policies, both migrants abroad and potential migrants at home gain access to economic power because of reduced remittance transfer fees and possible profit from investment opportunities (Wescott & Brinkerhoff, 2006). Furthermore, by reducing the transaction costs of remittances, migrants are not only more encouraged to send money, but it also increases the development impact of remittances on the home country (Sriskandarajah, 2005). Some governments have special programs to encourage

sending of collective remittances by diaspora groups such as hometown associations. The most well-known example is that of Mexico, where the government provided technical and financial support to self-help organisations by adding one third of the amount raised by the hometown association (Ibid.). Other measures to facilitate financial contributions are to encourage migrants to save in the home country, facilitate diaspora trade and investment, and make the transfer of pensions available to migrants who want to return after retirement (de Haas, 2005).

Many researchers also argue in favour of measures that provide the means and incentives for migrants to remit formally, to encourage the move away from informal transfer methods. They argue that formal transfer methods have a higher development impact than informal ways of remitting (Srisankarajah, 2005). In line with this (Northern) argumentation, migration and development policies that have been implemented in practice tend to focus on measures that facilitate channelling remittances into formal channels (de Haas, 2006a). However, opposing this common belief, informal channels for remittance sending can in fact be notably cheaper and more efficient than formal channels. By focussing on making remittances travel official ways, migrant sending governments concentrate on having remittances contribute directly to national economic growth via taxes, thereby neglecting the tremendous micro-level impact on poverty reduction and welfare increase of individuals and families. Additionally, most governments are of opinion that the way most received informal individual remittances is spent – through consumption and 'non-productive investments' – does not contribute to economic growth, whereas in fact it can have positive effects on economic growth and employment. Especially in receiving countries with an unfavourable investment environment and bad economic infrastructure, like for example in the case of Bosnia, as this paper will later show, the economy could lose out on an important share of its income when focussing on reducing the informal remittance system (Ibid.).

According to Lucas (2005), this is exactly what is happening in many industrialized countries: The informal banking network that transmits informal remittances (which is overwhelmingly the biggest share of remittances) is being regulated so that migrants will be forced to use the much more expensive formal channels, thereby reducing total amounts of remittances. The reason for this regulation is security; to close channels through which terrorists can transfer funds internationally unnoticed. Policy efforts to push remittances into formal channels of transfer thus have a double negative effect: the amount of remittances decreases because of the high

transfer fees, and those who need financial support most are not any longer the main target. Of other typical policy efforts to increase remittances such as premium interest rates for remitters, repatriable bank accounts and bond issues, and premium exchange rate schemes it is unclear if they actually increase the amount of remittances sent (Lucas, 2005).

5.4 Explaining policy trends

What comes forward from this brief overview of policy impacts on diaspora contribution, is that facilitating, mandating, and resourcing policies that actively support and encourage migrant contribution are generally few and holding a second agenda in most Northern receiving countries, and diaspora policies are increasingly established but still in an early phase in many developing sending countries. Additionally, a range of policies, both in the sending and the receiving country, are in place that pose serious barriers to effective migrant contribution. Viewing the current generally positive attitude towards diaspora contribution by sending and receiving countries and international agencies, and remembering the recent remittance euphoria; why then do these same actors not provide an enabling environment for the migration and development potential to be realized?

In the host country, strict immigration policies are a fundamental obstruction to migrant contribution. Increasingly restrictive entry policies in many European countries aim to limit the inflow of migrants as much as possible. Following Castles and Delgado Wise's thoughts on the Northern approach and Hollifield's notes on the dominant issues of security and control by the Northern hegemony, a report by Ceschi and Mezzetti (2011) argues that an important limit to the realisation of migration and development is the perception of immigration as an issue of national security and control in receiving societies. By many developed receiving countries immigrants are perceived as a threat to national sovereignty. Hence, to limit this threat to national security as much as possible is only a natural reaction. In this light, transnational activities of immigrants are considered an additional threat, as they are viewed to hinder the migrant's integration in the host society. Many politicians in Europe wrongly perceive migrants' ties with their home country as a threat to national security because of the migrants' "supposed lack of loyalty to their new homeland" (Glick Schiller, 2009, p. 23). However, as already noted before, research has shown that migrants who contribute (to a high degree) to their homeland, tend to be more integrated than

those who do not contribute. Displaying migrants with transnational ties as a threat to national security is therefore ungrounded.

Contrary to what one might expect with such restrictionist political reasoning by many developed countries, not all migrants are sent back at the border. Many European receiving countries promote temporary worker programs and special entry programs for high-skilled workers. This can be explained by the developed countries' need for workers. Capitalism and a demographic decrease in many rich European countries requires the need for a policy of economic liberalism. The preference for temporary migration by many high income receiving countries can be explained by Hollifield's liberal paradox; there exists a clash between policies of political restrictionism and policies that at the same time pursue economic liberalism (Hollifield, 1992). Even though labour is needed, restrictionist policies of immigration prevent countries to welcome migrants for permanent settlement. Hence, in immigration a focus on return dominates, making temporary worker programs the best option for receiving countries; to have the labour supply that is needed, but to not carry the burden of permanent settlement. Furthermore, selective entry programs for high-skilled workers also reflect the dire need for highly educated professionals, while at the same time strictly controlling the entry as to limit the number of permanent migrants as much as possible.

As for those migration and development programs that are in place in receiving countries, in the majority of cases these policy coherence initiatives still have a focus on migration control instead of on the development potential. Many migration and development policies focus on providing aid to the development of migrant sending countries as a measure to decrease migrant flows. This is not only the case at the national level, but also prevails at more regional levels. For example, migration and development policies in the EU place an emphasis on using development aid as an incentive for aid recipients to cooperate in migration control efforts (Newland & Patrick, 2004). Additionally, some scholars argue that EU countries use the measures that are meant for migration and development much more on migration control, instead of on developing a consistent migration and development policy framework (Faist, 2006). The focus on migration control in migration and development policy is another confirmation of the prevalence of political restrictionism in many migrant receiving countries.

When looking at the far-reaching negative effects of restrictionist and selective entry policies, but also of bad integration conditions and the formalisation of remittance channels on the development potential of diaspora contributions, the question arises why such policies can remain in place. According to Delgado Wise and Márquez Covarrubias, contemporary capitalism constructs a world of neoliberal globalisation, which consolidates the economic asymmetrical structure between developed and underdeveloped countries. This makes sending countries who depend to a high degree on remittances dependent on receiving countries. As a result, asymmetric global relations between sending and receiving countries make sending countries subordinate to developed countries' policy focuses. Hence, the Northern hegemony is able to regulate migration and development policies, and their issues of security and control dominate both the political migration and development structure and the academic debate. It can also explain the ability of sending countries to push migrant remittances into formal transferring channels, since also here security arguments, this time concentrating on measures against terrorists, are at stake.

Because many sending countries are financially (partly) dependent on their diasporas for their economic development, they continue to enable their citizens to emigrate. Receiving countries' economies conveniently make use of this available migrant labour (the part that they are interested in), in some part at the expense of the sending country. By providing bad legal and living conditions, labour profits to the host economy increase, while at the same time reducing migrants' contribution abilities to home country development. Hence, the receiving country's capacity to regulate migration and development, foremost through policies of entry, results in a decreasing contribution-enabling environment, causing a loss of migrants' development potential to their country of origin

To the sending country, its approach towards its diaspora is, just like the receiving country, to a high degree shaped by the way the country views its diaspora (Brinkerhoff, 2012). Those governments who view their diaspora population as a threat, for example as a political threat to the homeland regime like in Sri Lanka, are less favourable towards involvement of the diaspora. Especially in countries with a history of intra-ethnic conflict such as Bosnia, diaspora policy influence in specific is a complex and constrained issue. Many of such transitioning and developing countries' governments are suspicious towards their diaspora, for fear of fuelling the

political opposition, or simply because they are another interest group in an already complex political environment (Ibid.). Countries that have a focus on return in their diaspora programs often view and are concerned for emigration as a process of brain drain. Bakewell (2008) notes that the Moroccan government views diaspora involvement as leading to change family and gender relations, apart from contributing to poverty alleviation. Countries like the Philippines, who regard their diaspora as 'the new heros', have one of the most elaborative diaspora supporting programs in place.

For sending governments to establish an enabling diaspora contribution environment, apart from regarding the role of the diaspora as positive, they also have to recognize the value of their diaspora and their potential development contribution. Although this is to a large degree determined by the government's stance on its diaspora, it is also influenced by the government's ability to recognize the potential and take the measures to facilitate different forms of contribution. This influences the government's choice for encouraging migrants to either return, do temporary jobs, or to settle permanently and focus on sending remittances. The measures that governments of sending countries are most interested and engaged in are those that encourage investment and those that facilitate the return of emigrants. Both directly contribute to the economy of the country of origin, either financially (via investment) or in the form of labour force and social and human capital. These two forms of contribution are also the two forms that are most visible. The transfer of social and human capital through circular migration, for example, could therefore easily not be recognized by governments who have not yet developed the ability to recognize and work with migration and development.

Apart from the political stance of a sending country's government towards enabling development contribution, the ability to take measures may also be limited. The general development environment of the home country is a key factor in facilitating diaspora contribution, but in certain fields the government's control is limited. Besides national limitations that might result from a history of war or a specific political structure, international structures such as the international trade environment shape a sending state's economic, political, and social environment to a degree on which national policies might have little influence. Consequently, sending countries may have a limited ability to not only shape its general development environment, but also to implement an effective migration and development strategy (Brinkerhoff, 2012).

6. Case study - diaspora contribution environment of Bosnians in Germany

In 2010, official accounts recorded a flow of remittances that reached USD 2.2 billion⁴, sent by Bosnian migrants all over the world to friends and family in Bosnia. This was six times more than the amount of foreign direct investment and three times the amount of official development aid that Bosnia received. Bosnia places number fifteen on the world list of remittance receiving countries in relation to GDP, with remittances making up 13-20 % of Bosnia's national GDP (Oruč, 2011; World Bank, 2011). Not surprisingly, Bosnia is also one of the leading migrant 'exporters' in the OECD countries (Nikolić, Mraović & Ćosić, 2010). With currently about 1.46 million Bosnians living abroad, its diaspora consists of an estimated 38.9 % of Bosnia's entire population (World Bank, 2011). Nikolić, Mraović & Ćosić (2010) argue that during the EU accession process, this migration trend is likely to continue and even increase.

One can conclude from this brief picture that Bosnia is a country that has a big potential to put its (very large) diaspora population to use to positively contribute to the development of Bosnia. As the European country containing the highest number of Bosnian migrants (approximately 240,000) except for Croatia, Germany is an important source of remittances to Bosnia (Ministry of Security - Immigration Sector, 2011). Hence, the Bosnian migrants in Germany form an important contribution potential to Bosnia. However, as became clear in the previous chapter, for such a development potential to be fulfilled, effective guiding policies from above are vital. Germany fulfils somewhat of an exemplary role in setting migration policies as, with 10.8 million immigrants, it ranks number three on the world list of migrant destination countries, after the USA and the Russian Federation, and is thereby one of the most important immigrant countries in the world (World Bank, 2011). Therefore, to combine Bosnia's extraordinary diaspora potential with Germany's exemplary nature of its immigration policies, poses a relevant and unique case study on the effect of both migrant sending and receiving government policies on diaspora contribution.

Despite the prominence of Bosnia's large permanent migrant population, the main body of academic literature on Bosnia still focuses on the ethnic war and its aftermath of peacebuilding, although the end of the war is now seventeen years ago. In the words of Marek Kupiszewski:

⁴ This amount only includes registered transfers via banking systems. According to the World Network of Bosnian Diaspora, the actual amount, which also includes informal transfers, lies approximately three times higher (Oruč, 2011).

“Given the magnitude of migration to and from Bosnia and Herzegovina, the dearth of literature is rather disappointing” (in Valenta & Ramet, 2011, p. 1). Where it concerns the Bosnian diaspora in Germany in specific, the German language literature provides for a relatively large source of information. However, also here the majority concentrates on the war history and information on remittances or diaspora contribution in general is largely absent (S. Pfohman, personal communication, March 19, 2012). This case study therefore attempts to provide a first cautious step towards an overview of the most salient issues in the Bosnian-German migration and development field. It will thereby mostly concentrate on German immigration and Bosnian diaspora policies, as a way to create a picture of the German Bosnian diaspora population and their development contribution environment. Furthermore, by drawing a case-specific perspective, this chapter explores the uniqueness of a single case and the complexity of contribution enabling policies and politics. In order to answer the second subquestion, the case study will be viewed in comparison to the general analysis in the previous chapter, to examine how outcomes of the case study can clarify the complexity of the policies and politics of the diaspora contribution environment that are outlined in the general analysis.

To gain a background picture of the research population at focus in this case study, first the context and the general characteristics of the Bosnian diaspora in general and in Germany in specific will briefly be outlined. Subsequently, in 6.2 the most salient Bosnian and German policies and their effects on diaspora contribution will be discussed, thereby following the policy structure as presented in the previous chapter. Lastly, in 6.3, an explanation will be sought for these policies to be in place.

6.1. Bosnia and its diaspora (in Germany)

With an unemployment rate of 60 % among the youth, it is not surprising that many young Bosnians view their future possibilities as laying abroad. While Bosnia still experiences the aftermath of its destructive civil war that took place between 1992 and 1995, according to Jakobsen (2011) its economic growth rates can be called 'decent' but are still a little lower than other nations at a similar stage of development. However, during the last couple of years its economy has stagnated and poverty levels are also considerable, with an estimated 17.8 % of the population living below the specified poverty line. It is very likely due to those reasons that Bosnia

is currently an emigration country, with 20,000 people moving to an EU country each year, versus approximately 9,500 immigrants (Ministry of Security - Immigration Sector, 2011). Estimations of the total number of Bosnians living abroad vary between 1,350,000 (the Bosnian Ministry for Human Rights and Refugees) and 1,461,000 (according to the World Bank) (Ibid.). It is, however, very difficult to know whether these numbers are accurate, due to the different identification criteria and definitions of migrants, and the varying nature of statistical sources in the various host countries (Valenta & Ramet, 2011). Nevertheless, what is certain is that, even though exact numbers are not available, the Bosnian diaspora accounts for a considerable share of the Bosnian population.

The majority of Bosnian migrants lives in Europe, with large amounts residing in Croatia, Germany, Serbia, Austria, and Slovenia, and smaller numbers in Sweden, Switzerland, Italy, Denmark, the Netherlands, and Norway. Outside Europe most Bosnians live in the USA (approximately 350,000), followed by Canada and Australia (Ministry of Security - Immigration Sector, 2011). Bosnian migrants are generally considered as being relatively well integrated, and according to the Bosnian Ministry for Human Rights and Refugees they are among the best integrated foreign nationals in their respective host countries. A large proportion of Bosnian emigrants is well educated, with many receiving higher education in their countries of destination. Furthermore, as the biggest share of Bosnian migrants result from refugee flows in the 1990s, as of 2008 more than 90 % of all Bosnians around the world have solved their permanent status (Ministry of Security - Immigration Sector, 2009).

An important characteristic of the Bosnian diaspora is its division along ethnic lines. The Bosnian population distinguishes between three ethnicities; Bosnian Croats, Bosnian Serbs, and Bosnian Muslims who are also known as Bosniaks. Valenta and Ramet (2011) note that Bosnian communities are segregated and also often organised on the basis of ethnic belonging. Bosnian Serbs and Bosnian Croats, who constitute the minority of the Bosniak-dominated Bosnian diaspora, are often more attracted to Serbian and Croat migrant communities respectively than to mixed or Bosniak-dominated Bosnian organisations. This heterogeneity may undermine internal solidarity among the diaspora and reinforces ethnic divisions (Valenta & Ramet, 2011). This does not only count for the Bosnian population abroad, but also for Bosnians within its national borders. The diasporan ethnic segmentation reflects the ethnic division that is currently existent in Bosnia

and which was consolidated in the political structure that was laid down under the Dayton Peace Agreements in 1995. The current political structure consists of two separate entities; Republika Srpska and the Federation of Bosnia and Herzegovina⁵, of which the latter is further subdivided into several cantons, with a weak central authority at the top. Republika Srpska is mostly inhabited by the orthodox Bosnian Serbs, whereas the catholic Bosnian Croats and the muslim Bosniaks mainly live in the Bosniak-Croat federation (Jakobsen, 2011).

According to Jakobsen (2011), political interests of the different ethnic groups have been more focussed on the preservation of the generally dysfunctional status quo than on political, institutional, and economic reform and development. The international community has, mainly for that reason and to prevent a resurgence of ethnic conflict, played a dominant role in recreating an institutional and economic structure in Bosnia. International institutions such as the UN, the United States Agency for International Development (USAID), the International Monetary Fund (IMF), and the World Bank have laid out a neoliberal economic strategy, and, instigating resistance among domestic groups, advocated privatisation and liberalisation. Jakobsen continues that “As a result, the reforming process is still far from being finalized” (Jakobsen, 2011, p. 187).

In Germany, official numbers on the approximately 240,000 immigrants with Bosnian roots do not include Bosnians who renounced Bosnian citizenship as a result of the absence of an agreement on dual nationality. Additionally, Bosnian-born citizens who adopted the Croatian or Serbian nationality are not incorporated in official numbers, which points at a high probability of much higher actual Bosnian migrant numbers in Germany. Although no clear data exist on the exact legal status of every individual Bosnian case, what is at least clear is that up until the year 2009, 83,000 Bosnians have obtained German citizenship, and as from 2002 no Bosnians in Germany hold a refugee status anymore (Ministry of Security – Immigration Sector, 2011).

The current German Bosnian population exists of a mix of former refugees resulting from the 1992-1995 war, and economic and scientific migrants who arrived both after and before the war. Generally, the influx of Bosnians in Germany can roughly be divided over three phases. During the first period, when Bosnia was still a republic in the Yugoslav Federation, there was a high number of emigration within the Federation as well as to western European countries. Particularly

⁵ See Appendix II for a political map of Bosnia.

during the 1960s and 1970s, tens of thousands of Bosnian builders, craftsmen and entrepreneurs emigrated with the help of German *Gastarbeiter* programs. Prior to the outbreak of the war, about half a million Yugoslavs, among whom many Bosnians, found work in Germany (Valenta & Ramet, 2011).

The second period started in the years immediately preceding to and at the outbreak of the war in 1992, and produced the largest bulk of Bosnian emigrants until now. Especially during the first year of the war and after the horrific Srebrenica massacre in July 1995, large waves of Bosnian refugees arrived in Germany, which amounted to a total number of 320,000. After the Dayton Agreement was signed, the overwhelming majority of this large refugee population repatriated either voluntarily or through obligated return programs, or resettled to third countries within a few years. However, in the aftermath of the war emigration continued. During this third period, Bosnia's shattered economy and insecure political situation pressed many survivors to leave Bosnia (Ministry for Human Rights and Refugees, 2008). Between 1996 and 2001, 92,000 young Bosnians left the country, and mainly moved to Germany, Croatia and Austria (Ibid.). Almost half of all Bosnians currently residing in Germany arrived either before or after the war, arriving as economic migrants instead of as refugees, and the average number of years of residence is 22 (Statistisches Bundesamt, 2011).

Although the Bosnian Ministry for Human Rights and Refugees claims that the majority of the overall Bosnian diaspora does not take part in migrant organisations, one can still find a wide variety of Bosnian organisations in Germany. The majority of these clubs and associations is related to sports, religion, or the preservation of a local or regional culture. Also in Germany many, albeit not all, associations are organized on an ethnic basis and many Bosnian Croats and Bosnian Serbs are involved in greater Serbian and Croatian associations in Germany (Ministry for Human Rights and Refugees, 2008). Furthermore, there is no statistical information on exactly how many migrants are engaged in such diaspora organisations, as such networks often work informally and their existence and size highly fluctuate (Bundesministerium des Innern [BMI], 2008). Apart from engagement with fellow Bosnians via migrant associations, other forms that contribute to maintaining the connection to the homeland are radio broadcasts⁶ and websites with

⁶ For example, every other Sunday a life broadcast for diaspora from the Balkan region can be followed via the internet at <http://www.rdl.de/stream.htm>. Moreover, a whole range of Bosnian radio channels can be accessed

news from Bosnia and the rest of the world⁷. Furthermore, satellite TV channels and internet portals form an important source of information and connection with the country of origin (Ministry for Human Rights and Refugees, 2008). A quick search on the internet brings about a number of forums where (mainly young) Bosnians who live in Germany discuss a wide range of topics, thereby using both the German and the Bosnian language. Themes range from inter-ethnic marriages to generational conflicts, where it often concerns the integration in German society. However, when compared to, for example, the Serbian diaspora (which is twice the size of the Bosnian diaspora), Bosnian broadcasts and news websites are far less widespread and not as structurally organised.

There are no existing data on how many of those German-Bosnian migrant organisations exactly are involved in some form of development contribution, nor to which degree Bosnians in Germany are engaged in any form of capital transfer to Bosnia. However, Dimova (informal interview, March 3, 2012) notes that during her research she found that there is a widespread network among Bosnian migrants in Germany, but that these have mainly social aims rather than philanthropic goals. Also on an individual basis, Dimova notes that there seems to be little involvement in contributing to Bosnia. Additionally, research on the global Bosnian diaspora by Kent (2006) suggests that this particular Balkan diaspora does not seem to be very much engaged in political lobbying for the development of their home country. This in spite of the good geographical and political position they are in and examples of other diaspora communities that have proven fruitful in their lobbying activities in so-called 'centres of global decision-making' on human rights and economic development (Kent, 2006). The World Diaspora Association of BiH, which was established at the initiative of the Bosnian diaspora network in the UK in 2002, states on its website that they aim to serve the interests of the diaspora as well as their home country. Moreover, they declare their dedication to the transfer of knowledge and experience in a process of cooperation, where they find the possibility (World Diaspora Association of BiH, 2012). The Bosnian Ministry for Human Rights and Refugees furthermore claims that there are many highly educated Bosnian migrants who do not have the time to engage in associations, but have expressed their willingness to cooperate with institutions and colleagues in Bosnia (Ministry for Human Rights and Refugees, 2008). To what degree such individual cooperations exist in practice can be

online at <http://de.delicast.com/radio/Bosnien-Herz>.

⁷ An example is <http://www2.dw-world.de/bosnian>.

questioned. Nikolić, Mraović and Ćosić (2010) at least argue that presently “the BiH highly qualified diaspora presents a largely untapped brain gain potential for the country” (p. 33). Therefore there are considerable indications that the potential and willingness for the transfer of human and social capital among Bosnian migrants worldwide is currently not put to full use. The question arises, why that is the case and which factors are obstructing larger Bosnian migrant engagement.

One form of diaspora contributions that is far more visible than human and social capital is the transfer of financial capital. As previously noted, remittances form an important source of income to Bosnia. According to a survey among 1.216 long-term Bosnian migrants worldwide that was conducted by IOM and the International Agency for Source Country Information (IASCI) in 2010, 67,3 % of Bosnian migrants in European countries answered positively to the question if they transfer money to BiH. Furthermore, the survey concluded that the overwhelming majority (81,3 %) of financial remittances is sent through informal channels, as formal channels such as banks and money transfer operators (MTOs) like Western Union are found too expensive. Not surprising is the outcome that the average income of non-remitters is considerably lower than those who do remit, which points at the essential criterion of the migrant's financial ability to remit. In line with international remittance trends, Bosnians abroad predominantly transfer money with the aim of supporting family and friends, and only a minority intends to use this money for saving, investment in a business, or to buy a house (IOM & IASCI, 2010). Since statistics on remittances collected and published by international agencies such as the IMF and the World Bank only distinguish between receiving countries, there are not yet any data on remittances from Bosnians in Germany in specific (Grieco & Hamilton, 2004)⁸. However, it is likely that an important factor is the high differentiation of amounts of remittances sent by Bosnians in Germany, depending on the region or city of residence. Pfohman (personal communication, March 19, 2012) notes that in her research among Bosnians in Germany she found that the level of remittances was related to the migrant's access to the labour market. Due to the highly federal political system in Germany, this access differed per region or city, according to its refugee and later migration policies in place.

⁸ The Bosnian researcher Nermin Oruč has recently started a research to establish an overview of remittance influx to Bosnia divided over sending countries. Unfortunately, the results are not yet known at the time of printing of this thesis (N. Oruč, personal communication, June 4, 2012).

Apart from remittances, other forms of financial migrant input such as savings and foreign direct investment pose possibilities to economic growth. The same survey of the IOM and IASCI concluded that, although a high number of BiH migrants intend (32 %) or plan (26 %) to invest in BiH, in practice only a relative few (6 %) have indeed invested in business enterprises in BiH. The researchers of this study noted that this level of investment is considerably lower than for other countries studied in the same research. Levels of savings in Bosnia are also relatively low, where migrants seem to prefer to save in the host country (21,4 %) rather than in Bosnia (6 %) (IOM & IASCI, 2010). According to Jakobsen (2011), these two sources of income are exactly what is necessary for economic growth in Bosnia, now that seventeen years after the end of the war the amount of monetary aid is decreasing. Remittances primarily fill this gap, but many question whether they have any positive effect on the Bosnian economy. Several studies note that there is some evidence that remittance flows have helped and continue to positively contribute to poverty alleviation (Jakobsen, 2011). Nonetheless, the same studies also argue that remittances alone cannot bring about long-term sustainable economic development if flows of savings and foreign direct investment fail to increase (Ibid.).

6.2. The effects of Bosnian and German policies on diaspora contribution

This part follows the distinction in three main policy fields as outlined in the previous chapter.

I. General Bosnian economic and political environment

The political and economic institutional framework in BiH is, after a recovering period that started immediately after the end of the war, not yet where it should be, compared to European standards (Jakobsen, 2011). Data from the World Bank Governance Indicators dataset show the lack of progression of institutional quality in Bosnia between 1996 and 2008. In five of six dimensions of governance that are measured, Bosnia has consistently scored lower than the world average that lies at 0. Only the indicator for “Voice & Accountability”, which measures the level of human rights protection and democracy, has reached a positive score of 0,1 in 2004. As for the indicators of “Political Stability”, “Rule of Law”, and “Control of Corruption”, scores for all three dimensions have actually worsened during the given timespan (The World Bank Group, 2011). There are calls that the separated political structure results in an increasing political and social

polarisation of the different ethnic groups in Bosnia, which also dominates public institutions, and that this is the major reason for economic progress to come to a halt (Al Jazeera, 2011). This argument will further be discussed in chapter 6.3.

As a result, the Bosnian economy is said to fail to provide for a favourable business climate, in which long-term foreign direct investment could effectively lead to economic growth. This is even further exemplified when looking at Bosnia's low scores on the 'Ease of Doing Business Index' of 2012 that is published on a yearly basis by the World Bank. Bosnia ranks number 125 of 183 countries surveyed, and on the indicator of the ease of starting a business, only 20 countries perform worse than Bosnia (World Bank, 2012a). Consequently, Bosnia receives low levels of trust in its political and economic environment and Bosnia holds a negative image to potential foreign investors. For successful Bosnians abroad, sending money either to invest or to save in their home country is hence not financially attractive, and a lack of economic power due to this restriction hinders further potential financial contributions. Another result of this weak economy is a huge unemployment rate, especially among young adults. Many Bosnian migrants indicate that they would like to return if there would be decent job opportunities (Al Jazeera, 2011), but since they have a job perspective of almost nil, young migrants abroad are seriously restricted in their options to return to Bosnia. Furthermore, the increased role of the informal economy causes a prevalence of corruption and organized crime (Jakobsen, 2011), which further limits Bosnian migrants' access to political and economic power and hinders potential Bosnian diaspora contribution.

II. Policies and initiatives on framing a coherent migration and development strategy

A. Coherent migration and development policy in Germany

Following France's example, Germany was among the countries in Europe that was relatively fast to convert migration and development debates into a political response. After having used its immigrants' development potential for the industrial development of Germany, the German government has now also recognized the development potential of its 6,8 million immigrants for their countries of origin. It was, however, not until January 2007 that a motion was adopted by the German government that officially recognized the development potential of German immigrants, as well as the governments' potential positive role in the assistance and encouragement of realizing

this potential⁹ (Deutscher Bundestag, 2007). In line with the stipulations that were laid down in the adopted motion, the German government has developed a migration and development strategy in which it has succeeded to largely adopt development-related migration issues in national development cooperation policy. Even though program implementation is to a small degree divided over the Ministry of Migration and Refugees (BAMF) and the Federal Ministry for Economic Cooperation and Development (BMZ), one can certainly speak of a German policy of co-development. However, according to Musekamp (2008), program implementation is still in an early stage and relatively limited in comparison to French and English co-development programs.

Aumüller (2005) notes that, conform the European trend, early German initiatives to implement migration and development programmes were mainly directed at the use of development aid to decrease migration flows. A survey conducted in 2001 showed that repatriation support programs dominated German migration-oriented development aid policy at that time (Aumüller, 2005). Nevertheless, in ten years time German migration and development policy programs have developed and broadened their focus. The BMZ, which is the main ministry responsible in this field, has developed six focus points: to provide consultancy for sending countries' governments; to support migrant organisations in Germany; to relieve the conditions for remitting; to strengthen individual economic engagement via entrepreneurship or trade; to assist in voluntary return; and to encourage intercultural integration and engagement in migrant organisations (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung [BMZ], 2012b). The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) is the main implementing partner and has been assigned by the BMZ to develop mechanisms and concepts to put the migration potential to use (Deutsche Gesellschaft für Internationale Zusammenarbeit [GIZ], 2012b). GIZ executes programs on four of the above six focus points, where assistance of involuntary return and intercultural integration are dealt with by BAMF. Through its cooperation with already existing programs with diaspora networks, migrants become more and more involved in the shaping and implementation of development projects, thereby putting to use their knowledge.

Even though in practice project implementation is still far from the official objectives, the adopted strategy can already cause a change in the contribution environment. First of all,

⁹ It concerns the motion *Diaspora – Potenziale von Migrantinnen und Migranten für die Entwicklung der Herkunftsländer nutzen* (Deutscher Bundestag, 2007).

Germany's positive official standing point on migration and development gives German immigrants moral power, as their abilities and potential is recognized. Furthermore, by financially supporting diaspora organisations, the German government provides active migrants with the economic power to engage in philanthropic development projects, possibly next to individual contributions. Lastly, by actively including diasporas in close cooperations with the government, those individual migrants and networks involved might be able to increase both their political and their social power, as through political engagement their social status might increase. Hence, Brinkerhoff's enabling government role of *facilitating*, even though in her model only applied to sending countries' governments, could here possibly be recognized as currently being developed in Germany, albeit its effectiveness still has to be proven.

It is doubtful, however, whether Germany's general facilitating role is able to provide also Bosnian migrants with access to these power resources. Of all programs currently implemented under one of the six priority fields, only one project has Bosnia as its focus group. There are, in comparison, multiple programs on Serbia that focus on cooperation with the Serbian diaspora population in Germany (Deutsche Gesellschaft für Internationale Zusammenarbeit [GIZ], 2012a). The Bosnian bilateral program, in contrast, concentrates on assisting the return of experts to Bosnia. The Centrum für internationale Migration und Entwicklung (CIM), who executes the project for GIZ (Centrum für Internationale Migration und Entwicklung [CIM], 2012), thereby mainly works together with the Bosnian Agency of Labour and Employment (A. Telalović, personal correspondence, June 2012), which makes Bosnian migration and development programs even more incoherent. Apart from this single bilateral program, there is also a small number of projects run by international organisations, which, interestingly enough, all focus on the same topic of (temporary) return of qualified nationals. Next to the already mentioned previous TOKTEN program of UNDP, and the RQN project by the IOM that has been replaced by a temporary version, IOM currently runs a small but successful program called Migration and Development in the Western Balkans (MIDWEB). Although Bosnia supports these international projects to a certain degree, Nikolić, Mraović and Ćosić (2010) remark that, when the IOM asked the Bosnian government to take over the TOKTEN project, there was no interest from their side to do so.

The bilateral program is part of the general development cooperation strategy of the German BMZ. In this domain the BMZ runs an extensive development program in Bosnia, in which a large share of the attention goes to political and economic reconstruction. Encouraging political dialogue and institution building are high on the list of priorities (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung [BMZ], 2012a; Botschaft der Bundesrepublik Deutschland, 2011). Hence, German general development policy is engaged in exactly those issues that were pointed out in policy field I as causing a disabling general development contribution environment in Bosnia.

B. Bosnian diaspora framework

Contrary to the current trend among many sending countries, Bosnia does not have a separate Ministry for Diaspora, nor does it have a coherent diaspora policy framework in place. Instead, duties concerned with Bosnia's diaspora are dispersed over several ministries and agencies at the central state level (instead of at the federal or local levels). According to the *Law on Ministries and Other Administrative Bodies of BiH*, which was adopted in 2003, the Ministry of Foreign Affairs has the responsibility to protect the rights and interests of Bosnian citizens, both temporary and permanent, abroad. Furthermore, it is concerned with the coordination of the work of Bosnian embassies and other consular bodies, and of the cooperation with emigrated Bosnians, either via the embassies or directly. Although the Ministry of Foreign Affairs has an overall general task of cooperation with its diaspora, the main body responsible for diaspora policy is the Ministry for Human Rights and Refugees, and in specific its Department for Diaspora. This department is in charge of formulating a Bosnian diaspora policy, but until now they have not succeeded (Office of the High Representative of Bosnia and Herzegovina, 2003). Lastly, the Ministry of Civil Affairs and the BiH Agency for Labour and Employment both have small responsibilities on the education of migrant children abroad and on bilateral agreements on employment and circular migration respectively (A. Telalović, personal correspondence, June 2012).

When comparing Bosnia's diaspora programs with Bakewell's overview of diaspora programs according to the different stages of migration as present in many sending countries, it becomes clear that the Bosnian government provides very little support to its diaspora abroad. While programs on government assistance during pre-departure and integration in the host country

are completely absent, programs on maintaining diaspora links with the home country, of central concern to migrant contributions and its importance more and more recognized by sending countries, are kept to a minimum. As highlighted by Bosnia's only bilateral program with Germany, as previously discussed, the majority of the programs and bilateral agreements that concern the Bosnian migration population is aimed at migrant return. Furthermore, when, for example, compared to Serbia, who has a separate ministry for Diaspora relations, Bosnia's diaspora policy is highly disintegrated.

The Bosnian diaspora themselves are highly unsatisfied with the lacking government's support. A survey among highly skilled professionals living abroad shows the perception that the lack of initiative of BiH institutions and organisations causes a major blockage to the establishment of a relationship and cooperation between the diaspora and the home country. According to the same survey, "Thus far, the interest in cooperation is far greater among the actual members of expatriate scientific communities than among and within the institutions that could benefit from this cooperation" (Nikolić, Mraović & Ćosić, 2010, p. 32). The World Diaspora Association of BiH also disapproves of the lack of government cooperation with its diaspora, since they see it as the government's responsibility to provide diaspora support. Additionally, they condemn the incoherence of current dealing with diaspora issues, as they note that it "brings the whole process to slowdown and inefficiency" (The World Diaspora Association of BiH, 2012, para. 16).

Despite repetitive calls for a coherent diaspora policy from the diaspora community, no such legislative framework has yet been adopted. This lack of actual legislative consolidation is in spite of multiple failed attempts of policy adoption and a preparatory process that started approximately in 2008. Conform the promised accomplishments that were laid down in the IOM Framework Agreement on initiatives aimed at linking migration with the development of BiH and signed by the Bosnian Ministry for Human Rights and Refugees, the Bosnian government has assisted several research projects such as on the diaspora's financial contributions (IOM & IASCI, 2010). Additionally, it has supported several regional conferences on migration and development in the last three years¹⁰. These preparations have led to a number of legislative drafts that until now have

¹⁰ Some examples of these conferences are the *TAIEX Multi-country Workshop: Linking Migration and Development of the Western Balkans Countries*, *MobilizeDiaspora4SD: Mobilization of Intellectual and Financial Resources from Diaspora for Knowledge Based Sustainable Development in SEE*, and *Emigration Issues in the Western Balkans - joint approach to linking migration and development of the countries of origin*, which all took place in

not been adopted. The first *Law on BiH's Cooperation with her Diaspora* was drafted and proposed by the Ministry for Human Rights and Refugees in 2008, but was refused by the Council of Ministers of BiH two years later without an official explanation. Up until today, no order to re-draft the initial diaspora law proposal has been given by the Council of Ministers. The Ministry for Human Rights and Refugees has, however, included a number of diaspora issues, including reference to the recognition of the development potential of Bosnian emigrants, in drafts of three different national strategy proposals¹¹. All three drafts are currently pending at the Council of Ministers, of which two since 2010, but if they would be adopted this would finally realize diaspora policy provisions, albeit in a highly incoherent way, and would mean a first step towards official recognition of the diaspora's development potential on a state level (A. Telalović, personal correspondence, June 2012).

The effect of the BiH government's lack of initiative to establish effective cooperation with its diaspora is that Bosnia is losing out on a number of nationals who are willing to contribute their human and social capital to the development of Bosnia (Nikolić, Mraović & Ćosić, 2010). The lack of recognition and support hinders the diaspora's access to moral power, as they are not recognized as contributors to Bosnian socio-economic development. This in turn reduces the motivation of some migrants to transfer any form of capital, especially where it concerns philanthropic projects and not individual aims such as family support. Hence, if Bosnia wants to maintain current transfers of social capital through activities such as lobbying, advocacy, and networking between employers and colleagues in home and host country, formal recognition and administrative support is urgently needed (A. Telalović, personal correspondence, June 2012). Regarding the transfer of knowledge, Telalović (Ibid.) notes that “There is sufficient evidence to claim that contributions of BiH scientific diaspora would be much higher ... if there were some systemic support provided by the authorities”. Currently, for example, the absence of adequate legislative arrangements for visiting professors and lacking efficient procedures for the recognition of foreign degrees form great obstacles to the contribution of knowledge that is available (Ibid.).

Despite the absence of a coherent policy strategy on migration and development, the Bosnian ministries of Foreign Affairs and of Human Rights and Refugees have executed a small number of

2011.

¹¹ These being the *BiH Strategy of Development*, the *BiH Strategy of Social Inclusion*, and the *BiH Strategy of Migration and Asylum* (A. Telalović, personal correspondence, June 2012).

programs during the last few years. These activities have mainly been of an assisting role, whereby the ministries participated in programs initiated by international organisations, such as the transfer of knowledge TOKTEN and TRQN programs, and diaspora organisations, like a congress on BIH diaspora scientists organized by the Bosnian scientific migrant organisation BHAAAS (Tihčić-Kadrić, 2011). One of the few government initiatives that is aimed at the support of diaspora networking is the annual business directory that lists information on Bosnian migrant experts and professionals (Embassy of Bosnia and Herzegovina in Ottawa, 2010). The overwhelming majority of the small number of government-supported programs that focus on encouraging diaspora contributions are overwhelmingly directed towards highly educated migrants. Additionally, these programs are of a sporadic nature and are not part of, nor do they lead to an overarching migration and development strategy.

Considering its large diaspora population and the development potential it carries, Bosnia's passive role in its adoption in a national legal framework is remarkable. Its stance on its diaspora is very much opposing the current trend of sending countries that actively engage their diasporas in homeland contribution. Neither general policies on government engagement with its diaspora, nor support in or encouragement of diaspora contributions in specific are anchored in a coherent national strategy. Why Bosnia has failed to adopt such a policy, despite its clear diaspora potential and policy preparations, will be discussed in chapter 6.3.

III. Policies that directly affect the mobility of capital or people

A. German immigration, refugee, and circular migration policies

Whereas the progressive German migration and development policy effectively supports German immigrants in their home country engagement, immigration policies at the same time work counteractive. For example, permanent residents without the German nationality will lose their residence status if they stay outside of Germany for more than six following months (Musekamp, 2008). This seriously limits the mobility of migrants to pay longer visits to family and friends, thereby possibly loosening ties with their homeland, and the possibility to transfer social and human capital. Bosnians who want to get round this rule through adopting the German nationality are obliged to renunciate their Bosnian citizenship, as Germany principally does not allow for dual nationality. It does have a few exemptions to this rule, but this mainly applies to immigrants of

Turkish background (Ministry for Human Rights and Refugees, 2008; Auswärtiges Amt, 2006). Upon the signing of the Dayton Peace Agreement, Bosnia adopted a law that allows for dual citizenship, but only with those countries with whom a bilateral agreement is signed. Such arrangements are most notably in place with Serbia and Croatia, to which two of the ethnic groups in Bosnia are related, but no such agreement exists between Bosnia and Germany (Štikš, 2011). Nikolić, Mraović, and Ćosić (2010) argue that “If the legislation isn’t modified, the country runs the risk of losing a significant number of its citizens living abroad, and with them its human capital” (pp. 26-27). It is unclear exactly how many Bosnians have adopted the German nationality at the loss of Bosnian citizenship until now, but the absence of dual nationality certainly hinders the mobility, and consequently the strengthening of ties between the two communities.

Policies that facilitate circular migration could provide a solution to this contribution obstacle. However, to date, German immigration policy does not have any provisions in place that facilitate or promote circular migration patterns. According to a research by Schneider and Parusel (2010), European approaches to circular migration generally seem to be mainly driven by labour market interests and appear to aim for meeting the short-term and sector-specific labour demands. The German focus on programs for temporary workers and highly skilled professionals underline this trend. A clear example forms a program that was launched in 2000 by former Chancellor Schröder, which aimed to recruit 20,000 highly skilled workers in the software field. They were, however, not allowed to bring their families. It was only after intervention from human rights groups and experts that they changed this policy so that the immigrant workers could bring their families and settle (Hollifield, 2007).

An important factor that shapes the contribution environment is the characteristics of the immigrant population, and in specific the reason for migration. Since approximately half of all Bosnians in Germany were forced migrants that fled from war, German refugee policy at that time has shaped their lives and options in Germany to a high degree. At the same time that Germany took in the largest number of Bosnian refugees, it also had the harshest return policy. Immediately after the Dayton Agreement was signed, German authorities signed an agreement on return with Bosnia and pressed Bosnian refugees to repatriate. Approximately 300,000 Bosnians left Germany for return or resettlement in third countries after 1995. Apart from a focus on return, German

refugee policies limited refugee options during their time of stay. Instead of an official refugee status, most refugees, although this depended on the province, received a temporary protection status, which was called *Duldung* and which required an unconditional departure from Germany upon the end of the war. After 1995, under *duldung* status, refugees could stay for six months at most and were expected to leave or apply for a renewal of their residence permit at the end of each given period. Some refugees had their permits repeatedly extended up to ten years and were then refused permanent residence and had to leave the country. People with demonstrable traumas had the chance to be awarded a permanent residence permit, but the criteria to receive it were very strict (Valenta & Ramet, 2011).

Since German refugee policy is to a certain degree dealt with at the federal level, it depended on the province or sometimes on the city whether refugees with *duldung* status were allowed to work or receive education (S. Pfohman, personal communication, March 19, 2012). However, in the majority of cities, Bosnian refugees were refused these rights (Valenta & Ramet, 2011). Consequently, refugees were highly dependent on the German state for their survival, and were unable to set up an independent life in Germany. Dimova (2006) argues that because of their uncertain legal status, Bosnian migrants were hindered to integrate in their new communities, expecting to be deported or imprisoned at any moment. Additionally, the same author argues that German policies, in specific those leading to ongoing uncertainty about legal status, have led to additional traumas of Bosnian refugees (Dimova, 2006). By many scholars, therefore, Germany is perceived as the country with the harshest conditions that Bosnian refugees experienced (Valenta & Ramet, 2011). As a result, Bosnian refugees were struggling to survive and often did not have any money left to send home. Pfohman (personal communication, March 19, 2012) notes that some refugees were even dependent on money sent by families and friends in Bosnia. For those who received permanent residence status after a shorter or a longer time, there were often problems in finding a job due to traumas and troubles in acquiring language skills, which was especially the case for the elderly. Consequently, many Bosnians simply did not, and do still not, have the economic power to (financially) contribute to Bosnia (S. Pfohman, personal communication, March 19, 2012; R. Dimova, informal interview, March 3, 2012).

B. Bosnian and German policies to facilitate and encourage financial contributions

A study on sending remittances from Germany, which was initiated by the German BMZ and executed by GIZ, demonstrates that there are many obstructions to migrants sending financial remittances from Germany to their home country. Since the majority of banks in Germany does not have any branches abroad, transfers cannot easily be made within a bank from one country to the other. Instead, migrants have to resort to special transfer services of banks or money transfer operators that are specialized in remittance services, like Western Union. However, obstacles to use those formal channels are many (GTZ, 2007). First of all, transfer costs of both banks and MTOs are generally very high (Ibid.). The World Bank website on remittance prices shows that the costs for a single transfer from Germany to Bosnia lies between €6,50 and €50, with prices averaging 13 % of the transfer. The prices on this website are, however, approximate as the remittance market is so intransparent that it is difficult to inform one self about remittance services, and actual prices could be even higher. Furthermore, transfers often take a long time to arrive, lasting up to six days. MTOs are a little faster than banks, but many still need two to three days to deliver the money (World Bank, 2012b; GTZ, 2007).

When comparing the cost, transparency, and transfer time of formal channels with informal cash transfer, the latter provides an advantage on every point. Migrants are much easier and cheaper off sending their money along with acquaintances or bus drivers than losing remittance money on transfer costs. The same study by the German BMZ concludes that the overwhelming preference of migrants for the informal channel diminishes the development potential of remittances because it does not support the financial (institutional) system. According to the ministry's advice, better cooperation with the banking sector is necessary, in order to move remittances to formal transfer canals and improve the use of remittances (GTZ, 2007). Germany's focus point concerning migrant remittances thus is in line with the general European trend of formalizing remittance channels.

To that end, German policy measures on remittances aim at making channels of formal transfer more attractive through the encouragement of competition on the transfer market. After English example, the German website <http://www.geldtransfair.de> has been established, which provides an overview of remittance providers with the corresponding costs. It aims to inform remittance senders about the best available services in order to increase the competition, which should consequently lower the prices and increase the market's transparency (Ibid.). This measure

provides migrants with more informational and economic power, and could thereby aid remittance sending. However, even though a more transparent and cheaper formal transfer market is unlikely to have any disadvantages to Bosnian remittance senders, pushing remittances into formal channels is not necessarily a favourable measure to Bosnian remittances. Since Bosnia's economic infrastructure is not yet stable and corruption is no exception on all levels of society and in all institutions, forcing remittances into formal banking channels is more likely to decrease the development effect of remittances than lead to an increase as suggested by the German BMZ. Moreover, when reducing the informal remittance system, the economy could lose out on an important share of its income and the current contribution of remittances to poverty alleviation is likely to diminish (de Haas, 2006a).

Apart from the focus on remittances, Germany does not have any further programs that directly facilitates financial contributions. It is, however, active in assisting the reform of the Bosnian banking sector, although this runs via its regular development cooperation program (Botschaft der Bundesrepublik Deutschland, 2011). In the long run, this will probably contribute more to an enabling remittance environment in Bosnia than its current remittance formalisation policy. Furthermore, Germany also provides information for some diasporas on the financial services in their home countries, which for Bosnians is lacking from both the German *and* the Bosnian side. The absence of remittance services from the Bosnian government fits in the picture of a lacking resourcing role on the Bosnian side. The sending country has no program in place that aims to provide financial incentives for migrants to engage in financial contribution to Bosnia, and not even a strategy on remittance capture A. Telalović, personal correspondence, June 2012. Neither does the Foreign Investment Promotion Agency of Bosnia and Herzegovina include a program directed towards its diaspora, as one would expect, although it has a weak link with the World Diaspora Union of BiH (Foreign Investment Promotion Agency of Bosnia and Herzegovina [FIPA], 2012).

With the absence of a facilitating and encouraging force from the Bosnian government, and keeping in mind the unfavourable business environment causing low trust in the Bosnian banking sector, the Bosnian diaspora in Germany is unlikely to increase its investment in the home country. Due to the low trust in the banking sector, Bosnians cannot use their money optimally through efficiently sending, investing, or saving in Bosnia.

6.3 Explaining policy choices in Bosnia and Germany

In line with the general analysis in chapter 5, in this case study many policy obstructions exist from both the sending and the receiving country to migrant development contribution, notwithstanding the high diaspora potential. Consequently, the question arises why, despite Bosnian *and* German recognition of the development contribution potential of Bosnians in Germany, Bosnia has not adopted a diaspora strategy and Germany has obstructing immigration and refugee policies in place. The following subchapter aims to answer exactly this question. Furthermore, it focuses on the second research subquestion by looking at the ways in which Bosnian and German policy issues are in line with general policy trends, as outlined in the previous chapter, and how that may clarify the complexity of migration and development politics.

On the side of the Bosnian government, the main impediment to an enabling diaspora contribution environment seems to be the absence of an official diaspora strategy. Without a government that is actively engaged in establishing a connection with its diaspora, the home country is unable to facilitate an enabling contribution environment. For Bosnia, a lack of state interest to provide support for Bosnian citizens living abroad appears to be widely prevalent. What's more, even for members of the Bosnian diaspora who express an interest in contributing to the development of Bosnia without asking for financial remuneration, little interest is shown by the Bosnian government. This very much opposes the current trend, described by Bakewell, of major emigrant countries who increasingly regard their diasporas as so-called 'agents for development' and establish diaspora programs accordingly.

As Brinkerhoff (2012) has explained, for a sending government to take any action towards diaspora engagement, it first has to recognize its positive contribution value. For Bosnia it is rather unclear if the government has recognised its diaspora as such, since several congresses held on the topic and supported by the Ministry for Human Rights and Refugees make notion of diaspora recognition, but effective actions accordingly are missing. What is clear, however, is that up until now no official statement on diaspora recognition has been adopted in a policy motion, as happened in Germany in 2007. According to Telalović (personal correspondence, June 2012), simply no consensus exists on the reasoning that “diaspora contributions are useful, needed and that they should receive recognition and systemic support from all administrative levels in BiH”.

The reason for this absent general recognition is, according to the assistant minister of the Department for Diaspora of the Ministry for Human Rights and Refugees, a lack of awareness of diaspora opportunities amongst decision makers in Bosnia and international organisations (Tihčić-Kadrić, 2011).

One important factor that could provide for an explanation of Bosnia's deviating diaspora stance is its recent history of civil war. Carling (2008) argues that, whereas diaspora contribution related issues are the same in a variety of migration settings, the context of forced migration can considerably influence the scope for policy intervention. In the case of Bosnia, its war history can be seen to have shaped policy intervention in a number of ways. First of all, immediate concerns such as economic and institutional reconstruction took up most government attention, and are still ongoing. Pressing domestic issues such as the repatriation of refugees and internally displaced persons received policy priority, because of which not much space was left for significant initiatives towards Bosnian citizens living abroad (Nikolić, Mraović & Ćosić, 2010).

Whether it be due to the war or because of other issues, another reason for Bosnia's absent diaspora policy may be the government's lacking ability to take action. While, apart from Brinkerhoff's caveat on the prerequisite of diaspora recognition, her caveat on governments not always being the most enabling power is also applicable to the case of Bosnia. According to a number of scholars, it is due to the inability of the Diaspora Department that no diaspora strategy has been adopted until now. The department is said to have very low capacity, a limited scope of work, and insufficient funding (N. Oruč, personal communication, June 4, 2012; Tihčić-Kadrić, 2011). Furthermore, the lack of data on Bosnian citizens abroad and the inability of the Diaspora Department to access such information structurally is also put forward as an obstacle to the establishment of a diaspora policy (Nikolić, Mraović & Ćosić, 2010).

Although a lacking ability provides for a practical explanation, it cannot explain the fact that a proposed law on diaspora policy that the Diaspora Department has been able to draft, has been refused by the Council of Ministers. Here, Brinkerhoff's caveat on government diaspora actions being dependent on how the government views its diaspora can provide for clarification. The Bosnian researcher Telalović (personal correspondence, June 2012) namely argues that, rather than viewing the Bosnian diaspora as a Bosnian community living abroad, instead they see the different ethnic Bosnian groups as being primarily linked to their ethnic roots. Hence, by many politicians

in the BiH Parliament, Bosnian Serbs living abroad are considered Serbian diaspora, which is also fully supported by the authorities in Serbia. Likewise, Bosnian Croats are viewed, and treated by current Croat diaspora strategy, as Croat diaspora, and Bosniaks are seen as *Bosniak* instead of *Bosnian* diaspora. This political stance is not fully adopted by the entire Bosnian diaspora, as worldwide various Bosnian diaspora organisations exist that are ethnically mixed and foremost consider themselves Bosnians (A. Telalović, personal correspondence, June 2012). This suggests that in fact, the Bosnian government has *not* recognised its diaspora at all, and do not consider them as being linked to Bosnia in the first place.

In addition, the notion that sending governments may view diaspora engagement as a threat is also pertinent to the case of Bosnia. The core of the reason for a diaspora perception of threat lies in the ethnic division of Bosnia's political structure, resulting from the war and legally affixed in the Dayton Agreement. Because of this delicate political structure in the division of power, any involvement of the diaspora (of which the largest share consists of Bosniaks) forms a threat to the political equilibrium. Even migrant contributions that support economic development might increase the influence of the diaspora or some ethnic groups within it, and could affect the fragile ethnic balance of power (N. Oruč, personal communication, June 4, 2012). Furthermore, some politicians fear that any systemic government support to the Bosnian diaspora might lead to large-scale return of emigrants, which would alter the ethnic composition and could shift the balance of power (A. Telalović, personal correspondence, June 2012). All together, it can be argued that whereas many sending countries facilitate the political engagement of their diasporas (Bakewell, 2012), Bosnia's delicate political environment does not provide the possibility for its diaspora to wield any political power.

Apart from the national level, explanations can also be found in connection with international actors. The theory of Delgado Wise and Márquez Covarrubias on the Northern dominance in setting migration and development regulation can be applied to the role the EU plays with regards to Bosnia. At present, Bosnia has started the EU accession procedure, and in this regard is expected to fulfil a list of EU accession requirements. Not only does this shape a dependent position towards the EU and EU member countries, it also influences Bosnian policy priorities. For the EU, its own migration agenda is primarily determined by its security and economic interests and focusses on selective immigration and asylum. As a result, according to

Telalović (personal correspondence, June 2012), the migration and development pillar of the EU Global Approach to Migration and Mobility is “just an empty phrase”. Consequently, the issue of emigration is ignored in the EU accession process and linking migrants' resources with development is not on the list of EU accession criteria (A. Telalović, personal correspondence, June 2012; Tihčić-Kadrić, 2011). With its limited capacity, the Bosnian government's attention then foremost goes to those points that the EU requires them to achieve. Since diaspora engagement is not on the list of accession requirements, the government does not feel obliged to include it in their policy priorities. According to Telalović (personal correspondence, June 2012), if the EU were to include the issue of diaspora on the accession agenda, it would be likely that Bosnian local authorities would act more proactively. Moreover, for those who ignore the diaspora issue out of their own political interests, the absence of the issue on the EU list of accession priorities forms a good excuse to ignore the topic, claiming it is not relevant to Bosnia and no consensus within the Bosnian government is required (Ibid.).

Another form of international dominance lies in the bilateral relation between Germany and Bosnia, in which Germany can decide over the regulation of immigration and previously also refugee policies. In both, the German government has consistently put the focus on return. Since half of all Bosnian migrants in Germany are former refugees, German restrictionist refugee policy has had a major impact on the Bosnian diaspora. Its focus was in line with the trend among Northern host countries to view repatriation as the most preferred durable solution to refugee problems and can be explained as a component of general political restrictionism (Eastmond, 2006). Also, present day where it concerns migration and development programs, the focus of Germany in many projects lies on return. An example forms the only bilateral migration and development program between Bosnia and Germany, which concentrates on the transfer of social and human capital through return.

This can partly be explained by Germany's perception of return as a once-and-for-all event (Ibid.) and circular migration either as final return or temporary stay, instead of as a permanent stay with the freedom of mobility. More importantly, Germany's call for circular migration shows in fact more their interest in repatriation and prevention of uncontrolled and irregular immigration (Musekamp, 2008). This is in line with Musekamp's (2008) argumentation that national aims such

as the control and restriction of immigration often take in the first place. However, Germany still receives immigrants and even has programs in place to attract high skilled workers. This seeming contradiction can be explained by Hollifield's liberal paradox. On the one hand, Germany pursues a policy of political restrictionism, as to warrant security and defend national sovereignty. At the same time, a need for labourers pushes for a policy of economic openness. This may explain why Germany has its main focus in migration on temporary workers and professionals. The previous example of a program introduced by former Chancellor Schröder, on the recruitment of 20,000 highly skilled workers, exemplifies Germany's liberal paradox of economic openness and political closure that is prevalent in its immigration *and* migration and development policies.

7. Conclusion

This study examined the ways in which government policies of migrant sending and receiving countries affect diaspora contribution to the development of the home country and asked why contribution obstructing policies are in place. Brinkerhoff's model on government enabling policies, including Uphoff's theory on access to power resources, has been applied to explain policy effects on the contribution environment of diasporas from developing countries.

Furthermore, Hollifield's theory on the liberal paradox, and the theory approach by Delgado Wise and Márquez Covarrubias on Northern dominance have functioned to explain the reasons for hindering policies to be in place in both the sending and the receiving country. Finally, the case study on the contribution environment of the Bosnian diaspora in Germany has been used to provide a case-specific study and to clarify the complexity of the policies and politics in the diaspora contribution environment.

The most salient policies that appear to be elemental in shaping an enabling contribution environment have been analysed, divided over three policy fields: Policies on the general development environment of the sending country, policies and initiatives on framing a migration and development strategy, and policies that directly affect the mobility of capital or people. In the first policy field, a lacking mandating role by the sending government causes a disadvantageous economic and political environment, because of which their diasporas abroad loose out on access to political, informational, economic, and moral power resources and have fewer possibilities to contribute to the home country. Bosnia forms a good example that shows that an unfavourable business climate and a political environment that allows for corruption to be omnipresent, prevent Bosnian emigrants to invest in their country of origin.

In the second policy field on the facilitating role of the government, one should distinguish between a coherent migration and development policy in the receiving country, and an effective diaspora policy in the sending country. In many receiving countries, of which Germany forms one of few exceptions, co-development that aims for a merge between migration and development cooperation policies, is rather characterised by divergence than by coherence. Furthermore, the notion that development can be used to decrease the immigration flow, which is present in most European host countries among which Germany, is changing only slowly. Delgado Wise and Márquez Covarrubias' theory on the Northern dominance explains that this is due to the prevalent

Northern focus on migration control and security. As a result, the contribution potential of diasporas decreases. On the side of the sending country, the establishment of a diaspora policy that actively engages its diaspora to the home country is increasingly being realized in developing emigration countries, albeit not in Bosnia, thereby mostly focussing on diaspora investment and migrant return. As a result, diasporas often hold a stronger connection to the home country, thereby increasing their access to moral, political, and informational power, which in turn increases the migrant's ability to contribute. Brinkerhoff's government enabling model explains that for governments to engage in such diaspora policies, it is a prerequisite to recognize the value of the diaspora and perceive the migrants abroad generally as a positive influence to the home country, instead of as a threat.

The last policy field focuses on policies in the host country that hinder the mobility of people, and policies in both sending and receiving countries that focus on the mobility of financial capital. Germany is part of a European trend of increasingly restrictive immigration policies, which provide problems to migrants regarding their access to the labour market, legal status, and circular migration. Additionally, immigration policies focus on temporary stays and on high-skilled migrants. As a result, migrants have less financial means to support family at home and ties to the home country may loosen. By using Hollifield's theory on the liberal paradox, it was explained that host countries such as Germany have those policies in place because of a struggle between political restrictionism that views immigrants as a threat, and at the same time economic openness that pursues the increase of cheap (high-skilled) workers. Concerning the mobility of capital, those countries that pursue the government role of resourcing mainly aim at remittance capture. Many receiving countries, among whom also Germany, focus on the formalisation of remittances, because of which the remittance potential to direct poverty alleviation decreases. This focus on formalisation can be explained by the Northern focus on security.

While in the case study on the contribution environment of the Bosnian diaspora in Germany some policies are in line with the general trend and others differ significantly, the case study provides for an insight in the complexity of the many interrelated factors and country characteristics that shape each unique case study. On the side of Germany, the development of promising migration and development programs on the one hand and restrictive immigration policies on the other, shows how the intention to facilitate migration and development might be

there but how at the same time they are led by their own agenda of political restrictionism. Hence, these two policy interests work contradictory and one can argue that the national interest hinders diaspora contribution more than their supporting measures can help. Additionally, due to the war background of half of all Bosnian migrants in Germany, Germany's refugee policy has also shown to be an important negative input that shaped the contribution environment. For Bosnia, the mix of a war history, dependency on Northern countries and organisations, and a highly complex and delicate political structure resulting from both these processes shows how the ability of the sending country plays a big role in the establishment of an enabling diaspora contribution environment. When reflecting on the general analysis, the case study suggests that, even though migration and development is receiving increasing recognition of its potentials by politicians, national and international politics is the main factor that shapes both sending and receiving government policies and hence the diaspora contribution environment.

One of the characteristics of the migration and development issue is that the sending and receiving government policies together shape the diaspora contribution environment. Therefore, more research that combines both countries in one model could contribute to a better understanding of how the diaspora contribution environment could be improved.

The Bosnian diaspora in Germany forms a high potential to contribute to the development of Bosnia. However, almost all sources on this group of people focus exclusively on the refugee background. Hence, in order to know exactly how their contribution environment and thereby their contribution potential could be improved, more research is necessary on this specific case. Furthermore, where it concerns the political implementation of this paper's suggestions; to create the adequate systemic support that is currently lacking from the side of the Bosnian government, an official consensus must be reached that recognizes the value of its diaspora and the governments responsibility to facilitate. According to Telalović (personal correspondence, June 2012), one of the few methods by which this could be reached would be through public campaigns that would raise wider awareness among the Bosnian population, the academic sector, NGOs, governments at all levels and international development agencies.

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Appendices

Appendix I. Brinkerhoff's model on government enabling roles

TABLE 1
GOVERNMENT'S ENABLING ROLES, POWER RESOURCES, STRATEGY, LOCUS, & GENERAL ROLES

	Mandating	Facilitating	Resourcing	Partnering	Endorsing
Power Resources	Political Informational Moral	Social Informational Moral	Economic	Economic Social Political Informational Moral	Social Moral
Strategy	Diaspora Integration	Remittance Capture Diaspora Networking	Remittance Capture	Remittance Capture Diaspora Integration	Diaspora Integration
Locus	Parliament Judiciary	Gov't leaders (Presidents' Offices) Embassies Ministries of Diaspora Affairs Technical ministries and agencies	Ministry of Finance Technical ministries and agencies Specialized agencies and initiatives	Technical ministries and agencies Specialized agencies and initiatives	Embassies Ministries of Diaspora Affairs Technical ministries and agencies Specialized agencies and initiatives

Policies and Politics in Diaspora Contribution

TABLE 1
(CONTINUED)

	Mandating	Facilitating	Resourcing	Partnering	Endorsing
Government Roles/ Illustrative Actions	<ul style="list-style-type: none"> -Participation in international agreements regulating immigration -Citizenship rights (recognizing diasporans as valuable constituents) -Providing diasporans the right to organize in the homeland, register their organizations, and operate legally -DO accountability & reporting requirements -Ensure diasporans have ease of entry and exit from the homeland -Ownership rights/policies for land and businesses -Freedom of information and sunshine laws -Political representation 	<ul style="list-style-type: none"> -Host country diplomacy to ensure diasporans' security of residence & recognition of homeland credentials -Maintaining databases of diasporans/DOS -Diaspora-oriented websites & newsletters -Diplomatic visits with diasporans -Organizing diaspora summits -Support for DO & diaspora business capacity building -Creation & capacity building of specialized agencies & initiatives -Addressing the causes of migration (e.g., democracy & development) 	<ul style="list-style-type: none"> -Taxation policies -Investments in labour export -Remittance backed bonds -Matching grants & other philanthropic project support (e.g., in-kind, personnel) -Investment incentives 	<ul style="list-style-type: none"> -Matching diasporans/DOS to identified homeland needs & potential partners -Engaging diaspora in development/ policy planning -Joint philanthropic and investment ventures 	<ul style="list-style-type: none"> -Diaspora summits and diplomatic delegations that recognize and praise diasporans & their contributions -Awards, competitions, and other recognition

Source: Brinkerhoff, J. (2012). Creating an Enabling Environment for Diasporas' Participation in Homeland Development. *International Migration*, 50, pp. 83-84.

Appendix II. Political map of Bosnia and Herzegovina



Source: Photopix. (2012). *Bosnia Herzegovina Political Map*. Retrieved from http://ephotopix.com/image/europe/bosnia_herzegovina_political_map.gif