

POLICY BRIEF 4 · TERRITORIAL DEVELOPMENT

Digital Nomad Attraction Is Not Rural Revitalisation: What Remote Work Can and Cannot Do for Low-Density Regions

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KEY MESSAGE

Remote work can support rural and low-density development, but it cannot replace territorial policy. Without housing, services, a functioning local economy, integration infrastructure and institutional capacity, digital-nomad attraction remains a fragile promise rather than a revitalisation strategy. The two must be designed together.

The promise: remote work as rural opportunity

The case for attracting remote workers to low-density regions rests on a genuine opportunity. The European Commission's long-term vision for the EU's rural areas identifies connectivity, services and economic diversification as the conditions for reversing rural decline and explicitly names the rise of remote work as a structural trend that rural territories can leverage (European Commission, 2021). The OECD has argued that teleworking could give peripheral regions a real chance to slow or reverse demographic contraction, provided local conditions are in place (OECD, 2021). At the national level, Spain and Portugal have both created legal pathways, an international remote-worker authorisation and a digital-nomad visa, respectively that lower the administrative barriers for medium and long-term stays in low-density areas.

The opportunity is real. A mobile professional who spends four to six months in a small town generates direct spending, activates vacant housing, diversifies the local economy, and may generate cultural and reputational spillovers that outlast the stay. For territories where any new economic activity is welcome, even a small, steady flow of skilled remote workers represents a meaningful change.

But the opportunity is conditional, and the conditions are demanding. The same OECD analysis that identifies the opportunity warns that remote work flows, left to market forces, tend to concentrate in places that already have strong services, amenities and professional networks, not in the most peripheral or structurally disadvantaged territories (OECD, 2021). Opportunity and automatic redistribution are not the same thing.

The evidence: remote work does not automatically move people to rural regions

The empirical record is more cautious than the policy narrative. Braesemann et al. (2022) analysed 1.8 million remotely intermediated jobs and found that remote work is polarised along three axes, between countries, between urban and rural areas within countries, and between skill

levels and that remote employment actually concentrates in urban regions while rural areas fall further behind. Their central finding is that agglomeration forces mean that, absent active local policy, remote work reinforces rather than dissolves the urban–rural divide (Braesemann et al., 2022).

Preliminary spatial modelling suggests that remote work could help rebalance EU regional development under the right conditions, but the evidence remains early-stage and context-dependent (Kužmar, 2026). The key phrase is 'under the right conditions': the analysis does not support the claim that remote work generates rural revitalisation by default. Rather, it identifies a conditioned potential that depends on the pre-existing territorial capacity of the receiving region.

Exploratory evidence from the NomadVillage pre-registration survey reinforces this reading. Prospective remote workers in that dataset cited internet connectivity as essential, but only about half of them did so. Nature and green space, affordable cost of living, access to basic services, a welcoming community and a pleasant climate were all mentioned alongside connectivity — and collectively they outweigh it. This suggests that remote workers are not simply looking for bandwidth; they are looking for a liveable place. The gap between what low-density territories often offer and what this audience actually seeks is wider than marketing campaigns typically acknowledge.

What digital nomads can contribute

When attraction is well designed, remote workers can make a genuine contribution to low-density territorial development. Their contribution operates on at least four dimensions.

- **Direct local spending.** Medium and long-stay residents buy food, services and products from local businesses, generating revenues that pass through the local economy rather than large platforms. The share of spending that remains local depends on the depth and variety of the local offer, which is itself a function of territorial policy.
- **Activation of vacant housing.** Many low-density territories have a significant stock of underused or vacant properties that generate no economic activity and deteriorate over time. Verified, work-capable rentals for medium-stay residents can activate this stock, providing income for owners and improving the physical fabric of villages, provided the process is managed to protect local housing access.
- **Economic and cultural diversification.** Remote workers bring professional networks, skills and contacts from outside the territory. Where integration is genuinely supported, some of these connections translate into local collaborations, entrepreneurial activity, or cultural projects that diversify what the territory offers. Hannonen et al (2023) observed that communities with prolonged nomad presence increasingly read long-stay remote workers as 'new locals' rather than tourists, suggesting a potential for durable social integration.
- **Territorial visibility and reputation.** Mobile professionals who share their experience, through social media, professional networks or informal recommendation contribute to the reputational layer of a territory. This visibility can attract further interest, investment or partnerships, though it is a fragile asset that depends on the quality of the experience offered.

What they cannot solve

The limits of remote-worker attraction are as important as its potential. Territories should not confuse a demand-side instrument with a structural development strategy.

Demographic decline. Remote workers are mobile by definition. Medium-stay residents do not register as permanent population, do not appear in demographic statistics and do not solve the structural problem of a shrinking, ageing local population. Attraction is a flow, not a stock. Some individuals may eventually settle permanently, and this should be a medium-term goal but counting arrivals as demographic recovery is a category error.

Absence of basic services. A territory that lacks functional healthcare, food supply, schooling or transport cannot become liveable for medium-stay residents simply by acquiring broadband and a marketing campaign. Remote workers who discover service gaps on arrival leave quickly and report their experience widely. Attraction without services is a reputational risk, not an opportunity.

Structural economic weakness. Digital nomads do not create local employment in the traditional sense. They do not invest in local production, hire local workers or build local enterprises as a rule. Their spending sustains existing local businesses, but it does not address the structural conditions, skills, enterprise capacity, supply chains, institutional networks that produce endogenous economic development. Camagni's (2009) notion of territorial capital makes this distinction clear: the activation of local assets requires institutional actors, not just passing visitors.

Low institutional capacity. Small municipalities often lack the staff, data systems and governance mechanisms to design, manage and monitor a remote-worker attraction programme. Without this capacity, attraction produces neither integration nor evidence, and whatever economic benefit materialises is not documented, scaled or sustained. Territorial readiness requires institutional readiness (Marcelino, 2026).

Housing market fragility. In small, tight housing markets, even a modest flow of higher-purchasing-power short-to-medium-stay residents can displace local renters and inflate prices. This risk has been documented in urban contexts (Cocola-Gant & López-Gay, 2020) and is potentially more acute in rural markets where the total supply of habitable, work-capable properties is very limited. Attraction without housing governance is a social policy risk.

Conditions for turning attraction into territorial development

The conditions that convert a flow of remote workers into a territorial development benefit are well documented in the policy literature on place-based development, rural cohesion and territorial capital (Medeiros, 2016; OECD, 2023). They are demanding and require investment before attraction begins.

- 1. A functioning housing stock with governance.** Vacant properties activated for medium-stay use, with explicit safeguards to protect local housing access and monitor rent levels. The stock must be work-capable — verified connectivity, ergonomics, privacy, not merely available.

2. **A minimum service layer.** Reliable food access, basic health services, connectivity and transport connections sufficient to sustain daily life for months, not days. Territories that fall below this threshold should invest in services before promoting themselves.
3. **A designated integration infrastructure.** At least one local facilitator, a channel for community contribution, and a plan for connecting arrivals with existing residents and local enterprises. Integration does not happen spontaneously.
4. **Institutional capacity to manage and monitor.** A responsible actor within the municipality or regional agency with the mandate, data and time to manage the programme, monitor its effects and respond to problems. Evidence collected during the programme is an investment for future policy.
5. **Embedding in a broader territorial strategy.** Remote-worker attraction should be one component of a strategy that also addresses housing policy, service provision, local enterprise support and long-term demographic investment. A standalone marketing campaign is not a territorial strategy.

Practical checklist for municipalities and regional agencies

- ✓ Assess the local service layer honestly before any promotion begins, healthcare access, food supply, transport and, where relevant, schooling.
- ✓ Audit the housing stock for viable medium-stay units: connectivity verified, workspace present, managed to protect local affordability.
- ✓ Designate a responsible actor within the municipality for managing arrivals, monitoring impact and coordinating with regional partners.
- ✓ Create at least one structured channel for remote workers to contribute to local economic and cultural life, not just consume it.
- ✓ Establish a lightweight monitoring mechanism: housing price movements, vacancy rates, local business revenues and community sentiment.
- ✓ Agree with regional partners on how remote-worker attraction connects to the broader local development strategy, it should not be an isolated initiative.
- ✓ Set a review date at three to six months to assess whether attraction is producing integration and local benefit and adjust or pause before scaling.

Methodological note

The dataset is exploratory by design. It does not represent the entire population of digital nomads or low-density territories. Its value lies in documenting early demand, testing conceptual assumptions, identifying preference patterns and informing the development of a territorial-readiness approach. Exploratory survey data from the NomadVillage pre-registration instrument are cited only where directly relevant to the argument. All figures are descriptive proportions and should be read as early signals rather than representative estimates. The risk dimensions discussed in this brief draw on the published academic literature and on policy evidence from the OECD and European Commission. No causal claims are made.

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