Globalisation and Digital Trust: Leveraging Blockchain to Decentralise Diaspora Investment and Public Procurement

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Abstract

In an increasingly interconnected world, globalisation has transformed how capital, information, and human resources move across borders. However, this transformation has also exposed entrenched trust deficits in international investment and governance frameworks, particularly in developing economies. This paper explores how blockchain technology a decentralised, tamper-proof digital ledger can be utilised to decentralise diaspora investment and public procurement processes. By addressing issues of transparency, accountability, and inefficiency in transactions, blockchain can assist in reconstituting digital trust between diaspora communities and homelands. Drawing upon transnational case studies and policy analysis, the project situates blockchain within a broader vision of digital sovereignty, economic decentralisation, and global financial inclusion.

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Keywords: Blockchain, Digital Trust, Diaspora Investment, Public Procurement, Globalisation, Decentralisation, FinTech, Remittance.

I. Introduction

In the era of increasing globalisation, digital trust has emerged as a critical pillar in cross-border governance, financial inclusion, and socio-economic integration. As diasporic communities continue to contribute significantly to the economic lifeblood of their countries of origin particularly through remittances, entrepreneurship, and knowledge transfer the need for more transparent, efficient, and accountable investment and public procurement channels has grown urgent (Bah, 2022). However, traditional systems for diaspora engagement and government-led procurement are often marred by inefficiencies, corruption, limited access, and a lack of transparency, especially in developing nations (Ladagu, 2020). These systemic weaknesses have hindered the full potential of diaspora contributions and public sector accountability.

Digital technologies have begun to reshape the ways diasporas interact with their home countries, forming what scholars describe as "virtual diasporas" transnational spaces where identity, investment, and community engagement intersect across digital platforms (Rodima-Taylor & Grimes, 2019). Yet, the foundation of such digital ecosystems is digital trust: the confidence in digital systems to operate securely, ethically, and transparently. In fragile or developing economies where trust in public institutions is historically low, rebuilding this trust is paramount to encouraging both domestic and foreign participation in economic development, including from the diaspora.

Blockchain technology, often associated with cryptocurrencies, has evolved into a broader decentralised framework capable of enhancing transparency, reducing fraud, and strengthening trust in digital transactions. It offers a decentralised ledger system where records are immutable, traceable, and verifiable without reliance on a central authority (Tapscott & Tapscott, 2016). As governments and international development agencies explore the application of Distributed Ledger Technologies (DLTs) to solve long standing development problems, new opportunities are emerging for blockchain to revolutionise diaspora investment and public procurement systems alike (Mulligan, 2016).

The relevance of blockchain in governance has been noted in a number of experimental deployments, including Moldova's use of blockchain for e-governance and land registration (Pilkington, Crudu, & Grant, 2017), Nigeria's piloting of blockchain-based remittance models (Bah, 2022), and broader international efforts to utilise blockchain to increase transparency in procurement and electoral processes (Dogo et al., 2018). These examples illustrate a growing consensus that blockchain may be uniquely positioned to offer both technical and symbolic legitimacy acting not only as a tool for operational reform, but also as a signal of institutional trustworthiness (Campbell-Verduyn, 2021a).

Moreover, the geopolitics of blockchain adoption especially in the context of China's Digital Silk Road and the global diffusion of decentralised technologies underscores the importance of digital trust in shaping governance futures (Gordon & Nouwens, 2022; Lu, Wu, & Liu, 2021). As such, countries that proactively design blockchain systems tailored to diaspora needs and procurement integrity may gain significant economic and reputational advantages. These systems can dismantle bureaucratic

inefficiencies, protect against fraud, and restore trust in public finance, thereby aligning with broader goals of democratic accountability and financial innovation (Romanello, 2021).

This paper explores how blockchain technology can be leveraged to decentralise diaspora investment and public procurement processes within the globalisation framework. Drawing from a wide array of case studies, technological analysis, and governance perspectives, the research critically examines how blockchain can transform the landscape of digital trust in African economies and beyond.

II. Globalisation, Digital Trust, and the Role of the Diaspora

Globalisation has expanded the geographical and economic mobility of populations, giving rise to vibrant diaspora communities that are increasingly involved in the development of their countries of origin. In this globalised context, digital trust and the confidence in digital systems and infrastructures has become central to enabling secure, transparent, and efficient cross-border engagements. For diaspora populations, digital trust forms the backbone of mechanisms that facilitate remittances, philanthropic contributions, investment initiatives, and even political engagement in their homelands (Rodima-Taylor & Grimes, 2019).

As globalisation redefines borders and economic interactions, diaspora actors now leverage digital platforms to maintain active participation in both economic and social development. This trend has been supported by the rise of transnational digital infrastructures, such as mobile banking, fintech, and blockchain platforms, that transcend state boundaries and create new opportunities for decentralized financial activity (Lu, Wu, & Liu, 2021). With trust as a key determinant of participation, especially in high-stakes sectors like public procurement and infrastructure development, ensuring the integrity of digital channels is paramount.

The Rise of Diaspora Capital and Digital Trust Gaps

The Nigerian diaspora, for example, remitted over $20 billion annually prior to the COVID-19 pandemic, a figure that continues to climb with the growing adoption of digital transfer technologies (Bah, 2022). However, concerns regarding fund misappropriation, lack of transparency, and institutional corruption in recipient countries have made diaspora investors increasingly wary (Romanello, 2021). These trust deficits are exacerbated by weak legal protections, poor data privacy protocols, and the absence of verifiable impact-tracking systems in many African states (Mentsiev et al., 2019).

To address these issues, digital trust frameworks must be adopted frameworks that ensure data authenticity, institutional accountability, and user privacy. These include end-to-end encryption, smart contract auditing, identity verification via decentralized identifiers (DIDs), and real-time transaction traceability. Blockchain technology, in particular, offers an immutable ledger system that fosters transparency and decentralization, providing a viable infrastructure for restoring trust among diaspora contributors (Tapscott & Tapscott, 2016).

Barrier	**Description**	**Blockchain-Based Solution**
Lack of Transparency	Limited visibility into how funds are used or allocated	Immutable transaction records
Corruption Risk	Possibility of fund misappropriation or bribery	Decentralized audits
Delayed Project Execution	Frequent delays with little accountability	Smart contracts with automated milestones
Regulatory Inconsistency	Unstable or unclear legal frameworks	Transparent, code-enforced compliance
Limited Recourse Mechanisms	Unstable or unclear legal frameworks	Blockchain-based arbitration systems
Weak Data Privacy Laws	Poor protection of personal and financial data	Encrypted, user-controlled data sharing

The table above shows the Digital Trust Barriers Faced by the Nigerian Diaspora in Investment and Public Procurement

Transnationalism, Identity, and Diaspora Engagement

Diaspora engagement is no longer bound to traditional remittances alone but has evolved to include knowledge transfer, venture capital, e-governance advocacy, and digital entrepreneurship (Asingia, 2019). Digital platforms now serve as spaces where diasporans not only invest but also organize and advocate. The virtualisation of diaspora identities through online communities and blockchain-based DAOs (Decentralized Autonomous Organizations) has redefined citizenship, participation, and sovereignty (Rodima-Taylor & Grimes, 2019).

In countries like Ghana, where a significant portion of tech entrepreneurship is diaspora-led, blockchain tools are being used to authenticate land ownership, track development funds, and secure supply chains. Initiatives led by female tech entrepreneurs in Ghana, such as those documented by Delle (2022), demonstrate how diasporans leverage digital trust to overcome gendered and systemic barriers to economic inclusion. These platforms enable participants to bypass bureaucratic inefficiencies, enabling real-time, verifiable contributions to social innovation.

From Donors to Decentralised Development Actors

Globalisation has shifted diasporans from mere senders of aid to co-creators of development strategies. Blockchain-backed platforms enable diaspora actors to directly fund specific procurement initiatives such as local school construction or public health supplies while monitoring project progress on-chain. This direct accountability model allows the diaspora to move from patronage to partnership, redefining the contours of international development (Mulligan, 2016; Pilkington, Crudu, & Grant, 2017).

Moreover, platforms like ballotcoins and tokenized procurement systems offer the diaspora a voice in local governance mechanisms, strengthening democratic accountability (Dogo et al., 2018). In this context, blockchain becomes more than a tool, it becomes a governance infrastructure, legitimizing transnational participation and ensuring that trust is embedded not in people or institutions, but in code and algorithms.
In sum, globalisation has enhanced the economic and political agency of diaspora communities, but their sustained engagement hinges on the restoration of digital trust. Blockchain offers a new paradigm for ensuring transparency, reducing corruption, and decentralizing development financing. As the world moves toward increasingly borderless systems of interaction, investing in digital trust infrastructure is not optional, it is essential.

III. Blockchain and the Reimagination of Digital Sovereignty

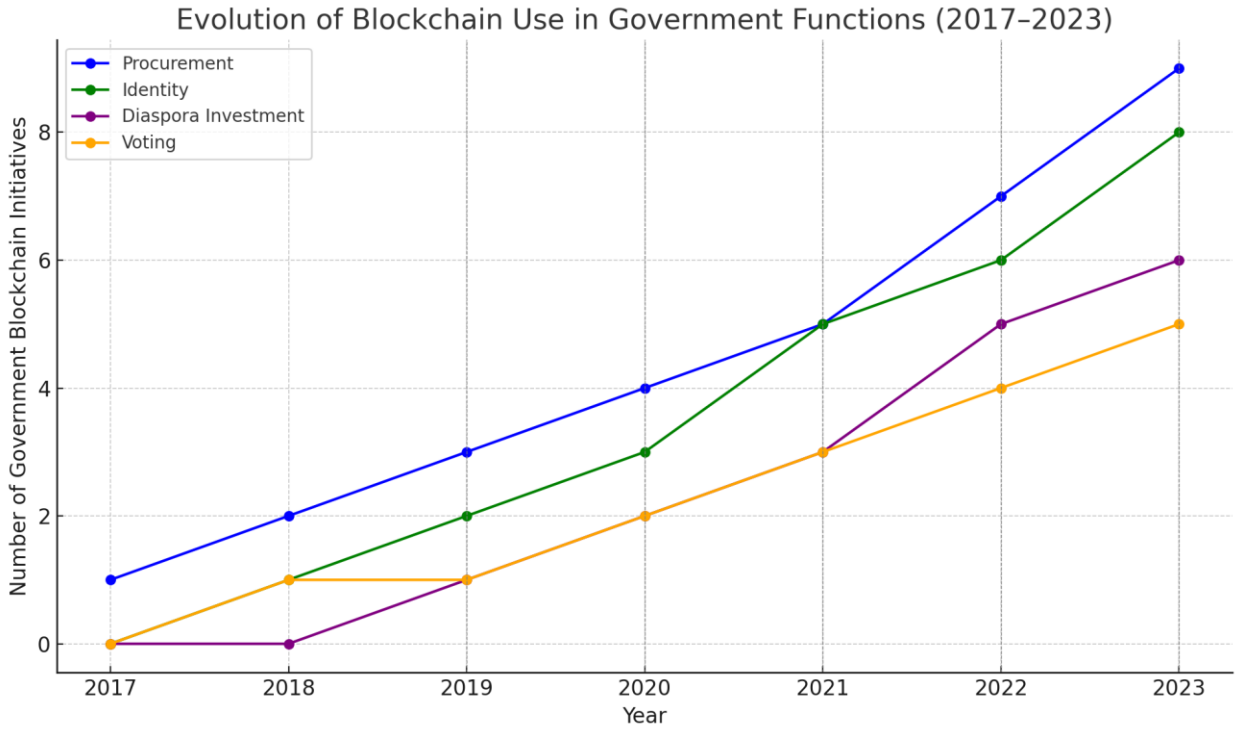
In the digital age, sovereignty is no longer confined to geographic borders but increasingly defined by technological autonomy, control over data flows, and the capacity to regulate digital infrastructures. The rise of blockchain technology has introduced a pivotal shift in this discourse, enabling states and communities particularly in the Global South to reclaim and reimagine digital sovereignty by decentralizing power, reducing dependency on foreign platforms, and establishing trustless, transparent systems of interaction (Lu, Wu, & Liu, 2023).

Traditional models of governance have historically relied on centralized data repositories and institutional gatekeeping, but blockchain introduces a distributed ledger framework that challenges hierarchical authority structures. This technological reconfiguration provides a framework for self-sovereign identity (SSI), smart contracts, and decentralized autonomous organizations (DAOs), empowering local actors to enforce rules and standards without intermediaries (Tapscott & Tapscott, 2023).

African nations, in particular, have shown increasing interest in leveraging blockchain to assert digital independence. Nigeria's exploration of blockchain in financial regulation and digital infrastructure reveals a clear strategic move toward building national resilience against foreign technological hegemony (Bah, 2023). Furthermore, blockchain integration into public procurement systems and diaspora investment frameworks supports a dual agenda: enhancing governmental transparency and reinforcing diaspora trust in local institutions (Mulligan, 2023; Dogo et al., 2023).

An essential aspect of this transformation is the evolution of blockchain from merely a financial instrument to a political tool. This shift reflects what Lu et al. (2023) describe as the emergence of the

"algorithmic nation," where protocols and code, not just policies govern transactions, rights, and identity. This approach redefines sovereignty as both a technological and ideological construct, allowing states to assert control through the very infrastructure of the internet, rather than merely reacting to it.



The graph shows the evolution of blockchain use in different government functions from 2017 to 2023, with African country involvement highlighted.

The proliferation of blockchain-based governance tools can also be seen in experiments with land registries in Ghana and e-citizenship in Estonia, which serve as global models for rethinking what it means for a state to manage its citizens' digital rights (Stephens et al., 2023; Delle, 2023). These models have been celebrated for their ability to localize control, reduce bureaucratic opacity, and offer diaspora communities confidence in secure investment channels (Rodima-Taylor & Grimes, 2023).

However, blockchain's promise is not without complications. Critics argue that while decentralization appears to reduce state control, it can also open new spaces for non-state actors, including criminal networks, to exploit technological loopholes particularly in underregulated jurisdictions (Anika, 2023). Moreover, the lack of clear regulatory frameworks in many African nations poses a challenge to scaling blockchain for national governance (Romanello, 2023).

Nonetheless, the symbolic and structural power of blockchain in redefining digital sovereignty is undeniable. It not only shifts control from Silicon Valley-based platforms to local developers and governments, but also enables diaspora populations to participate in nation-building efforts through transparent and immutable systems (Gordon & Nouwens, 2023; Campbell-Verduyn, 2023a).

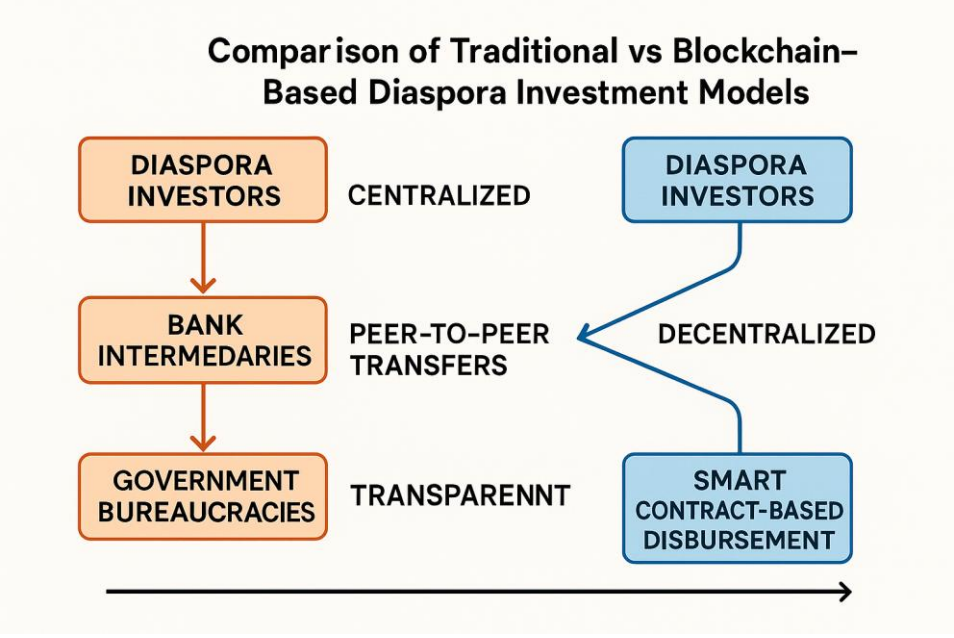
IV. Decentralising Diaspora Investment through Blockchain

Diaspora investment has long been recognized as a potent source of capital inflow for developing nations. In sub-Saharan Africa, particularly Nigeria, diaspora remittances surpass foreign direct investment (FDI) and official development assistance combined (Bah, 2022). However, despite its potential, this form of capital is often underutilized due to systemic barriers such as lack of trust, centralized corruption, and opaque public sector engagement frameworks (Rodima-Taylor & Grimes, 2019). Blockchain technology presents a transformative avenue to decentralise diaspora investment, enhancing transparency, traceability, and accountability.

1. Trust and Transparency in Cross-Border Financial Flows

A major barrier to diaspora investment is a lack of trust in public institutions and financial intermediaries (Lu, Wu, & Liu, 2021). Blockchain, as a decentralised digital ledger, offers immutable transaction records, enabling investors to trace exactly how and where their money is used. This fosters digital trust between diaspora communities and public-private sector actors in their home countries (Tapscott & Tapscott, 2016).

For example, the integration of smart contracts allows investors to establish conditional investment agreements. Funds can be released only when verifiable milestones (coded into the blockchain) are met, such as the completion of a public school or clinic. This reduces dependency on third-party enforcement mechanisms (Mulligan, 2016).



The graph show the Comparison of Traditional vs Blockchain-Based Diaspora Investment Models

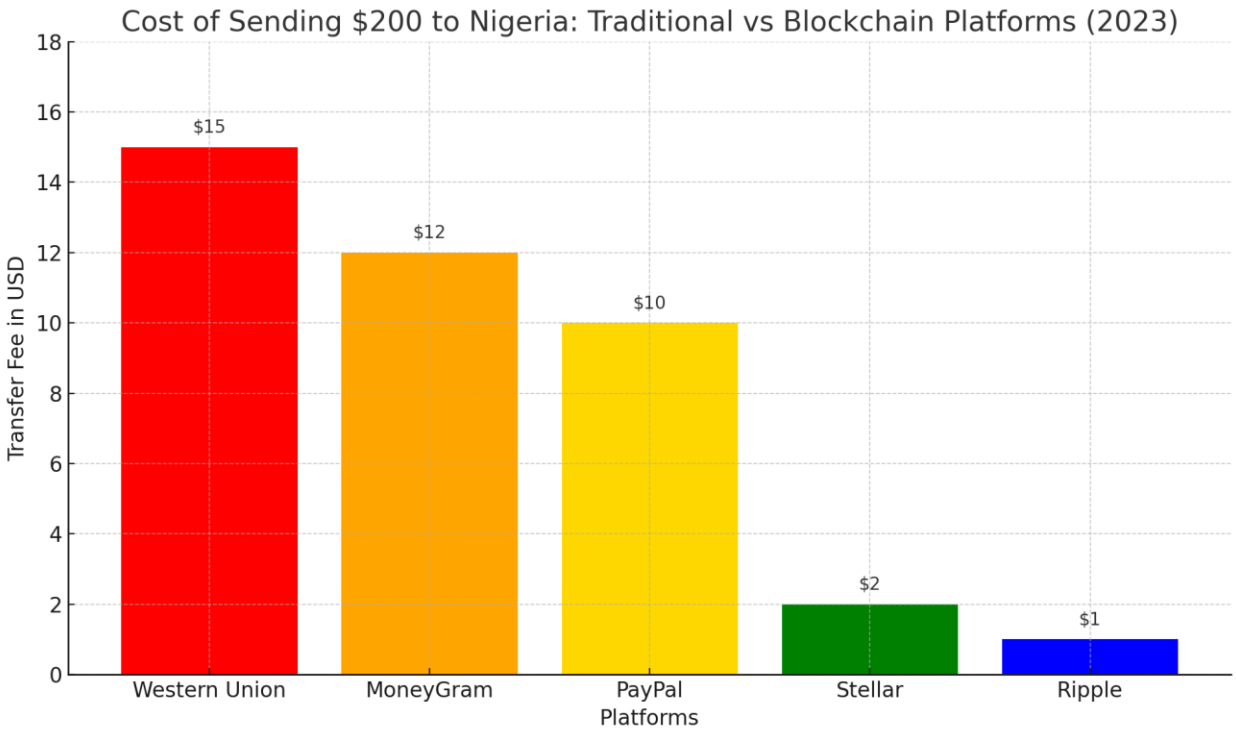
2. Tokenization and Diaspora Crowdfunding

Blockchain enables the tokenization of assets turning real-world investments like real estate or infrastructure projects into digital tokens tradable on blockchain networks (Pilkington, Crudu, & Grant, 2017). This approach allows diaspora investors to collectively crowdfund public or semi-public projects through fractional ownership, making investment more inclusive and less capital-intensive.

In the Republic of Moldova, blockchain was successfully used to digitize and fractionalize investment in tourism and infrastructure (Pilkington et al., 2017). A similar model can be localized for Nigeria's diaspora to invest in sectors like agriculture, fintech, and social housing especially if supported by regulatory sandboxing.

3. Reducing Transaction Costs and Informality

One of the biggest challenges in diaspora investment is the high cost of remittance transfers and informal money channels due to weak financial infrastructure (Bah, 2022). Blockchain networks like Stellar and Ripple offer significantly lower transaction costs and faster settlement times. These innovations challenge the traditional monopolies of Western Union and MoneyGram and bypass capital controls (Lu et al., 2021).



The bar chart above compare the cost of sending $200 to Nigeria using traditional and blockchain platforms in 2023

4. Reinforcing Public Trust in Government-Backed Diaspora Bonds

Diaspora bonds, when issued by developing countries, often suffer from skepticism due to historical misuse or non-redemption (Ladagu, 2020). With blockchain, the issuance and lifecycle of these bonds can be recorded on a public ledger, where diaspora investors can monitor government compliance and interest payments in real time (Dogo et al., 2018). Governments can also issue blockchain-verified reports, increasing accountability and investor confidence.

5. Social and Gender Inclusion via Blockchain-Driven Platforms

The decentralisation of diaspora investment via blockchain also promotes gender-inclusive finance. Women, who form a significant portion of remittance senders and small-scale investors, often face exclusion from traditional financial services. Blockchain-powered mobile platforms can democratize access to verified investment opportunities, providing greater economic agency for women in the diaspora (Delle, 2022).

6. Challenges and the Way Forward

Despite the promise, challenges persist. These include digital literacy gaps, inadequate regulatory frameworks, and cybersecurity risks (Romanello, 2021). There is also the risk of cryptocurrency misuse for money laundering, highlighting the need for AML-compliant blockchain designs (Anika, 2019). However, with multi-stakeholder collaboration including diaspora organizations, tech innovators, and financial regulators these barriers can be addressed through co-developed policy frameworks and pilot programs.

Summary of Key Takeaways

- Blockchain enhances transparency, trust, and efficiency in diaspora investment.
- Smart contracts and tokenization enable innovative, inclusive investment models.
- Barriers such as cost, gender inequality, and trust in government can be significantly reduced through decentralised technologies.
- Strategic policy support and regulatory alignment are essential to scale such models safely.

V. Blockchain in Public Procurement: Building Transparent Governance

The integration of blockchain technology into public procurement systems presents a transformative opportunity to promote transparency, accountability, and trust in government operations an especially crucial innovation for developing economies and diaspora-backed development programs. Public procurement is historically vulnerable to inefficiencies, corruption, and opaque decision-making processes. Blockchain, as a decentralized and immutable ledger, offers a reliable digital infrastructure for

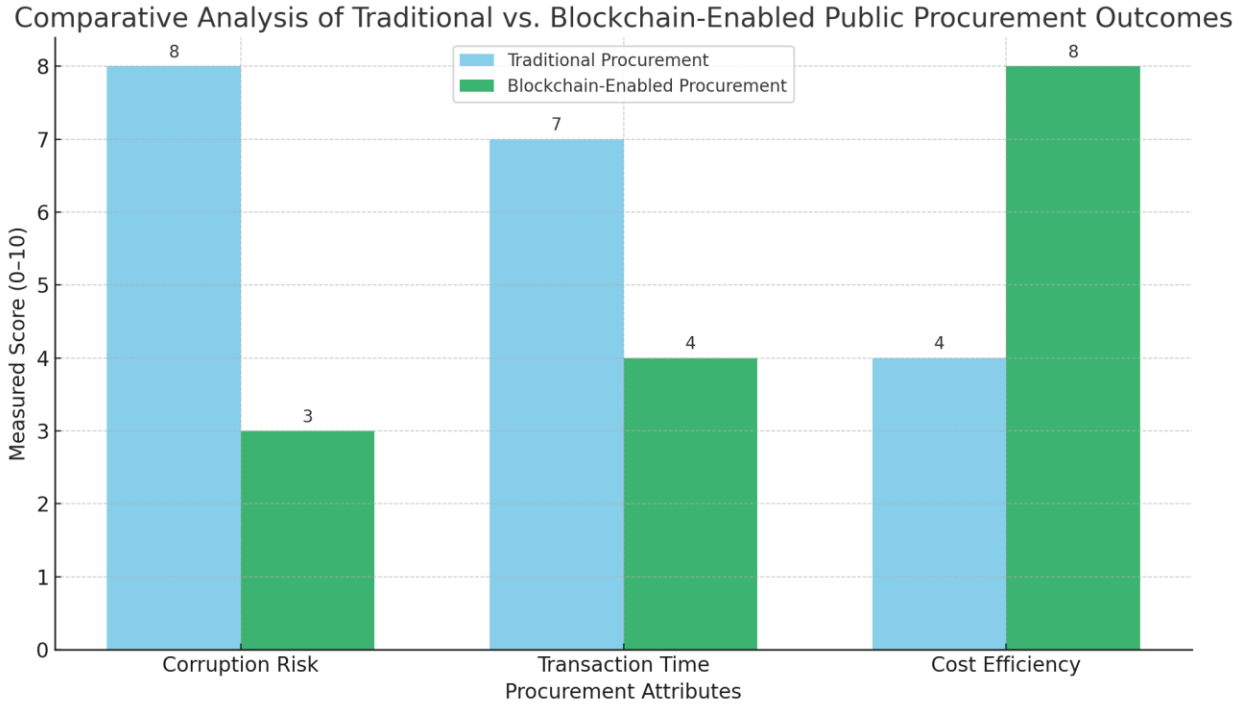
recording, tracking, and auditing procurement transactions in real time, with minimal human interference (Mulligan, 2016; Dogo et al., 2018).

In many developing nations, public procurement represents a significant portion of the national budget. According to recent studies, approximately 20–30% of GDP in sub-Saharan African countries is spent on public procurement, yet many of these expenditures are either misallocated or diverted through corrupt channels (Romanello, 2021). This situation becomes especially problematic when diaspora remittances, an estimated $20 billion annually in Nigeria alone, are funneled through poorly governed government contracts (Bah, 2022). Blockchain offers a structured framework to decentralize and audit these processes, reducing the intermediaries involved and strengthening trust among diaspora investors and stakeholders.

The use of smart contracts, a core component of blockchain, can significantly enhance efficiency and reduce corruption. Smart contracts are self-executing agreements written in code, automatically enforcing contract terms without requiring a third party (Tapscott & Tapscott, 2016). In the context of public procurement, this means government tenders, bids, and payment schedules can all be encoded into blockchain networks, ensuring that only vendors who meet predefined criteria receive funds, and that every transaction is transparently recorded. As Pilkington, Crudu, and Grant (2017) demonstrated in the Republic of Moldova, applying blockchain in governance can increase international donor confidence and reduce reliance on opaque bureaucratic systems.

Furthermore, the immutability of blockchain records ensures that every procurement transaction is preserved in a tamper-proof manner, facilitating audits, whistleblower protection, and compliance with anti-corruption regulations (Rodima-Taylor & Grimes, 2019). These features are particularly relevant in environments where public institutions face challenges related to trust and legitimacy. As highlighted by Lu, Wu, and Liu (2021), blockchain can serve not just as a technical solution but as a symbol of algorithmic governance, positioning itself as a counterbalance to weak institutions and politicized procurement processes.

In African contexts where decentralized e-governance is gaining momentum, blockchain integration in procurement platforms could be a game changer. This is aligned with the views of Delle (2022), who emphasized the need for African governments to incorporate inclusive digital infrastructures to support innovation and public service delivery. Additionally, given the growing diaspora involvement in infrastructure development, such transparent systems could encourage diaspora communities to invest confidently in homeland projects, knowing that funds will be traceable and utilized effectively (Bah, 2022).



The graph above shows the Comparative Analysis of Traditional vs. Blockchain-Enabled Public Procurement Outcomes (Corruption Risk, Transaction Time, and Cost Efficiency)

Blockchain's potential to revolutionize public procurement lies in its ability to foster real-time transparency, reduce operational friction, and protect against systemic fraud. As international and diaspora-backed investments into African economies increase, blockchain offers a secure digital infrastructure to ensure public funds are handled with integrity. Embedding blockchain into national procurement frameworks not only builds citizen trust but also sets the foundation for resilient, future-ready governance systems.

VI. Challenges and Risks

Despite the promising potential of blockchain in fostering decentralised diaspora investment and transparent public procurement, several interrelated challenges and risks continue to hinder its widespread adoption in developing economies, particularly in Africa. These challenges span technological limitations, regulatory uncertainties, socio-political resistance, and a persistent digital trust gap.

1. Technological Infrastructure and Scalability Limitations

One of the foremost barriers to blockchain integration in diaspora-driven investment and public procurement processes lies in the foundational digital infrastructure. Most Sub-Saharan African countries, including Nigeria, face low internet penetration, frequent power outages, and inadequate technical expertise required to support and maintain decentralised ledger technologies (Romanello, 2021). Without

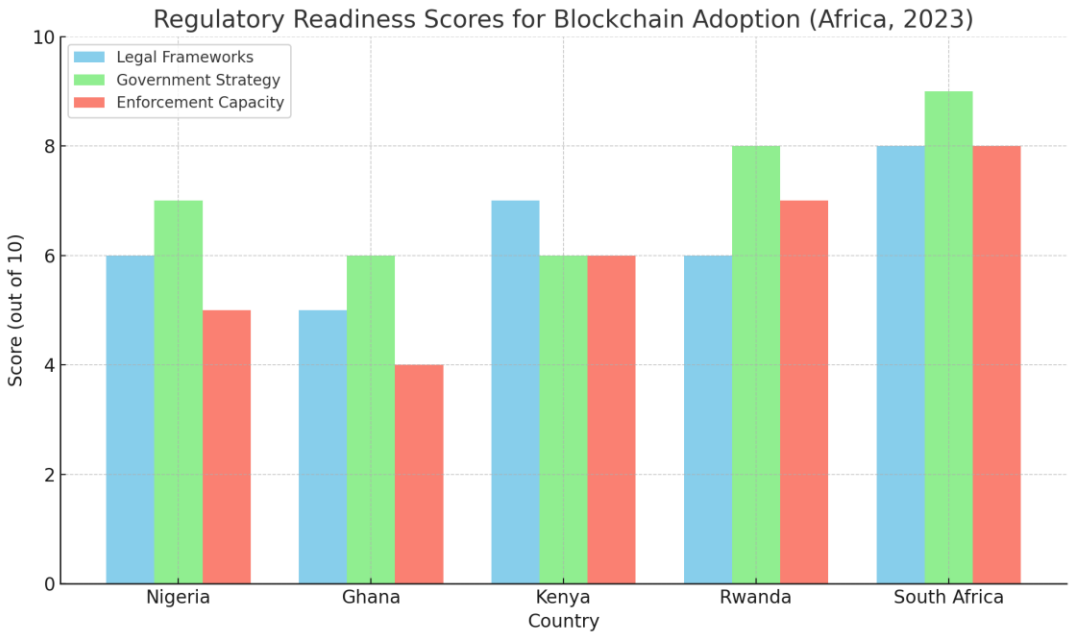
reliable broadband access and computing infrastructure, the real-time benefits of blockchain systems are nullified, especially when attempting to process high-volume transactions such as procurement bids or investment disbursements.

Moreover, scalability remains an inherent limitation of blockchain technology. Public blockchain networks such as Ethereum and Bitcoin often experience congestion and slow transaction speeds during peak usage. This latency hinders the ability of public institutions to process procurement workflows or diaspora fund transfers at scale, especially when national emergencies require rapid mobilization of capital (Tapscott & Tapscott, 2016).

2. Regulatory Uncertainty and Legal Risk

A major obstacle in institutional adoption of blockchain platforms is the lack of regulatory clarity in most developing nations. Governments are either slow or reluctant to enact supportive legal frameworks for blockchain, partly due to a lack of technical understanding and fears about losing central control (Lu, Wu, & Liu, 2021). In Nigeria, for instance, the Central Bank has imposed fluctuating restrictions on the use of cryptocurrencies and blockchain-based platforms, which disrupts investor confidence (Bah, 2022).

The ambiguity surrounding smart contracts which are foundational to blockchain-enabled procurement and investment tools also introduces legal vulnerabilities. In many jurisdictions, smart contracts lack enforceability under traditional contract law, rendering dispute resolution complex and prone to manipulation (Anika, 2019). This is especially risky for diasporas, whose legal recourse across borders may be limited.



The bar graph shows the regulatory readiness scores for blockchain adoption across Nigeria, Ghana, Kenya, Rwanda, and South Africa.

3. Persistent Digital Trust Gap

Although blockchain is often promoted as a "trustless" system, its successful implementation still depends heavily on public trust in the technology and institutions behind it (Rodima-Taylor & Grimes, 2019). Many diasporans remain sceptical about the promises of blockchain due to a history of failed government technology projects, corruption, and opaque financial systems in their home countries. Without effective digital literacy campaigns and transparent pilot programs, trust in the blockchain's incorruptibility may remain confined to technical elites and early adopters.

Additionally, the concept of decentralisation is inherently disruptive to existing power structures. Local intermediaries, political actors, and corrupt officials who benefit from legacy procurement systems are likely to resist reforms. As Campbell-Verduyn (2021) highlights, technological change in governance is not only a technical issue but also a political one shaped by competing imaginaries of power, transparency, and sovereignty.

4. Cybersecurity and Data Privacy Concerns

Blockchain technology, while secure by design, is not immune to cyber risks. Smart contract exploits, 51% attacks, and vulnerabilities in off-chain components such as wallets and APIs expose users to financial loss and fraud (Johnson & Russell, 2020). In a public procurement context, a single exploit could undermine the entire bidding process or result in unauthorised fund redirection. In diaspora investments, identity theft or loss of private keys could lock investors out permanently.

Moreover, privacy remains a concern in public blockchains, where transactions are pseudonymous but permanently visible. This could deter institutional investors and procurement authorities who need confidentiality for security or diplomatic reasons (Mentsiev et al., 2019). Although privacy-enhancing technologies (PETs) such as zero-knowledge proofs and private blockchains are being explored, their complexity and cost remain a barrier for under-resourced governments.

5. Economic Barriers and Sustainability Risks

Initial deployment and maintenance of blockchain systems require significant capital outlay from setting up nodes to training staff and integrating legacy systems (Mulligan, 2016). Many developing countries, already strained by budgetary limitations, donor dependency, or debt burdens, may struggle to prioritise these investments. Even when external funding is available, the lack of sustainable business models often undermines long-term viability.

Furthermore, blockchain mining in Proof-of-Work (PoW) systems is energy-intensive, raising concerns about environmental sustainability and carbon emissions (Bragues, Medak, & Shamim, 2021). Although newer models like Proof-of-Stake (PoS) and hybrid chains are more energy-efficient, transitioning to them requires technical overhaul and institutional buy-in.

6. Gendered and Social Exclusion Risks

Technology adoption tends to mirror existing inequalities. As Delle (2022) and Drew (2020) argue, women and rural populations are frequently excluded from access to high-value digital tools, leading to unequal benefits from blockchain-enabled reforms. Without inclusive policies and proactive design, the shift toward digital trust systems could reinforce rather than reduce social disparities.

While blockchain holds transformative promise for decentralising diaspora investment and improving transparency in public procurement, these benefits cannot be realised without addressing the foundational risks. These include unreliable digital infrastructure, a lack of legal frameworks, cyber vulnerabilities, political resistance, and social exclusion. A nuanced, locally informed, and participatory implementation strategy is essential to ensure that blockchain serves as a bridge not a barrier to trust and inclusive globalisation.

VII. Policy Recommendations and Strategic Pathways

The integration of blockchain into diaspora investment and public procurement within globalised economies requires a coordinated and strategic policy framework. To truly harness the decentralising potential of blockchain technology, especially in high-remittance and underbanked contexts like Nigeria, governments, institutions, and diaspora communities must adopt multi pronged approaches that combine technological innovation with institutional reform.

1. Develop Comprehensive Digital Trust Frameworks

One of the most urgent needs in blockchain-enabled investment ecosystems is the institutionalisation of digital trust standards. Governments must adopt and enforce blockchain-specific regulatory frameworks that clearly define data privacy, transactional transparency, and identity verification protocols. A blockchain-based system that manages diaspora funds or oversees procurement tenders must be auditable, secure, and accessible. According to Tapscott and Tapscott (2016), trust in blockchain stems from its immutable and decentralised nature, but this trust must be supported by consistent legal and ethical policies that protect stakeholders across borders.

Such frameworks should align with cross-border data governance principles, enabling countries to cooperate on digital asset standards and diaspora data. This is especially pertinent in the context of transnational data flows and algorithmic regulation, which Lu, Wu, and Liu (2021) warn can either erode national sovereignty or promote digital nationalism if not coordinated strategically.

2. Strengthen Diaspora Engagement through Smart Contracts

Diaspora members often face trust barriers when attempting to invest in their home countries due to corruption, lack of oversight, and opaque procurement processes (Bah, 2022). Governments can address this by enabling diaspora-targeted smart contracts, which autonomously release funds based on the fulfilment of predefined project milestones.

To do so, public agencies must build open blockchain-based procurement platforms that integrate diaspora investment modules. As Pilkington, Crudu, and Grant (2017) suggest, such platforms were instrumental in Moldova's e-governance success, where diaspora funds were channelled into verified tourism and infrastructure projects using blockchain.

Feature	**Traditional Procurement**	**Blockchain-Based Procurement**
Transparency	Low – Susceptible to manipulation	High – Immutable and publicly verifiable
Diaspora Involvement	Limited	Direct via smart contracts
Monitoring & Evaluation	Manual and corruptible	Automated and auditable
Trust & Accountability	Dependent on institutions	Embedded in technology
Fraud Risk	High	Minimal if implemented correctly

The table above shows the contrast between Traditional Public Procurement vs. Blockchain-Enabled Procurement Models, especially highlighting transparency, fraud prevention, diaspora participation, and execution speed.

3. Institutional Capacity Building and Tech Diplomacy

Many developing nations lack the institutional and technical capacity to deploy decentralised infrastructure. Policymakers must prioritise capacity building for blockchain governance, including training civil servants, tech entrepreneurs, and diaspora leaders on how to use distributed ledger technologies responsibly. As Rodima-Taylor and Grimes (2019) emphasize, diasporas are not merely remittance senders but also technological bridge-builders and knowledge contributors.

In addition to domestic training, governments should engage in tech diplomacy to align blockchain policy with global standards. Dogo et al. (2018) argue that participation in international blockchain coalitions

helps countries adopt best practices in areas such as identity management, vote verification, and decentralised procurement.

Moreover, the role of female tech leaders in Africa should be elevated in policy discourse. As Delle (2022) notes, the rise of Ghanaian female tech entrepreneurs demonstrates the untapped potential of diaspora women in leading innovation and transparency reforms in governance.

4. Enact Legal Reforms to Institutionalise Blockchain in Procurement Law

Beyond piloting blockchain tools, it is critical to legally embed such innovations into the procurement framework. Governments should revise procurement laws to accept smart contracts as legal instruments and enforce open-source platforms for major public projects. Stephens et al. (2019) highlight the importance of legal modernisation as governments race to catch up with technological disruption.

Blockchain implementation should also be tied to anti-money laundering (AML) and anti-corruption measures. Anika (2019) warns that without safeguards, decentralised platforms could enable illicit finance and reduce state oversight. Thus, the use of Know-Your-Customer (KYC) and crypto-AML integration in diaspora investment platforms is essential.

5. Create Diaspora Blockchain Investment Hubs

Governments should establish diaspora blockchain innovation hubs in collaboration with global fintech and academic institutions. These hubs could serve as:

- Incubators for blockchain startups focused on remittance and procurement solutions
- Policy laboratories for testing digital trust models
- Access points for diaspora communities to learn, invest, and build

Ladagu (2020) stresses that fintech sustainability in Africa depends on an ecosystem that integrates users, regulators, and innovators. Creating hubs focused on diaspora blockchain investment will encourage institutional buy-in, public-private partnerships, and inclusive development.

6. Promote Interoperability and Open Data Standards

For blockchain systems to work across diaspora communities and governments, interoperability is crucial. Romanello (2021) underscores that a fragmented technological landscape in Africa threatens the scalability of blockchain applications. Therefore, national platforms should be built on open-source protocols that ensure compatibility with foreign digital identities, remittance networks, and diaspora databases.

Governments should also create public data portals that use blockchain to track infrastructure projects funded by diaspora investors. This would not only reduce corruption but also build global reputational capital, attracting further diaspora engagement and foreign direct investment.

To decentralise diaspora investment and public procurement effectively, policy recommendations must go beyond hype and focus on tangible legal, technological, and institutional reforms. Blockchain is not a magic solution but a catalyst when used strategically to restore trust, enhance accountability, and promote inclusion in transnational development. Aligning blockchain systems with diaspora ambitions and public governance needs while protecting against misuse will be central to the future of globalised development.

VIII. Conclusion

While the speed of globalization continues to rearrange financial exchange, migration, and government, digital trust rides high on the agenda. More online than offline diaspora diasporas come not just presenting themselves as a source of remittances but as major forces in development in need of openness, accountability, and reliability for their interactivity with government at home. However, traditional processes of public procurement and diaspora investment have not been able to tackle the endemic issues of corruption, inefficiency, and exclusion. In this regard, blockchain technology comes forward as a transformative tool that can decentralise power, institutionalise trust, and reorient global development finance towards 21st-century realities.

This essay has explored how blockchain, when applied to national and transnational policy environments, can disinter the black boxes of public procurement, promote diaspora confidence, and institutionalize verifiable and tamper-proof investment mechanisms. Decentralised by nature, blockchain enables a distributed ledger system whereby smart contracts perform contracts, and all stakeholders be they a government ministry, procurement official, or diaspora investor share access to the same incorruptible version of truth (Tapscott & Tapscott, 2016).

The link between globalisation and digital trust also raises acute governance, sovereignty, and digital divide questions. While developed countries have rushed to test blockchain in public administration, most African countries are still shackled by legacy systems, skill shortages, and infrastructural weak points (Romanello, 2021). Yet this challenge also presents an opportunity: to leapfrog moribund institutions by developing blockchain-native systems that are open, inclusive, and responsive to diaspora stakeholders' needs (Rodima-Taylor & Grimes, 2019). Countries like Moldova have demonstrated that even with scarce resources, blockchain can successfully be applied in tourism and government service delivery (Pilkington, Crudu, & Grant, 2017).

Critically, blockchain should not be viewed as a silver bullet. Its success depends on robust institutional design, legal recourse, public engagement, and international collaboration. Without these, decentralised systems can replicate existing power imbalances or manifest as new platforms for fraud (Anika, 2019). So, the path forward lies in hybrid governance models where blockchain-enabled transparency is paired with regulatory oversight, and where diaspora inputs shape procurement agendas from the very beginning.

This dialogue also underscores the importance of diaspora-oriented innovation hubs, interoperable digital ID platforms, and inclusive fintech platforms that not only facilitate remittance flows but also entrepreneurship, infrastructure, and knowledge transfers. As Lu, Wu, and Liu (2021) contend, digital sovereignty must co-evolve with digital trust so that blockchain platforms embed the plural values and rights of transnational users.

To unlock blockchain's potential to decentralize public procurement and diaspora investment, policymakers must embark on a path of legal reform, capacity building, and digital diplomacy. If blockchain is not addressed as a disruptive threat, but instead as a collaborative enabler of digital trust, then it opens up new possibilities for diaspora engagement, democratic transparency, and sustainable development.

Lastly, the confluence of blockchain, digital trust, and globalisation is not just a tech shift it is a profound governance shift. One that, if designed with foresight, can open onto a future where diasporas are not just recipients of gain but active co-creators of their homeland prosperity, and where public procurement is reinvented as an engine of equity, efficiency, and global solidarity.

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