



KOSOVO: SOCIO-ECONOMIC CHALLENGES

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Abstract

In early 2015, a large number of citizens of Kosovo fled to EU countries, mainly to Germany. Also, other problems like the uncertain status of Northern Kosovo represent important challenges for the future of Kosovo as a sovereign state. For the EU, the political, economic and social development of Kosovo is one of the keys to maintain the stability of the Western Balkans. The objective of this article is to determine the main causes of political, social and economic issues underlying this phenomenon and to analyze its impact on the future of Kosovo. Immigration has become a topic of increasing importance in the EU, given that Europe is facing growing waves of immigrants coming from North Africa and the Middle East. So, the new wave of immigrants from Kosovo has brought more concern in European capitals.

Keywords

Immigration, economic challenges, poverty, Northern Kosovo, Western Balkans

1. Introduction

On 17 February 2008 the Parliament of Kosovo unilaterally declared independence, with a strong international support from the United States, but also in the majority of the European Union member states. Albania and other countries such as Turkey, United Kingdom, France and the United States have recognized the very next day Kosovo as an independent state. Of course, Serbia and a number of other countries such as the Russian Federation and China criticized the decision and refused to recognize the new state. Also, five EU countries have refused to recognize Kosovo's independence. These are Spain, Slovakia, Greece, Cyprus and Romania.

Currently, 106 countries have recognized Kosovo's independence and the number is expected to increase.

It's been seven years since independence, but Kosovo continues to face many political, economic and social issues. Among the most important challenges we can mention:

- the high levels of poverty and unemployment, especially among young people;
- the developed underground economy;
- the strong growth in terms of population;
- the high level of corruption which is reflected in the poor functioning of Kosovo institutions;
- the protection of the rights of minorities;
- the organized crime.

All these issues have generated a high degree of disillusionment among young people. Therefore, at the beginning of 2015, over 50,000 people in Kosovo have attempted to illegally get into the EU. Most of them have failed in their attempt.

2. Methodology

From a methodological point of view, the analysis has as a main goal to treat in an objective and balanced way the socio-economic situation of Kosovo. It was selected and studied a major bibliography content which was consisting on scientific books of some recognized authors of this domain, some of the them being involved directly at the top level of the international politics (counselors, former diplomats etc.), and also on scientific articles published in Romanian or foreign magazines, various debates held at international conferences or published in various periodicals from this domain.

Along with these sources, were added information and data collected from the databases of some international institutes (Eurostat, OECD Statistics), the census and the official reports elaborated by the national institutes of statistics, internet pages of the main press trusts from Balkans, of the non-governmental organizations preoccupied with the political, economic and social evolution of this space, official pages of Kosovo institutions, field research or qualitative interviews with professors or researchers well-known in this field of area.

3. Northern Kosovo

We will start our analysis referring to the complex issue of Northern Kosovo.

Northern Kosovo is composed of Leposavić, Zubin Potok and Zvečan municipalities and the northern part of Kosovska Mitrovica city, occupying an area of about 1000 km².

The fact that the last census of these municipalities was done in 1991 makes the exact number of residents to be difficult to approximate. United Nations and the Organization for Security and Cooperation in Europe estimates the number of Serbs between 55 000 and 65 000 and that of non-Serbs to 10 000. Most of the latter are Albanians and Bosnians living in Mitrovica, in Čabër/Čabra village and in some settlements in Leposavić and Zubin Potok.

Officially, no political leadership in Belgrade can openly assume that the return of Kosovo under Serbia's political power is almost impossible. Such a statement may cause serious damage in electoral terms. However, for government representatives and for Serbian population, the independence of Kosovo is a very difficult reality to deny and, at the same time, is difficult to accept that Serbia lost his authority on this territory.

The main objective of Serbia regarding Kosovo became to protect ethnic Serbs and, to the extent that this could be possible, to reintegrate the territories inhabited by Serbs in Kosovo within Serbia.

Kosovo Serb community is currently divided in terms of territorial distribution:

- to the south of Ibar river, Serbian communities are protected by the forces of the international community. Most often we can find the Serbian communities in rural areas, near old Orthodox churches;

- to the north of the Ibar, in Northern Kosovo, where we find a relatively homogeneity in terms of ethnicity and where the city of Kosovska Mitrovica is the main place of confrontation between Serbs and Albanians (the city is divided by the river Ibar).

After the independence of Kosovo, Serb population south of Ibar began to gradually integrate into local structures. The situation of Serbs north of the Ibar is quite different.

For the authorities in Pristina, to remove the Serbian parallel institutions is a necessity. Without being able to exercise full sovereignty over this territory, Kosovo will not be able to control the borders with Serbia, which involves damage in terms of image as an independent and sovereign state.

This permeability of borders also can create another important issue for Pristina: the fact that Kosovo does not have full control over the flow of goods and people into and out of the country.

For Belgrade, regaining the territory of Northern Kosovo could be a compensation for the loss of territory south of the Ibar.

Although a region severely affected economically by 1999 war, North Kosovo enjoys attention from Belgrade. According to analysts from International Crisis Group, Serbia annually allocates approximately 200 million dollars for investments in education, health, infrastructure and social support for Serbs in Northern Kosovo.

As a result, Pristina and the international community representatives consider that such aid is one of the main causes for the low level of integration of this territory in Kosovo, affecting the integrity of the new state.

Over time, a number of solutions were taken into consideration to solve this conflict, although none of them followed by concrete steps.

Among these solutions we can mention:

- to divide Kosovo, the Northern territory being regained by Serbia; The Government of Kosovo refused to take into consideration this approach;

- to exchange territories; another plan for solving the Northern Kosovo case was the exchange of territories between Belgrade and Pristina. This plan was supported by Albanians in Presevo Valley (area located in Southern Serbia, at the border with Kosovo and Macedonia) who wished to become a part of Kosovo in exchange for the annexation of North Kosovo to Serbia. For Serbia, this solution is difficult to accept given the strategic importance of the Presevo Valley, the main route of communication with the Republic of Macedonia and with Greece;

- the autonomy; for the international community it is the best solution to clarify the situation of Serbs living in Northern Kosovo. Under the Ahtisaari plan (plan that led to the independence of Kosovo) offering limited autonomy for Serb territories in Kosovo should be the long-term solution. However, the degree of autonomy that should be granted to these territories brought a lot of controversy. Albanians want autonomy as limited as possible, while Serbs in Northern Kosovo believe that there should be a regional Parliament and a regional government that can control a wide range of areas.

4. The mass migration challenge

In the last few months, between 50 000 and 100 000 Kosovo citizens left in search of better opportunities in the EU as economic refugees because of unemployment, corruption and poverty at home.

This phenomenon becomes a real threat for the stability of Kosovo, mainly because the majority is formed by young people, the future of this country. In March, Hashim Thaci, the Foreign Minister of Kosovo, expressed his concern regarding this subject, underlining that *"It is very distressing that people leave"* and adding *"We are making efforts to create jobs, so that people have a future in Kosovo"*.

Table 1. The countries of the former Yugoslavia. Unemployment rate

	Country	Unemployment rate (2014 - %)	Unemployment rate; youth ages 15-24 (2012/2013 - %)
1	Bosnia and Herzegovina	44,3	62,8
2	Croatia	21	43,1
3	Kosovo	35,1	55,3
4	Macedonia	28,0	53,9
5	Montenegro	19,1	41,1
6	Serbia	26,1	51,1
7	Slovenia	13,6	20,6

Source: The World Factbook, 2015, CIA; Kosovo Agency of Statistics

We can see from the table above that unemployment rate in Kosovo is one of the highest in the region. Also, we must take into account that these numbers can be higher due to the fact that Kosovo has a large informal sector that may not be reflected in these data.

For young people, Kosovo authorities' failure to attract foreign investors, to create jobs and to increase the standard of living has signaled the need for radical measures.

Thus, an increasing number of them assumed the risk of leaving Kosovo through illegal ways and to seek new opportunities in the European Union. Trying to counter this powerful wave of immigrants, European countries began to implement measures in order to ensure that political refugee status for Kosovo citizens can be granted only in special cases.

At the beginning of March, German Foreign Minister Frank-Walter Steinmeier underlined that only people who are politically persecuted have a chance to be granted asylum in Germany. In the same time, Germany introduced fast-track procedures, in order to deal with asylum claims filed by refugees from Kosovo and to stop this mass migration.

Table 2. The countries of the former Yugoslavia. GDP per capita (PPP – 2013; US dollars)

	Country	GDP per capita
1	Bosnia and Herzegovina	9 800
2	Croatia	20 400
3	Kosovo	8 000
4	Macedonia	13 200
5	Montenegro	15 200
6	Serbia	12 500
7	Slovenia	29 400

Source: The World Factbook, 2015

It should be noted also that the large number of illegal immigrants who managed to enter the European Union territories raises another very serious problem. How safe are the borders of the EU? In an international context in which terrorism becomes a real security issue, to what extent the European Union manages to overcome this kind of risks?

Table 3. The countries of the former Yugoslavia. Population below poverty line (2014 - %)

	Country	%
1	Bosnia and Herzegovina	18,6 (2007)
2	Croatia	21,1
3	Kosovo	30,0
4	Macedonia	30,4
5	Montenegro	6,6
6	Serbia	9,1
7	Slovenia	13,5

Source: The World Factbook, 2015

5. Conclusions

Currently, Kosovo continues to be one of the hottest points in the Balkans and throughout Europe. Common European integration, both for Serbia and Kosovo, appears to be the only viable solution for stabilization and reconciliation. The fact that the Serbs tried to take control of checkpoints on the border between Serbia and Kosovo, in early 2012, resulted in loss of life and blocking roads by Serbs in the region, who formed barricades.

Also, the violent events that took place in the symbolic date of June 28th 2012, when Serb children buses were attacked with stones and incendiary bottles in downtown Pristina show that violence is far from stopping in the regions. It is right to note that the same day, Serb nationalists (alleged supporters of football teams in Belgrade) tried to reach the venue of the legendary fights in Kosovopolje and attacked the Kosovo police.

European integration and economic development, reflected in an increase in the standard of living and education are the only solutions for reducing the influence of radical-minded leaders based on ethnic differences.

The current economic and financial crisis affecting the entire European continent can feed the nationalist movements who manage to attract more electoral positive image. This is the case of Serbia, where early presidential elections were won in a surprising way, for the supporters of Serbia's pro-European course, by Tomislav Nikolic, a leader known for his pro-Russian vision and uncompromising position regarding the integrity of Serbia's territory and a strong opponent for recognizing Kosovo's independence in any form.

Kosovo continues to face serious economic and social problems, including lack of strong institutions and inability to control its own territory. So far, Kosovo remains a failed state whose existence and operation would be almost impossible without financial support, military and logistic support by the United Nations, and especially by NATO and the European Union.

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