

Why Kosovo needs migration

From research to policy



Edited version of ESI 2006 report
Cutting the Lifeline

With a new introduction

23 April 2015
Berlin – Pristina

MAKE IT IN GERMANY? (2015)

“There is a shortage of qualified professionals in the profession you wish to pursue in Germany. A list of vacancies is available here. You have received a binding job offer. Your qualification has been recognised as being equivalent to a German qualification. Further information on the recognition of vocational credentials is available here. You will have to apply to have your qualifications recognised while you’re still in your home country ... Due to the increasing number of elderly people, the need for caregivers in Germany is also increasing. It is predicted that there will be a shortage of up to 152,000 caregivers in 2025.”

“Make it in Germany” website/portal
www.make-it-in-germany.com/en

In 2005 ESI undertook research on rural poverty, migration and remittances in Kosovo. Our conclusions were published in 2006 in a report called “Cutting the Lifeline”¹ that showed how migration had been a necessity for many generations of young men in particular. The report also examined how after 1999, the European doors to legal work migration closed, and only the lucky few with close family in the diaspora could migrate through family reunification schemes.² In the report, we described in detail the economic realities of two villages that are representative of the wider social and economic situation in Kosovo: Cerrce, located in north-west Kosovo on the border with Albania, and Lubishte, situated in the mountainous southeast. Our findings clearly showed that economic development, without significant numbers of people leaving such villages to find work, skills and capital elsewhere, is simply inconceivable.

In the decade after our research was concluded little has changed anywhere in Kosovo. In 2005 a Labour Force Survey showed an employment rate of only 29 percent among 15 to 64 year olds (and only 12 percent among women).³ The 2013 Labour Force Survey was no less dramatic, with an employment rate of 28.4 percent (12.9 percent among women).⁴ Close to ninety percent of adult women are not working and have no prospect of ever finding a job.

Snapshot of two villages in 2005

Cerrce

1,311 residents, 766 of working age, **231** have a regular cash income. All old industries in nearby towns are gone. Commercial agriculture has collapsed. The largest sources of income are casual construction and the public-sector.

Only 35 women are employed (a female employment rate of nine percent). The average household has 1.1 hectares of land. Only two farmers own more than ten cows. Family farms produce almost exclusively for own consumption – wheat to bake their own bread; no specialization; no new crops or techniques.

1 ESI, [Cutting the Lifeline](#), 2006.

2 Ibid.

3 Statistical Office of Kosovo, [Labor Market Statistics 2005](#), 2006, p.14.

4 Kosovo Agency of Statistics, [Results of the Kosovo 2013 Labour Force Survey](#), 2014, p.11.

In Cerrce a third of the village population (607) is then living abroad and 14 of 30 tractors are bought with money earned abroad. 100 households own cars: 45 were bought with remittances.

Lubishte

1,534 residents, 842 of working age, **134** have a regular cash income. Only two women are employed – less than one percent.

A typical farmer has five calves, three milk cows and one bull. He can produce flour to bake bread for ten months. Inputs are expensive. To survive in agriculture he would need more land. This requires savings he will never accumulate through agricultural sales. Across Kosovo, agriculture generates less cash than is invested.

In Lubishte 91 of 97 tractors were bought with money earned abroad. 147 households own cars: 137 of these were bought with remittances.

Today there are almost no jobs available that allow Kosovo villagers to work while living in their village homes. Nor are there any job opportunities that would pay enough to make moving to a town economically viable. This means that for a rural resident it makes more sense to look for work in Germany than in Pristina, Peja or Prizren, despite the cost and all of the obvious hardships that come with relocation.

Policy recommendations – then and now

In 2006 ESI made four recommendations to European and Kosovar policy makers:

1. For the EU to talk about Kosovo's development it needs to explore options for regular migration.

“This report contains an unwelcome message for EU member states: it is simply incoherent to invest hundreds of millions of euros in the stabilisation of Kosovo, and at the same time to slam the door so abruptly on any further migration.”

“Unless Europeanisation includes at least some focus on migration and some access to European labour markets, it will remain no more than a slogan. Current EU policy – to continue to invest tens of millions of Euro to stabilize Kosovo and South Eastern Europe without a credible development and migration policy – is incoherent.”

2. Opening up possibilities for regular migration that would benefit Kosovars and European labour markets would also prevent irregular migration.

“European countries should work with Kosovar authorities to set in place work migration schemes to parts of the European Union in need of labour, in a way that is politically acceptable to European countries. It would require concrete steps to help Kosovars gain access to EU labour markets.”

3. Kosovo should make labour migration policy – including circular migration schemes – central to any debate on development. This requires building up analytical capacity and institutions for this and looking abroad for inspiration, from Ireland to Poland:

“Kosovo should set up a national institution to manage the economic, social and legal implications of migration. Such an institution would need to focus not only on Germany, Austria and Switzerland, the classic destinations of Kosovars, but on the whole European labour market. It should study experiences with work migration from around the world.”

4. Kosovo should define education and social policies with this in mind. If there are special needs in European labour markets, Kosovars with skills (vocational and languages) will be much more successful, for themselves, for their families and for the EU countries where they will work. A Kosovo migration institute should control the progress and “provide feedback to education institutions and policy makes in Kosovo on the needs of European labour market and their implications for education and training.”

Developments in late 2014 and early 2015 have alarmed EU policy makers, as more than one hundred thousand Kosovars illegally crossed the EU border, often ending up using the asylum system as the only way for them to gain a foothold in the EU. This report offers some answers to European policy makers wondering why this is happening.

Most importantly, there are constructive ways to respond to this new migration challenge. Take Germany, the preferred destination of Kosovo migrants today. According to *Der Spiegel* there are today some 50 million people working in Germany. Current trends will lead to a decline of 10 million in the next 15 years.⁵ If 150,000 young people now residing in Kosovo find a regular job in Germany by 2030, both societies would benefit.

Such an objective – call it the “**150,000 by 2030**” **vision** – would require serious reforms of the Kosovo education system as well. The training schemes to make large-scale regular migration a win-win situation are currently not available anywhere in rural Kosovo. At this moment a whole generation of young rural women are condemned to a life where they will always be dependent and never have any regular work experience. This fact alone will prevent Kosovo’s economy from catching up with its neighbours in the coming generation.

Last year the number of students in public vocational schools in Kosovo was 55,800. How many among them will be able to successfully fill a position for which there is demand in an EU economy? How many are learning foreign languages? On 16 April 2015 the German-Kosovar Chamber of Commerce signed a memorandum of cooperation with the Ministry of Labour and Social Welfare to send young people above the age of 18 to Germany to be trained in certain fields and work in German companies. Such small projects are no more than a start. For similar projects to address the huge social challenges outlined here a wider policy debate on the future of Kosovo migration is needed.

This debate has started in German media already.⁶ It is high time for it to be taken up by the Kosovo political elite as well.

5 *Der Spiegel*, “2030 Es kommen härtere Jahre”, 14 March 2015.

6 *Frankfurter Allgemeine Zeitung*, “Einwanderung aus dem Kosovo Willkommen in Deutschland!”, 25 Februar 2015.

“People have no faith in the potential of individuals to break from the status quo and bring about change. There is instead a vague assumption that one day everyone, all at once, will change the way they live, that at the same time all parents will send daughters to high school or let sons choose their own wives. No one believes that one individual or family can challenge the force of public opinion.”

Janet Reineck, *The Past As Refuge*

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I. INTRODUCTION (2006)

Current policy debates in Kosovo fail to address what might well be the most important development issue facing Kosovo today: the impact of migration. As a result, one of the most destabilising changes to affect Kosovo society for generations – the end of the era of mass migration – risks being entirely overlooked by those responsible for promoting stability and prosperity in Kosovo.

This report seeks to put migration at the heart of debates about the future of Kosovo. It analyses the impact of the end of mass migration since 1999, taking two, typical villages in particular as illustrations for the forces that have been set in motion in rural Kosovo. Its core thesis is certain to be uncomfortable for European policy makers: if young Kosovars are no longer able to come to Europe as migrant workers, the current crisis in rural Kosovo is certain to deepen, and the outcome is likely to be serious instability.

The basic dilemma of rural Kosovo is not new. In 1979, the World Bank wrote that poverty in Yugoslavia is “basically rural.” While it held out hopes for employment growth in most of the less developed regions, it did not see much prospect of change in Kosovo.

“The exception is Kosovo, which cannot, even under optimistic assumptions and even if the plan’s growth targets are achieved, be expected to absorb the increments to its labour force.”⁷

Since then, Kosovo’s population has continued to grow rapidly, but neither the number of jobs nor the availability of agricultural land has kept pace. With no real prospect of employment within Kosovo and little or no support from the state, generations of Kosovars have taken the migration route to Germany or Switzerland – often with great reluctance – as the only available means of survival.

Currently, EU member states restrict labour migration. Countries which have allowed labour mobility, such as Ireland and the United Kingdom, have second thoughts, despite the strong evidence of the economic benefits it has brought them. Against this political background, suggesting that there needs to be serious reflection across Europe about labour migration from Kosovo may appear to be tilting at windmills. But the alternative, to try to stabilise Kosovo society in the absence of any positive economic dynamics, is equally quixotic. The foreign ministries of Europe are struggling with the question of how to craft a lasting political solution for Kosovo. The overriding objective of Europe’s interior ministries is to prevent any further migration from the Balkans. These two objectives are fundamentally inconsistent. This report explores what this means for policy, for both European and Kosovo institutions.

But there is also an uncomfortable message for Kosovo policy makers in this report. In the post-war period, policy makers have been content with the comfortable notion that remittances from a generous Kosovo Albanian diaspora are able to keep rural Kosovo afloat, despite the absence of any credible agricultural or rural development policies. However, massive migration and large flows of remittances in recent decades have not actually promoted development in rural Kosovo. They have simply maintained the *status quo*. In doing so, they have helped to preserve one of Europe’s oldest and most conservative institutions: the patriarchal Balkan family.

7 Martin Schrenk, Cyrus Ardalan and Nawal A. El Tatawy, *Yugoslavia. Self-management Socialism and the Challenges of Development. A World Bank Country Economic Report*, p. 284f.

The traditional, multi-family household, once common across the former Yugoslavia but now found only in Kosovo, has helped protect Kosovo Albanians in the face of weak or hostile state institutions. It has also contributed to the lowest rates of female employment in Europe, serious underinvestment in education and a general lack of innovation and entrepreneurship. Its survival can no longer be taken for granted. If, as seems likely, the traditional family is entering a process of dissolution, the consequences for rural society will be profound.

Kosovo urgently needs continued migration to maintain social stability. However, a society that resolves its labour surplus problems solely through migration, as Kosovo has done for decades, reverts to instability once the safety valve of migration is shut off. Kosovo therefore also needs a social and institutional revolution in its countryside. The starting point for this has to be a reflection on the economic forces and value systems that have kept alive patriarchal family structures, on the status of rural women and above all on the role the Kosovo government can play to break a vicious circle of underdevelopment.

II. HOW MIGRATION STOPPED

A. Boys on trains

Migration has been a defining feature of Kosovo society for decades, just as it was in the past for generations of Irish, Greeks or Spaniards (or, in previous centuries, Germans or Swedes). Throughout the 20th century, rural Kosovo households survived and occasionally prospered by sending their men abroad as migrant labourers, to remain away from the family for most of the year. They became construction workers, agricultural labourers or ice-cream vendors. In the more distant past, they went to Istanbul and Thessaloniki; then, in the socialist era, to Zagreb or Belgrade (and were famed throughout the former Yugoslavia for their patisseries). In the late 1960s, the migration route went further west, to serve the needs of growing European economies for ‘guest workers’.

Kosovo’s migrant labourers did not lose touch with their families back in the village – at least, not for the first generation. They slept many to a room in Stuttgart or Geneva, saving their wages to send back to the family. The remittances would help to generate the cash that rural families needed to purchase a tractor or new livestock, to pay for weddings or enlarge the family house to make room for a new generation. In the words of an American anthropologist who studied Kosovo in the late 1980s, the typical life story in rural Kosovo in 1988 was that of:

“a boy who runs free until the day he finds himself on a train, a thirty-hour journey north, to Switzerland, to Austria, to find a job, any job, to earn the money that will buy the satin and gold for the bride that his parents have found for him.”⁸

For a brief period in the 1970s, it appeared that the benefits of socialist industrialisation might offer an alternative to migration. Education began to be seen as a route to economic security, and its popularity soared, even among the most traditional families. New jobs began to appear in public administration and socially owned companies. For a decade or so, some rural Kosovo Albanians were able to move into employment in Pristina, Prizren or Peja. Women could hope to find husbands who would remain in Kosovo; some women even aspired to work themselves.

8 Janet Reineck, *The Past as Refuge: Gender, Migration and Ideology Among the Kosovo Albanians*, 1991, p. 10.

This short period of hope was not to last. The crisis of Yugoslav socialism from the early 1980s brought urban job creation to an abrupt end; the repression of Milosevic reversed any progress that had been made. By the end of the 1980s, once again only emigration appeared to offer Kosovo Albanian families any hope of material advancement. Departures accelerated dramatically, with Germany and Switzerland the most favoured destinations. By the mid 1990s, it was estimated that as many as half a million Kosovo Albanians – around 25% of the total population – were living abroad.

B. Deportations

During the early 1990s, when violence and repression in Kosovo escalated, Kosovo Albanians arriving in Europe became political refugees, rather than migrant workers. Those who reached Germany were granted ‘toleration permits’ (*Duldung*), rather than political asylum. This enabled them to stay without proving that they had been individually persecuted, but left them subject to deportation at short notice once conditions in Kosovo changed.

With NATO intervention in 1999 and the end of Serbian control of Kosovo, the toleration of Kosovo Albanian refugees came to an end. More than a hundred thousand Kosovo Albanians were returned from Germany alone. At the same time, legitimate emigration became restricted to family reunion programmes. All of a sudden, Kosovo began involuntarily to re-import migrant labourers, and migration flows went into reverse. The economic lifeline that had kept rural Kosovo afloat was cut.

To understand the impact of migration on Kosovo society, it is important to know how many Kosovo Albanians live outside Kosovo. This proves to be difficult to establish with any certainty. Kosovars are not distinguished in most administrative statistics from other citizens of Serbia and Montenegro.⁹ In March 1992, the Kosovar ‘government in exile’ made the first effort to estimate the total number of Kosovo Albanians abroad, arriving at the figure of 217,000. The study located the largest communities in Germany (82,348), Switzerland (72,448), Sweden (15,652) and Austria (12,300).¹⁰ Germany and Switzerland remained the two most popular destinations for Kosovars throughout the 1990s. As a result, the immigration policies of both countries had the most profound effects on developments in Kosovo.

Kosovo Albanians who arrived in Germany during the 1990s often applied for political asylum, but few were successful. The vast majority, including those whose appeal for asylum was rejected, received the status of ‘toleration permits’ (*Duldung*). This allowed them to remain in Germany without going through formal status determination, on condition they returned home as soon as the situation permitted. Following the withdrawal of Serbian forces from Kosovo, German authorities decided that that moment had come.

9 Cay Lienau, “Die Albanische Minderheit”, in: Cornelia Schmalz-Jacobsen and Georg Hansen, *Ethnische Minderheiten in der Bundesrepublik Deutschland. Ein Lexikon*, München 1995, pp. 52-61.

10 Croatia: 9,087; Italy: 5,472; Slovenia: 4,977; Belgium: 4,137; Norway: 3,522; Denmark: 3,314; France: 1,998; Netherlands: 1,078; United Kingdom: 338; Finland: 295; Luxembourg: 166. Rifat Blaku, *Hintergründe der Auswanderung von Albanern aus Kosova in die Westeuropäischen Staaten*, Vienna, 1995, p. 10. Unlike the 1981 Yugoslav census numbers, these figures include illegal and non-registered workers, as well as second generation Kosovo Albanians.

In 1999, they announced that 180,000 people from Kosovo had lost their legal status and were obliged to leave the country.¹¹ Six years later, 90,000 had returned to Kosovo through assisted voluntary returns. Another 20,000 were deported, and an unknown number returned by themselves without being assisted by the authorities.¹² This means that a large proportion of the Kosovo Albanians who arrived in Germany during the 1990s have once again returned to Kosovo. Only one option remains for Kosovo Albanians who seek to live in Germany: family reunification, applied to the children and spouses of foreigners that have a residency permit, enough living space and a stable income. In 2004, exactly 4,905 such cases were registered.¹³

This massive post-war exodus from Germany is confirmed by all available data. The total number of citizens from Serbia-Montenegro resident in Germany fell by 212,000 between 1998 and 2004.¹⁴ Subtracting those who received German citizenship during this period leaves 174,000 who left the country.¹⁵ During this period, the number of Yugoslavs in paid employment in Germany also dropped by 58,000.

No similar exodus has taken place from Switzerland, although the number of Kosovars had increased tremendously during the 1990s. The Swiss Federal Statistics Office reported in 1999 that there were 145,000 Kosovo Albanians with legal status and another 50,000 asylum seekers.¹⁶ However, the Swiss immigration rules were relatively liberal. Asylum seekers who had been in the country long enough and were economically active were able to obtain a *permis de séjour*, or temporary residence permit. Such a status led in due course to permanent residence permits. As a result, migration flows from Serbia-Montenegro to Switzerland between 2000 and 2004 remained positive, although they slowed significantly compared to the 1990s.¹⁷ Family unification accounts for 68 percent of all new arrivals in this period.

In earlier periods, Western Europe had opened its doors for labour migrants from Kosovo and across the former Yugoslavia to meet its demand for unskilled and manual labour. During the turbulent 1990s, it tolerated Kosovars entering and remaining in large numbers, pending the stabilisation of the region. Since 1999, however, continuing migration has been limited to small numbers under family reunion programmes.

This amounts to a major change in both the volume and character of migration from Kosovo. In previous generations, emigrants were predominantly single, young men, sent abroad by

11 Federal Ministry of Inner Affairs, Sachverständigenrat für Zuwanderung und Integration, Bundesamt für Migration und Flüchtlinge, *Migrationsbericht. Bericht des Sachverständigenrates für Zuwanderung und Integration im Auftrag der Bundesregierung, in Zusammenarbeit mit dem Europäischen Forum für Migrationsstudien (efms) an der Universität Bamberg – aktualisierte Ausgabe November 2004*, p. 41.

12 BMI Referat A4, 14 June 2005, *Rückkehr in das Kosovo seit Juni 1999*.

13 Bundesamt für die Anerkennung ausländischer Flüchtlinge, Referat 213 – Analyse Mittel-, Ost- und Südosteuropa, Informationszentrum Asyl und Migration, Serbien und Montenegro – Online-Loseblattwerk 15, *Flucht und Migration*, November 2003.

14 Beauftragte der Bundesregierung für Migration, und Flüchtlinge, Daten-Fakten-Trends. Strukturdaten der ausländischen Bevölkerung 2004, original source: Statistisches Bundesamt/Bundesverwaltungsamt – AZR.

15 Until 2002: Federal Statistical Office, “Statistics of naturalisations”, in: Statistisches Bundesamt, *Strukturdaten und Integrationsindikatoren über die ausländische Bevölkerung in Deutschland: Lagebericht 2005*, p. 22. Federal Statistical Office.

16 Marcel Heiniger (Bundesamt für Statistik), “Daten zu Muslimen und Musliminnen in der Schweiz”, in: *Tangram*, 7/1999, p. 80. 39,000 received German citizenship in those years.

17 Between 2000 and 2004 some 33,900 citizens from Serbia-Montenegro picked up residence in Switzerland and 8,800 gave it up. The total number increased from 197,000 to 199,200, despite the naturalisation of almost 27,000 during this period. *Ausländer und Asylstatistik*, pp. 114f and 130f.

their families to find work. Their social obligations to the family in the village remained strong. They would live frugally in their host countries, remitting a high share of their income back to the head of the household. This would usually continue until they returned to Kosovo, *unless* they married and brought their wife to live with them in Western Europe. As soon as they began to raise a family of their own abroad, formally splitting off from the household in Kosovo, the level of remittances would decline sharply. In other words, remittances decline over time unless they are sustained by a continuing flow of young men leaving Kosovo in search of work.

The consequences for remittances back to Kosovo are threefold. First, the total numbers of Kosovars living in the diaspora have decreased. Second, the diaspora is no longer being replenished by new arrivals of single young men. Third, the Kosovo Albanians who remain abroad increasingly have their families with them, and are therefore less likely to remit back to Kosovo.

The end of the era of mass migration was of course a reflection of a positive development – the end of political repression in Kosovo. However, it did not reflect any change in the economic conditions in Kosovo that had made mass migration vital for rural communities. It simply shut off a safety valve.

C. The moral economy of sending money

For a phenomenon acknowledged to be central to the Kosovo economy, remittances have received remarkably little serious analysis. The moral economy behind remittances (who is under an obligation to whom) is rarely examined.¹⁸

In recent years, interest in remittances has increased sharply among economists and policy makers around the world. However, remittances prove to be a difficult subject to grasp. First, they are notoriously difficult to measure. Developed countries do not have accurate figures on remittances leaving the country, much of which goes through informal channels. Second, there are some tricky definitional problems. The concept covers a range of different phenomena.¹⁹

The traditional definition contains three elements: *worker remittances* are transfers by migrants who are resident and employed in foreign countries. A ‘migrant’ is someone who stays (or can be expected to stay) a year or more in a country, provided they have not been naturalised. *Employee compensation* comprises wages and benefits earned by individuals from economies in which they are not resident. This includes wages earned by seasonal workers abroad. In Kosovo’s case, it would also include salaries and other benefits paid to Kosovo Serbs by the Government of Serbia. *Migrant transfers* are the cash and assets brought back by migrants returning from abroad. Unlike the first two items, they are once-off transactions, and in most contexts are small in comparison to the first two items.²⁰

18 For a detailed narrative of the Kosovo diaspora story see Paul Hockenos, *Homeland Calling – Exile Patriotism and the Balkan Wars*, 2003. On the Fund for the Republic of Kosovo see p. 178.

19 Expert groups from the IMF and the World Bank have only recently (2005) hammered out a new definition to be used by central banks around the world. Since most of the estimates cited here were made before 2005, the old definition is still used. In the new definition migrant transfers are no longer included under remittances.

20 IMF Statistics Department, *Balance of Payments Manual* (BPM5).

The IMF first attempted to estimate total remittances to Kosovo in 2001, putting the figure at €610 million.²¹ As the IMF acknowledged, there was a fair amount of guess work involved, which was borne out by the wide range of estimates that followed. In 2003, the Kosovo Ministry of Finance estimated remittances and income from foreign pensions at €720 million.²² In its 2003 Annual Report, the Banking and Payment Authority of Kosovo (BPK) – the closest thing Kosovo has to a central bank – put annual remittances at €568 million.²³ In its Economic Memorandum of May 2004, World Bank suggested that average annual remittances between 1999 and 2003 had been €550 million.²⁴

From 2004, a lower set of estimates began to emerge. By 2006, the IMF had lowered its estimate for remittances in 2001 by nearly half, to €317 million, but considered that they had been gradually increasing to a high of €375 million in 2005.²⁵ In fact, in some instances, it appeared that the IMF was adjusting the remittance estimate to fill gaps in its national accounting figures. This practice was noted with disapproval in an internal World Bank document – “it is not recommended that there is a return to the previous IMF method of increasing the workers’ remittance figure to reduce errors and omissions” – which called for the use of firmer data in preparing estimates.

There is strong evidence to suggest that remittances have been declining steadily over recent years, and are already even lower than these estimates. According to the two most recent Household Budget Surveys, remittances to the average rural household dropped from €58.83 in 2002/03 to €41.65 in 2003/04 – a fall of 25 percent in a single year.²⁶ During the same period, *average household* income in rural areas fell substantially, from €324 to €253, as both net wages and remittances fell.²⁷

The team working on the 2003/04 survey assumed a total of 193,251 rural and 88,448 urban households.²⁸ Applying this to the survey data yields total remittances of €166 million in 2003 and €123 million in 2004. This is around 36 percent of the IMF’s most recent estimate (see table above). This is consistent with the findings of the Kosovo Poverty Assessment, that no more than 15 percent of Kosovo households now receive regular cash remittances.

Could remittances have fallen so quickly in the immediate post-war period? One explanation can be found in the mass exodus of Kosovo Albanians from Germany. As more than 100,000 Kosovars returned from Germany, they repatriated their savings and their property (cars,

21 IMF, *Kosovo – Macroeconomic Issues and Fiscal Sustainability*, 2001, p. 23.

22 The Kosovo Government in its Budget 2003 refers to “[€] 720 million of cash remittances, which included foreign social transfers (especially pensions and other social benefits paid to the former workers by governments of Serbia, Germany, Switzerland, and other countries), labour income of Kosovo Albanians currently working abroad (including Serbia), cash gifts provided by foreign residents to Kosovo families, and cash brought to Kosovo by repatriates and visitors. Kosovo Budget 2003, MEF, p. 8.

23 *BPK Annual Report 2003*, March 2004, p. 14 (numbers based on IMF). Foreign pensions do not appear as a separate category in this report, which suggests that they are included under “remittances.”

24 World Bank, *Kosovo Economic Memorandum*, Washington, 17 May 2004, Report No: 28023-KOS.

25 IMF Aide Memoire 2006.

26 The Kosovo Statistical Office (SOK) has done two household budget surveys, one published in 2003 and the other in 2005. These surveys analysed rural and urban households separately by screening each month 200 households during 24 months. Each survey asked 2,400 families in different districts questions about consumption, expenditure and income sources. SOK, *Standard of Living Statistics 2002-2004*, Pristina, May 2005, p. 3.

27 *Ibid.*, p. 4.

28 Communication with International advisor to Statistical Institute of Kosovo, Sasun Tsirunyan, 9 February 2006 and 21 February 2006.

household goods and so on). These were ‘migrant transfers’ – the third element of the traditional remittance definition. They were not, in economic parlance, a ‘flow’ like regular remittances, but a once-off transaction. It seems probable that a large share of remittances in the post-war years were transfers of this kind, and naturally came to an end as soon as the period of mass returns was over. In sum, the widely held image of the diaspora as Kosovo’s golden goose is based on a reality that no longer exists.

D. How migration kept women in the house

For many Kosovo Albanians, migration has been their link to the world outside – whether they experienced it directly as migrants, or through consumer goods purchased from foreign earnings. It would seem to follow that migration has been an agent of modernisation in Kosovo. In fact, on closer study, the impact of migration in the past two decades on rural Kosovo may well have been quite the reverse.

Janet Reineck, an American anthropologist, studied “gender, migration and ideology” in the region of Opoja (Serbian: *Opolje*) in south-west Kosovo from May 1987 to December 1988.²⁹ Her fascinating account of rural society in the final years of Yugoslav socialism highlights “the trend of growing conservatism in rural Kosovo since 1981, and the strategies being used to enforce it: arranged marriages, the restrictions on women’s movement outside the home, and keeping girls out of high-school.”

Reineck noted that, to a region like Opoja, migration serves an essential social function: in the minds of people, it provides the only hope of escaping poverty. The area had been generating migrant workers for centuries. However, migration was not a welcome prospect. As one villager quoted by Reineck put it:

“It is understood that we have to become migrants. The prospect of migrating is a weight on everyone’s shoulders. We don’t like the idea, but for most families it is reality. Migration is the tradition established by our forefathers. It has always been this way.”³⁰

Migration is equated to suffering in popular sayings, songs and poems. “Separated and exiled, just for one dinar.” “He who has not tasted the sorrow of migration does not know what this life is about.” “He who first went out on the migrant trail, may God never give him peace!” As one poem puts it:

*The father is a stranger in his own house,
Damn the black migration!
Child after child is born,
And the father is not there to call.*³¹

Reineck noted a sharp difference in impact between local labour migration and foreign migration. In Opoja, the men that found jobs in nearby towns while remaining close enough to home for frequent visits were quicker to adopt new values than those who went abroad.

“The man exposed to non-Opojan ideas, but close enough to monitor his family’s behaviour, is more elastic in his interpretation of local cultural mandates. He can send his

29 Opoja then had 37,400 inhabitants and consisted of 21 villages. In fact, Reineck lived in Kosovo over four and a half years between 1981 and 1989.

30 Janet Reineck, *The Past as Refuge*, 1991, p. 125.

31 Xhemali Berisha, *Remember This, Migrant Men*, 1988, quoted in Reineck, p. 163.

daughters on to high school because he is nearby to observe their conduct. His wife can visit relatives in Prizren because he is close by, and his community knows it.”³²

On the other hand, those who lived further away and visited the family rarely insisted on a strict moral conservatism to ‘protect’ their wives and children.

“The men believe that aging parents and other family members will be secure as long as strict, traditional behaviour is upheld in their absence. And they find comfort abroad knowing that each time they return home they will find the same lifestyle they left months, years, decades ago. The only changes they hope to find are in the family’s material conditions.”³³

At the centre of this lifestyle was the large patriarchal family. The average household size in Opoja in 1989 was 10 members. Within each family, “wives are to obey their husbands, all adult family members and senior in-married women. Husbands obey their elders. Everyone obeys the will of the head of the household.”³⁴

Those abroad were able to provide materially for their families, with new houses and modern appliances. However, access to consumer goods did nothing to change traditional values and attitudes. Reineck quotes one Opoja villager as saying:

“Those uneducated people who became migrants and prospered and spread their way of life in Opoja are responsible for our backward situation. Their idea of progress is to have big weddings, to dress the brides in expensive things, to build big new houses and buy new cars. They are the most conservative people, and they are the ones with influence. As long as I have nothing in my pocket, I cannot have the influence they have.”

Financial dependence on absent fathers reinforced the passivity and fatalism of those left behind, whose prospects of finding work in Kosovo were slight.

“Sensing the futility of planning their futures, the boys pass their eighteenth, twentieth, and twenty-fifth birthdays in the vague hope that an invitation to work from a relative abroad will rescue them from an uncertain future.”³⁵

Reineck pointed out that what she described in Opoja was common across rural Kosovo in the 1980s. At that time, out of 45,000 female students who began primary school each year, fewer than 8,000 made it to eighth grade.³⁶ In 1988, more than 90 percent of Albanian women in Kosovo were “economically dependent”. There was a huge discrepancy between the situation in Pristina (where in 1988 41 percent of girls went to secondary school) and rural areas (where the respective figure was often less than 4 percent).³⁷

Is it still plausible to assume that rural areas with most foreign migration would also tend to be more conservative? What will be the impact of an end of mass migration for such villages?

32 Janet Reineck, *The Past as Refuge*, 1991, p. 161.

33 Ibid., p. 190.

34 Ibid., p. 76.

35 Ibid., p. 191.

36 Ibid., p. 168.

37 Ibid., p. 178.

III. WHY KOSOVO IS STUCK

There is a drama unfolding in the Kosovo countryside today.³⁸

During 2004 and 2005, the two communities supported ESI in carrying out a complete survey of living conditions in two villages. Forty-four questions were put to all 527 households. Information was gathered on more than 4,000 individuals. The goal was to produce an X-ray of rural Kosovo on the verge of a decision on final status.³⁹

Cerçe (in Serbian *Crnce*) is a village of 300 households in north-west Kosovo on the border with Albania. Lubishte (*Lubiste*), a village of 227 households, lies on the foothills of the Karadag Mountains in south-east Kosovo, near the Macedonian border. By Kosovo standards, Cerçe is fairly prosperous; Lubishte is poor. In both villages, however, one can see the same forces that are reshaping rural Kosovo.

A. A poor village and Europe's largest families

In 2005 the asphalt road into the village of Lubishte runs only as far as the small village square. While some houses are large and well cared for, others are in a state of decay. On top of the highest hill stands a new mosque financed mainly with remittances collected by the village's diaspora in Geneva. Next to the mosque are portable shelters provided by the US military, which are used as classrooms. An attempt was made to replace the old school building from the early 1970s and damaged in an earthquake in 2002, but the project failed for lack of funds, leaving the new building unfinished. What is striking is the obvious absence of any public social life, besides the small store on the village square. An internet café opened and then closed again. Young children gather the moment a visitor stops for more than a minute. Forty-five percent of the village population are younger than 16.

The recent history of Lubishte reflects how Kosovo got stuck. The quality of the soil is poor, and there is little water for agriculture. Until the mid-1970s, there was no reliable road connecting the village to the rest of the valley and the minor municipal centre of Viti in Eastern Kosovo.

Lubishte was once a pastoral community. Shepherds took their flocks to summer pastures high up in the Karadag mountains, but the creation of an international border with Macedonia in the 1990s brought this to an end. Over the past decade, this mountainous region has occasionally been a refuge for Albanian separatists from Macedonia and the Presevo Valley in Serbia. After the conflict in Macedonia in 2001, a few hundred Macedonian-Albanians temporarily fled to Lubishte. In 2005 Lubishte has a population of 2,134, of which 572 are abroad, mostly in Switzerland and living in close-knit communities around Basel and Geneva.

Kosovo has Europe's largest households. It is the last stronghold of a form of patriarchal family structure that was once common across the Balkans, a family structure that has

38 In the course of the past two years ESI researchers visited a large number of Kosovo villages, interviewing large numbers of people on changing rural living conditions in the municipalities of Viti, Gjilan, Rahovec, Mitrovica, Prizren, Pristina and Strpce.

39 For information on the questionnaire and the research, see Annex 4. All data is summarized in Annex I and Annex II.

survived 50 years of communism, decades of massive migration to Western countries as well as the disappearance of a pastoral economy.⁴⁰

Strikingly, family sizes in Kosovo did not change during a half century of Yugoslav communism. In 1948, the average Kosovo household had 6.4 members. In 1981, this had risen to 6.9 members, and in 2003 was back at 6.4 members.⁴¹ To place this in context, in the European Economic Area the average household size declined from 2.8 in 1980 to 2.5 in 1995, with Ireland standing out with Western Europe's largest families at 4.0 members.⁴²

In 2005 the *average* household in the village of Lubishte 9.5 members. A hundred years ago, such households could be found in many rural areas across the Balkans, and were often called by the Slav word *zadruga*.⁴³ It refers to the practice of men remaining in the family home after marriage, creating large, multi-family households.

One of the keenest observers of such families was Vera Erlich, who undertook a large comparative study of families across Yugoslavia in the 1930s. She looked at 300 Albanian, Bosnian Muslim, Bosnian Christian, Serb and Croat villages.

“The basic principle of the *zadruga* was that the male members never leave the common home. Sons and their descendents remain within it, and only daughters leave it on marriage to become members of the *zadrugas* of their husbands. The *zadruga* was governed by a hierarchical system, every member having a definite rank within it. Rank was determined by age and sex, the sex criterion being stronger than the age criterion: all males were superior to any of the womenfolk ...”⁴⁴

As an economic unit, the *zadruga* is a true collective. All property is held jointly.

“In the *zadruga*, apart from clothing and small objects, there was no private property. Money was administered by the head, or else by another of the men to whom buying and selling had been assigned.”⁴⁵

All major decisions are taken by the head of household (*zoti i shtepise*): from when to plant the crops or slaughter an animal, to what constituted ‘a proper way of life’. This authority persists today, with the head of household deciding how remittances from family members abroad should be spent, and how much schooling the children should receive. Each grown man is considered to contribute an equal share to the family income, regardless of his actual labour. Income is pooled, and family members are entitled to equal provision for their basic needs. When households split, all property is divided equally among brothers, including the land. Since wives come from other villages, and daughters are expected to join another

40 Such households have been described in the 1990s by Karl Kaser (*Familie und Verwandtschaft auf dem Balkan – Family and Relations in the Balkans*, 1995; and *Hirten, Kaempfer, Stammeshelden – Sheppards, Fighters, Tribal Heroes*, 1992); in the late 1980s by Janet Reineck (*The Past as Refuge*, 1991); in the 1970s by Berit Backer (*Behind Stone Walls – Changing Household Organisation Among the Albanians of Kosova*, 1979); in the 1990s by Gjergj Rrapi (the book appeared in 2003 in German as *Die albanische Groszfamilie im Kosovo*) and in the 1930s by Vera Erlich (*Family in Transition*), among others.

41 SOK, Demographic and Health Survey 2003.

42 EEA in 1995 was the EU-15 plus Norway, Iceland and Lichtenstein. Source: European Environment Agency, Indicator Fact Sheet 2001.

43 Also variously referred to as ‘Balkan family households’, ‘multiple family households’, ‘Balkan patriarchal families’, ‘complex’ or ‘communal joint families’.

44 Vera Erlich, *Family in Transition*, 1966, p. 32.

45 *Ibid.*, p. 34.

zadruga upon marriage, women do not inherit any share of the family property, and occupy a subordinate status within the household.⁴⁶

It is striking how little has changed in household organisation since those days. In Lubishte in 2005 there are 89 households with more than 10 members, and 34 with more than 15.

Ismet Islami (49), the director of the primary school in Lubishte, is one of the most educated men in the village. He attended university Pristina, and today struggles to offer his five children (three sons and two daughters) the same opportunity. Two are already students, while the youngest goes to secondary school. Despite his education, Ismet upholds the traditional ways. He and his wife live with his parents. His father decides how to spend his teacher's salary of €222 per month. The household owns six hectares land, and he raises 8 cattle to help meet the costs of his children's studies. If he had brothers, he explains, the proceeds from the land would have to be shared with them and their children, and eventually the land would have to be divided.

Qefser Qahil lives in a house with 5 rooms with his brother in Lubishte. His brother works as a teacher in the local primary school and has six sons and one daughter. Qefser has two sons and one daughter. Now that his brother's two sons study, Qefser has to work harder than ever to help finance their studies. Recently he began the construction of a second house, to prepare for dividing the household. Once there are two houses, he and his brother will split the 5 ha of land into two. From then on, the two families will operate as separate economic units.

The continued prevalence of multi-family households, long after they have disappeared from the rest of the Balkans, is one of the defining features of rural Kosovo today. At first sight, it appears peculiarly anachronistic, given the tremendous changes in the economy and society since the Second World War, in particular the demise of the traditional pastoral way of life, the marginalisation of agriculture and the arrival of the cash economy.

In the Kosovo of half a century ago, land was plentiful. It was labour that was the scarce resource for agricultural households. Having many men in one household meant greater wealth and influence, allowing more land to be cultivated and more livestock to be tended. Households were self-sufficient in most respects, from food and clothing to construction and furniture making, and participated only marginally in the cash economy. High mortality rates kept population growth low, preventing households from becoming unmanageably large.

However, from the 1950s onwards, improved health services in Kosovo led to a rapid decline in mortality and spiralling population growth. As a result of improving health care life expectancy rose between 1952 and 1982 from 49 years to 68 years for men and from 45 years to 71 years for women! As late as the 1980s, population growth was over 2.5 percent, higher than in the 1940s.⁴⁷ At that rate, the population doubles every 30 years.

B. Rugova's village and pressure on land

Imer Maxharraj, a pensioner and once one of Kosovo's leading irrigation experts, was born in Cerce in 1939 into a society that had changed little in a hundred years. The village was made

46 The unwritten rule that women do not inherit is contrary to both Islamic law and the 1946 Yugoslav Family Law. Anthropologists refer to the principle of marrying only women from outside the village as exogamy, and to the fact that women move into the husband's household as patrilocality.

47 Karl Kaser, *Familie und Verwandtschaft auf dem Balkan*, 1995, p. 138.

up of only 14 large households. The five most influential families lived in *kullas* – large, fortress-like houses with thick stone walls and narrow slits of windows only on the second floor. Large households were a sign of wealth and influence, and some had more than 40 members. Households in this traditional mould were largely self-sufficient, producing not just their own foods, but also their own clothes and furniture.

The Maxharraj household kept goats, sheep and cows, for meat, milk and cheese. It grew maize, wheat, rye, fruit and vegetables, producing its own bread and *raki*. Imer's father, the head of household, would assign the tasks: one man tended the sheep, another worked with oxen and plough, a third cut timber in the forest. Dairy cows were looked after by the children, who spent the summer months up in the mountain pastures. Horses and oxen were used to bring logs from the forest and stones from the mountains for construction. Occasionally money would be earned through the sale of cattle or vegetables on the green market in Istog. However, the household was able to survive largely outside of the cash economy, in large part because its labour was provided by family members.

Households like Imer's have long fascinated foreign visitors. In 2005 one found 27 households with multiple families living under the same roof in Cerrce. Many of the traditional forms of patriarchy are there: there are almost no unmarried women over 30, the eldest male still takes decisions on behalf of the family, and family life is organised around a clear hierarchy.

Haki Haskaj (36), who runs the Globi café in Cerrce and spent many years in Austria and Germany, still lives in a traditional multi-generation household with his father, who has worked in Germany, and his brother. The two wives together care for 9 children, and all income is pooled.

Population growth forced households to build new houses and divide. In Cerrce, the Rugova family first divided in 1949 – a major event in the life of the village still remembered by the older generation. Today there are 27 Rugova households, living in a distinct Rugova *mahala* or neighbourhood.⁴⁸ Imer's household, the Maxharraj, first separated in 1961, and Maxharraj *mahala* now consists of 16 households. The Rexhajs, who split first, have given rise to 91 houses in several distinct Rexhaj *mahalas*.

With every split, the land was divided among the sons, and the amount of land held by each household decreased. Through this process of land fragmentation, the decline in fortunes of once influential families could be rapid. Today, the average plot of land owned by a household in Cerrce is around 1 hectare. A growing number of rural households have no agricultural land at all. As a result, the self-sufficiency of rural households has vanished,⁴⁹ and they have become drawn further into the cash economy. The traditional pastoral way of life has gone, and a growing proportion of food needs to be bought. Traditional skills in construction and carpentry are now provided for a fee, forming the core of the rural private sector.

There have also been changes in rural lifestyles. Illiteracy, which was the norm in the 1940s, had declined to 21 percent in 2000 (although this was higher than in 1981).⁵⁰ Among those

48 The household *mahalas* remain central to the organisation of social life. Decisions affecting the village (such as how to build a new graveyard in 2006) are taken in a council of *mahala* representatives.

49 As the demand for land increases, families build on land that used to serve as winter pasture for flocks. However, if they need to buy feed having sheep no longer pays off.

50 Kosovo Education Centre, *Facts and Figures about education in Kosovo*, 2001.

younger than 30 it has however fallen to less than 2 percent.⁵¹ Houses are full of imported goods, including satellite televisions, suggesting a hunger for images from around the world. Migration has brought knowledge of modern values and lifestyles to even the most backward corner of Kosovo.

For all these reasons, historians have been predicting the imminent demise of the extended family in Kosovo for decades. In the 1960s, Vera Erlich offered her readers “the last picture of a foundering ship; the last record of the patriarchal social system which was about to crumble.” In 1979, a Norwegian author, Berit Backer, concluded her study of a West Kosovo village by arguing that:

“The process of change in Isnj is irreversible. New attitudes will prevent a return to the old ways... It seems clear, at any rate, that with the ideals held by today’s youth in the village, the age of the *zadrugas* has come to an end.”⁵²

The Austrian historian Karl Kaser wrote in 1995 that the patriarchal Balkan household, already restricted to ethnic Albanian areas, was part of a “vanishing culture”, and would disappear in the face of socio-economic development.⁵³

Table: Household composition – Lubishte and Cerrce

%	Lubishte	No. of members	Cerrce	%
10.5 %	24	1-4 members	65	21.7 %
50.7 %	116	5-9 members	195	65.0 %
23,6 %	54	10-14 members	28	9.3 %
14.8 %	34	15-30 members	12	4.0 %
0.4 %	1	more than 30	0	0.0 %
100.0 %	229	Total	300	100.0 %

Yet every prediction of the imminent demise of the patriarchal family has proved to be premature. Though signs of stress are apparent, particularly in the desperate shortage of land, the dramatic changes in social forms that swept across other parts of the Balkans many generations ago have not yet come to Kosovo. This is the central paradox of rural Kosovo today and it has two main explanations: the peculiar history and impact of Yugoslav communism in Kosovo, and the impact of mass migration and remittances more recently.

C. How Communism failed

The core economic and social agenda of Yugoslav communism was to overcome rural underdevelopment. Yugoslav sociologists of the pre-communist era had studied the “passive regions” (*pasivni krajevi*), “areas greatly deficient in food production as well as in other earning opportunities and therefore depending for livelihood, to a large extent, on outside earnings.”⁵⁴ As Jozo Tomasevic noted:

51 Statistical Office of Kosovo, *Demographic and Health Survey 2003*, 2004.

52 Berit Backer, *Behind Stone Walls – Changing Household Organisation Among the Albanians of Kosova*, 1979, p. 106.

53 Karl Kaser, *Familie und Verwandtschaft auf dem Balkan*, 1995.

54 Jozo Tomasevic, *Peasants, Politics and Economic Change*, p. 265.

“the problem of agricultural overpopulation was the central economic issue of the country ... Since mass emigration was impossible, the only avenue of approach to a permanent solution... was through industrialisation.”⁵⁵

Yugoslav communists were guided by this vision of replacing a subsistence economy by a modern, urban and industrial one. Peasants were to be educated away from a subsistence mentality “towards an industrial mentality of ever-increasing social wealth.”⁵⁶ The tool of this transformation was the construction of socially owned factories, strategically distributed across the territory according to a social and political logic, rather than the demands of economic efficiency.

Yugoslav communism in Kosovo, however, was from the outset a very different experience. First, for most of its history it was far more repressive than anywhere else in the country. Kosovo suffered from several distinct periods of ethnically motivated repression: from 1945 to 1966 (the so-called Rankovic years, named after Tito’s notorious chief of secret police) and again from 1989 to 1999 during the Milosevic era. The immediate post-war period was marked by executions and confiscations, which under Rankovic grew to a wave of brutality that in 1956 prompted large numbers of people from Kosovo to describe themselves as ‘Turks’ and emigrate to Turkey. The 1970s were a period of relative calm, but unrest erupted again in 1981. The economic and social crisis in Serbia and Kosovo led into the Milosevic period when Kosovo’s autonomy was revoked and Albanians were purged *en masse* from public-sector employment. This adds up to 31 years of serious oppression, out of 54 years of communism.

Second, communist development in Kosovo was late, and very superficial. There was no serious programme of industrialisation until the mid-1960s. In Pristina and Mitrovica, a few factories were constructed alongside a large public administration, creating a veneer of modernity. But communist development did not even begin to reach rural Kosovo.

The rural municipality of Viti (*Vitina*), of which Lubishte forms part, illustrates this clearly. Until the mid 1970s, there was no industrial development of any kind. Then a limestone quarry was opened in 1976, followed by a sawmill in 1979. A metalworking company Vinex was created in 1980 to produce nuts and bolts.⁵⁷ There was a flour mill, and a company that bottled mineral water.

In 1985, the municipality’s largest employer, the textile factory Letnica, was established to produce work uniforms. This was a political investment directed at creating employment for some 460 Croat Catholics in the region. Fifty percent of the funds came from Croatia. After 1991, when the Croats left the region, it ceased production. At its height in the late 1980s, no more than 1,500 people in the municipality of around 50,000 had jobs in socially owned industries. Many of them were Serbs and Croats.

The lack of any real economic dynamic in the towns also had consequences for rural areas, especially the Albanian villages. In the 1950s, the municipal centre of Viti had 700 inhabitants. Almost none of them were Albanian. In 1978, when Isa Uka, a leading communist official from Lubishte, bought a house in the town, it was only the 7th owned by an Albanian.

55 Ibid., p 338.

56 Susan Woodward, *Socialist Unemployment*, 1995, p. 74.

57 Privreda SR Srbije, *The Economy of the Socialist Republic of Serbia*, 1988.

The village of Lubishte remained cut off from even the most rudimentary efforts at development. There was no electricity until 1970. A road to the village was constructed only in 1976. Until then, people would have to walk to Viti town, down in the valley, and even tractors were often unable to get through. In the winter, it was sometimes impossible to leave the village for months. In Lubishte, a few villagers did succeed in acquiring education and finding jobs elsewhere in Kosovo. However, this was a rarity. Lubishte went from pre-socialist underdevelopment to post-socialist poverty without any intervening period of modernisation.

It was a different matter in Cerrce and the municipality to which it belonged (Istog). When Imer Maxharraj became one of the first boys from the village to embark on an academic career – spending 8 years in Istog secondary school before studying agriculture in Belgrade – he was still an exception. Until the Second World War, there had been no primary schools in Albanian language in Kosovo. Until the 1960s, there were very few secondary schools. Since education was a condition for most wage employment, rural Albanians were largely excluded from the formal economy by their language. For villagers, acquiring education meant associating themselves with Serbian language and culture, which many resisted.

From the 1960s, there was a major campaign to overcome rural illiteracy, and many farmers' sons began to continue their education into secondary school. New attitudes towards education began to emerge: *Vec me shkolle ka ardhmeri* (only with education is there a future). In the popular imagination education became the alternative to migration, seen as a far preferable route to economic security.

This triggered a revolution in expectations, described by Berit Backer in the village of Isniq in Western Kosovo during the 1970s. The chances of obtaining salaried employment of any kind without education were next to nothing. According to Backer,

“People tend to see education as the highway to modernization. This is particularly the case since the status of the Albanian language improved in 1968 in the schools and administration, and a university was opened in 1969 in Pristina.”⁵⁸

According to Backer, the villagers saw education as a “fairly secure investment” – language which expressed the optimism of the 1970s.

In Cerrce, communism also created new kinds of jobs. By 1989, 60 villagers had found a job in socialist companies and 40 villagers had found employment in public institutions: local schools, police, the hospital at Istog. Five socialist cooperatives linked private farmers to markets. There was a veterinary institute, an irrigation company and a fish farm (Trofta). An agricultural combine managed 2,145 hectares of land and vineyards, a thousand head of cattle, 18,000 pigs and a plant for feed concentrate.

Yet communism did not change the essentially rural character of West Kosovo. There was little real industrialisation in Istog town: one sawmill (Radusha) founded in the 50s, where by 1989 76 workers produced doors and windows;⁵⁹ and a textile factory founded in the 1960s, where 225 workers produced yarn.⁶⁰ A large car parts factory in nearby Peja (Ramiz Sadiku), half an hour's drive away, absorbed some of the unskilled village labour. However, in 1981

58 Berit Backer, *Behind Stone Walls – Changing Household Organisation Among the Albanians of Kosova*, 1979, p. 40.

59 SOE-Database of the UNMIK Department of Trade and Industry, 26th of August 2002.

60 Ibid.

the 50,000 inhabitants of Istog municipality had no more than 3,000 jobs outside agriculture and a mere 250 in industry. In 1989, over 70 percent of the social product of the municipality of Istog was generated in agriculture.⁶¹

Table: The broken promise of socialism in Kosovo⁶²

Year	Population	Working age population	Non-agricultural jobs (ratio to working age pop.)
1953	813,000	433,000	...
1963	1,021,000	529,000	77,658 (14.7%)
1973	1,329,000	682,000	120,168 (17.6%)
1983	1,676,000	909,000	198,484 (21.8%)
1989	1,939,000	1,102,000	243,441 (22.1%)

Rapid population growth far exceeded the ability of the Kosovo economy to generate jobs. While the ratio of non-agricultural jobs to the working age population rose from 18 to 22 percent in the 1970s, it remained stagnant in the 1980s (see table 4). No more than 22 percent of the working age population had a job outside of (largely subsistence) agriculture.

The collapse of the Yugoslav economy, the dismissals of Albanian workers under Milosevic and finally the collapse of Yugoslavia all reversed whatever gains had been made. Opportunities for paid employment almost entirely disappeared, leaving the villages back where they had been a generation before. Many of the young men (and some young women) who had invested in their own education felt cheated by the turn of events.

“A boy finished high school and signs up at the employment bureau, but there are no results. And there is nothing to do at home – a little wood to gather, a bit of wheat to harvest. They do not know where to turn. If they finish college, they will end up doing physical labor as migrants anyway.”⁶³

The trend away from formal education in the 1980s was particularly strong for village girls, of whom less than one in five completed primary school. According to Janet Reineck, in Opoja during the late 1970s, 40 percent of the high-school students were females. Ten years later, in 1988, this percentage had plummeted to 4.5 percent.

The Fejzaj family in Cerrce illustrates the failed promise of the 1970s. In 1970, when paid employment in Cerrce was impossible to find, young Smajl Fejzaj responded to an advertisement posted in a local labour office to take a job in a factory in Stuttgart, Germany, leaving his family in the village. His wages financed the purchase of additional agricultural land and mountain pastures. With more feed for winter and larger pastures for summer, the family could increase its livestock, and began to produce clotted cream (*kajmak*) and cheese to sell.

61 *Statisticki Godisnjak SFR Jugoslavije 1991*, Belgrade, 1992, p. 656.

62 Source: *Statisticki Godisnjak SFR Jugoslavije 1991*, pp. 414f. The labor force in SFRY included men between 15 and 64 and women between 15 and 59.

63 Janet Reineck, *The Past as Refuge*, 1991, p. 167.

Smajl's four sons had higher ambitions. All finished secondary school, hoping for jobs in socially owned factories or the public administration. However, only the eldest son was successful, finding a job for a few years in a local utility company. The third son went to Germany in 1989, managing to obtain residency papers in 2002, after 13 years in Germany. The youngest son obtained a university education in Pristina. In 2001, his family found him a wife 'with papers', a woman from a nearby village who worked in Switzerland.

The second son, Faik, entered Germany illegally in 1994 with the assistance of professional traffickers. Once there, Faik received a toleration permit. He worked illegally and was twice arrested by German police during labour inspections. He and his family received the order to leave Germany in 2003. One night a few months later, German police came to their apartment, arrested them and deported the family. In February 2006, Faik died at 44 years of age from a stroke. His father Smajl had died in 2002 on the way to the Pristina airport to return to work in Stuttgart.

The fate of the four Fejzaj brothers sums up the modern history of rural Kosovo: traditional agriculture until the 1960s, a brief hope of modernisation in the 1970s, stagnation in the 1980s and exodus in the 1990s. All four brothers began with the same education and opportunities, but were unable to put this to use in the local economy. Today, two of them are doing well in Germany and Switzerland. The third is struggling, surviving largely from his mother's German widow's pension. Faik's widow and four children are left without income, hoping that Faik's brothers will continue to support them.

The promise of the 1970s – education, wage employment and a decent standard of living in Kosovo – proved empty for the vast majority of Kosovo's villagers. Huge numbers were forced into migration, as the only available survival strategy. With a state that was absent or actively hostile, the traditional family was the only institution offering reliable protection against poverty.

D. Regions workers abandon

In Lubishte in 2005 at least 118 houses were financed by remittances. Of 97 households who own a tractor, 91 told us that the money for its purchase was earned abroad. Of 147 households who own a car, 137 bought it with transfers. In short, without transfers there would hardly be any cars, tractors or new houses in the village today. In Cerrce in 2005 at least 14 of 30 tractors were bought with money earned abroad. Of 100 households who own cars, 45 were bought with remittances. Remittances also paid for reconstruction: at least 79 houses were reconstructed or built with diaspora money, for an average sum of around €30,000 per house.

We calculated the contribution remittances make to the total cash income of villagers in both Lubishte and Cerrce (see Annex 3). In Lubishte, the dependence on remittances is extremely high: 60 percent of total cash income comes from transfers and foreign pensions. In Cerrce, the wealthier of the two, remittances account for 27 percent of total cash income. Although Cerrce has more people abroad, there are more households which receive remittances in Lubishte (see Annex 1 and 2).

However, building houses or buying cars does not produce sustainable growth. What has been the broader impact of migration on the economic structures in the two communities?

For Lubishte and Cerrce, as throughout Kosovo, the 1990s was an era of mass migration. The first migrants left the villages in the early 1970s as guest workers, and migration continued steadily through the 1980s. However, it was in the 1990s, against the backdrop of Yugoslavia's economic collapse and Milosevic's repression, that migration increased dramatically. In Lubishte 38 left in the 1970s, 116 in the 1980s and 242 in the 1990s. While most migrants from Lubishte went to Switzerland, the largest number of villagers who left Cerrce headed for Germany.⁶⁴ Of the Cerrcians who have migrated, 36 left in the 1970s, 41 in the 1980s and 204 in the 1990s.

Since 1999 the migration experience of the two villages diverged. In Lubishte, migration has slowed significantly compared to the 1990s, but has remained positive. There were 17 voluntary returns and 16 deportations until 2005.⁶⁵ Over the same period, 39 people left Lubishte, yielding net emigration of 6 people. The reason lies mainly in the location of the main part of the Lubishte diaspora (72 percent) in Switzerland, which unlike Germany chose not to expel Kosovars after 1999.

In Cerrce, 1999 marked the point where net migration turned negative for the first time in the history of the village, as Germany began to repatriate Kosovars. Forty-five people have returned 'voluntarily' between 1999 and 2005, and another 31 were deported. Over the same period, only 20 people managed to leave. As a direct result, 33 households lost their source of remittances.

The era of labour migration from Kosovo has finished for both Switzerland and Germany, as for the rest of Europe. Since 1999, the only legitimate migration route still available is family reunification. Only those who already have close family in the diaspora are able to leave.

What was the impact of this massive outflow of people in the 1990s on the economy and social life of the two villages? The US economist, Jane Jacobs, discussing "regions workers abandon", argues that the contribution of remittances to development is slight. Analysing earlier waves of Yugoslav labour migration, she noted:

"Remittances, while they last, do alleviate poverty in abandoned regions ... The money buys imports for people and institutions which they would otherwise have to go without, but that is all it does... They did nothing to convert stagnation to development."⁶⁶

In Lubishte, of 842 residents of working age, only 134 (16 percent) have any kind of paid employment or regular cash income from work, yielding a desperately low rate of employment. In Cerrce, there are 766 residents of working age. Of these, 231 people describe themselves as having some sort of regular cash income. Looking at all existing jobs reveals a deeply depressed region. The old industrial jobs are gone. Commercial agriculture has totally collapsed. Construction work, much of it casual, and public-sector jobs are the two largest sources of income.

Remittance-financed capital investments have not helped to change economic structures – that is, to enable people to do new things, or even old things in new ways. The state of agriculture is a good illustration.

64 The date of departure could not be established for all members of households who are abroad; in addition a number of those now abroad were born there.

65 These repatriations took place from Germany, France and Austria.

66 Jane Jacobs, *Cities and the Wealth of Nations*, 1984, p. 75.

A large number of tractors have been purchased through remittances. However, the family farms are producing almost exclusively for their own consumption. They produce corn to feed their cattle for dairy products, and grow wheat to bake their own bread. There is no specialisation, and no new crops or techniques. The purchase of tractors has simply produced over-capitalised subsistence farms.

This is due in large part to land fragmentation. Qefser Qahili in Lubishte has 5 calves, 3 milk cows and one bull. On his land he can produce enough flour to bake bread for 10 months. But life is getting more expensive. Before the war, one litre of gasoline cost €0.30; in 2004 it was €0.70, and now it is €1. The price of fertilisers went from €8 to €12 for a 50kg bag. Qefser complains to ESI:

“If the state gives us gas for a smaller price it would be better. Or if there would be the possibility to take a credit. But we cannot take a credit because nobody in my family has a permanent, salaried work. My brother only has a contract for 1 year and a small salary.”

To survive in agriculture he would have to purchase new land down in the plain sold by Serbs. But this is very expensive and requires savings he will never accumulate. Across Kosovo agriculture generates less cash revenues than are invested. The average annual *expenditure* per farm is €658. The average reported cash *revenue* is €507.⁶⁷

In Cerrce, the average household has 1.14 hectares of land. Only 2 farmers own more than ten cows, still driving them to the mountain pastures during the summer. The socialist cooperatives no longer support farmers with the purchase of inputs or the marketing of produce. Shortly after the war, some 10 people in the village began to work in nearby green markets, trading their own and imported fruit and vegetables. Only four of them have continued in this business. Skender Kaliqani, the former director of the socialist cooperative, has the only specialised agro-business in the area. He runs a chicken farm, selling eggs to retailers in Istog and through his own shop.

Both villages illustrate clearly that Kosovo has no effective agricultural or rural development policy. In the absence of a supportive state, remittances are unable to lift local farmers out of their subsistence level.

In the enterprise sector, most of the private businesses draw on capital earned abroad, but there are few examples of successful transfer of skills learned abroad to the local economy. In Cerrce, every significant private-sector investment was financed from migration earnings. Of the few entrepreneurs in the village, most are returnees. This is also true for the (very few) businesses in Lubishte. However, even these investments have done little to change the pattern of stagnation in the two villages.

There was a construction boom in the first few years after the war (not surprisingly, considering that 90 percent of houses in Cerrce had been destroyed). The largest local construction company, employing 12 people, was launched in 2000 when two brothers returned from abroad with a starting capital of €200,000. However, housing construction was largely complete by 2004, causing the sector to contract rapidly.

67 *Small farms (less than 2 ha) report expenditure of € 578 and cash revenue of € 408. Source: SOK, Agricultural Household Survey 2004, p. 30.*

The remainder of the private sector in Cerrce is made up of family-run micro-enterprises: shops, taxis, car mechanics. There are a few restaurants and cafés, one swimming pool and an internet café. None of the companies require any special skills.

The era of mass migration is now drawing to a close, without having changed the structure of the economy having generated any sustained cycle of development. In economic terms, remittances have simply brought about more of what was already present in the local economy: construction services, shops, cafés, taxis, car mechanics and petrol stations. They have provided a supplement to household income, enabling some families to enjoy modern consumer goods, while keeping the poorest families one step away from destitution. However, as Jane Jacobs notes, if remittances dry up, these benefits would quickly dissipate.

“The taxi, bought with the savings of years of frugal living in Rotterdam and imported into a poor village in North Africa or southern Europe eventually breaks down beyond repair, and in the meantime it has not earned its owner enough to finance a replacement. The village store fails. The trouble is that the rural economies from which these ambitious migrants come and to which they return are too stagnant and inflexible to make room for new activities.”⁶⁸

As a result, the economic and social problems that made migration a necessity in the past are still very much present. In Cerrce, 35 percent of the population is under 16. Each year, thirty of them reach working age, without a real chance of finding local employment. Without the safety valve of continued migration, the social pressures are accumulating. Yet for rural Kosovo, Cerrce is as good as it gets.

E. Rural women without rights

One of the social realities setting Kosovo apart from the rest of Europe today is its extremely low rate of female employment. In Lubishte, there are only two women employed – less than one percent. In Cerrce, there are 35 women employed, making an employment rate of 9 percent among working-age women. This is close to the Kosovo average.

Social opportunities for women remain constrained by traditional values. Most women are married by the age of 30, and it is considered a matter of shame for the family if they are not. Divorces remain extremely rare, due to a combination of social and economic constraints. In a society without a social safety net, women have little chance of surviving on their own. Women have equal rights with men under the laws governing inheritance, but very rarely claim their rights. In Lubishte, informants could think of only a single example where a woman had inherited property, in a specific case where there had been no son to claim it. Some villagers regard the official family law as a ‘Serb law’, and not in keeping with their traditions.

Extremely low employment rates among women generate one of Kosovo’s most pressing economic problems – its very high dependency ratio. On average, every Kosovo who is employed has to support 4.78 people who are not.⁶⁹

68 Jane Jacobs, *Cities and the Wealth of Nations*, 1984, p 77.

69 SOK Labour Force Survey 2004, p. 15.

Low employment is a reflection of traditional attitudes on the role of women, which are proving tenacious. In the 1970s, Berit Backer noted that education offered the main hope of changing these attitudes.

“Women’s influence today is not so much the result of rebelling housewives as it is the influence of education among girls... In 1975 more girls than boys were attending the secondary school”⁷⁰

But this trend did not survive the onset of the 1981 economic crisis. The percentage of women without primary education is over three times higher than for men. In 2005 seventy percent of adult women have only primary education or less.⁷¹

This leaves women extremely dependent on the traditional household. As Janet Reineck noted in the late 1980s, a rural woman in Kosovo

“has little chance of economic survival on her own. She is destined to be economically and emotionally dependent on her husband and his family. In order to live peacefully among them she must earn the respect of the family and the community. To earn this respect, she must fulfil the cultural expectations which inform every part of her life.”⁷²

For Hyre Azizi, secretary at the Lubishte primary school, the main reasons why so few women from Lubishte – currently around ten – attend secondary school are the poverty of so many families and the lack of any real prospect of women earning a living even with education. Most girls, she notes, see that those women who now work as teachers or nurses earn so little that they remain poor. Often the best educated parents, who would be most likely to send their children to higher education, lack the financial means to do so. Those with more money, namely families with members abroad, do not value education the same way – especially since education does not increase a girl’s social status. Hyre says:

“a girl with papers is more valuable, she enjoys a higher social status, than a female doctor or engineer working here in Kosovo. There are few reasons for girls to continue studying... Some even quit and throw away their university degree even if they are only 2-3 exams away from finishing, if there is a chance to marry a person with papers. Education has lost its value”.⁷³

Fikrete Dalipi, a carpenter’s daughter, is one of only two women from Lubishte currently studying at university. She has completed one semester at Kaktus, one of the new, private faculties in Pristina. It costs €270 each semester to register. Fikrete also pays €60 per month in rent for sharing a flat with other girls in Pristina. Her friend Melihate, whose father owns one of the three shops in Lubishte, will join her for the coming semester, studying economics at Fama private university for €1,300 per year. The two are the first women from Lubishte to study in a decade. With no bank loans or scholarships available, the costs of studying are out of reach for most families.

Some villagers, at great cost and sacrifice, try to offer education as a way forward to their children. Most do not. According to the director of Lubishte’s primary school, a father who wanted his children to study would have to sell land to finance it. There is no system of

70 Berit Backer, *Behind Stone Walls*, 1979, p. 100.

71 SOK, Agricultural Household Budget Survey, 2004.

72 Janet Reineck, *The Past as Refuge*, 1991, p. 11.

73 ESI Interview, 8 September 2006.

stipends for rural families. Under these conditions, the fact that nobody expects women to work provides a rationale to save on their education.

IV. WHEN PATRIARCHY FALLS APART

A. Families, survival, welfare

In 2006 German author Frank Schirrmacher published a book – *Minimum* – that uses the Donner Party - a group of settlers that set out with wagons on the 2,000-mile trek from Illinois to California in the 1840s - as a metaphor for a crisis facing European society in the 21st century.

In 1994 the US anthropologist Donald Grayson wrote a scientific study of this group, which met a tragic end in the snows of the Sierra Nevada. The Donner Party was. Having crossed the Great Salt Lake Desert, the party became trapped by early snows in the mountains. Unable to go either forward or back, 40 of 87 perished before help arrived in the spring. This included almost all the young men who had travelled without family. Grayson noted that there was a direct correlation between family size and the likelihood of survival:

“surviving males travelled with families averaging 8.4 people. Males who did not survive travelled with families averaging 5.7 individuals. Surviving females of this age travelled with families whose size averaged 10.1 individuals ... larger kin groups seem to have provided life-enhancing support to members of the Donner party”⁷⁴

Schirrmacher speaks of the family as *Überlebensfabrik* (“survival machine”) increasingly put under threat by sharply falling European birth rates.⁷⁵ He offers dire warnings of a future in which most children will grow up without brothers or sisters, and people may come to discover in their old age that they have placed too much reliance on the welfare state.

Today, the new EU member states in Central Europe have some of the lowest birth rates in the world: 1.2 children per woman in the Czech Republic, Slovenia, Latvia and Poland, far below the 2.1 needed to maintain population. Greece, Italy and Spain have had rates of 1.3 and under for a decade. As one recent article noted alarmingly (and erroneously): “no European country is maintaining its population through births.”⁷⁶

However, just one hour’s flight from Vienna, the traditional, patriarchal family is still the norm. In fact, the situation in rural Kosovo today is the reverse image of that across the rest of Europe, East and West. In Kosovo population growth continues at the rate of 1.6 percent annually.⁷⁷ At this rate, the population doubles within 43 years.

Instead of closing primary schools, as happens today in many German villages, school classes are run in shifts to keep up with the demand. There is hardly a woman in rural Kosovo older than 30 who is not married. There are almost no divorces in rural areas. There are no rural single-person households. Like the single strong men who travelled in the Donner party and perished first, they simply would not survive.

74 Donald Grayson, *Differential Mortality and the Donner Party Disaster*, *Evolutionary Anthropology*, 1994, p. 157.

75 Frank Schirrmacher, *Minimum*, 2006, p. 39.

76 IHT, “Europe, East and West, wrestles with falling birthrates”, 3 September 2006.

77 Source: SOK, Demographic and Health Survey 2003.

Schirmmacher makes the point that an overly economic way of looking at life runs counter to the ‘moral economy’ of the traditional family, where services are rendered without expectation of reward. In fact, in rural Kosovo today land is not seen as an economic asset, but as the physical basis for a household. Employment outside the family is exceptional.

Kosovo also stands out through the almost complete absence of a welfare state to provide security. The social system of Kosovo takes the solidarity mechanism of the extended Balkan household for granted. It is not designed for a society of nuclear families. In 2005 no household gets any assistance if there is even one adult who is *available* for work, either in Kosovo or abroad. Whether the adult is actually employed makes no difference. The only exception to this rule is for families which have less than 0.5 ha, nobody abroad and a child younger than 6 years of age. These families may receive a modest benefit, until the child reaches the age of 6.⁷⁸

There is a price to be paid – in terms of both economic development and individual autonomy – for having traditional patriarchal families as the only source of social security. As Hyseni Maxharraj put it to ESI in Cerrce:

“Who would really like to live together with his brother under one roof, when both are married? We are not different from you in Western Europe. It was only out of need that we arranged ourselves for the time being.”

However, as long as there is no alternative route to economic security, the traditional values tend to survive.

B. How patriarchy falls apart

In 2004, ESI was shown a letter in the village of Gjylekare in Viti municipality, just 5 km away from Lubishte, sent by a villager who had emigrated in 1971. Since 1971, he had bought his family a combine harvester, two hectares of land and a number of vehicles, as well as paid for the construction of new houses for each of his four brothers. In the letter, he informed his brothers that from now on, he intended to work only for himself. The end of large-scale migration, cutting the lifeline of cash flowing into rural areas, will increase the stresses on rural households, challenging traditional values and accelerating the creation of smaller units.

Modern Balkan history suggests that even the most tried survival machine – the patriarchal family – can break down. Under certain conditions, the patriarchal household breaks down, even in the absence of any alternative path to material security. With the end of mass migration, the pressures in rural Kosovo are growing rapidly. Kosovo’s villages, which have long since ceased to be economically self-sufficient, are also becoming ever more crowded. As a result of inheritance rules, the average plot has become inadequate even for subsistence agriculture. Today, 1,397,333 people live in rural areas (73.2 percent of Kosovo’s population).⁷⁹ In the quarter century since 1981, the urban population grew by 100,000, the rural population by 220,000 people.⁸⁰ It is in rural areas that Kosovo’s population continues to grow fastest today.

⁷⁸ Rexhep Rexhepi, responsible for social welfare in Lubishte, to ESI, September 2006.

⁷⁹ Communication with Statistical Institute Kosovo, international advisor Sasun Tsirunyan, 9 February 2006 and 21 February 2006.

⁸⁰ In 1981, there were 1,171,812 people living in rural areas, 73.9 percent of the total population.

In 2004, Kosovo had 117,967 agricultural households.⁸¹ Between them, they had only 115,000 hectares of land under cultivation.⁸² Almost 90,000 of their farms are smaller than 2 hectares (the average is 0.88 ha).⁸³ A growing proportion of rural households no longer have enough land to meet the family's need for wheat flour for the year. It is simply impossible to divide landholdings any further.

The result is increasing dissatisfaction and discord. Frustrations rise among those abroad, who have reached the limit of their capacity and their willingness to support family back in the village. Dissatisfaction is also rising among sons who no longer wish to contribute their meagre earnings into the communal pot, but instead prefer to take their chances with the nuclear family.

One of the best studies on the impact of economic crisis on family structures is that of Vera Erlich, the Croat social scientist who studied changing family structures in Yugoslav villages in the late 1930s. Published in the 1960s, her research shows how growing dependency of rural households on cash incomes, rising rural populations and a lack of opportunities to migrate from rural areas either abroad or to cities eventually destroyed traditional households, breaking them up into many smaller units.

Analysing the data she received from 300 villages across Yugoslavia in 1938, Erlich found that villages in which the *zadruga* (families which included married sons) still predominated could be found only in Albanian and Orthodox Macedonian villages. In these villages, "sons do not separate from their fathers while he is alive. Such division is regarded as shameful in the extreme."⁸⁴ There the authority of the father remained unquestioned. These were closed rural communities, which barely participated in the cash economy. They were also insulated from the hardship that the Great Depression was generating in the rest of Yugoslavia.

Everywhere else, the traditional family was in "in different stages of disintegration". As the population increased, cities were unable to absorb the excess rural labour.⁸⁵ At the same time, the Great Depression caused a slump in agricultural prices, rapidly eroding farm incomes. Across Yugoslavia, the crisis of the countryside meant that by 1939 the standard of living had fallen below that of a generation before.

"An atmosphere of failure, deceived hopes, and pessimism prevailed. The phenomenon of collapse and rebellion is the main impression when one studies family relations in the state of quick transformation. The most common and also the most significant characteristic of this phase is the extensive discord or disunion in the family which suddenly appears."⁸⁶

Increasing conflict between sons and fathers was a sign that the traditional household was under stress. A report from a village near Niksic in Montenegro emphasized the economic dimension of this challenge to the traditional hierarchies.

Statisticki Godisnjak Jugoslavije 1991, Belgrade.

81 An agricultural household is one that possesses and cultivates more than 0.10 ha of arable land or less than 0.10 ha of arable land but at least some livestock.

82 SOK, Agricultural Household Survey, 2004, p. 14.

83 In all of Kosovo there are 369 households that SOK considers "large farms" with an average of 25.5 hectares (the size of a small farm in Germany).

84 Vera Erlich, *Family in Transition*, 1966, p. 39.

85 In 1931 population growth was between 1.7 and 2.1 percent in most provinces. See Kaser, 1995, p. 150.

86 Vera Erlich, *Family in Transition*, 1966, p. 424.

“The village was hit by a new wave of scarcity and poverty, and, as a result, the standing of the older people was undermined and hence that of the family. Today more often than ever previously one has children prematurely leaving their parents and not respecting any of the parents wishes.”⁸⁷

Erlich notes that the breakdown of the authority of the old head of the *zadruga* resulted in conflicts and violence across rural Yugoslavia. “In the stage of the decay of the patriarchal system, the rights of every member of the family became insecure, hence everybody at once fought for more rights.”⁸⁸

A similar set of factors had been at work in Croatia in the late 19th century, when the collapse of the *zadruga* began there. As the Croatian economist Rudolf Bicanic noted:

“As long as everything proceeded in the house according to old customs, the *zadruga* members did not criticize the senior, nor blame him for bad management. But when the price of agrarian products dropped, all needs could no longer be satisfied in the old way.”⁸⁹

Is this past chapter of Balkan history about to become Kosovo’s future?

For a brief period in the 1970s, it looked like the transition from the traditional Balkan family to smaller urban households would be gradual, triggered by urbanisation and increasing reliance on wage labour. This *has* happened in Pristina. Then came the 1980s and 90s, which brought two changes: an increasingly hostile economic and political environment, and the availability of cash remittances from migrant labour. The traditional family reverted to its old role, given a new lease on life by cash earned in Switzerland and Germany. It was remittances that enabled it to survive the decline of the pastoral economy and agricultural society that had given birth to it.

Austrian historian Karl Kaser, a leading expert on the Balkan family, warned in 1995 that “we can assume that traditional value systems are put under enormous strain by the processes of modernisation; this includes the threat of an explosion under conditions of social crisis.”⁹⁰ Today, all the conditions are in place for such an explosion to occur.

V. CONCLUSION – END OF AN ERA?

There is much loose rhetoric about the *Europeanisation* of Kosovo as the way forward. But unless Europeanisation includes at least some focus on migration and some access to European labour markets, it will remain no more than a slogan. Current EU policy – to continue to invest tens of millions of Euro to stabilize Kosovo and South Eastern Europe without a credible development and migration policy – is incoherent.

Kosovo is confronting a harsh reality. Since 2004, the IMF has been sounding the alarm bell. After some years of celebrating the successes of UNMIK’s economic policies, its most recent reports are increasingly blunt in their presentation of Kosovo’s economic situation: Kosovo

87 Ibid. p. 69.

88 Ibid. p. 92: “Peasant sons show inconsiderate attitudes and violence not in the patriarchal phase but in the phase in which the family hierarchy disintegrates.”

89 Rudolf Bicanic in *Agrarna Krisa u Hrvatskoj 1873-1895*, quoted in Vera Erlich, *Family in Transition*, 1966, p. 50.

90 Karl Kaser, *Familie und Verwandtschaft auf dem Balkan*, 1995, p. 16.

“could fall into a vicious circle”; it has “deeply rooted problems”; the situation is “fragile”; “vulnerable”; and “the near term outlook, even under a more benign scenario, does not look promising”.⁹¹

So far the succession of bad economic news has not led to a closer look at economic trends in rural areas. And it has not triggered a serious debate on the impact of European migration policy on Kosovo.

Clearly, on the side of Kosovo politicians, the first step would be to define credible economic and social policies for rural areas. Agricultural policy remains marginal to the domestic political debate.⁹² Any national development strategy must address the problem of inadequate access to and high costs of further education in rural areas. New funding schemes to enable rural students, including women, to receive a proper education should be a national priority.

At the same time European countries should work with Kosovar authorities to set in place work migration schemes to parts of the European Union in need of labour, in a way that is politically acceptable to European countries. It would require concrete steps to help Kosovars gain access to EU labour markets.

Kosovo should set up a national institution to manage the economic, social and legal implications of migration. Such an institution would need to focus not only on Germany, Austria and Switzerland, the classic destinations of Kosovars, but on the whole European labour market. It should study experiences with work migration from around the world, and lobby for access of Kosovars. It should provide feedback to education institutions and policy makes in Kosovo on the needs of European labour market and their implications for education and training.

Both the citizens of rural Kosovo and European tax-payers deserve better than a set of policies that are failing and bound to fail in the future. It is only by reconsidering current policies that a worthy goal – to stabilise once and for all the Southern Balkans after a decade of wars – will be reached.

⁹¹ IMF, *Gearing Policies*, 2004, p. 5.

⁹² Christian Boese, Emil Erjavec, Miroslav Radnak, *Strategic Study – Support to Agricultural Sector in the Western Balkans*, Arcotrass, 2005.

ANNEX I – Cerrce in figures (2005)

Total population	1,980				
Resident population	1,311				
Resident in rest of Kosovo	62				
Abroad	607	376	Germany		
		72	Switzerland		
		42	Austria		
		38	Sweden		
		17	Norway		
		17	Luxembourg		
		16	Belgium		
		24	<i>other countries</i> (France, Croatia, Australia, United Kingdom, Italy, USA, Albania)		
		5	unknown		
Total households	300	78	all members abroad		
		8	elsewhere in Kosovo		
		55	in Cerrce with some members abroad		
		159	in Cerrce with nobody abroad		
Average household size	6.6		(including non-resident members)		
Age of resident population		451	1-15 years		
		766	16-64 years		
		84	65 and older		
		10	age unknown		
Working age population	766	376	Men	194	working
		390	Women	35	working
Men and Women working	229	83	Private Sector		
		55	Public Administration		
		39	Farming (4 of these: illegal woodcutting)		
		23	Seasonal jobs (mainly construction)		
		18	Socially-owned companies / Public companies		
		11	International Organisations (six NGOs)		
Private sector jobs	83		25 in construction (eight leaders of on/off construction teams, twelve in Gurrakuq, one in Istog, one freelance painter, one excavator driver, two workers in quarry in Cerrce)		
			11 in three sawmills, a furniture production and a wooden floor producer; 2 taxi drivers, 1 bus driver, 7 car mechanics; 20 in nine cafés and restaurants and one internet café; 8 in trade (four traders of scrap metal, cattle and eggs from own production; four in shops and petrol station); 5 workers, 1 guard, 1 in agricultural pharmacy; 1 in credit organisation, 1 engineer in IT company		
Social assistance	29		households (estimated 129 members) total transfer each month: € 1,792		
Kosovo pensions	80		total transfer each month: € 3,360		
Foreign pensions	12		total transfer each month: € 4,510		

Estimated remitters

71

total transfer each month: € 15,852,88

The assumption is that all 71 adult men abroad with members of their household in the village remit. Their average salary (from the survey) is € 1,488.57 per month. If they send 15 percent every month, as the IMF assumed in its own calculations, this would amount to remittances of € 223.28. This fits with the amount of remittances received by rural households according to the 2003/4 Household Budget Survey.

Table: Monthly work income in Cerrce

	Jobs	Average cash income per month (€)	Total per month (€)
Seasonal work and farming	62	121 ⁹³	7,502
Self-employment	35	345 ⁹⁴	12,075
Private employment	48	280 ⁹⁵	13,440
Public companies/SOEs	18	206 ⁹⁶	3,708
NGOs/IOs	11	324 ⁹⁷	3,564
Public administration	55	167 ⁹⁸	9,185
Total	229	216	49,474

Table: Monthly transfers and work income in Cerrce

	Income	Average per month (€)	Total per month (€)
Employment	229	216	49,474
Social aid (Kosovo budget)	29	62	1,798
Kosovo pensions	80	42	3,360
Foreign pensions	12	376	4,512
Remittances	71	223	15,833
Total	520	144	74,977

66 percent of income is generated through work. 34 percent is transfers. Of total transfers (€ 25,503), only 7 percent are social aid and 13.2 percent local pensions. Of the total income these Kosovo public transfers make up only 6.9 percent. 79.8 percent of total transfers are remittances: 62.1 percent worker remittances and 17.7 percent foreign pensions.

93 On the basis of 18 answers.

94 On the basis of 20 answers.

95 On the basis of 35 answers.

96 On the basis of 17 answers.

97 On the basis of 7 answers.

98 On the basis of 51 answers.

ANNEX II – Lubishte in Figures (2005)

Total population	2,134		
Resident population	1,543		
Resident in rest of Kosovo	19		
Abroad	572	414	Switzerland
		79	Germany
		31	Austria
		35	United States
		13	<i>other countries</i> (France, Italy, Slovenia and Belgium)
Total households	227	34	all abroad
		5	all elsewhere in Kosovo
		88	in Lubishte with some members abroad
		100	in Lubishte with nobody abroad
Average household size	9.5		(including non-resident members)
Age of resident population		628	1-15 years
		842	16-64 years
		73	65 and older
		0	<i>age unknown</i>
Working age population	842		
		407	Men 131 working
		435	Women 2 working
Men and Women working	133	40	Farming (earning cash income)
		38	Private Sector
		26	Public Administration
		19	Seasonal jobs
		9	Socially-owned companies / Public companies
		1	International Organisation
Private sector jobs	38		
			2 in car repair shops in Ramnishte and Lubishte
			4 in construction (3 qualified in glass works, water and electrical installations)
			4 in two carpentries
			9 taxi drivers
			11 in six grocery shops
			1 construction material trade
			1 used cars trader
			1 white goods dealer
			1 boutique
			8 in four restaurants in Viti and Killokot (Qebaptore, Kalaja, Kulla and Hevi) and in one billard room in Viti
Social assistance	38		households (estimated 167 members) total transfer each month: € 2,386
Kosovo pensions	74		total transfer each month: € 3,108

Foreign pensions	5	total transfer each month: € 2,668.75
Estimated remitters	156	total transfer each month: € 30,639.96

The assumption is that all adult men abroad with household members in the village are remitters. Their average (declared) salary abroad is € 1,309.37 per month. 15 percent of this would be € 196,41. In this case total transfer each month would be € 30,639.96.

Table: Monthly Work Income in Lubishte

	Jobs	Average cash income per month (€)	Total per month (€)
1. Seasonal work and farming	59	114 ⁹⁹	6,726
2. Self-employment	33	125 ¹⁰⁰	4,125
3. Private employment	5	118 ¹⁰¹	590
4. Public companies / SOEs	9	144 ¹⁰²	1,296
5. NGOs/IOs	1	350 ¹⁰³	350
6. Public administration	26	153 ¹⁰⁴	3,978
Total work income	133	128	17,065

Table: Monthly transfers and income

	Income	Average per month (€)	Total per month (€)
Employment	133		17,065
Social assistance	38	63	2,394
Kosovo pensions	74	42	3,108
Foreign pensions	5	534	2,670
Remittances	156	196	30,576
Total work/transfer income	406	137	55,813

Jobs generate 30.5 percent of all cash income. Transfers account for 69.5 percent. Of total transfers (€ 38,803) 6.2 percent is social aid. 8 percent are local pensions. Remittances are 85.9 percent of all transfers: 79 percent are worker remittances and 6.9 percent foreign pensions.

99 On the basis of 7 answers of seasonal workers. Farmers did not state cash income. According to the 2004 Agricultural Household Survey, the average cash income of a farmer is negative (i.e. Kosovo farmers spend more cash on inputs like fertiliser or petrol than they receive for sales in the market).

100 On the basis of 17 answer.

101 On the basis of 4 answers.

102 On the basis of 9 answers.

103 On the basis of one answer.

104 On the basis of 26 answers.

ANNEX III – A rich and a poor village*Table: Cash Income in two Kosovo villages*

	Lubishte		Cerrce	
	Income per month (€)	%	Income per month (€)	%
1. Social assistance	2,394	4.3	1,798	2.4
2. Kosovo pensions	3,108	5.5	3,360	4.5
3. Foreign pensions	2,670	4.8	4,512	6.0
4. Remittances	30,576	54.8	15,833	21.1
5. Economic activities	17,065	30.6	49,474	66.0
Total	55,813	100.0	74,977	100.0
Per capita	36		57	

Remittances account for almost 55 percent of cash income in Lubishte. 5 foreign pensions account for another 5 percent of cash income.

In Cerrce income from remittances has fallen to 21 percent of cash income. Not surprisingly, 12 foreign pensions generate more income than 80 Kosovo pensions.

The per capita income in Cerrce is significantly above that in Lubishte.

Social assistance plays a very limited role in both villages.

ANNEX IV – VILLAGE RESEARCH METHODOLOGY

Our goal in these detailed case studies was to estimate sources and types of cash income in one relatively prosperous and in one relatively poor rural area. Another was to understand the kind of jobs that have emerged in post-war Kosovo, the prospects for job creation for the rural population, and the size, nature and impact of migration. In the course of the research, changing household structures came ever more sharply into focus as central to understanding the plight of the countryside. To obtain hard data, a house-by-house survey was undertaken in two villages, in close cooperation with members of the respective village councils. The survey was launched in spring 2004, and analysed and completed in 2005.

The ESI questionnaire had 44 questions (see below). Both villages were visited several times by teams of ESI researchers. In Cerrce and Lubishte, detailed maps of the village were drawn, and data was collected house-by-house.

In early 2005, the responses were analysed for consistency, and used to identify additional research questions. ESI researchers then visited many individual families and the village leaders, making corrections to the survey data and collecting additional qualitative information. The data was presented to local leaders to check for obvious mistakes and to obtain feedback. Co-operation from the villagers was high. In the case of Lubishte, the leader of the village council and an activist visited each family to support them in completing the forms. In the case of Cerrce, the village leader called a session of the village council and distributed the forms to the representative of each neighbourhood (*mahalla*). Nobody was paid for participating in the research, and there were no additional motivating mechanisms beyond the moral influence of village council members.

Obtaining answers to 44 questions for over 4,000 individuals (1,980 in Cerrce and 2,134 in Lubishte) was obviously a challenge. Where a complete household was absent, neighbours and members of the village council would supply basic information (number of household members, names, place of residence).

There are gaps in data where entire families were abroad. In Cerrce, we did not obtain the gender of 27 people, the first name of 109, the birthplace of 142 or the education level of 534. In Lubishte, on the other hand, much less information was missing: the age was missing in only 3 cases, while 202 chose not to answer the question on their level of education. Contradictions were checked and questions asked again. One reason for missing data was the absence of whole families, for which people did not know all answers. In most cases, the gaps in the data are not statistically significant. The only area where full information was not forthcoming was on the level of regular remittances, which some households were reluctant to disclose.

The questionnaire had 44 questions:

Questions related to the family relations, names and surnames, birth place, age and place of living:

- which mahalla
- which houses
- which relation to the household head
- birthplace
- residence
- age

Questions related to education, employment and local incomes:

- Schooling, literacy
- profession
- place of employment
- monthly income from work
- seasonal work income per month
- income from sales of farm products

monthly local pension
social aid
pensions

Questions related to migration:

year of emigration
possession of regular work permit
other residency statuses (refugee, asylum, illegal)
year of voluntary return
year of forced return

Questions related to transfers and remittances from diaspora (and IC):

start-up capital for entrepreneurs
foreign pensions
current remittances
level of remittances in comparison to year before
level of remittance in comparison before war
transfers for the purchase of automobiles
transfers for the purchase of tractors
transfers for the construction of houses
transfers for the reconstruction of houses
international aid for reconstruction of houses
transfers for investments into agriculture

Questions related to property, ownership, infrastructure:

company
automobile
tractor
house
house in other places
size of land
ownership of land
cows
chicken
sheep
stall
infrastructure