# **Kosovo - winning its independence but losing its people?** Recent evidence on emigration intentions and preparedness to migrate<sup>1</sup>

## **Artioms Ivlevs**

University of the West of England<sup>2</sup> and GEP, University of Nottingham

# Roswitha M. King

Østfold University College<sup>3</sup> and University of Latvia

#### **Abstract:**

Kosovo declared its independence from Serbia in February 2008, but substantial proportions of its population are expressing their lack of confidence by preparing to emigrate. In this paper we present evidence from a customized post-independence survey (1367 face-to face interviews) on emigration intentions in Kosovo, carried out in June 2008. 30 % of the Albanian-speaking-majority respondents have taken concrete steps to move abroad, and emigration intentions have again risen to their pre-independence peak. Strikingly, it is the better educated and those with higher incomes that are more likely to exit. Ethnic Serbs (the largest minority group) are less likely to emigrate than Kosovo's ethnic majority.

Keywords: South-East Europe, Kosovo, emigration intentions, brain-drain, determinants of emigration decision, ethnic minorities.

JEL: F22, J15, J24, J61

<sup>&</sup>lt;sup>1</sup> We are grateful to the Leverhulme Centre for Globalization and Economic Policy and Østfold University College Småforsk 2008 grant for research funds provided for implementation of this project. We would like to thank Svetlana Logar, Douglas Nelson and the conference participants in Seville, Hamburg and Maastricht for many useful comments and suggestions.

<sup>&</sup>lt;sup>2</sup> Corresponding author. Department of Economics, Bristol Business School, University of the West of England, Bristol BS16 1QY, UK. Tel: +44 117 32 83943, Fax:+44 117 32 82289, E-mail: a.ivlevs@uwe.ac.uk

Department of Economics, Østfold University College, N-1757 Halden, Norway. Tel: +47 69 21 52 64, Fax: +47 69 21 52 02, E-mail: roswitha.m.king@hiof.no

#### 1. Introduction.

Kosovo declared its independence from Serbia in February 2008. In a region, where outmigration was often synonymous with escape from a war zone, the motivations of current emigration intentions in calmer political circumstances are of special interest. Is emigration driven by economic, political or, given the sizeable diasporas, personal reasons? Which population segments are the most likely to emigrate – and why? Has emigration potential changed after independence?

Although the declaration of independence in itself can be viewed as a celebratory event, exuding confidence that comes with self-determination, one word that comes to mind when thinking of Kosovo is 'fragile'. Kosovo is still in need of a peace-keeping mission. Serious fragilities persist in the economy. With an unemployment rate of around 45% and youth unemployment rate of 76% (World Bank, 2008), with 15% of the population living 'in extreme poverty' and 45% living 'in poverty' (World Bank, 2007), conditions favor emigration for economic reasons. In addition, Kosovo is known to have Europe's youngest population (UNDP, 2006). While this, in principle, holds the potential for energetic nation-building, it also holds the potential for emigration in search of better fortunes. Finally, Kosovo hosts non-negligible populations of ethnic minorities which, for different reasons, may have particularly high or particularly low propensities to migrate.

This paper contributes to what we know about the Kosovo migration scene in the following ways: First, it is based on what may very well be the first detailed survey of emigration intentions from Kosovo after independence, and informs about size and characteristics of expected/potential future out-migration flows. Second, it provides an in-depth analysis of emigration intentions of the country's Albanian speaking majority as well as of its largest –

ethnic Serb – minority. Third, using evidence from surveys carried out before February 2008, it compares emigration potential of Kosovars before and after independence.

Our empirical analysis is based on the interview survey that we designed and commissioned four months after Kosovo proclaimed independence. It consists of 1367 face-to-face interviews, and was carried out in June 2008. To gauge the seriousness of reported emigration intentions, and in recognition of the common critique of intentions surveys, we probe for concrete steps taken toward emigration.

Our findings point to a substantial emigration potential from Kosovo. Around 30 % of the Albanian majority respondents report having taken concrete steps to pursue their intention to move abroad – and for longer periods of time. Germany, Switzerland and the US are preferred emigration destinations. For ethnic Serbs return migration to Serbia matters. Among the ethnic Albanian majority, males, those aged around 30, the single, the better educated, the students, those with higher incomes, those with family connections abroad, and the second generation migrants are the most likely to emigrate. The ethnic Serbs, especially those living in the North and Centre enclaves, have considerably lower emigration propensity than the ethnic Albanians.

- 2. Data and descriptive statistics.
- 2.1. Description of the data.

We designed and commissioned an interview-survey of emigration intentions in Kosovo, carried out in June 2008 by the *Ipsos Strategic Puls* Research Institute (based in Belgrade,

Serbia). Of the 1367 interviews with Kosovars aged 18 - 86: 845 were with people who identify themselves as ethnic Albanians, 482 with people who identify themselves as ethnic Serbs and 40 with people who identify themselves as other ethnic minorities (Turkish, Bosnian, Ashkali and Roma). The ethnic Albanian and Serb sub-samples are representative insofar as they replicate the age, gender and geographic distributions of the general population. The Serb sub-sample was boosted (does not reflect the actual share of the ethnic Serbs in Kosovo's population - about 6%) to get more insights about emigration intentions of this minority group. A detailed description of survey design and implementation is provided in appendix 1.

The Questionnaire addressed a variety of issues including external migration, internal migration and remittances. The focus of this paper is on external migration, which we access by proxy: migration intentions and concrete action taken to realize these intentions. While the general use of emigration intentions data as a proxy for actual emigration is not uncontested, emigration intentions have been shown to be a good predictor of future actual emigration (De Jong (2000), van Dalen and Henkens, 2008). De Jong (2000) argues that the intentions to move are the primary determinant of the migration behaviour. Burda et al. (1998) take the stance that intentions are a monotonic function of the variables which motivate migration. Van Dalen and Henkens (2008) show that the forces that trigger emigration intentions are the same forces that make people actually move, supporting the assumption of Burda et al. (1998) and justifying the use of emigration intentions data to determine the profile of future migrants (e.g., De Jong, 2000; Lam, 2000; Papapanagos and Sanfey, 2001; Liebig and Sousa-Poza, 2004; Epstein and Gang, 2006; Ubelmesser, 2006; Fidrmuc and Huber, 2007; Drinkwater and Ingram, 2008). In addition, sending-country

\_

<sup>&</sup>lt;sup>4</sup> See e.g. Manski (1990) for a critical evaluation of the relation between stated intentions and actual behaviour.

intentions data have certain advantages in determining the characteristics of future migrants, compared to the receiving country data on actual immigrants (Sousa-Poza (2004), van Dalen and Henkens (2008)). Sending-country data are typically representative of the general population, while the receiving-country immigrant samples may be biased, e.g. when a particular host country aims at admitting only qualified migrants according to specific criteria.

Respondents' probability of emigration derives from their answers to the following sequence of questions: "How high is the probability that you will go to work and live outside of Kosovo within the next year?" - with a pre-set list of answers: "very low", "rather low", "rather high" and "very high". In order to mitigate the common critique of migration intentions surveys, i.e. that intentions are a far cry from actual migration, we augment the likelihood of capturing actual future migration by inquiring about concrete steps taken to realize the emigration intentions. In particular, those respondents who said that their probability of emigration is "rather high" or "very high" were asked a second question: "What have you done to pursue your intention to move outside of Kosovo?" - without a preset list of answers.

In the following we will call 'Kosovo Albanians' the respondents who identify themselves as ethnic Albanians and speak Albanian as primary language with their family members. Similarly, we will call 'Kosovo Serbs' the respondents who identify themselves as ethnic Serbs and speak Serb with their family members. 'The non-Serb minorities' will be the respondents who have identified themselves as ethnic Turks, Bosniaks, Ashkali or Roma, and speak Albanian, Serb or other language with their family members. Because of the low

\_

<sup>&</sup>lt;sup>5</sup> To identify the ethnic identity of the respondents as precisely as possible, two questions - about ethnicity and the primary language spoken with family members – were included in the questionnaire.

sample size, we view the results concerning the 'the non-Serb minorities' group with caution.

For practical reasons, we exclude from our analysis respondents older than 64, as well as pupils.

## 2.2 Descriptive statistics.

The upper block of table 1 presents the self-reported likelihood of emigration for different ethnic groups, by gender. Three things emerge: 1) emigration potential is enormous (29 % of the Kosovo Albanians say that they are very likely to emigrate); 2) females seem to be less likely to migrate; 3) the Kosovo Serbs (largest minority group) tend to report lower likelihood of emigration than the Kosovo Albanians (ethnic majority), while the non-Serb minorities have likelihood of emigration similar to that of the Kosovo Albanians.

Table 1. Self-reported likelihood of emigration and concrete steps to emigrate, by ethnicity and gender.

	Kosovo Albanians (N=686)			Kosovo Serbs (N=427)			The non-Serb minorities (N=37)			
	All	Male	Females	All	Males	Females	All	Males	Females	
Self-reported likelihood of										
emigration Very low	40%	32%	49%	66%	69%	74%	49%	42%	62%	
Rather low	10%	8%	12%	8%	8%	7%	5%	8%	0%	
Rather high Very high	19% <b>29</b> %	21% <b>37</b> %	17% <b>20</b> %	9% <b>16%</b>	8% <b>23</b> %	10% <b>8%</b>	5% <b>41%</b>	4% <b>46%</b>	8% <b>31%</b>	
Taken concrete steps to emigrate	31%	44%	18%	8.2%	11.4%	4.5%	30%	33%	23%	

Source: Authors' calculations based on Ipsos Strategic Puls survey data.

The respondents who said that their probability of emigration was very high or rather high were subsequently asked whether they have done something (up to three answers) to pursue their emigration objectives. Out of these respondents, 43.9% said they have collected information about the opportunities for work abroad, 36.3% said that they have contacted their relatives and friends abroad, and 5.6% said that they have also done one of the following: talked to the potential employer abroad, received a jobs offer from abroad, bought or booked travel ticket, received a work permit or concluded an agreement with an agency. 40.7% of respondents reported having done nothing.

The lower row of table 1 shows the proportions (out of the total respondents) who have taken concrete steps to realize their intention of moving abroad. It confirms the high potential of out-migration from Kosovo. More than 30 % of Kosovo Albanians have done something concrete in order to pursue their intention of moving abroad. The share is particularly high for the Kosovo-Albanian males (44%).

Concerning preferred destination of the respondents (each respondent could give up to three answers), half (49.6%) of the Kosovo Albanians with very high or rather high probability of emigration reported Germany as their preferred emigration destination. The next on the list are Switzerland and the USA (both 34%), the UK (29%), France (18.2%), Italy (16.4%) and Sweden (15.2%). The preferred destinations for the Kosovo Serbs are Serbia (29.7%) and Switzerland (21.6%), followed by the USA, Norway, Greece, Italy, Luxemburg, Slovenia and Montenegro with a score between 4 and 6%. For both groups, Switzerland is an important destination, reflecting previous refugee networks (ESI 2006). For the same reason, Germany is the most important destination among the Kosovo Albanians.

With regard to the reasons behind emigration intentions, 52.5 % of the respondents mention the impossibility of finding work in Kosovo as the main reason for emigrating, 25.7 % a chance to earn more money, and 9.7% better career and growth opportunities. While the given reasons are, in general, not unusual, the high proportion of respondents listing the lack of work opportunities in Kosovo points to the fragile state of the economy, in particular the unemployment rate, which, as already mentioned, is listed at around 45%.

The answers to the question: "If you go outside of Kosovo for work, for how long do you think you would stay?" reveal that longer stays are definitely preferred to shorter ones. 35% of respondents with rather high or very high likelihood to migrate want to leave forever, 15% for longer than 5 years, 18.6% for 3-5 years, 5.7% for 1-3 years and 4.7% for up to 1 year. These results remain roughly the same when we restrict the group of respondents to those having taken concrete steps to pursue their intention to emigrate.

#### 2.3 Emigration potential before and after independence.

Before moving to the econometric analysis of the micro-determinants of emigration decisions, we take a look at what happened to the overall migration potential in Kosovo as it gained independence. Intuitively, independence should affect the Albanian majority and the Serb minority in opposite ways. The Albanian majority should welcome independence and show less interest in emigration. The Serb minority, on the other hand, can be expected to see the future with increased trepidation. This should be reflected in higher emigration intentions for members of the Serb minority. But are residents – and in particular the Albanian majority - really considering Kosovo to be a viable state? After all, not all

countries have formally recognized Kosovo as an independent state. Kosovo's economy remains fragile and the current worldwide recession has rendered the prospects for improvement questionable in the immediate future. Would it then make people of all ethnic affiliations more likely to leave?

We do not know what the likelihood of emigration of *our* respondents was before Kosovo proclaimed independence. However, we can compare the results of our post-independence survey to the estimates of emigration potential from surveys conducted before February 2008.<sup>6</sup> One such source is the regular Early Warning Reports (EWR) prepared by the United Nations Development Mission in Kosovo. The reports rely on continuous and nationally representative opinion poll surveys, providing insight into issues potentially affecting the economic, political, and social stability of Kosovo.

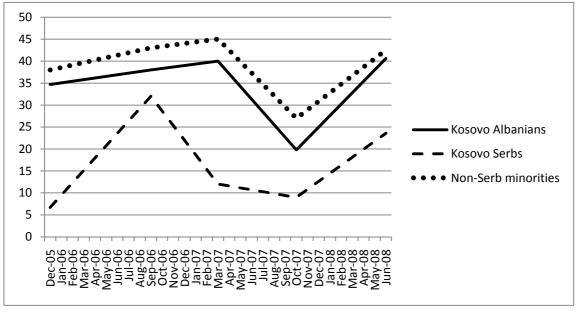
The pre-independence EWR surveys carried out in December 2005, September 2006, March 2007 and October 2007 included a question on the intention to migrate from Kosovo, with possible answers "yes" or "no". The results for the Kosovo Albanians, the Kosovo Serbs and the non-Serb minorities are reported in graph 1. The rightmost point of each of the three lines represents the evidence from our own survey, carried out in June 2008. For reasons of comparability, we remove the upper age limit from our sample and represent the intention to emigrate by the sum of the percentages for a 'very high' and a 'rather high' likelihood of emigration.

Graph 1 conveys a peak of 40% of Kosovo Albanians expressing their intention to emigrate

<sup>&</sup>lt;sup>6</sup> Of course all the caveats concerning comparisons of observations originating in distinct datasets with different data collection methodologies apply here.

<sup>&</sup>lt;sup>7</sup>The survey reports are available at <a href="http://www.ks.undp.org/">http://www.ks.undp.org/</a>. Not all EWR surveys contain a question on emigration intentions; in particular the (so far) only post-independence EWR survey (April 2009) did not contain a question on emigration intentions.

in March of 2007. But then in October of 2007 as we are approaching the date of declaration of independence (i.e. February 2008) the percentage of emigration seekers is cut in half - only 20% of Albanian speakers express an intention to emigrate. This lends itself to the interpretation that the impending declaration of independence instilled optimism, or at least a 'wait-and-see' attitude into the population. Our post-independence survey of June 2008 suggests that this presumed optimism was frustrated and faded away: the proportion of Albanian speakers intending to emigrate jumped up to the pre-independence peak of 40%. This is not a vote of confidence regarding the newly established state – rather it is a distress signal.



Graph 1. Intentions to emigrate before and after independence, by ethnicity, in %.

Source: EWR and Ipsos Strategic Puls surveys.

For Kosovo Serbs emigration potential peaks somewhat earlier, i.e. in the second half of 2006 at around 33%; this is lower than that shown for the Kosovo Albanians and the non-Serb minorities. By October 2007 the percentage reporting emigration intentions has declined to below 10% (half of the magnitude reported by Kosovo Albanians at the same date). That emigration intentions are higher for the Kosovo Albanian majority than for the

Serb minority is interesting in that, on first sight, it appears counter-intuitive. Here we offer two possible explanations. First, Kosovo Serbs with the intention to emigrate may have already done so by October 2007. Indeed there is supporting evidence for this explanation, emphasizing a Kosovo Serb exodus – motivated by ethnic violence - prior to the declaration of independence (Sengupta 2004; Spiegel Online 2006; Berend 2006; Chamberlain and Pancevski 2007). Second, Kosovo Serbs – especially those living in the northern enclaves and easily influenced by Serb media - may harbor expectations that the independent state is a 'temporary aberration'. This sentiment has been expressed in various forms by Serbian groups when describing the 'illegitimacy of Kosovo's declaration of independence' (Marmullakaj 2009; Minchey 2008).

At the same time, the non-Serb minorities display the highest percentage of migration intentions over the entire time interval under consideration.

## 3. Empirical results

#### 3.1. Empirical specification.

The objective of this section is to determine the socio-demographic profile of the potential Kosovo migrant. The two questions on emigration intentions allow for two dependent variables. The first is ordinal taking values from 1 to 4 if the respondent says that he or she is very unlikely (1), rather unlikely (2), rather likely (3) and very likely (4) to move abroad. The dependent variable of this type is standard in the emigration intentions literature (e.g. Papapanagos and Sanfey, 2001; Liebig and Sousa-Poza, 2004; Epstein and Gang, 2006), and a model explaining it is typically estimated with ordered probit or logit. The second

dependent variable accounts for both the self-reported likelihood of emigration and specific action to realize emigration intentions. It is a discrete choice variable consisting of the three mutually exclusive states: 1) the individual has taken concrete action to realize his or her intention to move abroad (*potential mover*); 2) the individual reports rather high or very high likelihood of emigration but has done nothing to realize his emigration intention (*dreamer*); 3) the individual has rather low or very low likelihood of emigration (*stayer*). We estimate this discrete choice model with the multinomial probit<sup>8</sup> (see e.g. Wooldridge (2001)).

Following the literature on the determinants of an individual's decision to migrate (see e.g. Fischer et al. (1997), De Jong (1999), Massey et al. (2005)), we include the following sociodemographic characteristics (definitions and summary statistics of all variables are provided in Appendix).: age and its quadratic term, household income per income earner and its quadratic term, dummies for eight education levels (including students), dummies for being male, married, having children of different age, living in rural area and being unemployed. To account for multi-generational and extended families – an important feature of the Kosovo society (e.g. ESI 2006, Malcolm 1998) – we include variables household size and its quadratic term. To control for migrant networks, we construct two dummy variables: first, for family members living abroad and sending remittances back home; second, for family members living abroad but not sending remittances. Finally, given the incidence of migration into Kosovo from Albania and Serbia in the recent past (see e.g. Malcolm, 1998), we want to account for past migration histories in the family by including dummies for the first and second generation migrants. As shown in Ivlevs and King (2008) the host-country

0

<sup>&</sup>lt;sup>8</sup> One alternative would be to estimate a multinomial logit (MNL) model. However, contrary to the multinomial probit, MNL relies on the independence of irrelevant alternatives assumption, i.e. it does not account for the similarities among alternatives in the individual's choice set. Another alternative would be to estimate a probit model with Heckman selection where in the first stage the respondents are selected into reporting 'rather high' or 'very high' willingness to emigrate, and in the second stage decide to take or not specific action in order to emigrate. The disadvantage of this approach is that the set of explanatory variables in the first (selection) and second stage equations must be different (Baum 2006); we would therefore have to make a strict assumption that some factors affecting the selection into rather high or very high likelihood of emigration do not affect the selection into taking concrete steps towards emigration.

born children of former migrants have particularly high likelihood of emigration and we want to test this hypothesis in Kosovo.

In all our specifications we include dummies for the municipalities in which the respondents live (altogether 24 municipalities). We do this for two reasons. First, it allows us to *fully* isolate the effects of individual characteristics on individual decision to emigrate from the combined municipality level effect. Second, the poor quality or unavailability of data on regional-level variables that potentially affect emigration decision (e.g., the unemployment, crime, ethnic diversity, population density rates) leaves us with no other choice than to use municipality fixed effects.

Finally, we impose on our sample an age limit of 64 years, and we exclude from the sample pupils (12 respondents), and the respondents who say that they are normally working abroad and at the moment of interviews are in Kosovo for holidays (5 respondents).

#### 3.2. Results.

In the first part of this sub-section we econometrically analyze the determinants of emigration decisions of Kosovo Albanians and Kosovo Serbs. We are first looking at the Kosovo-Albanian sample, as they constitute an overwhelming majority of the population (88%) and allow us to make predictions about future emigration from Kosovo in general. Emigration intentions of the Kosovo-Serb minority are also of interest to us, as they are one of the many examples of the newly-formed ethnic minorities in Central and Eastern Europe. While the small sample size of the non-Serb minorities does not allow us to run separate regressions on this group, at the end of this sub-section we comment on partial effects of different ethnic dummies in a pooled regression.

#### Kosovo Albanians

Table 2 shows the results of the estimated self-reported likelihood to emigrate model (Model 1, left panel) and Stayer/ Dreamer/ Mover model (Model 2, right panel) for the Kosovo Albanians. For space saving purposes we only report the marginal effects of the individual-level regressors, indicating the statistically significant coefficients.<sup>9</sup>

The ordered probit results (Model 1) suggest that, other factors held constant, males, students, respondents with a university degree and relatives abroad are less likely to report 'very low' willingness to migrate and more likely to report 'rather high' or 'very high' willingness to migrate. The relationship between age and the 'very high' self-reported likelihood to migrate is of an inverted U-shape, with the inflection point occurring at 25 years. These findings can be easily explained: Higher likelihood of migration of the relatively young people supports the predictions of the individual life-time utility maximizing migration model (Sjaasted 1962). Higher migration propensity of males is consistent with the previous evidence (Vathi and Black 2007) and can be explained by the primacy of the construction sector in the actual employment of Kosovo migrants abroad (Riinvest Institute 2007). Networks — one of the most important migration drivers (Beine et al. 2009, Massey et al. 2005) - increase the willingness to migrate through lower migration costs and the desire to re-unite with one's family. Finally, respondents with higher levels of education are more efficient in overcoming the administrative, linguistic and job search costs associated with the migratory move.

\_

<sup>&</sup>lt;sup>9</sup> Complete regression output is available from the authors upon request. (For referees – see appendix not submitted for publication)

These results largely survive if the specific action undertaken to realize one's emigration intentions is taken into account (Model 2). In particular, we find that, holding other factors constant, males are 30 percentage points more likely to be potential movers and 27 percentage points less likely to be stayers; respondents with relatives abroad are 32-35 percentage points more likely to be potential movers and 22-23 percentage points less likely to be stayers; respondents with university degree are 20 percentage points more likely to be potential movers; and students are 32 percentage points less likely to be stayers and 17 percentage points more likely to be dreamers.

With reference to earlier waves of emigration from Kosovo we note a distinct shift from the mostly low skilled labor of earlier emigrants (ESI 2006, Riinvest 2007, Vathi and Black 2007) to the higher skill and higher education level of the people reporting emigration intentions now. In combination with the reported intentions by a significant proportion of migration seekers to leave Kosovo permanently and/or for a long time this is suggestive of a pessimistic outlook on the future of this very new state.

Next, we find that the single are 23 percentage points more likely, and respondents with children below age 6 are 11 percentage points more likely to be potential movers. This again invites the interpretation of pervasive pessimism. While singles, generally are among the more mobile, respondents with very young children may be moving because they fail to see a good future for their children in Kosovo.

The stayer/ dreamer/ potential mover model reveals an important role of the income level in taking specific steps towards emigration. The coefficients of household income per earner and its quadratic term are statistically significant, suggesting an inverted U-shaped

relationship between income and moving abroad. The probability of being a potential mover first increases with income up to the level of 318 EUR per earner, and decreases thereafter. However, the income per earner of 88 % of the Kosovo-Albanian respondents is lower than 318 EUR, meaning that for the vast majority of ethnic Albanians the probability of emigration increases with income. This finding could be an indication of the loss of energetic, talented and entrepreneurial people from Kosovo. It also suggests that migration costs are important for the decision to migrate, and, in Kosovo, only the relatively wealthy are able to cover them.

The results also suggest that the unemployed and the respondents from rural areas are less likely to be stayers. Interestingly, being second generation migrant increases the probability of moving by 18 percentage points and decreases the probability of staying by 23 percentage points. This finding is in congruence with results obtained from similar interview data in Latvia (Ivlevs and King 2008). The intuition behind this latter result is that the children of migrants have heard stories about their parents' successful migration in the past and have learned from their parents a positive attitude toward migration. Thus the children of migrants have less psychic costs associated with migration.

Finally, the probability of taking specific action towards emigration peaks at 32 years; recall that it was 25 years – a substantial difference – for reporting 'very high' likelihood of emigration. One possible explanation for this discrepancy in 'peak age' may be that insufficient income prevents the younger people to take concrete actions to realize their emigration intentions.

Table 2. Covariates of the self-reported willingness to emigrate, Kosovo Albanians, ordered and multinomial probit marginal effects (N=627).

	Model 1: S		likelihood of	Model 2: Stayer/dreamer/mover			
			d probit		Mı	ıltinomial pro	bit
	Very low	Rather low	Rather high	Very high	Stayer	Dreamer	Mover
	10 W	IOW	nign	nign			
Age	-0.024*	0.000	0.007	0.017*	-0.060***	0.019	0.042***
$Age^2/100$	0.048***	0.001	-0.015***	-0.034***	0.099***	-0.034**	-0.066***
Male	-0.190***	-0.003	0.057***	0.137***	-0.269***	-0.031	0.301***
Single	-0.004	0.000	0.001	0.003	-0.122	-0.104*	0.226**
Children under 6	-0.073	-0.001	0.022	0.051	-0.084	-0.025	0.109**
Children aged 7-14	0.022	0.000	-0.007	-0.016	0.052	-0.011	-0.042
Children aged 15-18	0.012	0.000	-0.004	-0.009	0.025	-0.033	0.008
Household size	-0.046	-0.001	0.014	0.033	-0.037	0.051	-0.014
Household size <sup>2</sup>	0.004*	0.000	-0.001	-0.003*	0.004	-0.004*	0.000
Education							
(ref.: finished secondary)							
Elementary	-0.019	0.000	0.006	0.014	0.114	-0.040	-0.075
Non-completed secondary	-0.038	-0.001	0.011	0.028	-0.031	-0.009	0.041
Secondary vocational	0.006	0.000	-0.002	-0.004	-0.095	0.064	0.031
Currently a student	-0.170**	-0.015	0.038***	0.147**	-0.319***	0.172*	0.147
Some faculty	-0.057	-0.003	0.016	0.044	-0.022	0.018	0.003
Completed college	-0.002	0.000	0.001	0.002	0.073	0.055	-0.128
Completed faculty	-0.150**	-0.013	0.034***	0.129*	-0.158	-0.046	0.204**
Income/100	-0.056	-0.001	0.017	0.040	-0.123**	-0.017	0.140***
Income <sup>2</sup> /10000	0.010*	0.000	-0.003*	-0.007*	0.021***	0.001	-0.022***
Unemployed	-0.093*	-0.004	0.025*	0.072	-0.174**	0.080	0.094
Living in rural area	-0.065	-0.001	0.020	0.046	-0.090*	0.034	0.056
Networks + remittances	-0.165***	-0.004	0.048***	0.121***	-0.218***	-0.135***	0.353***
Networks, no remittances	-0.206***	-0.020**	0.044***	0.182***	-0.227***	-0.091***	0.318***
1 <sup>st</sup> generation migrant	-0.159	-0.017	0.032**	0.145	-0.155	0.291	-0.136
2 <sup>nd</sup> generation migrant	-0.167***	-0.016	0.036***	0.148**	-0.225**	0.047	0.177**

Notes

<sup>1) \*</sup>p < 0.10, \*\* p < 0.05, \*\*\* p < 0.012) Robust standard errors (not reported) used to calculate regressors' level of significance.

<sup>3)</sup> The regressions, on which the marginal effects are based, include municipality fixed effects. Their coefficients are not reported.

#### Kosovo Serbs

We run analogous regressions for the Kosovo Serbs. There are, however, several nuances worth mentioning. First, given that geographically the ethnic Serb are concentrated in a few municipalities (in the so called Serb enclaves) in the centre, north and south-east regions of Kosovo, we include two dummies for the centre-north and the south-east regions. <sup>10</sup> Second, given that only a few Serb respondents reported having unfinished secondary-, secondary vocational- and higher non-completed education, we create four educational dummies: less than finished secondary education (elementary, unfinished secondary and secondary vocational); finished secondary; less that university degree (unfinished faculty and finished college); and finished faculty.

The left panel of table 3 reports the results of the self-reported likelihood to migrate model for the Kosovo Serbs. We find that, other things equal, males, the single, people with young children and networks abroad, the respondents living in rural areas and Southeast Kosovo, and the former migrants are more likely to report 'rather high' or 'very high' willingness to migrate and less likely to report 'very low' willingness to migrate.

As far as the concrete steps towards emigration are concerned (Model 2, centre panel of table 3), males, respondents with networks and especially those living in South-East Kosovo appear to be more likely to be potential movers. The single, the respondents from rural areas and those with connections abroad (but not receiving remittances) are more likely to be dreamers.

\_

<sup>&</sup>lt;sup>10</sup> Ideally, one should include the three regional dummies: for 1) centre, 2) north and 3) south-east. However, none of the Kosovo Serb respondents living in the centre region reported taking specific action towards emigration. To assure the convergence of the model, the centre and the north regions were merged.

Next, we want to see whether the characteristics of potential migrants differ depending on the preferred destination. Serbia is the preferred destination for 28% of the Serbian speaking respondents with very high or rather high self-reported probability to emigrate, probably reflecting the intention to return to Serbia. Therefore, we want to determine the characteristics of 1) the potential return migrants, 2) international migrants (who want to migrate to a country other than Serbia) and 3) those who do not want to migrate from Kosovo (stayers). The estimates of the resulting multinomial probit model are reported in the right panel of 3 (Model 3). They suggest that the first generation migrants, people with networks abroad, and single people are particularly likely to choose Serbia as preferred migration destination. At the same time, the probability to become an international migrant is the highest for males, those in their late-30s (37 is the threshold age at which the probability of emigration peaks), respondents with networks, and those living in South-East Kosovo. The Kosovo Serbs with the lowest levels of education are more likely to stay in Kosovo and less likely to consider international migration.

Importantly, the ethnic Serbs living in the south-eastern enclaves of Kosovo (in contrast to those living in the northern and central enclaves) emerge as particularly strong candidates for emigration. Looking closer we find that municipalities in the south-east of Kosovo suffer from particularly serious economic deprivation. Also due to the geographic location, i.e. at a greater distance from Serbia than the northern enclaves, Serbs living here are quite isolated from Serb influence (Binnendijk et al (2006)). For example, while the prospect of annexation of the northern Kosovo Serb enclaves is kept alive by Serbian authorities, such

\_

<sup>&</sup>lt;sup>11</sup> For example the 2005 and 2007 World Bank Reports *Kosovo Poverty Assessment* list the south-eastern region Ferizaji as the region with the highest percentage of residents living in extreme poverty and the highest unemployment rate. From our survey we find that the proportion of Kosovo Serb respondents declaring that they are unemployed is indeed the highest in the South-East Kosovo (66%), followed by the North (24%) and the Centre (16%). For same indicator for the Kosovo Albanians is 32% in the South-East, 28% in the North, 25% in the South-West, 24% in the Centre, and 21% in the North-West.

prospect is viewed as very remote for the case of the south-eastern Kosovo enclaves (Balkan Insight, 2008).

Table 3. Covariates of the self-reported likelihood of emigration, Kosovo Serbs, ordered and multinomial probit marginal effects (N=354)

	Model 1: Self-reported likelihood of emigration, Ordered probit					Model 2: Stayer/dreamer/mover Multinomial probit			Model 3: Likelihood of migration by destination, multinomial probit		
					111	artinomiai pro		Does not	Wants to	Wants to	
	Very low	Rather	Rather	Very high	Stayer	Dreamer	Potential	want to	go to	go	
		low	high	, ,			mover	migrate	Serbia	elsewhere	
Age	-0.018	0.004	0.006	0.008	-0.031**	0.029**	0.001	-0.027**	0.009	0.018*	
$Age^2/100$	0.019	-0.004	-0.006	-0.009	0.036**	-0.034**	-0.002	0.033**	-0.009	-0.024*	
Male	-0.153***	0.035***	0.047***	0.071***	-0.083**	0.043	0.040**	-0.085**	0.033	0.053*	
Single	-0.154*	0.033*	0.047*	0.074*	-0.188***	0.178***	0.010	-0.174***	0.164***	0.010	
Children under 6	-0.160*	0.031**	0.047*	0.082*	-0.093	0.089	0.004	-0.097	0.035	0.062	
Children aged 7-14	0.043	-0.010	-0.013	-0.019	0.034	-0.010	-0.024	0.037	0.005	-0.042	
Children aged 15-18	-0.097	0.020	0.030	0.047	-0.090	0.105*	-0.015	-0.075	-0.007	0.082	
Household size	0.024	-0.005	-0.007	-0.011	-0.009	0.018	-0.008	-0.010	0.023	-0.013	
Household size <sup>2</sup>	-0.002	0.001	0.001	0.001	0.000	-0.001	0.001	0.000	-0.001	0.001	
Education											
(ref.: completed secondary)											
Less than compl. sec.	0.172**	-0.049*	-0.056**	-0.067***	0.083	-0.071	-0.012	0.088*	-0.005	-0.083***	
Student	0.026	-0.006	-0.008	-0.012	-0.004	0.014	-0.010	-0.013	-0.021	0.034	
Some faculty/college	-0.178*	0.030**	0.050*	0.097	-0.091	0.075	0.016	-0.081	0.045	0.036	
Completed faculty	0.054	-0.013	-0.017	-0.024	0.037	-0.033	-0.004	0.024	-0.045*	0.021	
Income/100	0.012	-0.003	-0.004	-0.005	0.026	-0.053*	0.027	0.015	0.003	-0.018	
Incomer <sup>2</sup> /10000	-0.001	0.000	0.000	0.000	-0.002	0.006*	-0.003	-0.001	-0.002	0.003	
Unemployed	-0.028	0.006	0.009	0.013	-0.017	-0.018	0.035	-0.032	-0.015	0.047	
Living in rural area	-0.107*	0.025*	0.034*	0.048**	-0.057	0.087**	-0.030	-0.047	0.028	0.019	
Networks + remittances	-0.072	0.015	0.022	0.035	-0.173*	0.016	0.157**	-0.199**	0.141**	0.058	
Networks, no remittances	-0.220***	0.043***	0.065***	0.112***	-0.192***	0.117**	0.076*	-0.189***	0.069**	0.120***	
1 <sup>st</sup> generation migrant	-0.289**	0.037***	0.074***	0.177*	-0.208*	0.191	0.018	-0.169*	0.198**	-0.029	
2 <sup>nd</sup> generation migrant	-0.150	0.027	0.043	0.080	-0.071	0.083	-0.012	-0.057	0.049	0.008	
South East Kosovo	-0.460***	0.045***	0.105***	0.310***	-0.401***	0.184**	0.217***	-0.403***	-0.030	0.433***	

Notes 1) \*p < 0.10, \*\* p < 0.05, \*\*\* p < 0.01

2) Robust standard errors used to calculate regressors' level of significance.

### Comparing emigration potential of respondents of different ethnicities.

Finally, we want to compare whether ethnically different respondents under otherwise similar circumstances have different propensities to emigrate. Non-Serb ethnic minorities in Kosovo, especially the Roma and Ashkali, are likely to suffer from poverty (UNDR 2004), marginalization and discrimination (Culafic 2006). A recent report by Minority Rights Group International (Stevens 2009) points to an exodus of members of minority communities from Kosovo and concludes that Kosovo "lacks effective international protection for minorities, which is worsening the situation for smaller minorities and forcing some to leave the country for good".

Our descriptive statistics suggest that the non-Serb minorities have emigration propensity comparable to or higher than that of the Kosovo Albanians, and the likelihood of emigration of the Serb minority appears considerably lower. To shed more light on this issue, we run pooled regressions which include the following ethnic dummies: 1) ethnic Albanians (the reference group); 2) ethnic Serbs from the south-east Kosovo enclaves; 3) ethnic Serbs from the Central and Northern enclaves; and 4) other ethnic minorities. The reason to distinguish between the two ethnic Serb groups is the noticeably higher self-reported likelihood to migrate of Serbs living in South-East Kosovo, as already mentioned above. The pooled regressions control for the same individual-level characteristics as in table 2. However, instead of 24 small municipality dummies we include 5 bigger district dummies. We do so to prevent the municipalities from capturing the ethnicity effect, as there may be a high concentration of the ethnic minorities in particular municipalities. The data are weighted to make the sample ethnically representative.

Table 4 reports the marginal effects of the variables of interest. <sup>12</sup> Compared to the Kosovo Albanians and keeping other factors constant, the Serbs from central and northern Kosovo are significantly less likely to emigrate. The Serbs from the south-east enclaves do not differ from the Kosovo Albanians in the self-reported likelihood of migration; however, they are less likely than the Kosovo Albanians to have taken concrete steps towards emigration. Finally, emigration propensity of the non-Serb minorities does not differ from that of the Kosovo Albanians.

Suggested reasons that explain the lower willingness to migrate of the Kosovo Serbs, especially those living in the Central and Northern part, of the country include the influence and proximity of Serbia, the conjecture that those who wanted to migrate have already done so, and the perception (encouraged by Serbian authorities) that Kosovo is 'a Serb land'.

<sup>&</sup>lt;sup>12</sup> Complete regression results are available from the authors upon request.

Table 4. Covariates of the likelihood to migrate, pooled sample, ordered and multinomial probit marginal effects (N=1025).

	Model 1:	Model 2: Stayer/dreamer/mover Multinomial probit					
	Very low			Stayer	Dreamer	Mover	
Ethnicity (reference: Albanian) Serbs – South-East Kosovo Serbs – Centre and North Kosovo The non-Serb minorities	0.007 0.339*** 0.033	0.000 -0.043*** -0.001	-0.002 -0.115*** -0.008	-0.005 -0.180*** -0.023	0.056 0.286*** 0.006	0.067 -0.069** -0.034	-0.123** -0.218*** 0.028

#### Notes:

#### 4. Conclusion

Kosovo's recent declaration of independence lends itself to an examination of the population's emigration propensity 'before' and 'after'. While one intuitively might associate optimism with the creation of an independent state – at least for the ethnic majority- our findings point in the opposite direction. Post-independence emigration intentions of the Albanian speaking majority return to their pre-independence peak - hardly a vote of confidence for the new state of Kosovo. Similar conclusions hold for the country's Serb speaking minority as well as for the non-Serb minorities.

A further striking and worrisome finding is that the better educated and wealthier are more likely to emigrate and many intend to move away forever – which again lends itself to be understood as an expression of deep pessimism with adverse consequences for the development prospects of the new state.

Counter-intuitively we find the Serbian speaking minority less likely to emigrate than the

<sup>1)</sup> The two regressions include five district dummies and the same individual-level variables as in table 2. Their coefficients are not reported.

<sup>2) \*</sup>p < 0.10, \*\* p < 0.05, \*\*\* p < 0.01

<sup>3)</sup> Robust standard errors used to calculate regressors' level of significance

Albanian speaking majority- possibly reflecting the fact that those among the Serbian speakers who wanted to move out have already done so. Another reason may be that among the Serbian speakers, and with the tacit encouragement of the Serbian authorities, Kosovo is perceived to remain a 'Serb land' and independent Kosovo (not yet recognized as such by all states) possibly a temporary aberration. It is interesting to note how geography matters. We find that the Serb respondents living in geographic proximity to Serbia (North and Centre of Kosovo) show a noticeably lower propensity for emigration compared to the enclaves in the south-eastern part of Kosovo. Here the reasons for high emigration intentions may be because of both economic and political reasons: Economic because of relatively deeper poverty and political because in this remote location the influence of the Serbian authorities is low and possible annexation by Serbia is highly unlikely – in contrast to the north-Kosovo enclaves, which border on Serbia.

#### References

Balkan Insight (2008) "Serb President Admits Kosovo Partition Option", *BalkanInsight.org*, 30 September 2008, available online at http://www.balkaninsight.com/en/main/news/13550/, last accessed 27 July 2009

Baum, C. 2006 An Introduction to Modern Econometrics Using Stata. Stata Press.

Beine M., F. Docquier, and C. Ozden 2009 "Diasporas" *CESifo Working Paper Series* No. 2607. <a href="http://papers.ssrn.com/sol3/papers.cfm?abstract\_id=1379118#">http://papers.ssrn.com/sol3/papers.cfm?abstract\_id=1379118#</a>>.

Berend, Ivan T. (2006), "The Kosovo Trap", European Review 14(4), pp.413-414.

Binnendijk, Hans, Charles Barry, Gina Cordero, Laura Peterson Nussbaum, and Melissa Sinclair 2006, "Solutions for Northern Kosovo: Lessons Learned in Mostar, Eastern Slavonia and Brcko." Report of the Center for Technology and National Security Policy, National Defense University, Fort Lesley, USA, August 2006.

Burda, M. C., W. Härdle, M. Müller, and A. Werwatz 1998 "Semiparametric Analysis of German East-West Migration Intentions: Facts and Theory." *Journal of Applied Econometrics* **13**(5): 525-541.

Chamberlain, Gethin and Bojan Pancevski (2007), "Ethnic Cleansing Threat to Serbs in Kosovo", *Telegraph* December 2, 2007.

<a href="http://www.telegraph.co.uk/news/worldnews/1571265/Ethnic-cleansing-threat-to-Serbs-in-Kosovo.html">http://www.telegraph.co.uk/news/worldnews/1571265/Ethnic-cleansing-threat-to-Serbs-in-Kosovo.html</a>.

Culafic, Z. "Kosovo: the forgotten ones", *Transitions online*, 21 March 2006, available at http://www.ceeol.com/aspx/issuedetails.aspx?issueid=348ef480-3602-4f9f-9925-e26a0244fb56&articleId=609b9e8c-f432-4b26-81c4-0f7b8fe9b43c

Dalen, van H. P., and K. Henkens 2008 "Emigration Intentions: Mere Words or True Plans? Explaining International Migration Intentions and Behavior." *CentER Discussion Paper* 2008-60. Tilburg University. <a href="http://ssrn.com/abstract=1153985">http://ssrn.com/abstract=1153985</a>>.

De Jong, Gordon F. (1999). "Choice Processes in Migration Behavior." In Pandit, K. and S.D. Withers (eds.), *Migration and Restructuring in the United States*. New York, NY: Rowman and Littlefield.

De Jong, Gordon F. 2000. "Expectations, gender, and norms in migration decision making" *Population Studies* 54 (3): 307 – 319

Drinkwater, S., and P. Ingram 2008 "How Different are the British in their Willingness to Move? Evidence from International Social Survey Data." *Regional Studies*, April 2008:1-17.

Epstein, G. S., and I.N. Gang 2006 "The Influence of Others on Migration Plans." *Review of Development Economics* 10(4): 652-665.

European Stability Initiative (ESI) 2006 "Cutting the lifeline. Migration, families and the Future of Kosovo".< www.esiweb.org >.

Fidrmuc, J., and P. Huber 2007 "The Willingness to Migrate in the CEECs: Evidence from the Czech Republic." *Empirica* 34(4):351-369.

Fischer, Peter A., Reiner Martin, and Thomas Straubhaar. 1997. "Should I stay or should I go?" in Thomas Hammar et al. (eds.), *International Migration, Immobility and Development*. Oxford: Berg Press.

Ivlevs, A., and R. King 2008 "Intergenerational transmission of 'migration capital' and the decision to emigrate." *GEP working paper* 11/08. University of Nottingham.

Lam, K.C. 2002 "Interaction Between Economic and Political Factors in the Migration" *Journal of Comparative Economics* 30(3):488-504.

Liebig, T., and A. Sousa-Poza 2004 "Migration, self-selection and income inequality: an international analysis." *Kyklos* 57: 125-146.

Malcolm N. 1998 Kosovo: A Short History. New York: New York University Press.

Manski, C. F. 1990 "The Use of Intentions Data to Predict Behavior: A Best-Case Analysis." *Journal of American Statistical Association* 85(412): 934-940.

Marmullakaj, Q. 2009 "Independent Kosovo? – First steps." *Euro-Atlantic Quartely*. Spring 2009. < http://www.eaq.sk/page.php?doc=262>

Massey, D., J. Arango, G. Hugo, A. Kouaouci, A. Pellegrino, and E. Taylor 2005 Worlds in Motion. Understanding International Migration at the End of the Millennium. Oxford: Clarendon Press.

Minchev, O. 2008. "Reconfiguring Serb Political Situation after Kosovo Independence." Institute for Regional and International Studies (IRIS). 18 March 2008. <a href="http://www.focus-">http://www.focus-</a>

fen.net/index.php?id=18602&PHPSESSID=vtfdpt2hg9bfekhpn2n4jiid75>

Papapanagos, H., and P. Sanfey 2001. "Intention to Emigrate in Transition Countries: The Case of Albania." *Journal of Population Economics* 14(3):491-504.

Riinvest Institute 2007 "Diaspora and migration policies", Forum 2015.

Sengupta, Kim (2004), "Burnt-out Serbs driven into exodus from Kosovo", *The Independent*, March 21, 2004. <a href="http://www.independent.co.uk/news/world/europe/burntout-serbs-driven-into-exodus-from-kosovo-567056.html">http://www.independent.co.uk/news/world/europe/burntout-serbs-driven-into-exodus-from-kosovo-567056.html</a>

Sjaastad, Larry A. 1962. "The Costs and Returns of Human Migration." *Journal of Political Economy* 70: 80-93.

Spiegel Online (2006), "Concerns of Serb Exodus Growing", Spiegel Online June 20, 2006. <a href="http://www.spiegel.de/international/0,1518,422502,00.html">http://www.spiegel.de/international/0,1518,422502,00.html</a>

Stevens G. 2009 "Filling the Vacuum: Ensuring Protection and Legal Remedies for Minorities in Kosovo." Minority Rights Group International. <a href="http://www.minorityrights.org/7856/reports/filling-the-vacuum-ensuring-protection-and-legal-remedies-for-minorities-in-kosovo.html">http://www.minorityrights.org/7856/reports/filling-the-vacuum-ensuring-protection-and-legal-remedies-for-minorities-in-kosovo.html</a>

Uebelmesser, S. 2006 "To Go or Not to Go: Emigration from Germany." *German Economic Review* 7(2):211-231.

United Nations Development Programme (UNDP) 2004 *The Rise of the Citizen:* Challenges and Choices Human Development Report Kosovo 2004

United Nations Development Programme (UNDP) 2006 Youth: A New Generation for Kosovo, Human Development Report Kosovo 2006

Vathi, Z. and R. Black (2007) "Migration and Poverty Reduction in Kosovo" Development Research Centre Working Paper WP-C12, University of Sussex

World Bank 2008 Kosovo - Youth in jeopardy: being young, unemployed, and poor in Kosovo - a report on youth employment in Kosovo, No. 43596-XK

World Bank 2007 Kosovo Poverty Assessment: Volume 1: Accelerating Inclusive Growth to Reduce Widespread Poverty. October 3, 2007.

World Bank 2005 Kosovo Poverty Assessment, Report No. 32378-XK

# Appendix 1. Survey design and data collection.

# <u>Methodology</u>

Sample	Population of Kosovo 18+; Census figures 1981, estimated results of Census 1991, estimated population dynamics, and census figures of refugees and IDPs from 2000,						
universe	2002 and 2005.						
Sampling frame	Polling stations territory (approximate size of census units) within strata defined by regions and type of settlements (urban and rural)  Polling stations territories enables the most reliable sample selection, due to the fact that for these units the most complete data are available						
Type of sample	Three stage random representative s	stratified sample					
•	PSU – Polling station territory						
	<b>Definition:</b> Polling stations territories are defined by street(s) name(s) and dwelling numbers; each polling station territory comprises approximately 300 households, with exception of the settlements with less than 300 HH which are defined as one unite.						
Definition	Number of PSUs in sample univer	se: 920					
and	SSU - Household						
number of PSU, SSU,	<b>Definition:</b> One household comprise the expanditure for food	ses people living in the sam	e apartment and sharing				
TSU, and	the expenditure for food  Number of SSUs in sample univers	sa: 420 000					
sampling	TSU – Respondent	<b>36.</b> 420 000.					
points	<b>Definition:</b> Member of the HH, 18	+					
	Number of TSUs in sample univers						
	Sampling points	,					
	Approximately 10 sampling points per one PSU						
	Sub sample	First level strata:	Second level strata:				
Stratifica-	Ethnic Albanians	3 regions	urban and rural				
tion,	Ethnic Serbs	2 regions	settlements				
purpose	Purpose: Optimization of the sample plan, and reducing the sampling error						
and method	Method: The strata are defined by uniformity	criteria of optimal geograp	hical and cultural				
	PSU Type of sampling of the PS	U: Polling station territory	chosen with probability				
Selection	proportional to size (PPS); method	of selection: Cumulative (	Lachirie method)				
procedure of PSU,	<u>SSU</u> Type of sampling of the SSU						
SSU, and	method of selection: Random walk		0 1				
respondent	TSU – Respondent Type of samp without replacement; method of se		e random sampling				
	1300 completed questionnaires (m:						
Sample size	at least 800 residents age 13	8 and over among ethnic Al					
•	at least 500 residents age 13	8 and over among ethnic Se	erbs				
Sampling	Margin error: 2.78	1000 500					
error	Sub samples margin error: n=800	+/- 3.65; n=500 =/- 4,68					

#### About Ipsos Strategic Puls

The survey on was conducted by *Ipsos Strategic Puls* (formerly known as *Strategic Marketing*) - a private and independent research company whose major fields of activity include various types of marketing and public opinion research, based in Belgrade, Serbia. The company began operating in 1997 and since then has become one of the leading and well-known research suppliers in the Central Balkan region, present in Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Montenegro, Serbia and Slovenia. In 2009, it became part of IPSOS, a worldwide research company present in 64 countries. *Ipsos Strategic Puls* adheres to the standards of ISI (International Statistical Institute) and ESOMAR (European Society for Opinion and Marketing Research) concerning sample design, data collection and processing, and data analysis methods.

#### **Funding**

The survey expenses were covered from the Leverhulme Centre for Globalisation and Economic Policy (Nottingham School of Economics) and Østfold University College Småforsk grant 2008 research funds obtained for the implementation of this project.

Appendix 2. Definition of variables and summary statistics.

			sovo nians	Kosovo Serbs	
Variable	Definition	Mean	St.d.	Mean	St.d.
Age	Age in years	37.14	13.93	34.70	13.33
*Male	1 if male	0.507	0.500	0.535	0.499
*Single	1 if single, 0 if lives with a partner, married or widowed	0.302	0.459	0.446	0.498
*Children under 6	1 if has children under 7	0.559	0.497	0.225	0.418
*Children aged 7-14	1 if has children 7-14	0.568	0.496	0.291	0.455
*Children aged 15-18	1 if has children 15-18	0.373	0.484	0.239	0.427
Household size	Number of household members	5.898	2.100	4.415	1.806
Household income per earner	Total household income divided by the number of income earners, in EUR	196.2	125.2	277.1	172.8
Education *Elementary	1 if elementary education or non-completed elementary education	0.120	0.325	-	-
*Non-completed sec.	1 if non-completed secondary education	0.105	0.307	-	-
*Secondary vocational	1 if secondary vocational education	0.063	0.243	-	-
*Less than completed sec. (only Kosovo Serbs)	1 if elementary, non-completed secondary or secondary vocational education	-	-	0.087	0.282
*Completed secondary	1 if finished secondary education (excluding current students)	0.552	0.498	0.735	0.442
*Currently a student	1 if a student	0.133	0.340	0.188	0.391
*Some faculty	1 if non-completed higher education	0.044	0.205	_	_
*Completed college	1 if completed college education	0.029	0.169	-	-
*Some faculty/college (only Kosovo Serbs)	1 if non-completed higher education or college education	-	-	0.094	0.292
*Completed faculty	1 if completed higher education	0.086	0.281	0.085	0.278
*Unemployed	1 if unemployed	0.202	0.402	0.223	0.417
*Living in rural area	1 if lives in rural area	0.479	0.500	0.655	0.476
*Networks + remittances	1 if has family members abroad who send money back home	0.454	0.498	0.127	0.333
*Networks, no remittances	1 if has family members abroad who do not send money back home	0.158	0.365	0.308	0.462
*1 <sup>st</sup> generation migrant	If born outside Kosovo	0.016	0.126	0.054	0.226
*2 <sup>nd</sup> generation migrant	If born in Kosovo, and at least one of the grandparents never lived in Kosovo (implying that parents migrated to Kosovo)	0.079	0.270	0.056	0.231

<sup>\*</sup> indicates a dummy variable.