

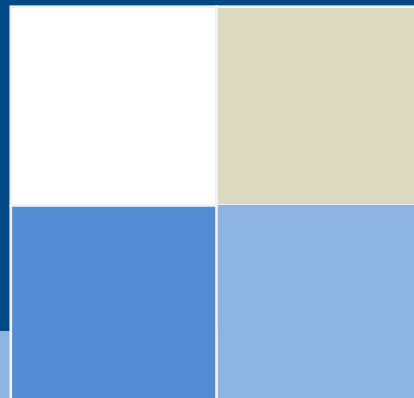
Policy Analysis - No. 04/2013



GROUP FOR LEGAL  
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STUDIES

# Who are the Kosovars most willing to migrate to EU countries?

- An empirical perspective



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### Who are the Kosovars most willing to migrate to EU countries? - An empirical perspective

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July 2013

For their contribution, we would like to thank the external peer reviewers who provided excellent comments on earlier drafts of this policy product. GLPS internal staff provided very helpful inputs, edits and contributed with excellent research support.

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# WHO ARE THE KOSOVARs MOST WILLING TO MIGRATE TO EU COUNTRIES? - AN EMPIRICAL PERSPECTIVE

## I. Background Information

Despite solid economic growth during the early post-conflict years followed by around 4-4.7 percent during the later years, Kosovo remains the poorest country in Europe. The official data show that 29.7 percent of Kosovans live below the national poverty line, and an estimated 10.2 percent live in extreme poverty.<sup>1</sup> In addition to widespread poverty, Kosovo has persistently high unemployment rates of above 40 percent throughout the last decade. The latest available data shows that the unemployment rate in the first half of 2012 was 35 percent. The rate was significantly higher amongst youth, more precisely 60.2 percent.<sup>2</sup> The 2010 regional unemployment figures show that Mitrovica and Gjakova recorded the highest unemployment rates of 77.6 and 67.8 percent, respectively. On the other hand, Prishtina and Prizren recorded the lowest unemployment rates, with 31.5 and 35.2 percent, respectively (see Table 1).

Kosovo has traditionally had a large Diaspora, especially as a result of the war in 1998/99, with roughly 400,000 Kosovans moving abroad since the late 1960s.<sup>3</sup> Around 33 percent and 25 percent of households have a family member abroad and receive remittances, respectively.<sup>4</sup> Migration is considered to be a coping mechanism for households who are in a disadvantaged position regarding employment and income.

According to the survey of the European Perspective in Kosovo 2012, respondents ranked 'corruption/rule of law', 'unemployment' and 'economic situation in general' as the most important issues that Kosovo currently faces.<sup>5</sup> The survey results also reveal that 36 percent of the respondents are willing to permanently settle in any EU country (willing to migrate),<sup>6</sup> which is a reflection of the above-mentioned situation concerning unemployment and poverty.

Fears surrounding the migration of Kosovars towards EU countries have been translated into additional visa liberalization requirements. In September 2013, the European Commission will assess achievements in Kosovo as part of the visa liberalization process; for the first time as a part of this assessment, the European Commission will assess the potential and expected impacts of migration and security in a visa-liberalized Kosovo.<sup>7</sup> In order to assess the impact of expected migration, the Commission will monitor the performance indicators such as the visa refusal rate, the rate of refused entry to the Schengen area, the number of citizens staying

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<sup>1</sup> Kosovo Agency of Statistics (2013). Consumption Poverty in the Republic of Kosovo in 2011. Available at: [http://esk.rks-gov.net/ENG/publikimet/doc\\_view/1070-consumption-poverty-in-the-republic-of-kosovo-in-2011?tmpl=component&format=raw](http://esk.rks-gov.net/ENG/publikimet/doc_view/1070-consumption-poverty-in-the-republic-of-kosovo-in-2011?tmpl=component&format=raw)

<sup>2</sup> Kosovo Agency of Statistics (2013). Labour Market Survey 2012- Results for the first half of 2012. Available at: [http://esk.rks-gov.net/ENG/publikimet/cat\\_view/16-labour-market](http://esk.rks-gov.net/ENG/publikimet/cat_view/16-labour-market)

<sup>3</sup> UNDP (2010). Kosovo Remittance Study 2010. Available at: <http://www.bqk-kos.org/repository/docs/Final-english.pdf>

<sup>4</sup> UNDP (2012). Kosovo Remittance Study 2012. Available at: [http://www.ks.undp.org/content/kosovo/en/home/library/poverty/Remittance\\_Study/](http://www.ks.undp.org/content/kosovo/en/home/library/poverty/Remittance_Study/)

<sup>5</sup> Ubo Consulting (2012). Survey of Awareness of the EU and European Integration among Kosovo residents. Available at: [www.mei-ks.net/repository/docs/EUPK\\_Survey\\_Report\\_2012.pdf](http://www.mei-ks.net/repository/docs/EUPK_Survey_Report_2012.pdf)

<sup>6</sup> Ibid

<sup>7</sup> European Commission (2013). Report from the Commission to the European Parliament and the Council on progress by Kosovo in fulfilling the requirements of the visa liberalisation roadmap, Available at : <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0066:FIN:EN:PDF>

illegally in EU Member States, the number of asylum applications, and the number of rejected readmission applications.<sup>8</sup> According to official data from the European Commission and Eurostat, the visa refusal rate from 2010 to 2011 increased slightly for Kosovo.<sup>9</sup> Second, the total number of Kosovo citizens who were refused entry at the Schengen external borders was 385 in 2009, followed by a drop to 315 in 2010. However, 2011 experienced a rough increase in the total Schengen-visa refusal rate.<sup>10</sup> Third, the number of Kosovo citizens found to be illegally present in EU member states dropped from 5060 in 2010 to 4180 in 2011.<sup>11</sup> Fourth, even the number of rejected readmission applications decreased by 18% between 2010 and 2011.<sup>12</sup> Fifth, in order to approve a visa-free regime, one of the most important indicators that the European Commission will evaluate is the number of asylum applications in the EU-27. Based on the EUROSTAT data, the number of asylum applications lodged by Kosovo citizens decreased from 14,325 in 2010 to 9,865 in 2011;<sup>13</sup> however, the latest statistics show an increase by roughly 3% in 2012<sup>14</sup>. Even though there are no official data of asylum applications for the first half of the year 2013, we have observed an increasing trend in the number of illegal immigrants that seek asylum in EU Member States. Kosovo citizens, lately, have used Belgrade as a 'gateway' to enter EU countries and ask for asylum once there; Kosovans have been able to travel to Serbia since the Freedom of Movement was implemented in 2011. The main destinations for asylum seekers are Hungary (around 4,000), Germany, and Scandinavian countries, amongst others.<sup>15</sup>

**Table1.** Unemployment rate across regions in 2010 in Kosovo

Region	Registered Unemployment (Given)	Labour Force	Unemployment Rate (%) <sup>16</sup>
Ferizaj	36064	79874.04	45.15
Gjakove	40600	59870.91	67.81
Gjilan	36231	80597.81	44.95
Mitrovice	64338	82912.31	77.60
Peje	39734	74226.68	53.53
Prishtine	63488	201894.24	31.45
Prizren	58440	166267.57	35.15
<b>TOTAL</b>	<b>338895</b>	<b>745643.56</b>	<b>45.45</b>

**Source:** Authors' calculations based on data from the Ministry of Labour and Social Welfare and Kosovo Agency of Statistics

<sup>8</sup> European Commission. (2012). Visa Liberalisation with Kosovo Roadmap. Available at:

[http://eeas.europa.eu/delegations/kosovo/documents/eu\\_travel/visa\\_liberalisation\\_with\\_kosovo\\_roadmap.pdf](http://eeas.europa.eu/delegations/kosovo/documents/eu_travel/visa_liberalisation_with_kosovo_roadmap.pdf)

<sup>9</sup> European Commission (2013). Report from the Commission to the European Parliament and the Council on progress by Kosovo in fulfilling the requirements of the visa liberalisation roadmap, pp. 25 Available at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0066:FIN:EN:PDF>

<sup>10</sup> Ibid, pp.26

<sup>11</sup> Ibid, pp.27

<sup>12</sup> Ibid, pp. 20

<sup>13</sup> Ibid, pp 28

<sup>14</sup> Bitoulas, A. (2013). Asylum applicants and first instance decisions on asylum applications: 2012. EUROSTAT Available at: [http://epp.eurostat.ec.europa.eu/cache/ITY\\_OFFPUB/KS-QA-13-005/EN/KS-QA-13-005-EN.PDF](http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-QA-13-005/EN/KS-QA-13-005-EN.PDF)

<sup>15</sup> Brajshori, M and Jovanovic, I. (2013). Asylum seekers alarming for Kosovo officials. Available at: [http://www.setimes.com/cocoon/setimes/xhtml/en\\_GB/features/setimes/features/2013/07/22/feature-02](http://www.setimes.com/cocoon/setimes/xhtml/en_GB/features/setimes/features/2013/07/22/feature-02)

<sup>16</sup> Unemployment rate= (Registered unemployment/Labour Force)\*100

Given the large number of Kosovan migrants and the large willingness of Kosovans to permanently settle in an EU country (migrate), it is of immense importance for policy making authorities to investigate the factors or characteristics that affect the willingness of Kosovars to migrate to EU countries. This is not only important for visa-liberalization and for structuring a policy response but also for addressing the needs and concerns of those wanting to migrate to the EU.

Various empirical studies have attempted to shed light on the determinants of migration and remittances, which are interrelated. As a comparative example, Shehaj (2012) used data at the household level in Albania to examine the determinants of migration and remittances. Shehaj's results suggest an insignificant relationship between income and migration. Moreover, age, marital status, and human capital variables were all significant predictors of remittances and migration. The results suggested that households residing in urban areas are less likely to migrate or receive remittances, whereas central-region households are more likely to migrate and receive remittances (as compared to Tirana).<sup>17</sup> In another example, Holst and Schrooten (2006), using data from the German Socio-Economic Panel Study (SOEP) shed light on migration and money and the determinants of remittances. The overall results provide three main conclusions; first, the study emphasizes the importance of the extent of integration into the society; second, the study shows that the relationship between income and remittances is not significant; third, the study shows that people from Turkey and the former Yugoslavia are more likely to provide remittances than any other migrants. Additionally, the results suggest that marital status (being married) and years of education positively influence remittances, whereas females are less likely to provide remittances than their male counterparts.<sup>18</sup> Another comparative study, Crăciun (2006), analysed how the characteristics of households and migrants impact the amount of remittances in the Republic of Moldova. The results suggested that experience, income, gender, and age, amongst others, impact the probability and extent of remittances.<sup>19</sup> The existing empirical evidence on the determinants of migration, however, is still limited for Kosovo. Havolli (2009) looked at the determinants of remittances in Kosovo, using the migration survey collected by Riinvest in 2006.<sup>20</sup> The paper found that, among others, the motive to invest and perceptions about the business environment are significant determinants of remittances. Shaorshadze and Miyata (2010),<sup>21</sup> on the other hand, analysed the effect of remittances and migration on consumption, poverty, and inequality among households in Kosovo. The study found that private transfers had a significant effect on improving welfare in Kosovo and were predominantly allocated towards individuals with truly low welfare. This is why the economically disadvantaged groups of people usually see migration as a serious option for improving their own and their family's standard of living.

This policy contribution aims to provide quantitative analysis on the characteristics of people in Kosovo that are most willing to migrate, in order to inform policy makers on the gaps

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<sup>17</sup> Shehaj, E. (2012). The Determinants of Migration and Remittances in Albania. *International Journal of Scientific & Engineering Research*. Vol. 3.

<sup>18</sup> Holst, E. and Schrooten, M. (2006). Migration and Money – What determines remittances? Evidence from Germany. DIW Berlin Discussion Papers 566.

<sup>19</sup> Crăciun, C. (2006). Migration and Remittances in the Republic of Moldova: Empirical Evidence at Micro Level. Unpublished Working Paper, Economics Education and Research Consortium, National University "Kyiv-Mohyla Academy"

<sup>20</sup> Havolli, S. (2009). Determinants of Remittances: The Case of Kosovo. Central Bank of Kosovo, Working Paper No.3

<sup>21</sup> Shaorshadze, I. and Miyata, S. (2010). Foreign Remittances and Poverty Reduction in Kosovo. World Bank and UKAID Conference Western Balkans Poverty and Inclusion December 14th-15th, 2010, Brussels.

that currently exist in Kosovo's economic growth agenda. To reach this aim, this policy analysis adds to the previous literature by analysing the determinants of willingness to migrate to EU countries via a probit model. The policy analysis is organized as follows: Section 2 presents the data used in the study and the descriptive statistics. Section 3 describes the methodological approach adopted in this study. The empirical results are presented in Section 4, and the last section concludes with what has been evidenced empirically with our tests. A short list of policy recommendations is also given at the end in order to address causes for migration from Kosovo. This policy analysis is the first quantitative study of its kind. The findings of this report should be taken and addressed seriously by Kosovo's Government and be translated into a doable framework that addresses the causes of the *willingness to migrate* issue in Kosovo.

## II. Data and descriptive statistics: Where do we base our analysis?

This study used data from the survey 'European Perspective in Kosovo' 2012, conducted by Ubo Consulting on behalf of the EU Office in Kosovo and the Kosovo's Government Ministry of European Integration.<sup>22</sup> A total of 1,500 individuals have been interviewed face-to-face, and the survey is nationally representative for Kosovo. The questionnaire consisted of 41 questions and was composed of three sections: a) Awareness of the European Union and EU structures, b) Integration: hopes and concerns, and c) Information channels.

The descriptions of the variables used in this analysis are presented in Table 2. A probit model is employed in this policy analysis, and the dependent variable used is the willingness of individuals to migrate to EU countries derived from the question 'Would you like to go to permanently settle in an EU country'. Since the dependent variable is a binary variable, we have included in the analysis only those individuals who responded 'Yes' or 'No' in the abovementioned question (excluding those that answered with 'Don't know' and 'Refuse'). As a result, the total number of observations dropped to 1,417. Of these individuals, 36 percent said they would like to go and permanently settle in an EU country ('willing to migrate'). However, those who responded 'Yes' would *not* necessarily accept any form of migration, specifically illegal migration.

Next, table 3 presents the descriptive statistics of the variables used in the empirical analysis. Considering the regional distribution of respondents, Prishtina has the highest percentage of respondents, with 27.2 percent, followed by Prizren and Mitrovica with 15.4 and 14.8 percent respectively; whereas, Gjakova has the lowest percentage of respondents, only 5.2 percent. The respondents were almost equally distributed between rural and urban areas, 56.7 and 43.3 percent, respectively. With regard to the composition of the surveyed population, Table 2 shows that 80 percent of respondents were male and the majority of individuals fall between the ages of 25 to 64 years old; 59.6 percent of respondents are married. Concerning the education levels of the respondents, primary is the highest level completed for 19.5 percent of respondents, secondary is the highest level completed for 49.3 percent of respondents, and 30.8 percent of respondents have completed their tertiary education. Regarding income and financial situation, 53 percent of individuals have a monthly income between 200€ - 400€, and roughly

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<sup>22</sup> Ubo Consulting (2012). Survey of Awareness of the EU and European Integration among Kosovo residents. Available at: [www.mei-ks.net/repository/docs/EUPK\\_Survey\\_Report\\_2012.pdf](http://www.mei-ks.net/repository/docs/EUPK_Survey_Report_2012.pdf).

84 percent of respondents consider themselves to be in a good financial situation; 53 percent consider that their economic situation has improved over the last 5 years. The majority of the individuals interviewed are employed (around 48 percent) while 13.4 and 18.2 percent are reported as unemployed and students, respectively. Only 15 percent of respondents have travelled to any EU countries in the last 5 years, and only 17.4 percent are dissatisfied with their life. Regarding the level of awareness of Kosovans about the EU, 61.2 percent have no or moderate knowledge about the EU, and 57.7 percent believe that joining the EU would benefit them personally.

**Table 2.** Description of variables used in regressions

Variable name	Description
<b>Dependent variable</b>	
<b>Migration</b>	1 if individual would like to go and settle permanently in an EU country; 0 otherwise
<b>Independent variables</b>	
<b>Regions</b>	
Prishtina	1 if individual resides in Prishtina; 0 otherwise
Mitrovica	1 if individual resides in Mitrovica; 0 otherwise
Prizren	1 if individual resides in Prizren; 0 otherwise
Peja	1 if individual resides in Peja; 0 otherwise
Gjakova	1 if individual resides in Gjakova; 0 otherwise
Gjilan	1 if individual resides in Gjilan; 0 otherwise
Urban/Rural	1 if individual resides in Urban area; 0 if in Rural area
Gender	1 If individual is male; 0 if female
<b>Awareness about EU</b>	
Not Moderate Knowledge	1 if individual has no or moderate knowledge about EU; 0 otherwise
Knowledgeable/very Know	1 if individual has knowledge or is very knowledgeable about EU; 0 otherwise
Other	1 if individual refused to answer or did not know; 0 otherwise
Travelled to EU	1 if individual travelled to any EU country during the last 5 years; 0 otherwise
<b>Life Satisfaction</b>	
Satisfied	1 if individual is very/somewhat satisfied with his/her life; 0 otherwise
Dissatisfied	1 if individual is very/somewhat dissatisfied with his/her life; 0 otherwise
Other	1 if individual refused to answer or did not know; 0 otherwise
<b>Economic Situation</b>	
Improved	1 if individual's present economic situation has improved or improved a lot compared to 5 years ago (2007); 0 otherwise
Not Improved	1 if individual's present economic situation has not changed much or stayed the same compared to 5 years ago (2007); 0 otherwise
Other	1 if individual refused to answer or did not know; 0 otherwise
<b>EU membership</b>	

Benefit	1 if individual believes EU membership would benefit a lot or somewhat benefit him/her personally; 0 otherwise
Neutral	1 if individual belief about how EU membership would benefit him/her personally is neutral; 0 otherwise
Not Benefit	1 if individual believes EU membership would not benefit at all him/her personally; 0 otherwise
Other	1 if individual refused to answer, the answer was other or did not know; 0 otherwise
<b>Age</b>	
Age15-24	1 if individual belongs to age group 15-24 years; 0 otherwise
Age25-64	1 if individual belongs to age group 25-64 years; 0 otherwise
65andover	1 if individual belongs is 65 years or older; 0 otherwise
<b>Marital Status</b>	
Single	1 if individual is single, divorced and widowed; 0 otherwise
Married	1 if individual is married or cohabiting; 0 otherwise
Other	1 if individual refused to answer; 0 otherwise
<b>Financial Situation</b>	
Good	1 if individual financial situation is very good or somewhat good; 0 otherwise
Bad	1 if individual financial situation is somewhat bad or very bad; 0 otherwise
Other	1 if individual refused to answer; 0 otherwise
<b>Income</b>	
Up to 200	1 if individuals' income is less than 100€ or between100€-200€; 0 otherwise
200 to 400	1 if individuals' income is 200€-300€ or between 300€-400€; 0 otherwise
400 and over	1 if individuals' income more than 400€; 0 otherwise
Other	1 If individuals' income was other or refused to be reported; 0 otherwise
<b>Education</b>	
Primary/less Primary	1 if individual has completed primary education or less, 0 otherwise
Secondary	1 if individual has completed high school, 0 otherwise
Tertiary	1 if individual has completed some college, associate degree, college graduate or Graduate school degree: Master's or Doctorate degree 0 otherwise
Other/Refused	1 If individuals refused to answer; 0 otherwise.
<b>Occupation</b>	
Employed	1 if individual is skilled manual/unskilled worker; employed in a service job; general management, director or top management; self-employed; owner of a company; professional; public servant; farmer; 0 otherwise
Unemployed	1 if individual is unemployed or temporary not working; 0 otherwise
Student	1if individual is a student; 0 otherwise

Other	1 if individual is retired or has other occupation; 0 otherwise
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Table 3. Descriptive Statistic of the key variables

Variables	Max/Min	Mean/ Proportions	Standard Error
<b>Dependent</b>			
Willingness to Migrate	1 0	.3577 .6422	.0127
<b>Independent</b>			
<b>Regions</b>			
Prishtina	1 0	.2717 .7282	.0118
Mitrovica	1 0	.1479 .8525	.0094
Prizren	1 0	.1538 .8461	.0095
Peja	1 0	.1340 .8659	.0090
Ferizaj	1 0	.1030 .8969	.0091
Gjakova	1 0	.0515 .9484	.0058
Gjilan	1 0	.1383 .8616	.0091
Urban/Rural	Urban Rural	.5666 .4334	.0131
Gender	Male Female	.8007 .1992	.0092
<b>Awareness about EU</b>			
Not Moderate Knowledge	1 0	.6182 .3817	.0129
Knowledgeable/very Know	1 0	.3690 .6309	.0128
Other	1 0	.0127 .9872	.0029
Travelled to EU	1 0	.1524 .8476	.0095
<b>Life Satisfaction</b>			
Satisfied	1	.8073	.0104

	0	.1927	
Dissatisfied	1	.1743	
	0	.8257	.0100
Other	1	.0183	
	0	.9817	.0036
<b>Economic Situation</b>			
Improved	1	.5328	
	0	.4672	.0132
Not Improved	1	.4658	
	0	.5342	.0132
Other	1	.0014	
	0	.9986	.0009
<b>EU Membership</b>			
Benefit	1	.5773	
	0	.4227	.0131
Neutral	1	.2477	
	0	.7423	.0114
Not Benefit	1	.1122	
	0	.8878	.0083
Other	1	.0628	
	0	.9372	.0064
<b>Age</b>			
Age 15 to 24	1	.2772	
	0	.7228	.0118
Age 25 to 64	1	.6608	
	0	.3392	.01257
65 and over	1	.0620	
	0	.9379	.0064
<b>Marital Status</b>			
Single	1	.4029	
	0	.5970	.0130
Married	1	.5956	
	0	.4044	.130
Other	1	.0014	
	0	.9986	.0009
<b>Financial Situation</b>			
Good	1	.8377	
	0	.1623	.0097
Bad	1	.1496	
	0	.8504	.0094
Other	1	.0127	
			.0029

	0	.9873	
<b>Income</b>			
Up to 200	1 0	.2181 .7819	.0109
200 to 400	1 0	.5265 .4735	.0132
400 and over	1 0	.2039 .7961	.0107
Other	1 0	.0515 .9485	.0058
<b>Education</b>			
Primary/less Primary	1 0	.1948 .8052	.0105
Secondary	1 0	.4933 .5067	.0132
Tertiary or higher	1 0	.3077 .6923	.0122
Other/Refused	1 0	.0042 .9958	.0017
<b>Occupation</b>			
Employed	1 0	.4834 .5166	.0132
Unemployed	1 0	.1341 .8659	.0090
Student	1 0	.1821 .8179	.0102
Other	1 0	.2004 .7996	.0106

### III. Methodology: How do we reach the results?

The aim of this policy analysis is to analyse the willingness of Kosovo citizens to migrate (settle permanently) in an EU country. The willingness of migration to EU countries will be analysed using the data from European Perspective in Kosovo 2012, in order to get insights relating to those characteristics which indicate an increase or decrease in the likelihood of willingness to migrate.

This analysis utilizes a binary choice model since the regressant takes only two values. In our case, the dependent variable is a dummy variable that takes the value of 1 if the individual is willing to migrate and 0 if not. Models that have a binary or dichotomous dependent variable are

known as probability models.<sup>23</sup> Therefore, the empirical approach for conducting this analysis involves a Probit model as expressed below:

$$P = (Y_1 = 1 | x_{1i}, \dots, x_{Ki}, \beta_0, \dots, \beta_K) = \Phi \left( \beta_0 + \sum_{k=1}^K \beta_k x_{ki} \right) \dots (1)$$

$$\Phi = (\beta_0 + \beta_1 X_{i1} + \dots + \beta_K X_{ki}) \dots (2)$$

Where  $\Phi$  represents the cumulative distribution of the standard normal distribution.

The equation of the probit model used in the study is as follows:

#### ***Willingness to migrate***

$$\begin{aligned} &= \beta_0 + \beta_1 \text{Prishtina} + \beta_2 \text{Mitrovica} + \beta_3 \text{Prizren} + \beta_4 \text{Peja} \\ &+ \beta_5 \text{Ferizaj} + \beta_6 \text{Gjakova} + \beta_7 \text{Gjilan} + \beta_8 \text{UrbanRural} \\ &+ \beta_9 \text{NoModKnow} + \beta_{10} \text{KnowVeryKnow} + \beta_{11} \text{Other} \\ &+ \beta_{12} \text{TravelledEU} + \beta_{13} \text{Satisfied} + \beta_{14} \text{Dissatisfied} \\ &+ \beta_{15} \text{Other} + \beta_{16} \text{Improved} + \beta_{17} \text{NotImproved} + \beta_{18} \text{Other} \\ &+ \beta_{19} \text{Benefit} + \beta_{20} \text{Neutral} + \beta_{21} \text{WouldNot} + \beta_{22} \text{Gender} \\ &+ \beta_{23} \text{Single} + \beta_{24} \text{Married} + \beta_{25} \text{Other} + \beta_{26} \text{GoodFS} \\ &+ \beta_{27} \text{BadFS} + \beta_{28} \text{Other} + \beta_{29} \text{Incomeup200} \\ &+ \beta_{30} \text{Income200to400} + \beta_{31} \text{400over} + \beta_{32} \text{Other} \\ &+ \beta_{33} \text{Primary} + \beta_{34} \text{Secondary} + \beta_{35} \text{Tertiary} + \beta_{36} \text{Other} \\ &+ \beta_{37} \text{Employed} + \beta_{38} \text{Unemployed} + \beta_{39} \text{Student} + \beta_{40} \text{Other} \\ &+ \beta_{41} \text{Age15to24} + \beta_{42} \text{Age25to64} + \beta_{43} \text{65over} \end{aligned}$$

Since the probit coefficients are not directly interpreted, marginal effects will be computed at the median values of the regressors of the Probit model.

## **IV. Results: Who are most willing to migrate to EU countries?**

This section presents the results of the probit model presented in Table 4. The results indicate that most of the regression outcomes are as expected. The regional variables are significant predictors of willingness to migrate, except for Gjilan, however their signs differ. More precisely, *ceteris paribus*, individuals residing in regions of Prizren, Peja, Ferizaj and Gjakova are less likely to migrate compared to those in Prishtina by 16.4, 18.8, 13.6 and 12.2 percentage points, respectively; however, the residents of Mitrovica are more likely to migrate when compared to those in Prishtina by 11.5 percentage points. This could be a result of very high poverty rates in

<sup>23</sup> Gujarati, D. (2004). *Basic Econometrics*. Fourth Edition. New York: McGraw Hill. pp. 581–583

this region<sup>24</sup> as well as the issues regarding the North of Mitrovica and tensions between Serbs and Albanians. The results also suggest that those residing in urban areas are less likely to migrate to EU countries than their rural counterparts. Awareness about the EU also appears to be negatively correlated with willingness to migrate to EU countries, as those more knowledgeable are less likely to migrate than those with no or moderate knowledge. As expected, those who are dissatisfied with their current living conditions are more likely to migrate compared to their satisfied counterparts, by 9.7 percentage points, *ceteris paribus*.

Contrary to our expectations, the individuals whose present situation has not improved compared to 5 years ago are less likely to migrate, similar to individuals with improved situation, *ceteris paribus*. One explanation could be that these individuals cannot afford the cost of migration, or they are hopeful that the situation will improve in the near future. Another possible explanation could be attributed to patriotism or awareness about EU immigration rules/limited asylum opportunities.

As expected, the individuals who consider 'accession to EU would not benefit them personally', or are neutral to that matter, are less likely to migrate than those who consider that EU membership would benefit them a lot or somewhat benefit them. Another significant predictor of willingness to migrate to the EU is gender variable and it has the expected sign. More precisely, males are by 7.5 percentage points more likely to migrate to an EU country compared to their female counterparts, *ceteris paribus*. Human capital variables are not significant predictors of willingness to migrate to EU countries, and only the tertiary education attainment variable has the expected sign.

We find that age variables are significant and have the expected signs. The results indicate that, *ceteris paribus*, individuals aged 15 – 24 are more likely to migrate than those aged 25-64. Youth between 15 and 25 years old are the social strata most willing to migrate. During these ages, youth could be considered as the prime span of migration as they first enter the labour market, and are likely faced with less employment opportunities and/or lower wages which in the absence of other income generation opportunities could increase their willingness to migrate. On the other hand, individuals over 65 years old are less likely to migrate than those aged 25-64, *ceteris paribus*.

As expected, income variables are found to significantly affect the willingness of individuals to migrate to any EU country and have the expected signs. Individuals with monthly income up to 200€ are more likely to want to migrate than those with a monthly income of 200€-400€ by roughly 11 percentage points; whereas individuals with a monthly income of 400€ or more are less likely to migrate by 9.7 percentage points, *ceteris paribus*.

The results suggest that, as expected, unemployed individuals are more likely to migrate to any EU country compared to their employed counterparts by 10.5 percentage points, *ceteris paribus*. Being a student or other (i.e retired) decreases the willingness to migrate; however, these variables were not statistically significant in this study. In addition to the above, travelling to the EU during the last 5 years, marital status, and financial situation are not statistically significant predictors of willingness to migrate.

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<sup>24</sup>The Household Budget Survey data of 2011 suggest that the poverty rate in Mitrovica was 43.7%.

Table 4: Regression Results

	Probit Model		Marginal Effects	
Variables	Coefficients	Robust Standard Errors	Coefficients	Standard error
Mitrovica	.3026**	.1226	.1146**	.0476
Prizreni	-.4922***	.1227	-.1641***	.0363
Peja	-.5806***	.1280	-.1883***	.0353
Ferizaj	-.4044***	.1340	-.1359***	.0405
Gjakova	-.3643**	.1836	-.1223**	.0553
GJilani	-.1725	.1308	-.0613	.0450
Urbanrural	-.1287*	.0744	-.0472*	.0273
Knowveryk	-.2721***	.0857	-.0977***	.0300
Other	-.1318	.3206	-.0468	.1102
Travelled~5y	.0650	.1052	.0240	.0391
Dissatisfied	.2571**	.1130	.0967**	.0435
Other0	.1088	.2955	.0406	.1123
Notimproved	-5.528***	.5125	-.9841***	.0097
Improved	-5.216***	.5223	-.9887***	.0084
Neutral	-.2648***	.0916	-.0937***	.0312
Wouldnot	-1.083***	.1639	-.2998***	.0290
Other2	-.1482	.1654	-.0526	.0567
Gender	.2053**	.0800	.0747**	.0289
Age15to24	.2005*	.1148	.0745*	.0432
Age65over	-.4519**	.1888	-.1484***	.0539
Single	.1448	.0982	.0532	.0362
Other3	.4769	.7879	.1855	.3137
Badfinancsit	.0855	.1212	.0316	.0453
Other4	.1256	.4386	.0470	.1675
Incomeup~200	.2914***	.1041	.1095***	.0400

Income 400o~r	-.2771***	.1008	-.0973***	.0338
Other5	-.5557**	.2228	-.1762***	.0580
Primaryles~n	-.1480	.1138	-.0530	.0398
Tertiary	-.0441	.0894	-.0160	.0324
Refuse	.2976	.4795	.1141	.1898
Unemployed	.2780**	.1167	.1052**	.0453
Student	-.0186	.1251	-.0068	.0455
Other6	-.0296	.1218	-.0108	.0442
Cons	5.267***	.5431		
The model predicts correctly 70.36%of the cases				

\*, \*\*, \*\*\* Significant at 1%, 5% and 10% level, respectively

## V. A Policy Conclusion and Recommendations

Kosovo has traditionally had a large Diaspora, around 33 percent and 25 percent of households have someone abroad and receive remittances, respectively.<sup>25</sup> Migration trends dates back to the late 1960s, and this trend still persists in Kosovo. Post-conflict migration has been primarily stimulated by the poor socio-economic conditions. Kosovars perceive 'corruption/rule of law', 'unemployment' and economic situation in general to be some of the most important issues that Kosovo currently faces. There is a relatively high percentage of Kosovans willing to permanently settle in any of the EU countries, reflecting the current poor socio-economic situation, and more specifically the very high poverty and unemployment rates.

This policy analysis estimated the determinants of Kosovans' willingness to migrate to any EU country using data from the survey European Perspective in Kosovo 2012. The study developed a probit model to predict the impact of different individual characteristics – socio-demographic and human capital characteristics – on the willingness to migrate to EU countries. The results indicate that most of the regression outcomes are as expected. The evidence of the impact of region on the willingness to migrate is mixed. The analysis found that those residing in urban areas are less likely to migrate to EU countries compared to rural residents. Being aware about the EU is found to negatively affect the willingness of individuals to migrate to the EU, whereas individuals dissatisfied with their living conditions are more prone to migrate compared to the satisfied ones. The results indicate that, *ceteris paribus*, individuals aged 15 – 24 are more likely to migrate whereas those aged 65 and over are less likely to migrate compared to individuals aged 25-64. We also find that, as expected, males are more likely to migrate to EU countries. On the other hand, the human capital characteristics are not found to significantly

<sup>25</sup> UNDP (2012). Kosovo Remittance Study 2012. Available at: [http://www.ks.undp.org/content/kosovo/en/home/library/poverty/Remittance\\_Study/](http://www.ks.undp.org/content/kosovo/en/home/library/poverty/Remittance_Study/)

affect the individuals willingness to migrate to EU countries.

Given the large willingness of Kosovans to migrate to EU countries and the recent large illegal flow of migrants to EU countries, policymakers should utilize the findings of this analysis to orient their policy solutions in the right direction; policies should respond to the causes and characteristics that relate to the 'willingness' to migrate shown in this analysis. More specifically, the policy solutions must be focused on increasing the employment opportunities, especially for youth (those aged 15-25) since they are more willing to leave the country.

## VI. Recommended Policy Directions

1. The Government should introduce a substantive and continuous information strategy that informs people on the migration policy of the EU. As the analysis shows, those with more information on EU policies are less likely to migrate. This information gap in the society needs to be addressed by the Government through several awareness campaigns, and it will in turn decrease the willingness of Kosovo's population to migrate to EU countries.
2. As the category of individuals aged 15 – 24 is more willing to migrate to EU countries, the Government must concentrate on providing special short-term employment start-ups for this group of individuals to decrease the perception of the EU as the only destination for start-up employment. Education-related programs that advise and train this category of people on their potential labour market orientation are highly important.
3. The Government should tackle employment in rural areas as a high priority, as individuals from rural areas seem more willing to migrate. This should be complemented with more education opportunities for this group of people, as education could help them develop skills in line with the current market opportunities in Kosovo which seek special (and transferable) skills. A special emphasis should be given to the region of Mitrovica, where there exists more willingness to migrate to the EU countries.
4. The Government should introduce a policy to increase the professional education of people within the 'more willing to migrate' categories of people, and to improve their entrepreneurial skills to fill in the current markets where new businesses could be developed.
5. The Government should keep an eye on the trends of perception among the categories of people defined and evidenced in this analysis as more 'willing to migrate', and provide continual observation with the aim of responding to the causes of migration with policy measures and prevention responses.

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## **Policy Analysis**

Policy Analysis in general is a policy advice paper which particularly aims to influence the key means through which policy decisions are made in both local and central levels of government. The purpose of Policy Analysis is to address, more in-depth, a particular problem, to examine the arguments related to a concerned policy, and to analyze the implementation of the policy. Through Policy Analysis, Group for Legal and Political studies seeks to stimulate wider comprehensive debate on the given issue via presenting informed policy-relevant choices and recommendations to the key stakeholders and parties of interest.