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***Kosovo - Winning Its Independence but Losing Its People?  
Recent Evidence on Emigration Intentions***

by

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# **Kosovo - Winning Its Independence but Losing Its People? Recent Evidence on Emigration Intentions**

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## **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.

**JEL classification:** F22, J15, J61

**Keywords:** Kosovo, emigration intentions, brain-drain, determinants of emigration decision, ethnic minorities

## **Outline**

- 1. Introduction*
- 2. Data and descriptive statistics*
- 3. Empirical results*
- 4. Conclusions*

## Non-Technical Summary

Kosovo declared its independence from Serbia in February 2008, inheriting the youngest and the fastest growing population in Europe. Does this newly won independence give citizen optimism and a commitment to nation-building, or do the persisting fragilities in both the economic and political sphere elicit pessimism and induce people to vote with their feet? 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. We commissioned a survey of emigration intentions in Kosovo (1367 face-to face interviews), carried out in June 2008, which may well be the first survey of its kind since independence. 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.

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.

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.

## 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 motivated 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<sup>1</sup> 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 40%, with 15% of the population living ‘in extreme poverty’ and 45% living ‘in poverty’ (World Bank, 2007), conditions favor emigration for economic reasons.<sup>2</sup> In addition, Kosovo is known to have Europe’s youngest and fastest growing population. 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

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<sup>1</sup> Kosovo’s minority ethnic Serbs, backed by Serbia and its traditional Russian ally, have been opposing the secession and refer to it as a breach of international law. This dispute is under review by the International Court of Justice (Smith 2009).

<sup>2</sup> One positive development to report is that on June 29, 2009 Kosovo joined the International Monetary Fund and the World Bank. On the political front this may lead additional countries to recognize the state of Kosovo. On the economic front it is expected that this will bring external funding for infrastructure projects, which will improve conditions for economic recovery and encourage job creation. However, macroeconomic stability is currently not yet within reach and is likely to be delayed due to the global economic downturn (Smith 2009).

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.

The remainder of the paper is organized as follows. Section two describes the data, presents descriptive statistics, and compares pre- and post-independence emigration potentials. Section three outlines the empirical model and reports regression results. Section four concludes.

## **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 Strategic Marketing and Media 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. While the general use of emigration intentions data as a proxy for actual emigration is not uncontested,<sup>3</sup> emigration intentions have been shown to be a good predictor of future actual emigration (van Dalen and Henkens, 2008). Burda et al. (1998) take the stance that intentions are a monotonic function of the variables which motivate migration.<sup>4</sup> In addition, sending-country 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 pre-set list of answers.

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<sup>3</sup> See e.g. Manski (1990) for a critical evaluation of the relation between stated intentions and actual behaviour.

<sup>4</sup> For papers which empirically study emigration intentions see e.g. Burda et al. (1998), Drinkwater and Ingram (2008), Epstein and Gang (2006), Fidrmuc and Huber (2007), Lam (2000), Liebig and Sousa-Poza (2004), Papapanagos and Sanfey (2001) and Ubelmesser (2006).

Combining the first and the second questions, we are able to determine the socio-demographic profiles of three groups of people: 1) those with very low or rather low probabilities of emigration (we will call them *stayers*); 2) those with rather high or very high probabilities of emigration but having done nothing to realize their intention (*dreamers*); and 3) those with rather high or very high probabilities of emigration having taken concrete steps to realize their intentions of emigration (*potential movers*).

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.<sup>5</sup> ‘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 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 tend to report lower likelihood of emigration than the Kosovo Albanians, while the non-Serb minorities have likelihood of emigration similar to that of the Kosovo Albanians.

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<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.



**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	19%	21%	17%	9%	8%	10%	5%	4%	8%
Very high	<b>29%</b>	<b>37%</b>	<b>20%</b>	<b>16%</b>	<b>23%</b>	<b>8%</b>	<b>41%</b>	<b>46%</b>	<b>31%</b>
Taken concrete steps to emigrate	<b>31%</b>	<b>44%</b>	<b>18%</b>	<b>8.2%</b>	<b>11.4%</b>	<b>4.5%</b>	<b>30%</b>	<b>33%</b>	<b>23%</b>

*Source: Authors' calculations based on SMMRI 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, 40.7% said they have done nothing, 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.

The lower row of table 1 reports 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%). While such an emigration potential may appear huge, it is not unusual: it is estimated that the number of migrants is equal to one quarter of the total population in the neighboring Albania (Piracha and Vadean 2009).

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 40%.

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 decision, we take a look at what happened to the overall migration potential in Kosovo as it gained independence. Intuitively, independence should be associated with more stability, new opportunities and increased abilities to decide one’s own policy and influence economic and political processes – all in all an optimistic scenario, making people more willing to stay at home. But are residents 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 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".<sup>7</sup> 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 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

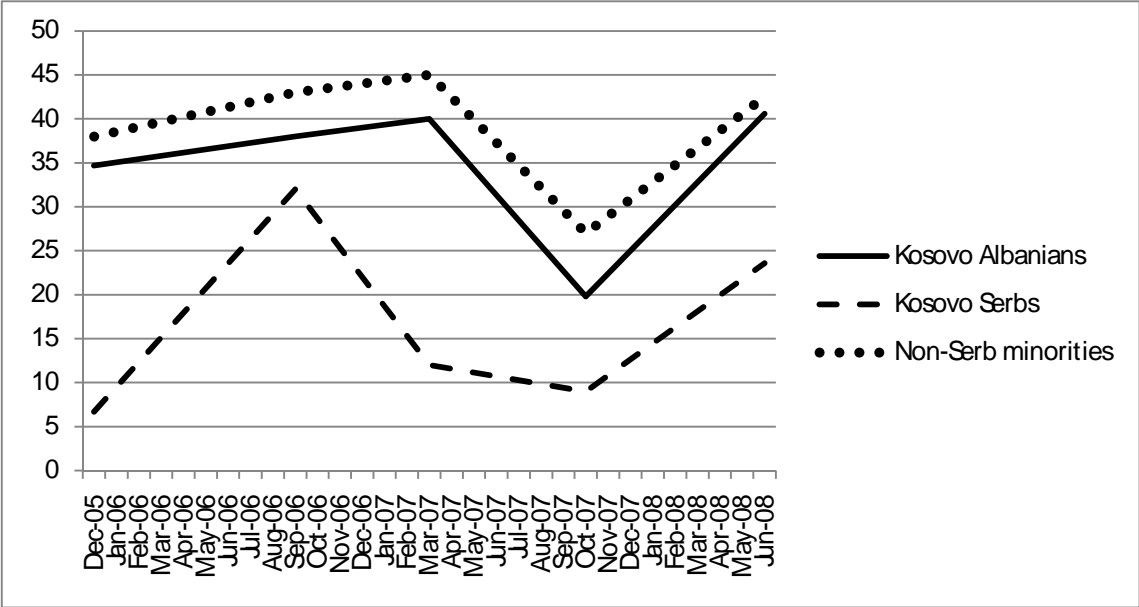
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<sup>6</sup> Of course all the caveats concerning comparisons of observations originating in distinct datasets with different data collection methodologies apply here.

<sup>7</sup> The survey reports are available at <http://www.ks.undp.org/>. 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.

established state – rather it is a distress signal.

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



Source: EWR and SMMRI 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).

The non-Serb minorities show a very different pattern from that of the Serb minority. As a matter of fact migration intentions of the non-Serb minorities run parallel to that of Kosovo Albanians (the ethnic majority). As the graph shows the non-Serb minorities display the highest percentage of migration intentions over the entire time interval under consideration.

By way of comparison we can say that the magnitude of emigration seekers is stratified throughout the relevant time interval and is highest for the non-Serb minorities, second

highest for the Kosovo Albanian majority, lowest for the Kosovo Serb minority. That emigration intentions are higher for the Kosovo Albanian majority than for the Serb minority is interesting in that it is counter-intuitive, and invites the possible interpretation that Kosovo Albanians' pessimism about the newly independent state of Kosovo is echoed by the Kosovo Serbs' expectation that this independent state may be a 'temporary aberration', a sentiment that has been expressed in various forms by Serbian groups when describing the 'illegitimacy of Kosovo's declaration of independence'.

### **3. Empirical Results**

#### **3.1. Empirical specification**

The objective of this section is to determine the socio-demographic profile of the potential Kosovo migrant. Recall that the respondents were first asked whether their likelihood of emigration was very low, rather low, rather high or very high, and subsequently the respondents reporting rather high or very high likelihood of emigration were asked whether they had done something to realize their emigration intention. The two questions 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)).

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<sup>8</sup> One alternative would be to estimate a multinomial logit model. However, contrary to the multinomial probit, multinomial logit relies on the independence of irrelevant alternatives assumption, i.e. it does not

The set of standard socio-demographic characteristics potentially affecting the propensity to migrate includes age and its quadratic term, household size 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. In addition, the respondents were asked whether they have family members/relatives working abroad and whether these family members are sending remittances back home. Using this information 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 the past migration histories in the family by including dummies for the first and second generation migrants. As shown by Ivlevs and King (2008), the host-country born children of former migrants have particularly high likelihood of emigration and we want to test this hypothesis in Kosovo. Definitions and summary statistics of all variables are provided in Appendix 2.

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 to us to *fully* isolate the effects of individual characteristics variables from the combined municipality level effect on individual decision to emigrate. 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 as 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).

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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.

### 3.2. Results

In the first part of this sub-section we econometrically analyze the determinants of emigration decision 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 emigration intentions 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 lifetime utility maximizing migration model (Sjaasted 1962). Males want to migrate more because of 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

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

administrative, linguistic and job search costs associated with the migratory move.

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 (Rinvest 2007, ESI 2006) 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. It also suggests that the negative effects, i.e. brain drain, are likely to outweigh any positive effect from the current prospective wave of outmigration.

Next, we find that the single are 23 percentage points more likely, and the respondents with children under 6 years old 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 income 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 the 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 we 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. Such children may also gain experience, early on, about crossing borders and experiencing different cultures, based on visits to family members on the other side of the border. 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: Self-reported likelihood of emigration, Ordered probit				Model 2: Stayer/dreamer/mover Multinomial probit		
	Very low	Rather low	Rather high	Very high	Stayer	Dreamer	Mover
Age	-0.024*	0.000	0.007	0.017*	-0.060***	0.019	0.042***
Age <sup>2</sup> /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
<i>Education</i>							
(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 1) \* $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$   
2) Robust standard errors (not reported) used to calculate regressors' level of significance.  
3) 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 (reference) and the south-east regions.<sup>10</sup> Second, given that only a few Serb respondents reported having unfinished secondary, secondary vocational education and higher non-completed education, we create four educational dummies: less than finished secondary education (elementary, unfinished secondary and secondary vocational); finished secondary; less than 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.

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

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<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.

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.<sup>11</sup> 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 (see e.g. Binnendijk et al (2006)): while the prospect of annexation of the northern Kosovo Serb enclaves is kept alive by Serbian authorities, such prospect is viewed as very remote for the case of the south-eastern Kosovo enclaves.

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<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.

**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		
	Very low	Rather low	Rather high	Very high	Stayer	Dreamer	Potential mover	Does not want to migrate	Wants to go to Serbia	Wants to go elsewhere
Age	-0.018	0.004	0.006	0.008	-0.031**	0.029**	0.001	-0.027**	0.009	0.018*
Age <sup>2</sup> /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
<i>Education</i>										
(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. Ethnic minorities in Kosovo, especially the non-Serb ones, are likely to suffer from marginalization and discrimination. A recent very critical report (Stevens 2009) published by Minority Rights Group International (MRG) 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

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

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'.

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

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

Notes:

- 1) The two regressions include five district dummies and the same individual-level variables as in table 2. Their coefficients are not reported.
- 2) \* $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$
- 3) Robust standard errors used to calculate regressors' level of significance

## 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 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.

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## Appendix 1. Survey design and data collection.

### Methodology

<b>Sample universe</b>	Population of Kosovo 18+; Census figures 1981, estimated results of Census 1991, estimated population dynamics, and census figures of refugees and IDPs from 2000, 2002 and 2005.		
<b>Sampling frame</b>	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		
<b>Type of sample</b>	Three stage random representative stratified sample		
<b>Definition and number of PSU, SSU, TSU, and sampling points</b>	<p><b><u>PSU – Polling station territory</u></b>  <i>Definition:</i> 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.  <i>Number of PSUs in sample universe:</i> 920</p> <p><b><u>SSU - Household</u></b>  <i>Definition:</i> One household comprises people living in the same apartment and sharing the expenditure for food  <i>Number of SSUs in sample universe:</i> 420 000.</p> <p><b><u>TSU – Respondent</u></b>  <i>Definition:</i> Member of the HH , 18+  <i>Number of TSUs in sample universe:</i> 1,320 000</p> <p><b><u>Sampling points</u></b>  Approximately 10 sampling points per one PSU</p>		
<b>Stratification, purpose and method</b>	Sub sample	First level strata:	Second level strata:
	Ethnic Albanians	3 regions	urban and rural settlements
	Ethnic Serbs	2 regions	
	Purpose: Optimization of the sample plan, and reducing the sampling error Method: The strata are defined by criteria of optimal geographical and cultural uniformity		
<b>Selection procedure of PSU, SSU, and respondent</b>	<p><b><u>PSU</u></b> <i>Type of sampling of the PSU:</i> Polling station territory chosen with probability proportional to size (PPS); <i>method of selection:</i> Cumulative (Lachirie method)</p> <p><b><u>SSU</u></b> <i>Type of sampling of the SSU:</i> Sample random sampling without replacement; <i>method of selection:</i> Random walk - Random choice of the starting point</p> <p><b><u>TSU – Respondent</u></b> <i>Type of sampling of respondent:</i> Sample random sampling without replacement; <i>method of selection:</i> Kish scheme</p>		
<b>Sample size</b>	1300 completed questionnaires (minimum) <ul style="list-style-type: none"> <li>at least 800 residents age 18 and over among ethnic Albanians and</li> <li>at least 500 residents age 18 and over among ethnic Serbs</li> </ul>		
<b>Sampling error</b>	Margin error: 2.78 Sub samples margin error: n=800 +/- 3.65; n=500 +/- 4,68		

### About Strategic Marketing

The survey on was conducted by *Strategic Marketing* Research Centre - a private and independent research company whose major fields of activity include various types of marketing and public opinion research, based in Belgrade, Serbia. *Strategic Marketing* is part of SMMRI Group (Strategic Marketing and Media Research Institute Group), a network of research institutes which covers several countries: Serbia, Montenegro, Macedonia, Kosovo, Albania, Bosnia and Herzegovina. Strategic Marketing 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. 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. <http://www.smmri.co.yu/code/navigate.asp?Id=38>

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## Appendix 2. Definition of variables and summary statistics.

Variable	Definition	Kosovo Albanians		Kosovo Serbs	
		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	Household income per income earner, in EUR	196.2	125.2	277.1	172.8
<i>Education</i>					
*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

\* indicates a dummy variable.