
PERTINENT USE OF DIASPORA REMMITANCE –VITIA CASE

Lirie Aliu

Faculty of Contemporary Social Sciences, Macedonia, Liridion@gmail.com

Gjylten Ademi

Faculty of Contemporary Social Sciences, Macedonia, gjyltenademi@gmail.com

Abstract: Albanian Diaspora is present throughout the world and is large in numbers. A substantial emigration from Kosovo has been taken place in various phases during the second half of the 20th century as Albanians in Kosovo, Macedonia and Albania as well. Albanians generally know the burden of migration. Albanian families have at least one of their close family member or a relative living and working outside Kosovo. For many decades main financial resources from our compatriots have been uncontested and a living source for Kosovo families! In addition, diaspora marks dynamics and drive of money as in construction and trade, and its peak is during the winter and summer holidays. Therefore, we were interested in the most inclusive way and locally to focus on remittances of our compatriots who are from the city of Vitia and surroundings. Interest to investigate this development realized since the municipality of Vitia this year (2016) continually supported the migrants to invest and aid them to channel their humanitarian resources through official and transparent channels by organizing different events and joint cultural gatherings. Maybe, a little bit to alleviate poverty in this city and to deepen cooperation further. The municipality of Vitia is located in south-eastern Kosovo. It covers an area of approximately 276 km² and includes Vitia town and 38 villages. The total population is approximately 47,000 (46,987 according to the Kosovo Population and Housing Census 2011).¹⁷⁰ It's interesting that Vitia's diaspora is very powerful and active always ready to help its people whenever it's needed. Approximately more than 35% of Vitia's inhabitants work and live in Switzerland and Germany. Approximately every second village has its respective association in the city where they live, in Switzerland or Germany.

Keywords: Remittances, Diaspora, Official Channels, Municipal Government, Poverty.

1. INTRODUCTION

It is estimated that about a third of people of Kosovar descent currently live outside of Kosovo. Emigration has taken place in separate waves motivated mainly by economic reasons, but also as a result of different conflicts and political instability. The Kosovo diaspora is usually included in the wider Albanian diaspora with Albanians from Albania and Macedonia. With 70 percent of the population being under the age of 35, Kosovo has one of the most pronounced youth bulges in Europe. There continues to be a significant trend for emigration, with about 50 percent of Kosovo's youth stating they would emigrate if they could. Around 200,000 young persons are expected to enter the labor market. Kosovo's labor market is unable to absorb this high number. A Framework paper for the donor's conference held on 11 July 2008 by the UK Government's DFID (DFID, 2008) suggests that Kosovo could become an exporter of labor. As we know the estimated number of Kosovars living abroad is around 800 000 which makes it relevant and major player in Kosovo, especially when compared to the size of population living in the country less than two million. Hence, co-development policies are a workable policy approaches like are investment in the network and not in the individuals using official channels even though the monitoring and appraisal processes of remitted flows present outstanding challenges for the field. Around 3785.59 Dollars is the highest GDP per capita yearly while 1920 Dollars is the lowest GDP per capita according to the World Trading Economy Statistics and according to UNDP's Development program for Kosovo which state that around 17-18 % of Kosovo's GDP comes from diaspora's remittance.¹⁷¹ What is the role of Vitia's diaspora communities in advancing Vitia's economic policy?, and why this question is so important? Poverty in Kosovo continues to grow from year to year, making more alarming social situation in Kosovo.

1.1 Literature Review

There are a lot of published books available in English, Albanian about Diaspora identity; culture; heritage and other valuable sources are Kosovo's Ministry of Diaspora and Periodic Municipal Office for Diaspora in Vitia town as well. Also IOM in Kosovo has its program called Diaspora Engagement in Economic Development (DEED) project in partnership with UNDP Kosovo. The program is funded by the Foreign Ministry of Finland. On 19 May 2011, the

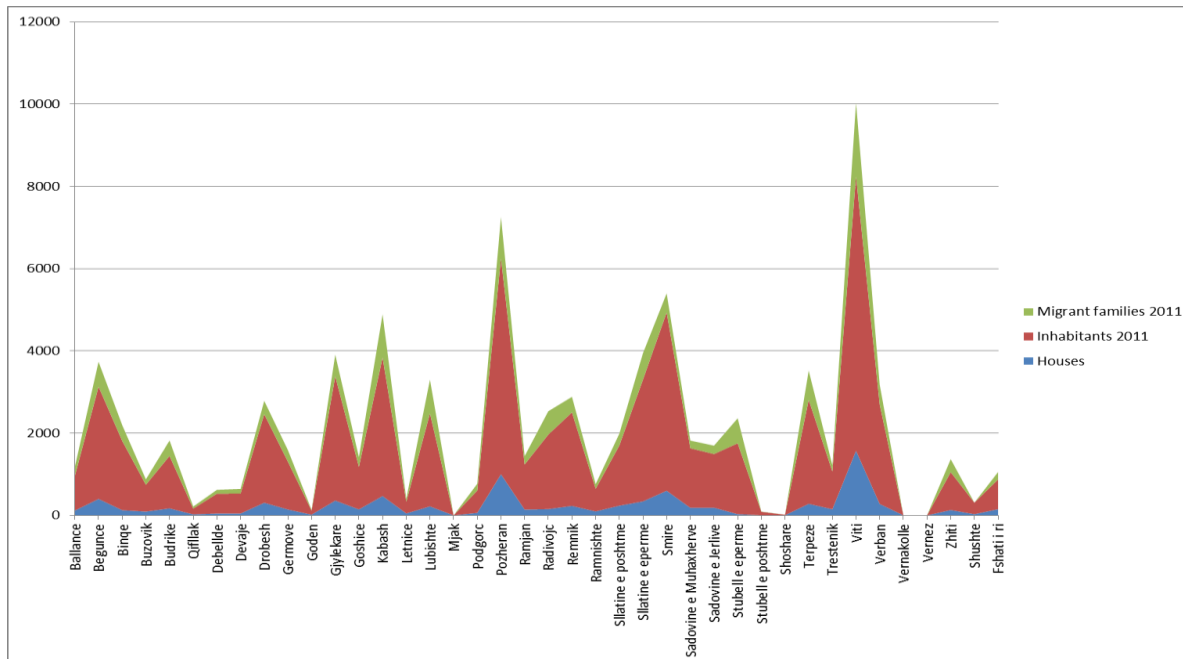
¹⁷⁰ <http://www.osce.org/kosovo/13133?download=true>

¹⁷¹ Ministry of Diaspora, Republic of Kosovo/ <http://med.rks-gov.net/default.aspx?l=2>

Government of Kosovo took a decision on the establishment of the Ministry of Diaspora, with a mandate to establish closer ties with compatriots, to represent their interests as well as to create opportunities for them to participate directly in decision-making processes future of the state. Ministry of Diaspora will be the node that will be linked and set guidelines for the implementation of projects that will be useful for diaspora and Kosovo. Its activity is determined by the Government Regulation. It develops policies and legislation in the area of its responsibility also develops and implement policies and projects related to the diaspora. Further, in cooperation with the Ministry of Finance and in accordance with the applicable legal frame in force, proposes and manages the budget of the Ministry of Diaspora to assists in the promotion, preservation and cultivation of cultural, educational and linguistic identity, of the diaspora members, and oversees their implementation. However, our intention is focused more narrowly only in Vitia'a Diaspora.

2. METHODOLOGY

The study is two country case studies (Switzerland and Germany). In each country, one Albanian diaspora organization will be interviewed. Conducting interviews and questionnaires is the ideal method when the empirical data available on the subject matter under study is very limited. Particularly, questionnaires provide an opportunity to learn more about opinions as well as facts. Furthermore, the study draws on the available documentary material on the subject as well as the experience of diaspora organizations from America. The scope of this study is currently limited to the two countries mentioned above notably, Switzerland and Germany, where Albanian Diasporas largely reside in our case migrants from Vitia town in particular. Beside this, there is an existing evidence of overall number of families who have their relatives abroad and exact number of families who are living abroad with their close family. The number of Vitia'a associations in Switzerland and Germany are to be investigated and their humanitarian work to assist people in Vitia town. A combination of methods will be used in gathering the empirical data for this report to achieve both depth and breadth. Methods of work by sampling while surveying, questionnaires redesigned in accordance with the requirements of the research objectives. Interviews and additional questions regarding transfer channels, the preferences of senders and receivers, the attitudes towards different money transfer instruments, as well as the willingness to invest in Kosovo. This stands for collecting information, turning into data and transforming into evidence, which is the technique used in gathering data.

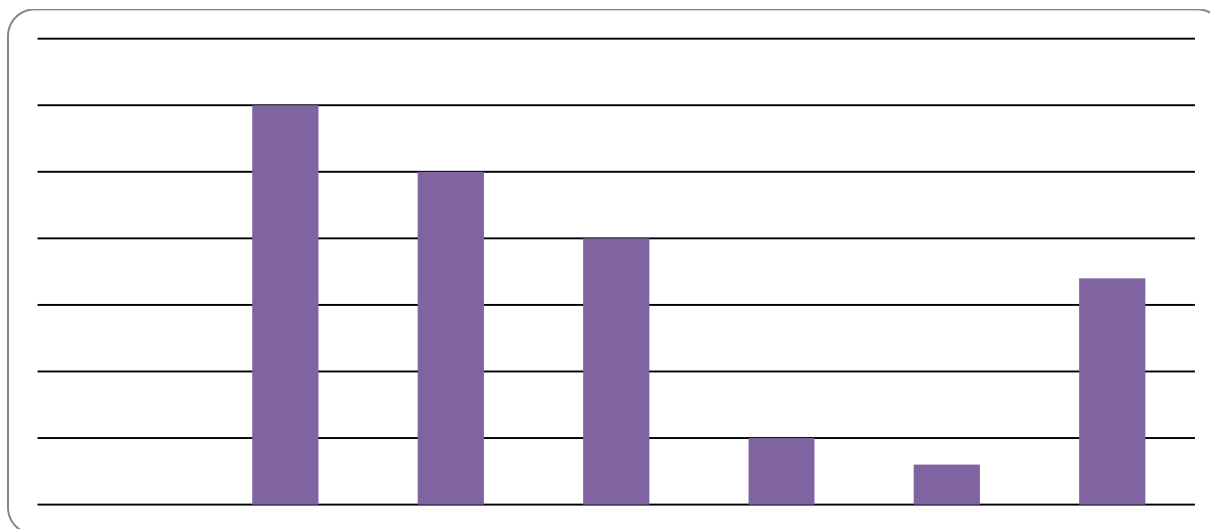


Sample chart 1. Vitia town and Villages/ inhabitants/migrants/houses¹⁷²

¹⁷² Vitia Municipal Office for Diaspora reference (qualitative data by interview and hard copy information)-09th December,2016

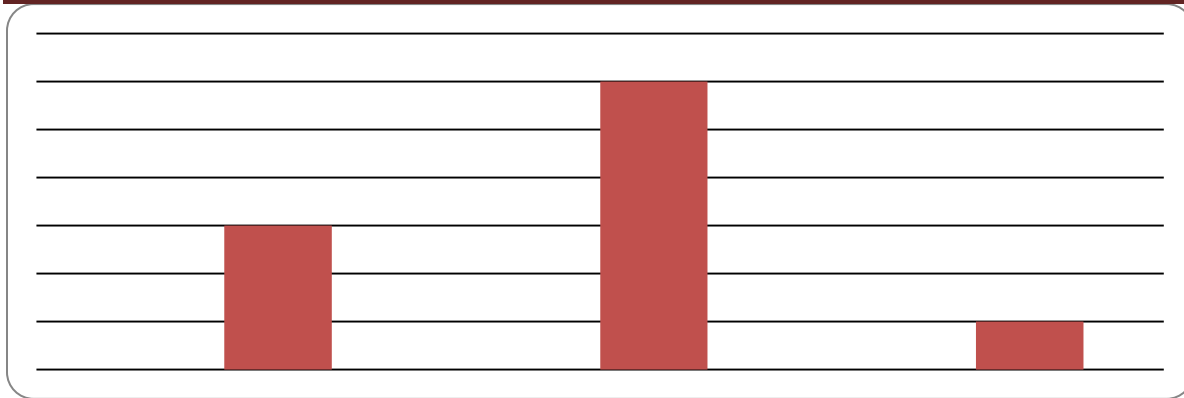
Based on the research design we there are dependent and independent variables. Our key independent variable that of migrant Associations or total number of migrants from two residing countries selected. While some of the dependent variables are the results that emerge from the analysis, surveying and other findings within the statistics underlying corresponds to migrant's number from 2011 to 2016. We assume that population does not change dramatically over time. Economic Data Analysis is handling percentages in Research Relationship between Variables since economic growth is indicator of the overall development. This form establishes the relationship between variables used in research- dependent and independent variables. This work mainly aims at finding out the power of our Albanian (Vitia Citizens) community abroad to ease and aid the poverty in their country of origin, to invest and open their own development future businesses and bring the best foreign experiences to assist the Kosovo Economy! **H1-These remittances have improved the living standard of people continuously.** Our general hypotheses are based on previous and current circumstances and challenges facing with money transfers and foreseen long term objectives. Is it enough only simple assistances like building houses for poor people or sending money to people in need or it would be better to assist municipal institutions in opening new factories, industries or other trade businesses for employment. As about research limitations, of course there are limitations and weaknesses are the accessibility of both qualitative and quantitative data which remains a serious concern, as people are generally reluctant to disclose the amount of remittances and information regarding their end use. The distance between countries display problem while obtaining information which might be a slower approach to the reference point.

3. RESULTS



Q1. What are the criteria that tell the importance regarding the channelization of remittances in Vitia?

According to this question the importance of remittance channelization brings to responses like; Overall development with 30% , Poverty Alleviation with 25 % , New businesses with 20% ,while for education were only 5% in favor, Reduction of debts with only 3% and Financial Startups with 17%.



Q2. If Informal channels then what are they?

The other most important question to know what are the informal channels they are using to send money to their homeland and responses were as in follow: Through friends 30%, Relatives 60% and other informal channels with only 10%.

4. DISCUSSIONS

According to the Statistics Agency of Kosovo, 29.7 percent of the population live below the poverty line, while 10.2 percent of the population living in extreme poverty. Economic analysts require the government to invest more in strengthening the private sector, which is considered as a key indicator for poverty alleviation. The number of unemployed, while remains large, while the last four years is not a drop in unemployment. There is no creation of new working places and consequently poverty alleviation, for poverty will be mitigated by the creation of new work places. There is a lack of government commitment of investment and strengthening the position of businesses that create new jobs. This question is to request and see a better commitment by the government for channelization of investment or insurance of diaspora remittances to strengthen market and to draft project ideas that would help our citizens and facilitate the position of co-joint foreign businesses with our co compatriots that create employment and economic mitigation.¹⁷³ "If you take the example of 2008, then there were over 45 thousand families on social assistance, and now have 31 397 families. "We know only too well that what we are doing is nothing more than a drop in the ocean. But if the drop were not there, the ocean would be missing something."(Mother Teresa) .Otherwise, American Webpage for business and technology "Business Insider" about poverty in the world, has issued Kosovo poorest country in Europe, and has ranked among the ten poorest countries in the world.¹⁷⁴ As we mention very active Diaspora Association like "Diaspora Hilfe" based in Switzerland donated a new truck for firefighting to "Fire and Rescue Unit" in the municipality of Viti.

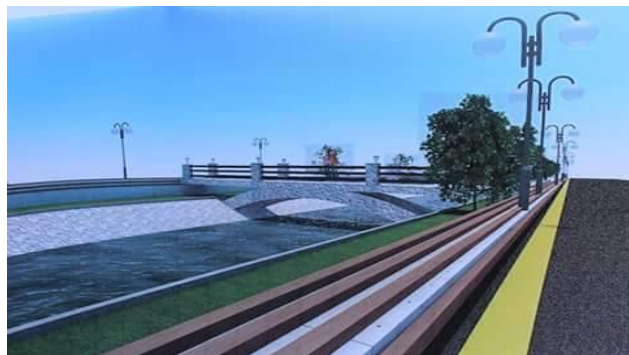
This became possible thanks to a donation that this unit has received by association based in Switzerland. Except firefighting truck this unit has received several accompanying tools that will enable the Fire and Rescue Unit to provide faster services in case of various emergencies during the year. Mayor of Viti, Sokol Haliti and Nexhmedin Jakupi, Director of Public Services and Emergency have visited the Fire and Rescue Unit to see in close these donation donated by the "Diaspora Hilfe" (Diaspora helps) based in Switzerland. Chairman of Fire Rescue Unit Mr.Jakup Haliti among others thanked the donor for the assistance provided to the Fire Unit, stating that this donation was most needed for this unit which will come to help Viti people in disasters.¹⁷⁵ Migrant's Association "Viti" in Geneva, collecting money to build houses for people in need. This association has launched a humanitarian action for collecting funds in order to build houses for homeless families in various locations in the municipality of Viti. This action is supported also by the municipal institutions, political parties, religious communities, businessmen, athletes and associations, and other non-governmental organizations both within and outside the country. This action is led by the humanitarian Gala Night Concert organized in Geneva/Switzerland with the motto "United to return hope", in which evening many migrants presented alongside the leaders of Viti

¹⁷³ <http://www.albinfo.ch/rritet-varferia-ne-kosove/>

¹⁷⁴ www.businessinsider.com/the-23-poorest-countries-in-the-world-2015-7

¹⁷⁵ <http://www.botasot.info/zvicra-diaspora/568983/shoqata-diaspora-hilft-ndihmon-njesine-e-zjarrfikesve-dhe-shpetimit-ne-viti/>

Mayor Sokol Haliti, representatives from the ministry of Diaspora, Deputies etc. The goal of this joint action was to ease the life of families in Vitia and expected to build them roofs over their heads and other needs within the municipality.¹⁷⁶ Migrant's Boulevard. Last year was regulated a new Boulevard for jogging, walking, drawing etc., with the help of our people living abroad. Mayor initiated this infrastructure project and channelized the budget and the path was named after migrants "Migrant's Boulevard".



Pics 1 & 2: Project Idea Design and Implemented Project "Migrant's Boulevard"¹⁷⁷

RECOMMENDATIONS

- Encouraging collective remittances from migrant organizations, by offering them technical assistance, help with institutional development, matching funds, marketing assistance, and other business and financial services.
- Encouraging more "dynamic", or rising use of remittances.
- To carry the best lessons that can be learned from the existing good practices in diaspora engagement in development.
- Opening new working places to ease unemployment.
- We strongly recommend involving migrants when taking capital decisions for the city by the Municipal Government.
- To facilitate voting for migrants by less bureaucratic online procedures.

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¹⁷⁷ Pictures taken from the <http://kk.rks-gov.net/viti/>