

CONSEQUENCES OF ECONOMIC INEQUALITY ON MIGRATION OF DIFFERENT ETHNIC POPULATION IN BIH

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Compared with the period ten years ago when the war was raging in Bosnia and Herzegovina, the total progress is more than obvious. Governmental institutions with help from the international community, have conducted several key reforms, out of which those in area of rule of law, monetary and fiscal policy, liberalisation and security are the most important. Inconceivable several years ago, the governmental institutions for the first time have adopted the national strategy for fight against poverty 18 months ago. One of the prime objectives of that strategy is creation of pre-conditions for equalized and balanced economic growth of all parts of the country. The governmental institutions, satisfied with the achieved results, appraise optimistically previous work on implementation of the Medium term development strategy – PRSP (Poverty Reduce Strategy Paper). Aid from even € 350 millions is announced for 2005, in order to contribute to the planned objectives. The government continually promote its successes in transition reforms conducting regardless to larger and larger general dissatisfaction of population with the way of functioning of public administration in the country.

Bosnia and Herzegovina is specific country. Nowadays, the country is undergoing difficult transition reforms, which are very hindered by consequences of the three-and-half years war that was over nine years ago. According to data of the World Bank, BiH behind Albania is at the bottom of scale among the Southeast European countries and according to estimate of GNI per capita for 2003 BiH is more developed only from Ukraine out of all European countries. Slowness in transition reforms conducting and still present distrust between three ruling nationalist parties deepen differences in all spheres of society. Economic differences between rural and urban areas, bigger and smaller towns and especially between leading administrative centres and the rest of the country are becoming more and more obvious.

At the end of 2004 over 90 percent of BiH population was of the opinion that quality of life was the same or even worse than a year ago. Although PRSP has been created in order to stop spreading of poverty in the country the governmental institutions in parliamentary procedures during the first year succeeded to adopt only part of the planned legal solutions, which should have created pre-conditions for more efficient acting of public administration on achievement of the objectives premeditated in PRSP. Three quarters of Bosnia and Herzegovina citizens are of the opinion that neither political parties, nor governmental institutions nor international community can do something on improvement of quality of life in their local communities. Inefficiency of public policies aimed to economic development, education, infrastructure and rural development leave citizens of Bosnia and Herzegovina to worry about their future by themselves. In such ambience, without any strategic interference

of the state, economic inequalities within the country are becoming every day more and more obvious. Those inequalities instigate population to migrate looking for jobs and better opportunities for income generating.

Economic inequality in practice of Bosnia and Herzegovina

Most people in traditional societies spend whole their lives in their village or place of birth. Nowadays, migrations are becoming usual process for people who want to improve their material conditions of living and to provide better economic security. In Bosnia and Herzegovina the significant migration of population, instigated by the war, goes in different directions: from village to town, from region to region and what is very important from part of the country where one constitutive nation is in minority to the one where that nation is dominant.

There are three big administrative centres in Bosnia and Herzegovina: Sarajevo, Banja Luka and Mostar. These three towns are the most developed, the biggest financial centres are in them, the largest concentration of public administration, the highest number of individual foreign direct investors and at the end mostly members of one out of three constitutive nations in the country live in these towns. Comparing these three towns, differences in height of wages, number of employees on 1000 citizens, differences in quality of social and health care services cause unequal geographic distributions of capital and workers in the country, which is being reflected on differences in living standard. People who leave their residence go there where opportunities for employment, wages and other economic factors are better. In case of Bosnia and Herzegovina, citizens who leave their residences choose their new place of living mostly in dependence on in which administrative centre members of their nation do live as majority.

Differences in economic potentials between certain towns instigate economic insecurity in Bosnia and Herzegovina. 1/5 of population live in three leading administrative centres and about 63 percent of all foreign investments is concentrated there. Opportunities for income generating are more than 2 times higher in these towns comparing the other towns in which 4/5 of population live. Economic differences between Sarajevo, Mostar and Banja Luka and the rest of BiH are such that they motivated around 200.000 people during the past three years to move in those towns, leaving marginalized parts of the country and looking for better paid jobs. Economic and social insecurity in other part of the country in which there are rose chances that most of citizens fall below the poverty line are being increased everyday by the current neglecting of problem of concentration of people and capital in three administrative centres in BiH.

In such way Bosnia and Herzegovina is facing with considerably bigger problem than it is growing economic inequality in the country. Migrations of population from parts of the country in which they are ethnic minority (for example Serbs in Federation of BiH), to more developed parts in which they are majority (for example in Republika Srpska), leave less opportunities for creation of a balanced economic development of the country.

Governmental policies, firstly those comprised in PRSP, are not aimed to concrete eradication of differences between developed and underdeveloped regions in the country.

Without concrete governmental policy that will directly support development of poor parts of the country the economic differences will stronger and stronger influence on migrations of population, and especially members of, conditionally said, ethnic minority. Exactly to this specific, nowadays Bosnia and Herzegovina needs such public policy that will be directly aimed to improvement of economic position of members of ethnic minorities.

Conclusions/recommendations

In order to contribute to decrease of negative influence of economic inequalities on internal migrations especially of population that present ethnic minority in certain parts of the country, governmental institutions in BiH should:

- Make an assessment of wellbeing and opportunities for income generating of population that present ethnic minority in entities and cantons in the Federation of BiH (Bosniacs and Croats in the RS; Croats and Serbs in cantons of the FBiH with Bosniac majority and Serbs and Bosniacs in cantons with Croat majority in the FBiH);
- It is necessary to establish affirmative policies at the state level, which will directly influence on instigation in employment and education in those areas in the country in which there are the biggest differences in income generating between populations of different ethnic affiliation.
- It is necessary to establish at both the state and the entity level the governmental programmes with financial means, which would be aimed to support to private sector aiming employment and generating of additional income of population in those areas in which there are the biggest differences in opportunity for income generating for members of different constitutive nations.