



# HUMAN DEVELOPMENT REPORT

## KOSOVO2004

The Rise of the Citizen:  
Challenges and Choices



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# ACRONYMS

AAK	Alliance for the Future of Kosova	KTV	Koha Television
BOP	Balance of Payments	KWN	Kosovo Women's Network
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women	LDK	Democratic League of Kosova
		LEI	Life Expectancy Index
CFA	Central Fiscal Authority	MDGs	Millennium Development Goals
CFSR	Centre for the Study of Forgiveness and Reconciliation	MFE	Ministry for Finance and Economy
		MGDI	Municipal Gender Development Index
CIVPOL UN	Civilian Police in Kosova	MHDI	Municipal Human Development Index
CDHRF	Council for the Defense of Human Rights and Freedoms	NATO	North Atlantic Treaty Organization
EAI	Educational Attainment Index	NGO	Non Governmental Organisation
EU	European Union	NHDR	National Human Development Report
EWR	Early Warning Report	OSCE	Organization for Security and Cooperation in Europe
EWS	Early Warning System		
GDI	Gender Development Index	PDK	The Democratic Party of Kosova
GDP	Gross Domestic Product	PISG	Provisional Institutions of Self Government
GEM	Gender Empowerment Measurement	PPP	Purchasing Power Parity
HDI	Human Development Index	PTSD	Post-Traumatic Stress Disorder
HDR	Human Development Report	RAE	Roma, Ashkali and Egyptian
HDRO	Human Development Report Office	RTK	Radio Television Kosova
HDS	Human Development Survey	SEE	South Eastern Europe
HPI	Human Poverty Index	SMEs	Small and Medium Enterprises
IDP	Internally Displaced People	SOK	Statistical Office of Kosova
IMF	International Monetary Fund	SRSg	Special Representative of the Secretary General
IOM	International Organization for Migration	StC	Save the Children
IRCT	International Rehabilitation Centre for Torture Victims	TMC	Temporary Media Commissioner
KCB	Kosovo Consolidated Budget	UNDP	United Nations Development Programme
KDHS	Kosovo Demographic and Health Survey	UNFPA	United Nations Population Fund
KEC	Kosova Education Center	UNHCR	United Nations High Commissioner for Refugees
KFOR	Kosovo Force	UNICEF	United Nations Children's Fund
KHDR	Kosovo Human Development Report	UNIFEM	United Nations Development Fund for Women
KIPRED	Kosovar Institute for Policy Research and Development	UNMIK	United Nations Interim Administration Mission in Kosova
KLA	Kosovo Liberation Army	WB	World Bank
KPC	Kosovo Protection Corps	WHO	World Health Organization
KPS	Kosovo Police Service		
KRCT	Kosova Rehabilitation Centre for Torture Victims		
KSIP	Kosovo Standards Implementation Plan		

# PREFACE

If the extraordinary financial, political and security investments in Kosovo since 1999 are ultimately about restoring stability, building democracy and ensuring all Kosovans have a stake in its future, then this year's Kosovo Human Development Report is surely a timely 'reality-check' on how the multiple transitions underway are being felt at the level of the families and households of Kosovo. This year's report provides a wealth of data explaining the patterns of development in Kosovo and how the gains and losses of recent years have affected different regions and different ethnic, demographic and even age groups. The picture, unsurprisingly, is a varied one with pockets of prosperity, along-side pockets of extreme vulnerability. Only armed with this kind of information, can policy-makers and decision-makers target those groups and regions that are being left behind.

Beyond better information and knowledge, however, success in overcoming the legacies of Kosovo's troubled past will also, in large measure, depend on the levels and kinds of engagement secured from Kosovo's citizens in these multiple transition processes. Kosovo's governance structures matter deeply in assuring this kind of engagement. The 'openness' of Kosovo's governance structures, the sense of accountability shared by central and local leaders, and the manner in which decisions are made and resources allocated will fundamentally influence the way in which the public will participate in, support and contribute to meeting the extraordinary challenges that remain ahead. These questions are surely of particular relevance as we look ahead towards this year's Assembly elections.

The analysis and ideas on these critical issues contained in the pages that follow reflect more than 18 months of consultations, household surveys, opinion polls, policy debates and above all, hard work. More than 300 people - academics,

activists, politicians, local and central government officials, community leaders, journalists - from all walks of life have contributed in one way or another to this report. We are deeply indebted to them for their commitment and engagement in Kosovo's human development agenda. We have made our best effort to identify at least most of them in the annex to this report.

The team that has sustained this effort from 'day one' deserves special recognition. In particular, the core writing team, lead by Mytaher Haskuka, included Leon Malazogu, Nita Luci and Ilir Dugolli. They have benefited greatly from the daily support of Deirdre Keogh and Richard Ponzio. Jelena Bjelica, Bernard Zeneli, Atdhe Veliu, Vjollca Krasniqi, Nora Ahmetaj, Igballe Rogova, Besnik Pula, Visar Berisha, Genc Krasniqi, Lulzim Peci, and Fred Cocozzelli have also made key contributions, as did our consultants Ekrem Beqiri, Blerim Reka, Visar Berisha and Genc Krasniqi. The Statistics Office of Kosovo and their Principal International Advisor, Ronnie Andersson, has been a key partner, as has Dr Heba El Laithy, whose statistical advice has continued throughout the project. At different points in this process, virtually every member of the UNDP Kosovo team offered help, drafted pieces and provided moral support. Finally, we acknowledge our debt to USAID, Save the Children, Swiss Development Cooperation and the (Netherlands-funded) Human Development "Innovation Fund" for the financial support upon which this report depended.

The publication of this report comes at a time of transition for UNDP Kosovo also, with one Resident Representative completing his tour of duty whilst a new one begins hers. UNDP's priority in Kosovo - progress in human development for all Kosovans - will remain unchanged however, as it has been for our predecessors, and as it will continue, for those who follow us over the coming years.



Robert Piper  
Resident Representative  
UNDP Kosovo



Christine Roth  
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\* Citizen: A native, inhabitant, or denizen of a particular place:  
"We have learned to be citizens of the world, members of the human community"  
(Franklin D.Roosevelt).

<http://dictionary.reference.com>

# KOSOVO HUMAN DEVELOPMENT REPORT

## The rise of the citizen: challenges and choices\*

After five years of transition guided by the international community, Kosovo stands at a crossroads. The peace and stability yearned for by Kosovans and their international partners alike was never intended to come through political accords and working groups alone. To the contrary, a successful transition critically depends on real, deep-rooted progress in the everyday lives of all of Kosovo's citizens.

The architects of Kosovo's transition appreciated this. Security Council Resolution 1244 calls for economic stabilization, democratization, and dependable public services, as much as it discusses measures to promote security and political change. Yet the development imperative can be easily overlooked or disregarded in a transitional period characterized by a rapidly changing environment with high turn-over of reconstruction assistance personnel, competing international priorities, general fatigue and constant "fire-fighting". Call it what you will - the "peace dividend", "balancing projects", "stabilization measures", "hearts and minds" - Kosovo's development is a critical pillar of the foundations for peace. It would be a grave mistake to relegate development to a fringe priority, or worse still, postpone it until a "later date".

But even if this proposition were commonly shared, not just "any development" will suffice. Meaningful development - the kind that brings stability, consolidates democracy, and translates into and sustains human progress - must be manifested concretely in terms of longer lives, better education, and more equitable access to services. Such an approach to development can ensure that each and every citizen has equal opportunities and equal choices; that one's destiny is

not pre-determined, for better or worse, by the place where one is born, the language that one speaks, one's sex, or one's faith. In sum, human development - the process of enlarging people's choices - is the most holistic measure of social progress.

**Tools for measuring human development rank Kosovo at the bottom of the Balkans and among the least developed societies in Europe. Massive investments in vocational training, women's empowerment, and job creation are required to prevent Kosovans from slipping further behind.**

The *Kosovo Human Development Report 2004 (KHDR 2004)* analyzes where Kosovo stands in terms of human development. Applying the now well-established methodology of UNDP's global annual *Human Development Reports*, **Chapter One** of *KHDR 2004* calculates values for various human development indicators in Kosovo. Kosovo ranks at a "medium level of human development": similar to, but lower than other countries in its immediate vicinity and the larger region, such as Slovenia and Poland.\*\* Kosovo's Human Development Index (HDI), a basic composite score combining health, education and economic indicators, reflects a modest improvement from 2001, when calculations for the *KHDR 2002* were first made. Although Kosovo's relatively weak economic foundations hold it back from achieving a "high" level of human development on par with some of its European neighbors, GDP per capita is the HDI component that has experienced the greatest gains in the post-conflict period. For the other HDI components - education and

*Kosovo ranks at the bottom of the Balkans and among the least developed societies in Europe*

\* Please note this report uses the terms "citizen" and "citizenship" strictly to mean: "Regarding a native, inhabitant, or denizen of a particular place". The use of this term is in no way a reflection, direct or implied, of Kosovo's current or future political status.

\*\* These comparisons are undertaken for statistical purposes and as a tool to better understand the development situation in Kosovo; the rankings do not imply or suggest Kosovo's likely future status.

*The brain drain is accelerating from rural to urban centers at an alarming pace*

life expectancy - Kosovo's levels are generally higher than the countries around which its rankings cluster, although average life expectancy has actually dropped since the last reporting period.

Poverty in Kosovo appears to be more complex than initially understood. *While a substantial number of Kosovans seem to have fallen out of human poverty in the last two years, the nature of poverty has changed. Life expectancy and literacy have improved compared to the immediate post-conflict period, while the percentage of people living in extreme poverty has increased.* The Human Poverty Index (HPI), which measures the pervasiveness of human deprivation and the percentage of people living in poverty, fell from 17.6% in *KHDR 2002* to 9.6% in *KHDR 2004*. This trend can be partly attributed to improvements in literacy rates and life expectancy. Nevertheless, the poor are increasingly likely to be living in extreme poverty, with 13% of the population classified as severely impoverished.

The Gender Development Index (GDI) for 2004 reveals a large gap in opportunities afforded to Kosovan women. While Kosovo's GDI score still places it at the "medium" level of human development for this indicator, its GDI ranking has slipped substantially since 2001. This is a function of the fact that women earn four times less than men, on average, and remain substantially less engaged in the labor force. Kosovo's relatively high results for the Gender Empowerment Measure (GEM), which factors in political participation (e.g., number of seats held in Parliament), are not translating into real development gains for women, raising a number of important policy questions.

Regarding the Millennium Development Goals (MDGs), which most of the world's leaders committed to achieving by 2015, Kosovo faces unique challenges that should

be reflected in the development of custom-tailored MDG targets. The eradication of poverty is of primary concern, followed by reducing levels of child and infant mortality and cases of tuberculosis, which rank among the highest in Europe. Gender equality - particularly increasing educational opportunities for women and improving maternal health care - are other key challenges for realizing the MDGs.

To help policy-makers and stakeholders fully understand the contours of Kosovo's human development challenge, *KHDR 2004* probes, for the first time, differences in how people in Kosovo's local administrative units, or "municipalities", are faring in terms of human development. The results are startling and may constitute a critical starting point for developing policy and institutional reforms. Not all municipalities are equal, nor are all ethnic communities enjoying the same level of development. Policy-makers need to appreciate that closing the widening of gaps between social groups hinges upon how well Kosovans participate and leverage the benefits of development activities. Better knowledge of how specific population groups are benefiting or being left behind in the process of social change can abet the development of better targeted strategies, particularly toward the most vulnerable and marginal population groups. Ultimately, this can translate into better outcomes for all citizens. A more sophisticated understanding of the uneven patterns of opportunity that characterize Kosovo's current development can help policy-makers to make better decisions on priorities, investments and reforms, particularly those related to social services.

**Gaps in income and other human welfare indicators are widening among Kosovo's 30 municipalities, accelerating the brain drain from rural to urban centers at an alarming pace. Creative policy responses that provide incentives to rural**

**Kosovans - particularly youth - are essential to reverse this worrying trend.**

In today's Kosovo, the reality is that opportunities are pre-determined to be more limited for those who happen to be born in Skenderaj/Srbica or Novobërdë/Novo Brdo rather than Prishtinë/Priština, or to a Roma parent rather than an Albanian one.

*Kosovo's 30 municipalities reveal a wide range of human development levels. There is a 16% spread in HDI between Prishtinë/Priština at the top and Novobërdë/Novo Brdo at the bottom. Income levels are the primary determinants of this gap, with average incomes in Prishtinë/Priština three times the level of Novobërdë/Novo Brdo. Prishtinë/Priština has clearly benefited disproportionately from domestic and international investment over the past few years. The dramatic migration of people to Kosovo's primary city will clearly continue in these circumstances.*

*Kosovo's different ethnic communities also reveal, in **Chapter Two**, a wide range of human development levels, with its Kosovan Serb (K-Serb) community recording the highest levels and the so-called "Roma, Ashkali and Egyptian" (RAE) community faring substantially worse. Education levels are the primary determinant of the differing human development indices for Kosovo's ethnic communities, with a combined enrollment ratio of only 60% in the RAE community compared to an average of 90% for the rest of the population.*

*Differences in education levels also contribute the most to inequality between human development levels in Kosovo's urban and rural population groups. Secondary school enrollment is 10% lower in rural areas than in urban areas. Rural Kosovans live approximately three years less than those in urban areas and earn approx-*

*imately 25% (300 Euros per annum) less than their urban counterparts.*

**Despite considerable progress since 1999, Kosovo faces a stagnant "democracy deficit" today, undermining the legitimacy of its young institutions. Each day reaffirms that without a broadening of the channels for more meaningful dialogue and governance, more March 2004 tragedies could occur, and Kosovans will suffer severe development setbacks.**

Unequal opportunity among Kosovo's different social groups can be viewed partly as a function of nascent democratic institutional arrangements. The extent to which different human development realities will continue for different social groups and municipalities will depend on how Kosovo's governance systems function in the future. A governance architecture constructed in a post-conflict era must be more open to processing and managing multiple, even conflicting voices. It must harness the energies of civil society, business groups and the media. The commitment of Kosovo's leaders to make a sustained effort, to sometimes make difficult political sacrifices, and to change existing policies and programs in the face of bureaucratic inertia will be tested. Undoubtedly, governance issues - and, in particular, how ideas of "participation and representation" become rooted in Kosovo's development process - will be pivotal to meeting Kosovo's human development challenges.

In the tradition of the global UNDP *Human Development Reports*, *KHDR 2004* explores the particular theme of "representation and participation" as integral to developing a deeper understanding of the opportunities and constraints for human development progress in Kosovo. This theme was the focus of numerous consultations, including at the municipal level, and UNDP's

*Kosovo faces a stagnant "democracy deficit", undermining the legitimacy of its young institutions*

### **Democracy & Development in Kosovo: two sides of the same coin**

Kosovo's needs and challenges remain numerous five years after the war. A fragile economy, high unemployment, and a wide spectrum of social groups in need of special assistance are just some of the pressing issues grappled with by Kosovo's new and fragile institutions. Yet, for every institution charged with improving the living conditions of all Kosovans, time and practical experience are needed to transform them into effective, accountable, and more democratic arms of government.

Kosovo's nascent governing structures must operate on extremely limited means, while coping with the tremendous demands and the long list of legitimate needs in the post-conflict era. At the same time, its capacities are hindered as a result of decades of underdevelopment, discrimination, and low levels of education. Prioritizing and affording adequate attention to all of these urgent concerns is not easy.

I strongly believe that democracy cannot be a second order priority. No society can afford to disregard fundamental democratic principles and human rights as it paves the long road toward human development. Democracy is the prerequisite for tackling other pressing issues in society. It is both a fundamental pillar and a vehicle for human development. While it cannot guarantee development, it has the potential to trigger a virtuous circle of freedoms that empower people and communities to shape good policies that expand economic and social opportunities. Indeed, I believe democracy is integral to development itself.

  
Dr. Bajram Rexhepi  
H.E. Prime Minister of Kosovo

partners in Kosovo view it as timely for Kosovo in 2004, due to the acceleration of the transfer of competencies from United Nations Interim Administration Mission in Kosovo (UNMIK) to the Provisional Institutions of Self Government (PISG) and the forthcoming Assembly elections scheduled for October 2004 (see the Special Contribution from H.E. Prime Minister Bajram Rexhepi). In particular, *KHDR 2004* explores how current systems of governance contribute to, or obstruct, public participation and a fair sense of representation - key ingredients for human development and a successful democracy. The notion of "representation" emphasizes the political process (i.e. how decisions are made, how parties lead, and how power is distributed), whereas "participation" concerns civic engagement (methods for having one's voice heard). A "two-way street" of civic engagement involving local organizations, the government, and international agencies in Kosovo is critical to effective and equitable development. These democratic principles are equally critical to ensure that all Kosovans engage in the complex and difficult transition process launched under the auspices of Security Council Resolution 1244.

As detailed in **Chapter Three**, civic and political participation in Kosovo are limited, and a dangerous pattern of citizens' voicing their concerns outside of institutions, rather than through them, is emerging. People appear more inclined to participate "negatively", through, for example, protests, rather than through more "positive" or formal institutional channels, such as public debates and the offering of well-designed policy alternatives or critiques. Mutually reinforcing this lack of civic participation is the failure of a strong sense of "representation" to take root. The better the level of representation, the more likely that people will become involved in the public realm and constructively participate in the democratic process. Greater participation, in turn, increases the legitimacy of institutions in the

eyes of citizens. It is important that Kosovo's system of governance enables the government, civil society and the private sector to advance broad-based economic growth and social development as a means to improving human welfare. This system must also advance important political and other basic human freedoms, so as to preserve and spread social and economic progress and to give everyone a voice in the creation of a decent society where no one is left behind.

**Declining voter turnout, weak internal democratic processes within political parties, limited oversight of justice and security institutions, and confusion over competencies and accountability between the center and municipalities are some of the key challenges to effective democratic governance in Kosovo.**

**Chapter Four** explains why participation and representation have yet to take root in Kosovo, and it examines a number of key institutional issues and tests them against these principles. Analysis of the *electoral system* identifies several positive aspects of the closed list election systems, such as the Assembly's effective representation of women and different ethnic communities. However, these positive aspects come at a high price in terms of the lack of both geographic representation and a direct accountability link between voters and Assembly Members. Consequently, one finds political campaigning to be based more on symbols than substance. Under the current electoral system, incentives for Assembly Members to focus on human development are absent. *Political parties* also operate in ways that limit citizen participation, with their strong emphasis on long-standing loyalty to party leaders. This is reinforced by an electoral system where party leaders determine the ranking of candidates on closed lists. Lack of internal democracy within parties may be among

*Confusion over competencies and accountability between the center and municipalities is a key challenge to democratic governance in Kosovo*

*Vulnerable people are the “missing link” for achieving full participation and representation in Kosovo*

the reasons why the number of political parties more than doubled in the last two municipal elections. Nevertheless, despite the proliferation of new party choices, the ratio of non-voters continues to remain high; Kosovo's single largest voting bloc today includes 600,000 people who opted not to vote in the last municipal election, despite the extraordinarily high political stakes.

*Public perceptions of citizens' ability to influence policy and hold leaders accountable is extremely low.* Only 13% of citizens believe they can influence decision-making processes in their municipality, and 12% believe they can influence decision-making at the central level. The fragility of coalition arrangements and their consensus-based modus operandi can, at times, hamper the decision-making process within central government. In addition, the limited input and experience of a nascent civil service, as well as the lack of a tradition of public consultation in policy-making, further contributes to these perceptions. The Executive branch requires a more coordinated system of policy-making, better integration of legislative priorities with program imperatives, and, above all, capacity to monitor and evaluate results so as to deliver on a human development agenda. These same factors will pose challenges to the implementation of the "Standards for Kosovo" policy, on which so much is riding in the coming 12 to 18 months.

*Empowering local government and "decentralization" are obviously key entry points in any discussion on governance.* However, the reality is that low voter turn-out at local elections, repeated evidence of widespread confusion over responsibilities for public services at the central and municipal levels, and the politicization of efforts to strengthen municipalities around issues of ethnicity have stymied attempts to increase civic engagement in local government - much to the detriment of Kosovo's human develop-

ment. The traditional role of citizen groups as "watchdogs" of *justice and security institutions* has yet to be broached in Kosovo, given the reserved status of these functions to international agencies. Still, efforts are underway to engage citizens much more in the policing of their communities. Civic participation on sensitive rule of law issues is also a critical - yet often overlooked - dimension of governance of particular relevance to Kosovo, given its recent history of conflict and poor legacy of law enforcement institutions.

**Vulnerable people are the “missing link” for achieving full participation and representation in Kosovo. From uneducated women and unemployed youth to minorities that fear for their safety and the disabled and elderly who require personal care, it is the responsibility of all Kosovans to ensure that their issues are prioritized by government and civil society.**

*KHDR 2004* affords special consideration to marginalized Kosovans, who will require concerted effort to be brought into the current system. Reflecting the findings of the disaggregated human development data, **Chapter Five** draws attention to the structural barriers that exist among four social groups with regard to their participation and representation: women, unemployed youth, subsistence farmers, and minorities, including the Roma community.

- *Kosovo has much to gain from the proactive engagement of women in the political, social and economic arenas. Still, many women experience a poverty of opportunity - not just in terms of educational attainment, but also in terms of the prescribed roles dealt by a society that discourages their agency, political participation, and motivation to seek a better standard*



of living. Continued preference for male children in families further illustrates the somewhat unenviable position of women in Kosovo.

- A job is perhaps the most basic means of participation in society, yet, for tens of thousands of young Kosovans, employment prospects are bleak. Men and women under the age of 25 constitute 52% of the Kosovan population. They are a valuable resource whose talents, skills and creativity should be capitalized upon to boost Kosovo's development. Kosovan youth must be afforded better opportunities to equalize their footing with their European counterparts, which would undoubtedly bring many rewards for all Kosovans.

- Another large segment of the labor force, subsistence farmers, live a marginal existence relatively disconnected from the modern economy. Subsistence farmers are not key participants in policy decisions, nor do they figure prominently in the priorities of decisionmakers, despite the fact that 60% of the population resides in rural areas where poverty incidence is highest. For example, the share of people living in extreme poverty is three times higher in rural areas than in urban areas. The development of the agricultural sector would help combat rural poverty, aiding the 11% of rural Kosovans living under USD \$1 a day.

- The Roma community, repeating patterns seen across Eastern

Europe, is rapidly losing ground in the race for human development. Human poverty levels are highest among the Roma, Ashkali and Egyptian (RAE) community: Over three quarters live on under USD \$2 a day, and about 58% are unemployed. Job prospects are hampered within this community by a low education profile, as well as minimal access to productive resources. The situation for RAE women is particularly worrisome.

Poverty is much less prevalent among Kosovan Serbs (K-Serbs); however, many continue to live in heavily guarded enclaves with limited freedom of movement. Security is their biggest concern, and perceptions in this regard are worsening. While substantial efforts have been made to improve inter-ethnic relations and to secure the rights of minorities, considerable separation between the communities still exists. Attention is focused on the highly politicized relationship between Kosovan Albanians (K-Albanians) and K-Serbs, who remain polarized on nearly every issue facing Kosovo. Meanwhile, development "issues" and the concerns of other minorities such as RAE, Bosniacs, Turks, and Goranis tend to be sidelined, undermining the possibility for co-operation, co-existence and effective citizen participation in decision-making from all communities.

As a sense of "normality" returns to the lives of more and more households in Kosovo, the extraordinary cost of conflict to human development, for many citizens, has hardly faded. In recent years, Kosovans experienced a series of major traumatic events, including massive displacement, violence, and the loss of close relatives or friends - the important psychological implications of which need to be addressed. Hatred and extremism have no place in the

human development agenda. Much catching-up is called for to get Kosovo “back on track” towards the development levels that all expect and deserve. Without a concerted effort to target these neglected social groups, future gains in Kosovo's development process will fail to aid the most needy or translate into genuine stability and prosperity.

**Kosovo's primary challenge is to deepen and widen democratic governance to improve the living conditions and development choices of ordinary people. To achieve this, citizen's rights and responsibilities must be defined and promoted, key policy and institutional reforms should be introduced to expand participation and representation, and an implementation strategy should be established to guide democratization and human development progress.**

Strengthening the notion of citizenship - the rights and responsibilities of all Kosovans coupled with a sense of belonging and loyalty to community - lies at the heart of any effort to prepare Kosovans for their shared future. This requires a concerted effort by local and international actors. While the political status of Kosovo remains unresolved, all Kosovans must be encouraged to understand, promote, and defend their human rights and fundamental freedoms that are central to citizenship.

Policy and institutional reforms are needed to instill good democratic governance and thereby raise the profile of human development issues. The electoral system, political parties, central decision-making, local governance, and the rule of law framework are all critical entry-points through which citizens buy into the legitimacy of governing structures, express their voices, and participate in key decisions. Work needs to start on necessary reforms without delay, in order to consolidate the twin, inter-related processes

of democracy and peace building.

*Does the reform truly empower Kosovans, help them to respond effectively to their basic need and engage them fully in the multiple transitions underway?*

With this fundamental question in mind, the reforms presented in **Chapter Six** are grouped into two distinct categories: i) Expanding participation and representation through governmental transformation; and ii) Building alliances in civil society, the media and the private sector for greater civic participation and representation. Highlights of some of the most significant reform proposals include:

- *Electoral system reforms to improve geographic representation, increase direct accountability, stimulate parties to seek the support of specific voter groups, and enhance internal party democracy;*
- *Parliamentary reforms to ensure the supremacy of the Assembly of Kosovo over the Executive, both legally and practically, as the chief source of legitimate democratic authority under its agreed areas of competency;*
- *Central-Municipal Government reforms to improve citizen participation and public service delivery through the decentralization of specific political, financial and administrative competencies;*
- *Promoting gender equality in the work place and the home through arrangements that empower women, such as paternity leave, affirmative action in employment practices, gender sensitive security services, and*

gender sensitive curricula in schools;

- *Improving inter-ethnic relations through increased visibility in the media and in local communities of K-Albanian and K-Serb civil society and political leaders cooperating on practical issues;*
- *Encouraging a free and independent media that empowers citizens with information to make informed, constructive decisions and hold powerful leaders accountable;*
- *Breaking down economic barriers that impede local entrepreneurship and job creation through increased access to finance and business skills; and*
- *Promoting local capacity building and a more open democracy that unleashes the leadership and talents of all Kosovans. In particular, expand local capacity-building efforts in key priority areas of the PISG through methods that reduce dependency on international agencies and their advisors.*

Although promoting good citizenship and devising institutional and policy reforms are important next steps, their impact would be limited by the absence of widespread support by a diverse cross-section of Kosovans and a proper implementation strategy. Mobilizing citizens and civil society to embrace change and to exert pressure to peacefully strengthen democratic practice and institutions is never easy, particularly when sacrifices are required. For Kosovo, the complex transition to a modern, democratic system (involving a large international

presence) has encountered, and will continue to face, many obstacles and powerful opponents. But champions of greater participation and representation in governance should not be deterred. On the contrary, to be effective, these agents of change will need to unite all reform-minded actors to advance a shared democratic agenda in a courageous and strategic manner.

What steps can Kosovo take to ensure that it is on the right track towards improving human development for all citizens? Perhaps more than anything else, the existence of a determined group of *representative leaders*, with a *shared, long-term vision* that can be clearly articulated to the public, is essential to realizing constructive changes in society. Skillful and honest leadership that is forward looking, capable of empowering other actors, and sensitive to the needs of the *most vulnerable groups* is essential to guiding the ambitious, yet urgent policy and institutional reforms outlined in *KHDR 2004*. Kosovo will be transformed by courageous and wise politicians and civil servants, journalists, entrepreneurs, and citizen's organizations - leaders who can vigorously guard and champion the core democratic principles of participation and representation. Empowering these actors can create and sustain powerful constituencies for change.

*Kosovo's primary challenge is to deepen and widen democratic governance to improve the living conditions and development choices of ordinary people*



# TRANSLATING DEVELOPMENT INTO HUMAN WELL-BEING

## Introduction: Defining and measuring human development

Development can be viewed as an incremental process of growth or progress. As such, development does not always entail revolutionary change, but does imply the existence of a determined process that aims to ameliorate the lives of all citizens in a society. The concept of human development puts people and their needs and wants at the center of this process.

Human development seeks to expand the choices of the citizenry by expanding capabilities to lead long and healthy lives, to be knowledgeable, to have a decent standard of living, and to participate actively in community life. The process seeks to "level the playing field" and to create opportunities for all, especially the most vulnerable, so as to maximize every person's potential.

Measuring human development extends beyond the traditional national income accounting approach, which has at times obscured the fact that the primary objective of development is to benefit people. Although useful, national income figures fail to reveal the composition of income or the main beneficiaries of economic growth. In some instances, people may value better nutrition and health services, increased access to knowledge, a greater voice and accountability in decision-making, more secure livelihoods, or better working conditions above absolute income gains. However, these human development gains are not clearly reflected in income or economic growth statistics.

National development policy cannot be based solely on generating more income. In the development discourse, economic growth should become a "means" and an "end" rather than just an "end" in itself. The human development approach places due attention on the impact of development policies and how they translate into livelihood and welfare improvements<sup>1</sup>. Moreover, in recent years, this approach has placed increasing emphasis on basic politi-

cal and human freedoms, to balance human development's emphasis on just and equitable social and economic development.

### BOX 1.1: MEASURING HUMAN DEVELOPMENT

Perhaps the best-known measure of human development is the Human Development Index (HDI). This was introduced in the first Human Development Report (HDR) from the United Nations Development Programme (UNDP) published in 1990. The HDI was devised in an effort to provide a measurement for development other than economic growth rates like Gross Domestic Product (GDP) or income. The HDI incorporates GDP but also includes life expectancy and educational attainment. The authors of the HDI never intended for it to be a completely sufficient measurement for development but rather a tool, which would help place attention on concerns other than just economic growth. The HDI ranks countries on a scale of 0 to 1. Countries are ranked at high, medium and low levels of human development based on their HDI score. Countries scoring closest to 1 have a higher level of human development.

HDI components include:

- Life expectancy, an indicator of whether people are enjoying a long (and therefore) healthy life, but also, by implication, a proxy indicator of the extent to which resources are finding their way to preventive and primary health care rather than curative health care;
- Literacy and mean years of schooling, an indicator of whether people are equipped to benefit from the fruits of development; and
- Gross Domestic Product per capita, which reflects average national income but adjusted for purchasing power.

Other statistical tools to measure aspects of Human Development include the Human Poverty Index (HPI) and the Gender Development Index (GDI). These are detailed in the report.

## National human development reports

Throughout the world, National Human Development Reports (NHDR) have been used to stimulate dialogue on national development strategies and objectives and

*Human Development does not reject the vital importance of economic growth to prosperity. Without growth, human development would be stalled. But a human development lens, looks at the real question behind development - "How is development translating into progress in the lives of the people that make up that society?"<sup>12</sup>*

to monitor the status of human development by providing facts and figures that measure progress and pinpoint critical imbalances. To date, more than 450 national and sub-national NHDRs have been produced in 135 countries<sup>3</sup>. In their preparation and follow-up, NHDRs initiate processes that facilitate the formulation of policies and consensus building among stakeholders. These seek to inform decision-making in the management of national resources among the public, private and civil society sectors. By contributing new ideas and information, advocating for a more human-centered development approach, and helping to forge a shared development vision, NHDRs shape new prospects for national development.

## Kosovo human development report

*Building Bridges to a Better Future* (UNDP Kosovo, 2002), Kosovo's first HDR, provided an overall picture of the development situation in Kosovo. The report presented for the first time Kosovo's Human Development Index (HDI), Gender Development Index (GDI), and Human Poverty Index (HPI). Some of the main conclusions of this report were that Kosovo's relative rankings for most human development dimensions, including the important gender-related development index, were similar to countries with a medium level of human development. Poverty was found to be widespread, but shallow.

This report, Kosovo's second HDR, gives an update on the human development situation in Kosovo, while also providing information for the first time on the relative situation among various municipalities. In addition, the theme of "participation and representation" will be discussed in greater detail in **Chapter Three** of the *Kosovo Human Development Report (KHDR) 2004*.

### *Statistical challenges*

Efforts to calculate human development indicators, as well as other standard statistical indices for Kosovo, are hampered by the lack of comprehensive, up-to-date and reli-

able data. The last accurate general census in Kosovo was undertaken in 1981. The entire population - individuals, households and dwellings - were included in this census, which was managed by the Statistical Office of Kosovo (SOK). Data collected and published by this office up to 1988 can be considered reliable<sup>4</sup>. However, with the revoking of autonomy in 1989, many employees of state institutions lost or left their jobs,<sup>5</sup> and as a result, institutions in Kosovo ceased to function effectively. Although a second general census was conducted in 1991, its accuracy is questionable, due to a broad boycott of the census by ethnic Albanians, who comprised the largest share of the population.

The dearth of good statistics became acute in the 1990s due to large population movements, up to and including the post-conflict period. Today, even basic statistics in Kosovo, such as population size, are hotly debated. In *KHDR 2002* four different estimates for population were presented, varying up to 25%<sup>6</sup>. The population of Kosovo is now estimated to be about 1.9 million by the SOK.

Regarding statistical reliability, the *KHDR 2002* noted that data concerning Kosovo can be divided into three categories:

- 1) *Data compiled prior to 1990, when state offices and institutions were functioning normally [reliable].*
- 2) *Data compiled for 1990 to 1999, when state institutions were not functioning effectively [incomplete, inadequate, or misleading].*
- 3) *Data compiled after 1999 by international and local institutions together with SOK. [at least partially reliable]*<sup>7</sup>.

The human development indicators presented in the *KHDR 2002* were primarily calculated based on data in the third category. However, the scope of recent research and surveys carried out by international and local organizations had only encompassed demographic, social, economic, and health issues; none addressed the issue of life expectancy, a component of the HDI.

Therefore, for *KHDR 2002*, this indicator was calculated using data collected from before 1990.

### Human development survey

Data at the municipal level in Kosovo is scarce, with the exception of a registry listing registered businesses and their economic activity. Recognizing the acute need for a more comprehensive set of current data at

The HDS effectively establishes a baseline of indicators for all municipalities in Kosovo. Local decision-makers and other domestic and international stakeholders can also make use of accurate data categorized by municipality on: life expectancy, adult literacy, mean years of schooling, percentage of people without tap water, percentage of unemployed people, percentage of people living below the poverty line, percentage of people without access to economic

#### **BOX 1.2: THE NEED FOR A NEW POPULATION AND HOUSING CENSUS**

The last reliable population census in Kosovo was conducted in 1981. Another was conducted in 1991, but its accuracy is questionable due to a broad boycott by the majority of ethnic Albanians. For many reasons described below, a new population and housing census are urgently needed.

The Statistical Office of Kosovo (SOK) has long placed the Population and Housing Census as a top priority. A population census is much more than a count of the population. There are 29 core topics and 52 non-core topics that may be included in a census according to Eurostat and UN recommendations, such as questions on labor market, education, demographic issues (fertility, mortality, internal migration). A political decision to carry out the census is needed, as the census is a big undertaking, and is estimated to cost about 7 million Euros.

The population and housing censuses are essential elements of the statistical system in Kosovo. Unreliable population statistics can increase uncertainty when household survey results are extrapolated to the aggregate population. The lack of good population census data also constrains other estimates, (e.g., GDP per capita, agricultural statistics).

Households and dwellings are usually included in a population and housing census. Today the statistical data at the municipality level in Kosovo are very scant and the only way to get good and reliable statistical data at municipality and village level is through a population census. A population census would also make it possible to carry out more efficient household surveys, because from the census it is possible to create a good sampling framework. A few "agricultural" questions in the census would also facilitate a coming agricultural census.

A draft census law was prepared in 2002 by SOK. The law was reviewed by an inter-ministerial working group in early 2003 and submitted to the Kosovo Government. The Government sent it to the assembly, which adopted the census law on July 11, 2003. The POVRATAK Coalition objected to the law and a special panel was set up to solve the matter. The panel agreed 5th December 2003 that five amendments to the census law were needed. The Assembly voted against the five amendments and the SRSG will not promulgate the census law without the amendments. Thus, SOK and Kosovo still await a political decision in June 2004.

Statistical Office of Kosovo, May 2004

the municipal level, the second *KHDR* undertook from the outset to develop Kosovo's first data set of municipal human development indicators. Thus, in mid-2003, UNDP and its partners<sup>8</sup> launched a municipal Human Development Survey (HDS) to assess the main components of the Human Development Indices (HDI, HPI, and GDI). The HDS allowed for a better understanding of the relative standing of each municipality in terms of progress toward human development. At the same time, the HDS provided most of the data necessary to calculate aggregate human development indicators for Kosovo in the *KHDR 2004*<sup>9</sup>.

resources, household demographics, and average household income and expenditures. For more details on the survey and sampling methodology, refer to Annex 1.

### Trends in human development in Kosovo

Identifying human development trends in Kosovo is particularly challenging. Due to statistical shortcomings, many figures presented in *KHDR 2002* can only be viewed as estimates. GDP per capita and poverty rates were calculated by the Central Fiscal

Authority<sup>10</sup> and the World Bank, respectively, based on survey methods<sup>11</sup>.

## Kosovo human development index

A slight increase in Kosovo's aggregate HDI has been recorded between the 2002<sup>12</sup> and 2004 HDR<sup>13</sup>.

With a HDI of 0.734, Kosovo ranks at a *medium* level of human development. Most of Kosovo's neighbors are in the same band; however, Slovenia and Croatia share the ranking of a *high* level of human development. In terms of the East Central Europe region as a whole, Kosovo lies at the lower end of the spectrum (see Figure 1.1 below). Still, the level of human development in Kosovo is more similar to countries in the high level band, such as Norway, than those in the low level band, such as Sierra Leone.

and *KHDR 2004*, the Education Attainment Index<sup>14</sup> and the GDP Index record slight gains, while the Life Expectancy Index appears to indicate a slight decline<sup>15</sup>.

## Gross domestic product

As seen in Table 1.2, Kosovo has experienced a slight increase in GDP compared to the previous reporting period.

### *GDP fluctuations from 1985 to present*

Figure 1.2 depicts fluctuations in GDP throughout the 1990s. GDP fell drastically in the 1990s, to almost a quarter of its level during the 1980s, due to policies under the Milosevic regime as well as the detrimental effect of the conflict in the former Yugoslavia. Since 2000, Kosovo has recorded considerable GDP growth. Still, Kosovo's GDP per capita (as estimated by the IMF)

TABLE 1.1 COMPONENTS OF HDI 2001 AND 2003

		Life expectancy index	Education attainment index	Adjusted GDP Index (PPP USD)***	HDI (PPP)
2001	Available data	0.818*	0.829**	0.507	0.721
2004	HDS	0.731	0.923	0.548	0.734

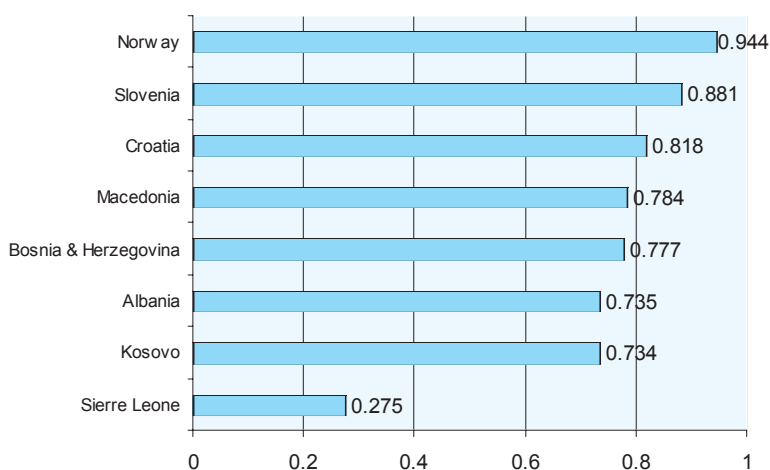
Source: \* Begolli I., 2001 and \*\* UNFPA/ IOM, 2000, \*\*\*IMF 2004, UNDP HDS 2004

## Components of the Kosovo HDI

The components of the HDI are shown below in Table 1.1. Between *KHDR 2002*

has still not reached 1985 levels. Moreover, these favorable trends can be traced to increased donor assistance toward reconstruction and remittances inflow from the Kosovan Diaspora, rather than domestic value-added output.

FIGURE 1.1: HDI REGIONAL AND GLOBAL COMPARISONS



Source: UNDP, HDS 2004; UNDP, Global HDR 2004

TABLE 1.2 GDP GROWTH

	2000	2001	2002	2003
GDP in million Euro	1,328	1,536	1,569	1,640
GDP Growth (Percent)		15.1	2.1	4.5
GDP per Capita in Euro	730	823	826	848

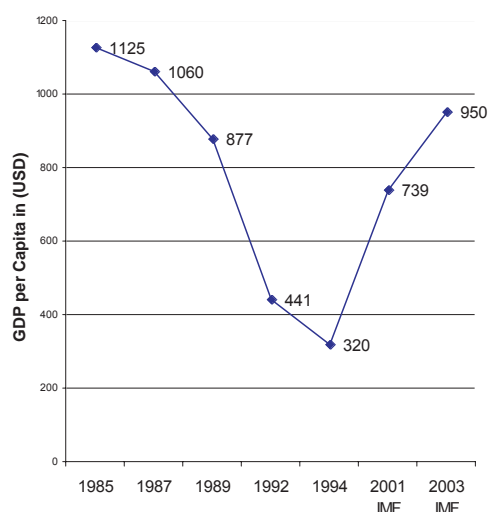
Source: IMF Estimates, March 2004

### *GDP regional comparisons*

Purchasing Power Parity (PPP) is a method used to compare GDP between different economies. PPP reveals what USD \$1 will purchase in Kosovo, for example, as compared to in the United States of America (US).



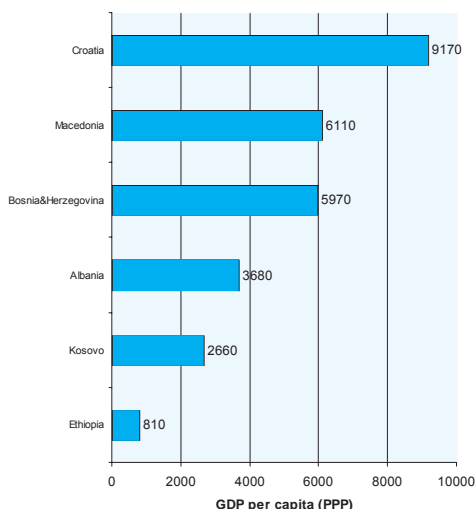
**FIGURE 1.2: CHANGES IN GDP PER CAPITA IN USD, 1985-2003**



Source: UNDP, HDS 2004; UNDP, KHDR 2002

Figure 1.3 depicts PPP-adjusted GDP for Kosovo and a range of South Eastern European (SEE) countries. In SEE countries, PPP ratios range from 3 to 4, meaning that one USD can purchase on average 3 to 4 times as many goods as in the US. Based on a comparison with its neighbors, the PPP rate for Kosovo's GDP is calculated as 3<sup>16</sup>. Kosovo's PPP-adjusted GDP per capita is USD \$2,660. The comparison reveals that, despite the economic growth of the post-conflict period, Kosovo still enjoys just one-third of the GDP of Croatia and less than half of the GDP of Macedonia or Bosnia and Herzegovina.

**FIGURE 1.3: GDP (PPP) REGIONAL COMPARISONS**



Source: UNDP, HDS 2004; UNDP, Global HDR 2004

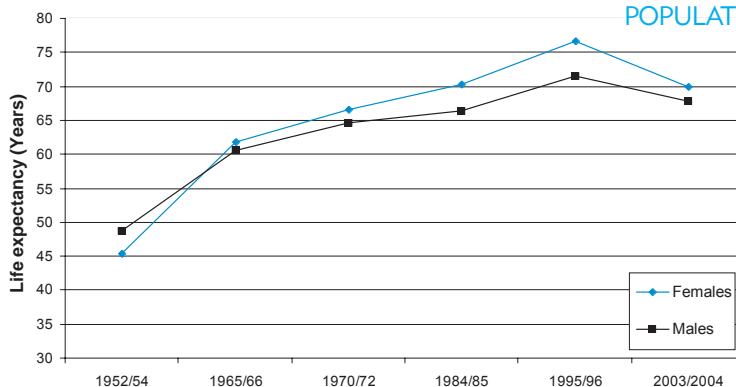
## Life expectancy

As a basic indicator of whether people are enjoying a long and healthy life, the life expectancy index (LEI) is one of the fundamental components of the HDI. According to the HDS, average life expectancy in Kosovo is 68.8 years, (67.8 for men and 69.9 for women)<sup>17</sup>.

### Trends in life expectancy

Life expectancy is one of the HDI components most susceptible to temporary exogenous shocks, such as the outbreak of conflict or epidemics. Thus, it takes a long time for improvement in life expectancy to manifest itself in aggregate statistics, compared to deterioration trends, which can manifest rapidly in the short-term. As shown in Figure 1.4, approximately 50 years passed for the average life expectancy of Kosovans to rise by 30 years. In contrast, since the mid 1990's, average life expectancy has decreased by approximately five years, likely due to the impact of the conflict in 1998-1999. Due to the many improvements in terms of living and economic conditions achieved in the post-conflict period, the downward trend in life expectancy in the past four to five years has likely been reversed. This is also suggested by the decrease in crude death rates in the post-conflict period, reported by the HDS<sup>18</sup>.

**FIGURE 1.4: LIFE EXPECTANCY AT BIRTH (IN YEARS) OF KOSOVAN POPULATION**



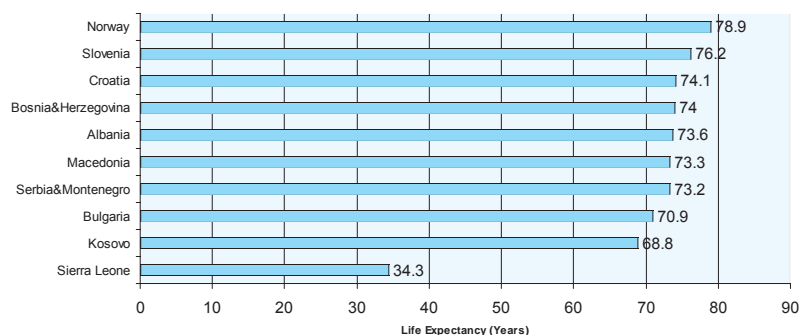
Source: Begolli I, 2001; UNDP, HDS 2004

### Regional comparisons in life expectancy

Kosovo has the lowest life expectancy in the region (see Figure 1.5). People in Albania,

Bosnia and Herzegovina, Macedonia and Croatia can, on average, expect to live three to four years longer than Kosovans.

FIGURE 1.5 LIFE EXPECTANCY REGIONAL COMPARISONS



Source: UNDP, HDS 2004; UNDP, Global HDR 2004

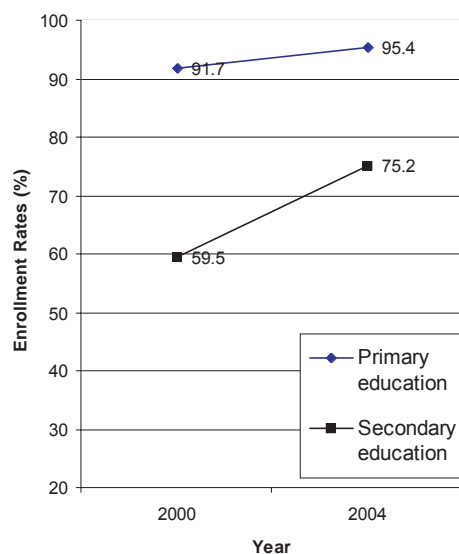
## Educational levels

Given that over half of Kosovo's population is under 25<sup>19</sup>, educational attainment is an especially important aspect of human development. The Education Index is composed of adult literacy rates and the enrollment rates in primary and secondary education. This index can be viewed as a way to measure the extent to which resources find their way to different education levels and the extent to which the enrollment rate is reasonably even across population groups.

## Trends in education

Similar to the LEI, the Education Index is

FIGURE 1.6 ENROLLMENT RATES IN KOSOVO 2001 AND 2003



Source: UNDP, KHDR 2002; UNDP, HDS 2004

susceptible to short-term deterioration shocks. Kosovo's educational system faced a number of challenges in the 1990s, and at the height of the conflict in particular, when infrastructure was damaged or destroyed and schools and the university temporarily closed down. Naturally, the quantitative data presented here does not capture the full impacts of these events, and does not reflect trends in the qualitative aspects of education in Kosovo. Nevertheless, overall trends in education in Kosovo show signs of improvement, at least in terms of primary school enrollment and literacy.

## Enrollment rates

Enrollment rates in Kosovo have generally improved since *KHDR 2002*, especially for secondary school (see Figure 1.6). The only exception is for tertiary education, where there appears to be some evidence of decreased enrollment (see Table 1.3). For example, the University of Prishtina records a drop in enrollment among students aged 18 to 24<sup>20</sup>. These trends could also be a reflection of other trends: (i) mismatch between supply and demand, as the tertiary education sector has not developed apace with increases in the 18 to 24 age population group; (ii) appeal of studying abroad and increased opportunities to pursue such study; (iii) deferment of University education past age 24 as a result of interrupted studies during the conflict and its immediate aftermath.

TABLE 1.3: ENROLLMENT RATES IN TERTIARY EDUCATION.

Education Year	Number of Students	Enrollment in University Education (%)
1970/1971	10,368	15.2
1980/1981	43,321	20.6
1990/1991	29,016	10.9
1995/1996	21,632	11.6
2000/2001	20,277	7.5
2002/2003	23,175	5.0

Source: data from 1970 to 2001 is from KEC, "Some Aspects of Efficiency of Kosovo Education," 2002 Data from 2002/2003 is from SOK, "Social Statistics: Higher Education in Kosovo," 2003

## Regional comparisons in adult literacy rates

As can be seen in Figure 1.7, literacy levels improved rapidly in Kosovo between the 1960s and the 1980s; during this period, the network of primary and secondary schools expanded and a University was founded.

The HDS reveals that the adult literacy rate in Kosovo is 94.2%, which is approximately 1% higher than that reported in *KHDR 2002*. This suggests the positive impact of different international and local organizations, especially in relation to literacy courses<sup>21</sup> for the elderly and women.

Literacy levels in Kosovo are similar to those in Macedonia, but are above those in Bosnia and Herzegovina and Albania. Kosovo has more in common with countries at a high level of human development in relation to education (as measured by the Education Attainment Index), than countries with low levels of human development.

marginalization of the poor ensures that their voices frequently remain unheard and their needs unaddressed.

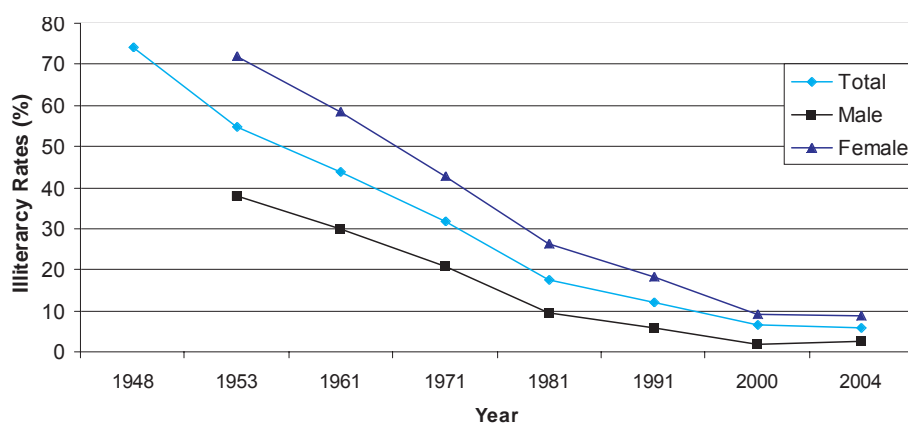
*"In Kosovo, poverty is seen as having either irregular or no income at all, as well as having no savings, land or livestock. Poverty also means living in a mud or stone house and lacking basic amenities, while depending on handouts from neighbors and humanitarian organizations"* (World Bank Poverty Assessment, 2001).

## The human poverty index

Poverty is a complex social phenomenon whose totality can be difficult to capture in standard measurements. A multi-dimensional approach to measuring poverty attempts to integrate the social, economic and political dimensions and the human consequences of being poor. The Human Poverty Index (HPI), first unveiled in the 1997 *Global Human Development Report*, was developed to promote such a broader perspective. HPI calculates the percentage

*"Poverty means that choices and opportunities most basic to human development are denied"* (UNDP, 1997 *Global Human Development Report: 15*)

FIGURE 1.7: ILLITERACY RATES IN KOSOVO



Source: KEC 2000; UNFPA/IOM 2000b; UNDP, HDS 2004

## Human poverty

The most common definition of poverty is the inability to maintain a decent standard of living, measured in terms of basic consumption needs<sup>22</sup>. Other definitions of poverty encompass not just income or material deprivation, but also poor or no access to basic services such as health, education, clean water, and sanitation, as well as vulnerability to various shocks. The poor often have limited power or agency as vested by information, resources, opportunities and choices. Social exclusion and political

of the population living in *human poverty*, where poverty is defined as more than just a shortage of goods or money. As discussed in Box 1.3, there are two Human Poverty Indices, both of which are used in this Report. The first index (HPI-1), seeks to measure the incidence of more extreme levels of poverty, including elements such as access to water and health services, while the second index (HPI-2), attempts to measure incidence of less extreme poverty.

**BOX1.3: WHAT IS THE HUMAN POVERTY INDEX (HPI-1 AND HPI-2)?**

Human poverty is a concept that captures the many dimensions of poverty that exist in both poor and rich countries-it is the denial of choices and opportunities for living a life one has reason to value. The HPI-1 measures human deprivation by the same three aspects of human development as the HDI (longevity, knowledge and a decent standard of living). HPI-2 includes social exclusion in addition to the three dimensions in HPI-1.

- For HPI-1 (developing countries), deprivation in longevity is measured by the probability at birth of not surviving to age 40; deprivation in knowledge is measured by the percentage of adults who are illiterate; deprivations in a decent standard of living is measured by two variables: the percentage of people not having sustainable access to an improved water source and the percentage of children below the age of five who are underweight.

- For HPI-2 (selected high-income or more developed countries), deprivation in longevity is measured by the probability at birth of not surviving to age 60; deprivation in knowledge is measured by the percentage of adults lacking functional literacy skills; deprivations in a decent standard of living are measured by the percentage of people living below the income poverty line, set at 50% of adjusted median household disposable income; and social exclusion is measured by the rate of long-term (12 months or more) unemployment in the labor force.

Source: *Human Development Report Office, New York*

*“To policy makers, poverty of choices and opportunities is often more relevant than the poverty of income, for it focuses on the causes of poverty and leads directly to strategies of empowerment and other actions to enhance opportunities for everyone”*  
*(Global Human Development Report, 1997: 5)*

### *Trends in human poverty in Kosovo*

*KHDR 2004* notes that the total percentage of people living in extreme poverty (as defined by HPI-1) dropped to 9.6% from 17.6 % in 2001. This stems mainly from a reduction in the ratio of the population not expected to survive past age 40 and an improvement in literacy rates. On the other hand, when measured by the fraction of the

population living without the means to consume 2,100 calories a day per adult<sup>23</sup>, the incidence of extreme poverty increased from 11.9% in 2001 to 13% in 2003. As the HPI-2 index was measured for the first time for *KHDR 2004*, no comparisons with the previous period are possible. However, the rate of unemployment, which is a component of HPI-2, fell slightly from well over 50% to 44%, according to the HDS (refer to Table 1.4). This contrasts with public perceptions on this issue (see below) and statistics from the Department of Labor and Employment<sup>24</sup>, which indicate that the number of registered unemployed increased by nearly 10% during 2003<sup>25</sup>. The percentage of people living under \$2 per day has also decreased slightly, from 50% to just over 47%. These statistics would seem to indicate a small reduction in the incidence of less extreme poverty.

### *Unemployment a major concern for Kosovans*

One of the best ways to promote human development is to ensure that every citizen in society has equal opportunity to obtain a fair paying job. In Kosovo, the opportunities for participation in the economy are very limited, starting from the most basic pillar of economic participation: jobs (see Table 1.5). Successive Early Warning Reports<sup>26</sup> reveal that Kosovans are seriously concerned about unemployment. A recent Early Warning System (EWS) poll<sup>27</sup>, for example, showed that only 4% of citizens

TABLE 1.4: HPI-1 AND HPI-2 FOR KOSOVO 2001 AND 2003

Human Poverty Indexes	2001	2003
<b>HPI-1 (Used for developing countries/ regions)</b>	<b>17.6</b>	<b>9.7</b>
Percentage of population not expected to survive to age 40	25.3	7.0
Percentage of adult who are illiterate	6.5	5.8
Percentage of persons without access to safe water	4.4	27.4**
Percentage of people without access to health services	---	8.9
Infant mortality rate (%)	3.5	3.5
Percentage of moderately and severely underweight children	4.1	4.0
Percentage of people living under decent standard of living	11.9	13
<b>HPI-2 (Used for developed countries/ regions)</b>		<b>36.7</b>
Percentage of population not expected to survive to age 60	---	13.4
Percentage of adult who are illiterate	6.5	5.8
Percentage of persons living on \$2 a day	50.3	47.7
Percentage of unemployed people of age 15-64	50-55	44.4

\*World Health Organization

\*\* In 2003 the percentage of people without piped water was calculated and this did not include bottled water or water tanks, thus the percentage is higher than 2001.

(regardless of ethnicity) perceive employment conditions as favorable, while only 14% had positive expectations for future prospects. According to the opinion poll<sup>28</sup> conducted in April 2004, 81% of respondents identified unemployment as the first or second most important problem facing Kosovo (see Figure 1.8).

measures the level of equality between men and women with respect to components of the Human Development Index.

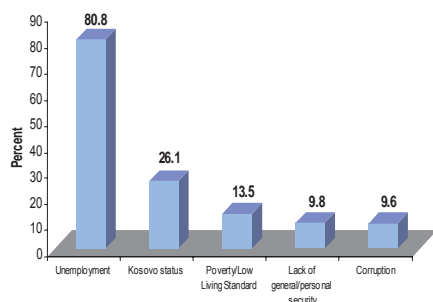
- The Gender Empowerment Measure (GEM), another composite indicator that captures gender inequality in politi-

TABLE 1.5: PARTICIPATION IN THE LABOR FORCE AND UNEMPLOYMENT

	Participation Rate, %			Unemployment Rate, %		
	Male	Female	Total	Male	Female	Total
Rural	74.39	25.54	49.54	42.62	65.50	48.62
Urban	76.64	37.19	55.96	33.48	52.11	39.97
Total	75.42	30.91	52.47	38.47	58.06	44.42

Source: UNDP HDS, 2003

FIGURE 1.8: MAIN PROBLEMS FACING KOSOVO TODAY.



Source: Corruption Survey, UNDP and Index Kosova, April 2004

## Women and development

The KHDR recognizes that the parameters of human development and choices can be strongly affected by one's sex. The analysis thus attempts to illustrate the ways in which women are discriminated against on the basis of their sex and the consequences they face in the overall context of human development<sup>29</sup>.

Two indicators are used to assess inequalities by sex in human development:

- The Gender-related Development Index (GDI), a composite indicator that

cal participation, economic participation, and economic resources.

## The gender development index for Kosovo

A GDI for Kosovo was calculated for the first time in KHDR 2002. Although a slight increase in GDI can be seen between the 2002 and 2004 KHDR (see Table 1.6), the absolute score reflects the fact that women are disadvantaged compared to men on most dimensions of the HDI.

TABLE 1.6: TRENDS IN GENDER-RELATED DEVELOPMENT

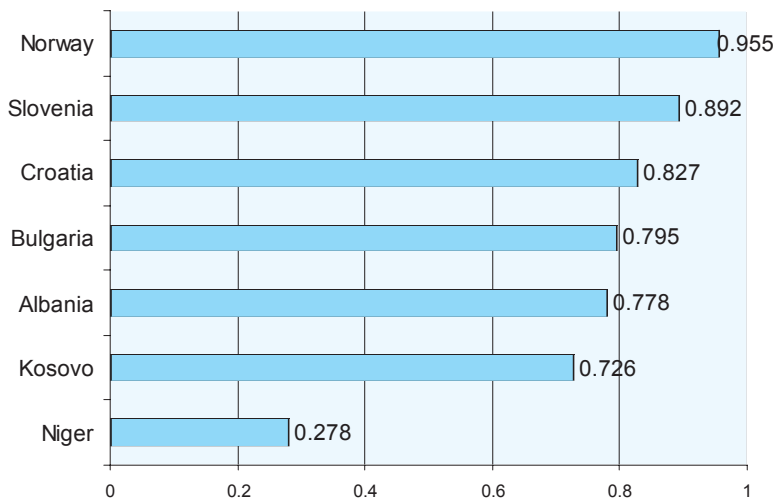
Year	Equally distributed life expectancy index	Equally distributed education attainment index	Equally distributed adjusted GDP Index (PPP USD)	GDI (PPP)
2001	0.828	0.828	0.452	0.699
2003	0.74	0.917	0.522	0.726

Source: KHDR 2002 and UNDP HDS 2003

## Regional comparisons in GDI

Kosovo's GDI (0.707) ranks it on the lower end of the medium human development scale (see also Figure 1.9).

FIGURE 1.9: COMPARISON OF GENDER-RELATED DEVELOPMENT INDEX



Source: UNDP, HDS 2004; UNDP, Global HDR 2004

### GDI components and gender disparities

The high disparity in income between men and women in Kosovo best explains why Kosovo's GDI is relatively low. Men earn four times more on average than women (134 Euros compared to 42 Euros per month), and women typically hold lower-paid positions than men. At least formally, it should be noted that in the public sector there are no legal disadvantages in salary scales between women and men. The second biggest disparity is in labor force participation rates. While 75% of men participate, only 31% of women do. Other components

of GDI reveal different inequalities. Men on average have two more years of schooling than women, the combined enrollment ratio in primary and secondary education is also better for males, and illiteracy is more prevalent among women than men (refer to Figure 1.10).

### Gender empowerment measure

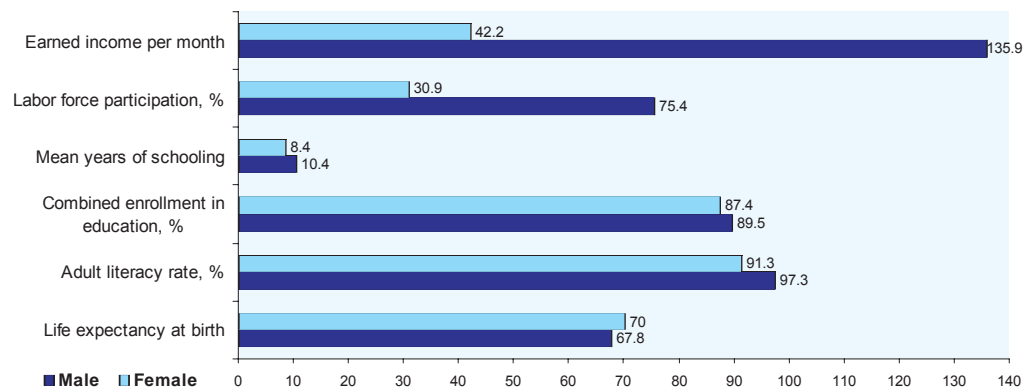
The GEM is composed of:

- Political participation and decision-making, as measured by women's and men's percentage shares of parliamentary seats;
- Economic participation and decision-making power, as measured by two indicators: the ratio of positions as legislators, senior officials and managers and ratio of professional and technical positions held by men and women;
- Power over economic resources, as measured by women's and men's estimated earned income (PPP USD).

### Comparisons in GEM

Kosovo's GEM (0.465) places it in the high human development category for this indicator, just above Romania, ranked 53rd, and below Chile, ranked 52nd. This is primarily due to the Percentage of Parliamentary Seats allocated to women in Kosovo. Apart from the *Percentage of Parliamentary Seats* (see chapter four) all the other components of the GEM are worse than those in Chile and Romania (see Table 1.7).

FIGURE 1.10: DISPARITIES BETWEEN MEN AND WOMEN IN KOSOVO WITH SELECTED INDICATORS



Source: UNDP, HDS 2004;

#### BOX 1.4: GLOBAL TRENDS IN GENDER EQUALITY

Research continues to show slow and uneven progress in gender equality. Major barriers to gender equality persist in all spheres of life:

- Two thirds of the world's 876 million illiterate are female.
- Of the world's 1 billion poorest people, an estimated three-fifths are women and girls.
- Despite the fact that the majority of the world's poor are women and girls, poverty reduction strategies insufficiently address the differential impact of poverty by gender and inadequately target gender equality as a core objective.
- Women represent a growing proportion of people living with HIV/AIDS. In countries with high HIV prevalence, young women and girls with little or no education are at a much higher risk of contracting HIV than their male counterparts.
- In only 16 countries in the world is women's representation in national parliaments above 25%. On average, they accounted for 11% of parliamentarians worldwide in 1999, compared with 9% in 1987.
- Of 466 female cabinet ministers holding portfolios in 151 in 2000, about 20% were heads of ministries of women's and social affairs, but less than 5% were heads of ministries of finance, economy and development.
- One-quarter to one half of all women have suffered physical abuse.
- Women and children comprise about 80% of the world's 35 million refugees and displaced people, and they are particularly vulnerable to sexual violence while in flight, in refugee camps and/or during resettlement.

Source: UNDP, 2003, *Gender Thematic Guidance Note*, Astrida Neimanis and Arkadi Tortisyn, page 6. *National Human Development Report Office*

TABLE 1.7: GEM AND ITS COMPONENTS

	GEM	Seats in the parliament held by woman (as % of total)	Female legislators, senior officials and managers (as % of total)	Female professional and technical workers (as % of total)	Ratio estimated female to male income
Chile	0.467	10.1	24	50	0.38
Romania	0.460	9.9	29	57	0.58
Kosovo	0.465	24.1	17	23	0.31

Source: UNDP, Global HDR, 2003, HDS, 2003

## Kosovo and the millennium development goals: Where will we be in 2015?

In 2000, 189 heads of state agreed to tackle human development problems through a set of time-bound goals (a 25-year period from 1990 to 2015) known as the Millennium Development Goals (MDGs). Although the global challenge to alleviate poverty is overwhelming, seven other crucial goals are included in the MDGs, which set global targets for reducing income and food insecurity, improving education, increasing gender equality, ameliorating child and maternal health, fighting HIV/AIDS and other major diseases, promoting environmentally sustainable development, and forging global partnerships. The MDGs encourage all countries, rich and poor, to focus on improving human development.

In order to track progress made towards reaching MDG targets, international agencies have agreed on clear indicators. These will measure progress at the country level and the global level, since all countries will use the same methodology. In order to

achieve the MDGs at the country level, ongoing commitment by human development stakeholders must be secured. An annual MDG Report compiled at the country level every two years is viewed as a key means to foster such recommitment. The purpose of the MDG Report is two-fold: public information and social mobilization. It is a tool for awareness raising, advocacy, alliance building, and renewal of political commitments at the country level, as well as to build national capacity for monitoring and reporting on progress.

### Why are the MDGs important for Kosovo?

Representatives from Kosovo did not attend the Millennium Summit in 2000 and have not signed its declaration. Therefore, the Provisional Government of Kosovo has no formal commitment to work towards the MDGs as do many other countries. Nevertheless, the MDGs (see Table 1.8) that emanated from this Summit are relevant to Kosovo. On all counts, Kosovo compares poorly to most European countries. Poverty is widespread, with almost half of the population living in poverty. The events of the last decade have reduced the availability and quality of schools. Women do not stand as

**BOX 1.5: ARE GENDER-RELATED TARGETS AGREED AT CAIRO, COPENHAGEN AND BEIJING SUFFICIENT?**

During the Cairo (1994), Copenhagen (1994) and Beijing (1995) world conferences, governments pledged to meet a variety of targets related to gender equality. Those to be achieved by the year 2015 included the following:

- Provide universal primary education in all countries.
- Achieve an infant mortality rate below 35 per 1,000 live births and an under-five mortality rate below 45 per 1,000.
- Make reproductive health care accessible to all individuals of appropriate ages through the primary health care system.
- Achieve equivalent levels of education for boys and girls.
- Reduce maternal mortality rates by a further one-half.
- Countries with the highest maternal mortality rates should aim for a rate below 75 per 100,000 live births; those with intermediate rates should target a rate below 60.
- Countries with the highest mortality rates should achieve life expectancy greater than 70; all countries, a life expectancy greater than 75.

However, even with the achievement of these targets, certain gender equality related goals might not yet be achieved. In order to promote discussion and agree on further targets, the United Nations Development Fund for Women (UNIFEM) advocates consideration of the following:

- End the disproportionate presence of women among the poor by 2015.
- Close the gender gap in the enjoyment of leisure by 2015.
- Introduce schemes of social protection for informal sector workers by 2015.
- Raise women's share of administrative and managerial positions to at least 30% by 2005 and 50% by 2015.
- Raise women's share of seats in elected assemblies at the local level to at least 30% by 2015.
- Ensure that all women employees earn a living wage by 2015.

Source: *Progress of the World's Women (UNIFEM, 2000) Box taken from UNDP National Human Development Report Office, "Gender Thematic Guidance Note," July 2003.*

equals to men, especially in terms of education and literacy. Maternal and infant health constitutes a major challenge given that Kosovo's birth rate is high by European standards. Tuberculosis is endemic. HIV/AIDS is not widespread, but systematic surveillance and prevention must keep it from spreading. Industrial and domestic pollution pose a serious challenge to the environment and human health, although not much is known of its exact scope.

Kosovo must chart its own course and tailor each MDG target and indicator to fit its specific reality. For instance, malaria (target 8) does not pose a problem for Kosovo, nor do slum dwellers (target 11) represent a major problem (although for internally displaced people living in camps conditions may resemble slum dwellings). On the other hand, poverty (target one) is likely to persist in Kosovo given the major challenges facing economic development. Tuberculosis (target 8) in Kosovo is one of the highest in Europe. A large number of girls tend to drop-out of school at the end of the primary level (target 4). An expert panel should tailor MDG targets and indicators to be validated by stakeholder consultations (government, civil society, media, international organizations, academia, etc).

The Provisional Institutions of Self-Government (PISG) of Kosovo have responsibility for social policies, including health, education and gender equality, and have been entrusted to protect the natural environment. The PISG's priorities focus on improvement of educational standards and quality of health care, and the promotion of local

economic development and employment. These are already closely linked to the MDGs and can provide guidance in allocation of resources. While the PISG might feel less ownership of a country-driven MDG target setting process than those governments that actually participated in drawing up the goals, a rigorous diagnosis of the means necessary to meet the MDGs would help to align Kosovo's priorities with international agenda and justify international aid requests.

*MDGs and other Benchmarks*

Policy planning in Kosovo is affected by many sets of standards addressing human development issues defined by the global community. The European Commission has a comprehensive set of criteria within its Stabilization and Association Process aiming to draw South Eastern Europe countries closer to the European Union (EU). Given Kosovo's undefined status, the EU has put in place a tracking mechanism to foster and monitor reforms compatible with its regulations. The United Nations Interim Administration Mission in Kosovo (UNMIK) has also established benchmarks for the PISG. The World Bank and International Monetary Fund (IMF) support the adoption of economic development and poverty reduction schemes in most developing countries, although such initiatives have yet to be established in Kosovo.

Compared to the above-mentioned standards, the MDGs do not constitute a stand-alone development strategy. MDG targets and indicators should be integrated into existing social and economic strategic planning exercises, whether shaped by the Ministry of Finance and Economy, the EU focused stabilization process, or any eventual World Bank-sponsored Poverty Reduction Strategy Paper (PRSP). While focused on long-term human development, MDG targets and indicators also constitute real tools for monitoring good governance that will enhance the Government's ability to chart and track its performance. In this way, human development challenges (poverty, health, education, gender equality, sustainable environment), can be balanced with the governance and economy-oriented



UNMIK benchmarks. The World Bank and IMF are global stakeholders of the MDGs, and any future negotiations with these institutions would welcome efforts already made toward reaching the Millennium targets. Adopting, tailoring and monitoring the MDGs can not only enhance human development in Kosovo, but also promote better cooperation with the international community.

The first baseline MDG report<sup>30</sup> for Kosovo provides some figures on where Kosovo stands with regard to the global Millennium targets. The report suggests ways to implement a sound process related to meeting the Millennium goals in Kosovo. It highlights the major public strategies undertaken to reach the targets and the challenges that must be overcome to ensure adequate monitoring and reporting in the future. The MDG Baseline Report focuses on the statistical baseline prior to 2004 and was prepared before the availability of the HDS.

As part of the international community, Kosovo is striving to reach targets set by the MDGs. With the support of UN agencies and other donors, the PISG can provide a decent level of human development for its population, regardless of age, sex, location or ethnicity, ensuring that by 2015 Kosovo society is developing in a just and equitable manner. The PISG should commit to integrating the MDGs into policy-making. Capacity should be built in institutions making new policies and implementing programs to reach the targets. Ongoing systematic monitoring should be set up in institutions that are accountable and will report at regular intervals.

TABLE 1.8: GLOBAL MILLENNIUM DEVELOPMENT GOALS AND TARGETS

GOALS	TARGETS
1. Eradicate poverty and hunger	<b>Target 1:</b> Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day <b>Target 2:</b> Halve, between 1990 and 2015, the proportion of people who suffer from hunger
2. Achieve universal primary education	<b>Target 3:</b> Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling
3. Promote gender equality and empower women	<b>Target 4:</b> Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015
4. Reduce child mortality	<b>Target 5:</b> Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate
5. Improve maternal health	<b>Target 6:</b> Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio
6. Combat HIV/AIDS, malaria and other diseases	<b>Target 7:</b> Have halted by 2015 and begun to reverse the spread of HIV/AIDS <b>Target 8:</b> Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases
7. Ensure environmental sustainability	<b>Target 9:</b> Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources <b>Target 10:</b> Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation <b>Target 11:</b> By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers
8. Develop a global partnership for development	<b>Target 12:</b> Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. Includes a commitment to good governance, development, and poverty reduction – both nationally and internationally <b>Target 13:</b> Address the special needs of the least developed countries. Includes: tariff and quota free access for least developed countries' exports; enhanced programme of debt relief for heavily indebted poor countries and cancellation of official bilateral debt; and more generous official development assistance for countries committed to poverty reduction <b>Target 14:</b> Address the special needs of landlocked countries and small island developing States (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly) <b>Target 15:</b> Deal comprehensively with the debt Problems of developing countries (through national and international measures in order to make debt sustainable in the long term) <b>Target 16:</b> In co-operation with developing countries, develop and implement strategies for decent and productive work for youth <b>Target 17:</b> In co-operation with pharmaceutical companies, provide access to affordable, essential drugs in developing countries <b>Target 18:</b> In co-operation with the private sector, make available the benefits of new technologies, especially information and communications.



## TAKING A CLOSER LOOK: DISAGGREGATING KOSOVO HUMAN DEVELOPMENT INDICATORS

**Where do the differences in human development lie in Kosovo? Do the main differences relate to education, or health or economic issues?**

This chapter takes a more in-depth look at Kosovo's human development indicators. By examining data on social welfare that are highly disaggregated along male/female, urban/rural, and geographical lines, various trends often masked in national averages and statistics can be illuminated. Such an exercise can reveal and draw attention to highly vulnerable social groups, *demonstrating inequities in the distribution of resources and opportunities*<sup>1</sup>. A number of National Human Development Reports have taken innovative approaches to statistical disaggregation; for example, Bulgaria, Egypt, and Argentina have each calculated municipal and district human development indices. These examples served as good practice for the methodology used; Egypt's experience informed the surveying methodology, while Bulgaria's influenced the use of income per capita instead of GDP per capita for calculating Municipal HDI in Kosovo.

The data generated for this report allows for the first time a detailed analysis on how the development process is benefiting all of its citizens. The HDS data can be disaggregated along municipal, ethnic and urban/rural lines. This chapter will present the HDI, HPI-1, HPI-2, GDI, and GEM scores along these three main dimensions in order to cast light on critical issues, including gender inequality, and expose the most vulnerable population groups.

## Municipal human development index

Municipalities in Kosovo exhibit considerable differences with regard to human development. In some cases, the spread between maximum and minimum scores reaches 16%, which is high considering the relatively small territorial size<sup>2</sup> of Kosovo. With an average HDI of 0.680, Kosovan municipalities lie at the lower end of the "medium" human development scale as categorized by Global HDRs. Within Kosovo, Prishtinë/Priština has the highest

HDI (0.723) and Novobërdë/Novo Brdo has the lowest (0.625), see the map HDI by municipality (page 37).

### BOX 2.1: MEASUREMENT ISSUES: GDP VS. INCOME

The lack of data at the municipal level entailed use of the UNDP HDS to calculate the Municipal HDI (detailed methodology in Annex II). This implied methodological differences in the calculation of the MHDH compared to the Kosovo-wide HDI presented in **Chapter One**. The most important difference is the use of per capita income instead of GDP per capita. According to the Bulgarian HDR<sup>1</sup>, when measuring HDI at the municipal level, income per capita is more informative than GDP per capita. The most important reason relates to the problem of disaggregating GDP. For example, a municipality may host a big company producing goods or services that benefits the entire population, not only the residents of that municipality; therefore, disaggregating company gross product to any given municipality is problematic, particularly in Kosovo, where statistical systems are still nascent.

Calculating GDP per capita was problematic, because of the ongoing debate on Kosovo's population figures. Therefore, income levels as recorded in the HDS were used to assess the economic well being of citizens of each municipality instead. As a result, the municipal human development indicators can only be fairly compared between municipalities in Kosovo and not with Kosovo-wide indicators as presented in **Chapter One**.

<sup>1</sup> Bulgarian Human Development Report (2001)

## Components of municipal HDI

The Municipal Human Development Index (MHDH) is a composite of three different component measurements:

- Economic well-being, as measured by income per capita;
- Health status, as measured by life expectancy; and
- Educational attainment, as measured by the combined enrollment rate in primary and secondary education, as well as the adult (above 15 years old) literacy rate.

Based on an analysis of MHDH by component, the largest inequalities between Kosovan municipalities relate to income per capita, followed by life expectancy and education (see Box 2.2).

## Top five and bottom five municipalities

The five municipalities with the highest HDI rating are Prishtinë/Priština, Zubin Potok/Zubin Potok, Zvečan/Zvečan, Leposaviq/

*"There are a thousand questions; we have thought of them all and we are trying to find answers"*

*Sergio Vieira de Mello, first SRSG in Kosovo*

### BOX 2.2: WHAT ARE THE DIFFERENCES IN MHDI?

Variation in individual components of HDI are much more pronounced among municipalities than raw HDI scores.<sup>1</sup> Of the three HDI components, educational attainment and life expectancy have the least impact on the variation between the municipalities, while income per capita has the greatest. Thus, differences between municipalities in Kosovo appear to stem more from economic and life expectancy status (and by extension, health care and environmental factors) than with educational attainment. For example, about 10% separates the highest and lowest scores by municipality (Zubin Potok/Zubin Potok and Podujevë/Podujevo respectively) on adult literacy and combined enrollment in schools, in contrast to a spread of about 250% in the raw scores for per capita income between the highest and lowest ranked municipalities (Prishtinë/Priština and Shtime/Štimlje).

<sup>1</sup> Variation is measured by standard deviation (SD)-a measure of distribution or spread around the mean. In a normal distribution, 68% of cases fall within one SD of the mean and 95% of cases fall within 2 SD. For example, in a normal distribution, given a mean age of 45 and a standard deviation of 10, 95% of the cases would fall between 25 and 65.

### BOX 2.3: MIGRATION

The level of emigration as well as internal migration is high in Kosovo. It is generally believed that around 350,000 - 400,000 Kosovans live abroad

- According to UNDP HDS Germany and Switzerland are the primary destination for emigrants.

Prishtinë/Priština municipality and region<sup>1</sup> has experienced the highest rate of in-migration from other parts of Kosovo. Pejë/Pec region has also received a relatively high number of migrants. This is a long term pattern not just related to the conflict.

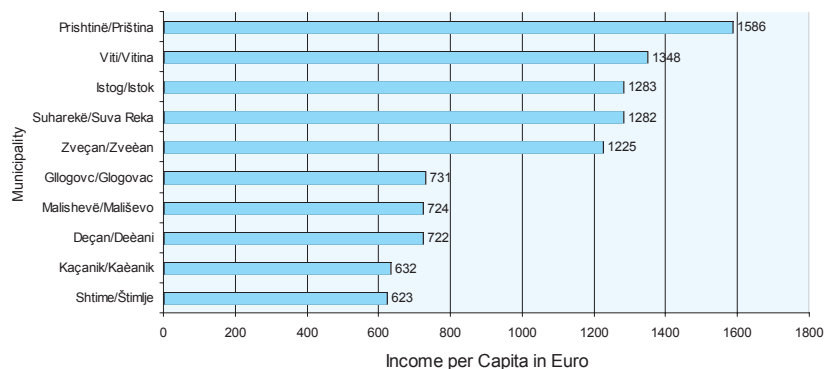
Table: Lifetime migrants and recent migrants (five years) by region, 2003

Region of birth	In-migrants '000	Out-migrants '000	Net-migrants '000	Migrated in during 5-years '000	Migrated out during five years '000	Net migrants 1998-2003 '000	Total net Migrants '000
Gjakovë/Dakovica	4.9	14.3	-9.4	0.5	2.6	-2.1	-11.5
Gjilan/Gnjilane	4.7	14.1	-9.4	1	0.7	0.3	-9.1
Mitrovicë/Mitrovica	9.6	16.3	-6.7	0.9	7.1	-6.2	-12.9
Pejë/Peć	16	8.2	7.8	3.7	0.4	3.3	11.1
Prizren/Prizren	6.4	11.8	-5.4	2	1.5	0.5	-4.9
Prishtinë/Priština	36.6	14.1	22.5	8.1	1.1	7	29.5
Ferizaj/Uroševac	10.6	10	0.6	1	3.8	-2.8	-2.2

Source: SOK. Kosovo Health and Demographic Survey, 2004

<sup>1</sup> Kosovo Demographic and Health Survey disaggregated data by Regions according to the calling codes for the land phones in Kosovo, the municipalities within these regions are: Gjakovë/Dakovica: Deçan/Decani, Gjakovë/Dakovica and Rabovec/Orabovac; Gjilan/Gnjilane: Gjilan/Gnjilane, Kamenicë/Kamenica and Viti/Vitina; Mitrovicë/Mitrovica: Mitrovicë/Mitrovica, Leposaviq/Leposavic, Skenderaj/Srbica, Vushtrri/Vucitrn, Zubin Potok/Zubin Potok, and Zveçani/Zvečan; Pejë/Peć: Istog/Istok, Klinë/Klina and Pejë/Peć; Prizren/Prizren: Dragasb/Dragaš, Prizren/Prizren, Suharekë/Suva Reka, Malishevë/Mališevo; Prishtinë/Priština: Glogovac/Glogovac, Fushë Kosovë/Kosovo Polje, Lipë/Lipljan, Novobërdë/Novo Brdo, Obiliq/Obilic, Podujevë/Podujevo and Prishtinë/Priština; Ferizaj/Uroševac: Kaçanik/Kacanik, Shtime/Štimlje, Shtërpçë/Štrpce and Ferizaj/Uroševac.

FIGURE 2.1: INCOME PER CAPITA FOR BOTTOM FIVE AND TOP FIVE MUNICIPALITIES



Index appear to have the greatest impact on the overall HDI score; however, in the case of Malishevë/Mališevo, HDI is strongly affected by its low ranking on the Education Index as well.

### Income per capita

Of all the HDI components, differences with respect to income are greatest among Kosovan municipalities. As seen in Figure 2.1, residents of the richest municipalities earn three times as much as those in the poorest areas. As noted, Prishtinë/Priština is highest in this regard - one of the reasons explaining high in-migration to Prishtinë/

Source: UNDP, HDS 2004

Priština (see Box 2.3).

### Demographics and income

Poorer households tend<sup>3</sup> to have more children and a higher dependency ratio<sup>4</sup>. Interestingly, the greater the number of elderly household members, the higher income per capita tends to be. This may reflect custom whereby the wealthiest family member assumes caretaking responsibility for the elderly, as well as the importance of pension income.

### Infrastructure and income

Not surprisingly, wealthier municipalities tend to be characterized by better access to infrastructure and services, including computers, telephones, piped water, and sewage for disposal of wastewater. By contrast, poorer municipalities tend to lack access to piped water and sewage. Also unsurprisingly, the higher the unemployment rate within a municipality, the lower the average level of income tends to be. Income levels also tend to be lower in municipalities with fewer people or those that incurred greater damage during the conflict<sup>5</sup>. On the other hand, perhaps as a legacy of the communist period, access to electricity and television ownership is fairly consistent across municipalities, regardless of income levels.

### Composition of income

On average, incomes tend to be higher when derived mostly from salaries and pen-

sions. Municipalities with lower per capita income levels have higher percentages of residents living on sources classified as "other". This suggests the importance of "shadow economy" activities, such as informal trading.

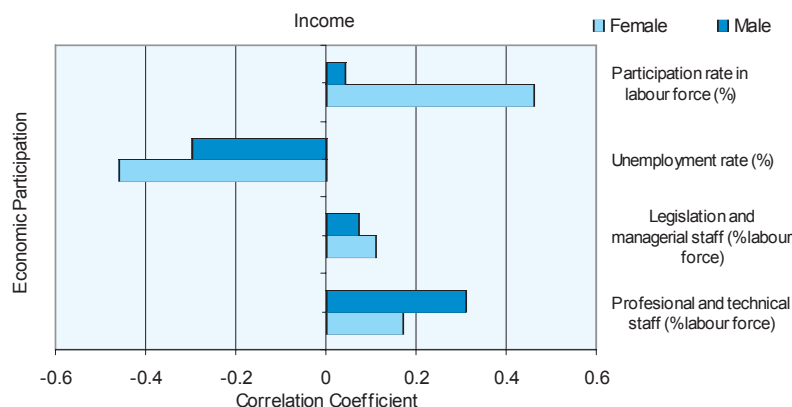
### Education and income

A small but clear relationship between average education levels and average per capita income can be observed among municipalities. As Figure 2.2 reveals, the higher the percentage of the population in a municipality that has completed secondary

#### BOX 2.4: IS FEMALE PARTICIPATION NECESSARY FOR HIGHER INCOMES?

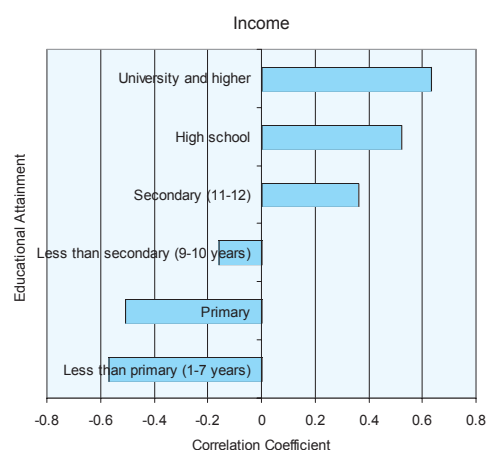
Across all municipalities, those with higher female labor force participation tend to have higher per capita incomes. Conversely, when unemployment rates - and in particular, female unemployment rates - are higher, municipal income per capita tends to be lower. With the exception of the percentage of professional and technical staff in the labor force, indicators for work force participation and unemployment among women appear to be better predictors of municipal income than the same for men.

FIGURE 2.3: RELATIONSHIP OF ECONOMIC PARTICIPATION AND INCOME BY GENDER



Source: UNDP, HDS 2004

FIGURE 2.2: RELATIONSHIP BETWEEN EDUCATION AND INCOME



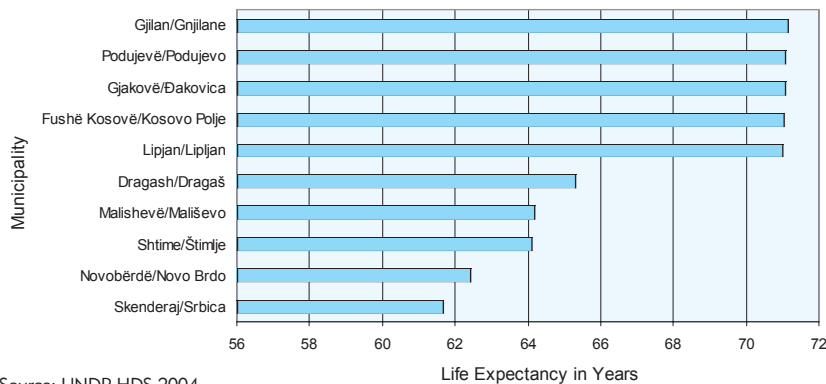
Source: UNDP, HDS 2004

school, high school and university, the higher average per capita income will be in that municipality. Municipalities with lower average education levels, where much of the population has not completed secondary or even primary school, clearly have lower average income levels.

### Life expectancy index

Life expectancy is the second most important factor after income in determining differences in MHDl ranking. The spread in life expectancy between the highest and lowest ranked Kosovan municipality is approximately 10 years (71.1 in Gjilan/

**FIGURE 2.4: TOP FIVE AND BOTTOM FIVE MUNICIPALITIES WITH REGARD TO LIFE EXPECTANCY**



Source: UNDP, HDS 2004

Gnjilane compared to 61.5 in Skenderaj/Srbica). As seen in Figure 2.4, the Life Expectancy Index (LEI) is the highest in Gjilan/Gnjilane, Gjakovë/Đakovica, Podujevë/Podujevo, Istog/Istok and Lipjan/Lipljan, and lowest in Skenderaj/Srbica, Novobërdë/Novo Brdo, Shtime/Štimitje, Malishevë/Mališevo and Dragash/Dragaš.

### Education index

Inequalities among municipalities with respect to education stem mainly from mean years of schooling. Comparing the top five and bottom five municipalities, the greatest differences exist in mean years of schooling, followed by combined enrollment rates in primary and secondary education,

**TABLE 2.1: TOP FIVE AND BOTTOM FIVE MUNICIPALITIES FOR EDUCATION INDEX**

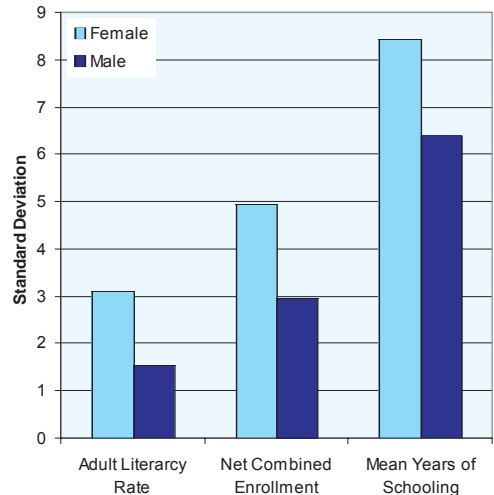
	Education Attainment Index	Adult Literacy Rate(15+)%	Combined Enrollment Rate%	Mean Years of Schooling
Podujevë/Podujevo	0.881	89.355	85.684	8.45
Gjakovë/Đakovica	0.886	92.065	81.716	9.37
Rahovec/Orahovac	0.891	90.247	86.842	7.58
Istog/Istok	0.903	92.756	85.417	8.96
Malishevë/Mališevo	0.904	92.076	86.957	7.92
Glllogovc/Glllogovac	0.950	96.730	91.589	9.66
Mitrovicë/Mitrovica	0.954	97.183	91.892	10.58
Zveçan/Zveçan	0.960	97.849	92.308	10.98
Leposaviq/Leposavić	0.961	97.568	93.103	10.47
Zubin Potok/Zubin Potok	0.967	98.333	93.548	11.47
Spread between top and bottom ranked	0.086	8.978	11.832	3.89
Percentage Difference	8.6 %	9.0%	12.0%	34.0%

Source: UNDP Kosovo, HDS 2004

and then adult literacy rates. As Table 2.1 shows, the municipalities with the lowest Education Index are Podujevë/Podujevo,

Gjakovë/Đakovica, Rahovec/Orahovac, Istog/Istok, and Malishevë/Mališevo, while those with the highest Education Index are Zubin Potok/ Zubin Potok, Leposaviq/ Leposavić, Zveçan/Zveçan, Mitrovicë/ Mitrovica and Glllogovc/Glllogovac.

**FIGURE 2.5: MUNICIPAL DIFFERENCE IN EDUCATION INDICATORS BY GENDER**



Source: UNDP, HDS 2004

### Female Education

When education indicators are disaggregated along gender lines, differences between municipalities become even more pronounced. As shown in Figure 2.5, the biggest difference remains mean years of schooling, followed by the combined enrollment ratio, and then the adult literacy rate. Women's education is clearly lagging behind men's. While the greatest differ-

#### BOX 2.5: GIRL'S EDUCATION: DROP-OUT FACTORS

Two factors are strong predictors of girls' attendance rates in primary and secondary school: ethnicity, and geographical location. Non-Albanian and non-Serb girls are far more likely to drop out of school than girls belonging to other ethnic communities. Moreover, rural K-Albanian girls are more likely to interrupt their schooling than urban ones.

A 2001 survey conducted by the Urgent Action Fund investigated why girls drop out of school. Among the key factors appear to be: "lack of money", "lack of success in school", "school is far from home" and "engagement or marriage". When asked "If [your] family is facing economic hardship, should a boy's or girl's education be favored", 97.3% of respondents answered in favor of the former.

Source: Vjollca Krasniqi "Drop-out Factors for Girls' Education, KWI

ences are seen in mean years of schooling, net combined enrollment ratios are cause for concern given that this short-term factor influences others in the long-run. For example, less than half of all women attend secondary school in the municipality of Dragash/ Dragaš. Increasing female attendance in secondary schools is an urgent policy priority, given the strong linkages between investments in such education and aggregate economic growth.

ulation, placing at a “low” level of human development. Education is the most important determinant of relative HDI rankings among ethnic communities, followed by average per capita income, and then life expectancy.

Among the ethnic groups, the RAE earn two times less than Other communities and approximately three times less than K-Serbs and K-Albanians. The illiteracy rate in the

TABLE 2.2 CLUSTERING OF ETHNIC COMMUNITIES IN HDS

Ethnic communities in HDS	Ethnicity
K-Albanian	Kosovan Albanian
K-Serb	Kosovan Serb and Montenegrin
RAE	Kosovan Roma, Ashkali and Egyptian
Other	Kosovan Bosniac, Turk, Gorani and other.

## Human development and ethnic communities

For the purposes of the HDS, ethnic communities living in Kosovo were re-clustered into four categories or groupings, as shown in Table 2.2. Clustering helped to decrease the sampling margin of error, thereby increasing the validity of the results.

### HDI by ethnic community

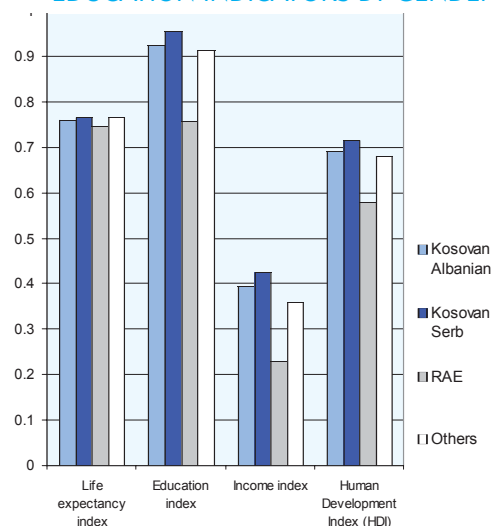
As seen in Figure 2.6, the Kosovan Serb (K-Serb) community enjoys the highest HDI (0.715), followed by Kosovan Albanians (K-Albanians) (0.692), and Others (0.680). The RAE community has a distinctively lower HDI (0.578) than the rest of the pop-

RAE community is more than twice as high as that of the K-Albanian and Other communities, and more than four times as high as that of K-Serbs. The combined rate of primary and secondary school enrollment among RAE is 60%, which is 30% lower than the rest of the population, for which the average enrollment rate is around 90%. The RAE live on average one year less than the rest of the population.

### Education by ethnicity

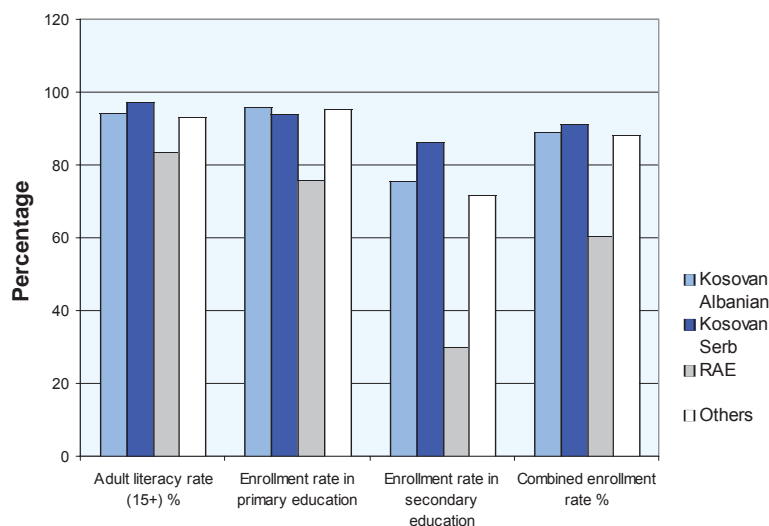
Differences in educational indicators across ethnic communities mimic HDI patterns. The RAE suffer from the lowest scores on all education indicators. The K-Serbs top all indicator rankings, with the exception of the

FIGURE 2.6: MUNICIPAL DIFFERENCE IN EDUCATION INDICATORS BY GENDER



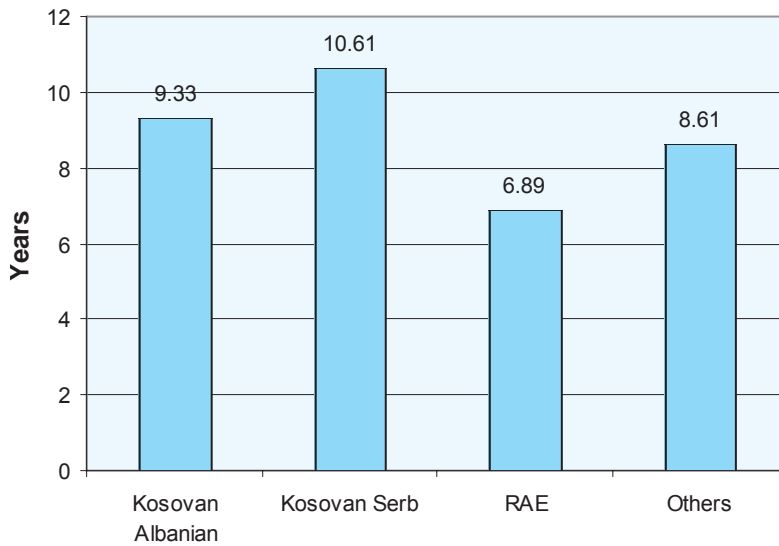
Source: UNDP, HDS 2004

FIGURE 2.7: EDUCATION INDICATORS BY ETHNIC COMMUNITY



Source: UNDP, HDS 2004

FIGURE 2.8 MEAN YEARS OF SCHOOLING



Source: UNDP, HDS 2004

**BOX 2.6: EDUCATION ATTAINMENT BY ETHNIC COMMUNITIES**

**K-Albanians**

K-Albanians on average study for 9.33 years. K-Albanian men study approximately two years more than women. Illiteracy among K-Albanian women (9%) is three times higher than that among K-Albanian men. Within the K-Albanian community, the primary education enrollment rate is high, however, secondary education is less strong. Around 30% of women and 20% of men stay outside of the classroom. Around 9.7% of K-Albanians attend or have finished high school or university.

**K-Serb**

K-Serbs rank the highest on the education index. On average, this group spends 10.61 years in school. K-Serb men study one year more on average than women. Literacy rates are quite high in comparison to the rest of the population; just 1% of males and 4% of female K-Serbs lack these skills. The enrollment ratio in primary education is slightly lower than among the K-Albanian population, with approximately 5.5% of children not attending primary school. However, the enrollment rate in secondary education is higher than for the rest of the population, approximately 15% of women and 12% of men do not attend this level. Only around 12.3% attend or have finished university or high school.

**Bosniacs, Turks, and Gorani**

Bosniacs, Turks, and Gorani fall just below K-Albanians in the Education Index. On average, they study for 8.61 years, with men studying two years more than women. The illiteracy rate is around 7%, and is most widespread among females (12%), while among males it is just 1%. Although primary education enrollment is high, secondary education is an issue that deserves attention. Around 30% of this group do not attend secondary school, and this problem is in fact more pronounced among men. Only around 9% have attended or have finished university or high school.

**RAE**

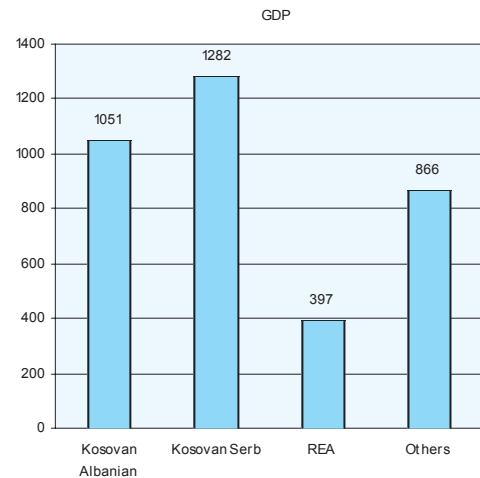
The Roma, Ashkali, and Egyptian community is the least well educated. More than 16% of RAE do not read or write. Illiteracy is more common among RAE women (25%) than men (8%). The average RAE male studies for eight years, and the typical female for 5.5 years. Overall, one-quarter of all RAE children do not attend primary education (31% of girls and 19% of boys). The situation is even more serious in relation to secondary education where approximately 78% of females and 62% of males are out of classrooms. Almost no RAE men or women have completed or attended university, and just 1.4% of RAE men and women attend or have finished high school.

primary school enrollment rate, where both the K-Albanian and Other communities place higher. Particularly worrisome are low secondary education enrollment and high illiteracy rates for the RAE community. Figure 2.7 depicts the relative educational rankings by ethnic community. Figure 2.8 indicates the average years of schooling for each ethnic group. As with other educational indicators, the RAE have the lowest ranking, spending on average just seven years in school.

**Income per capita by ethnicity**

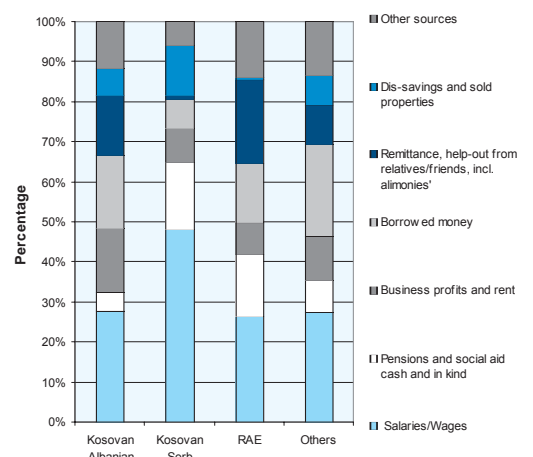
After educational attainment, the second most important factor accounting for differences in HDI among ethnic communities is per capita income, which varies consider-

FIGURE 2.9 AVERAGE INCOME LEVELS BY ETHNIC GROUP



Source: UNDP, HDS 2004

FIGURE 2.10 SOURCES OF INCOME BY ETHNICITY



Source: UNDP, HDS 2004



**BOX 2.7: TYPICAL DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS OF KOSOVAN HOUSEHOLDS**

The average RAE or K-Albanian household is larger and characterized by a higher dependency ratio than both K-Serb and Other communities. While the K-Serbs have approximately one dependent for each income-generating person, in the non-Serb population approximately three people depend on every income-generating person.

**K-Albanians**

The average K-Albanian household has a little less than seven members. There are around 2.3 children per household, and for each person generating income there are two other dependents. The participation rate in the labor force is 46%. About 18% of households do not possess a business, land, cattle, mechanized vehicles, or any other means of income generation. Household income is mainly composed of salaries, business and rent profits, and borrowed money. Most households own a TV set, around 10% own a computer, and only 6% own a computer and telephone line for fixed Internet access.

**K-Serbs**

The typical K-Serb household has 4.3 members with one child. For every working member there is one dependent member in the household. Around 60% take part in the labor force. Household income is mainly composed of salaries, pensions and social aid, dis-savings and sold property. Around 15% of households have no economic income-generating assets. Around 11% of households have access to computers and 9% have access to both a computer and a telephone line.

**RAE**

RAE households, on average, contain just over seven members, with 2.5 children. For every income generating person, there are two dependents. The labor force participation rate is 50%. Around 60% of households have no access to assets that can generate income. The main sources of income are salaries, remittances and help from relatives, as well as pensions and social aid. Only 1% of households have computers, while almost none have the possibility for home Internet access.

**Bosniacs, Turks and Gorani**

The average Bosniak, Turk and/or Gorani household has five members with 1.4 children. For every income generating person there are two dependent members. The participation rate in the labor force is 47%. Around 30% of households have no access to income-generating assets. The top three sources of income are salaries, borrowed money, and "other" sources. Around 7.6 % have computers and 5% have a computer and a phone line.

ably. As shown in Figure 2.9, the RAE community appears to be the most disadvantaged.

Figure 2.10 indicates different sources of average household income for each ethnic community. The term "borrowed money" here refers not only to formal bank lending, but to lending from individuals as well.

**Life expectancy by ethnicity**

Of all HDI components, life expectancy varies least by ethnicity. On average, females live almost two years longer than men in every ethnic community. As seen in Table 2.3, the most vulnerable group is the RAE community, while members of Other communities enjoy the highest life expectancy, followed by K-Serbs and then K-Albanians.

**TABLE 2.3: LIFE EXPECTANCY BY ETHNIC COMMUNITY**

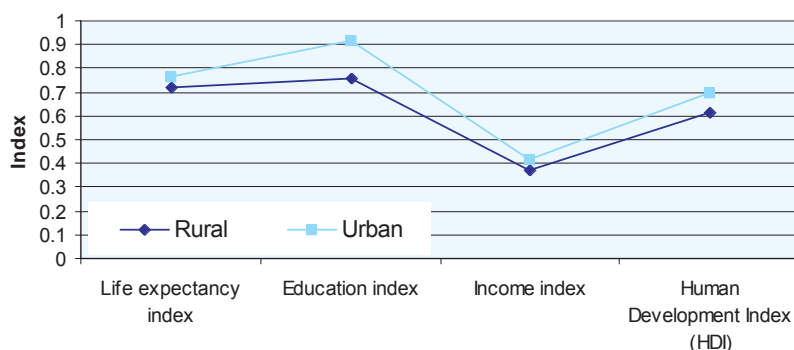
	Male	Female	Total
K-Albanian	69.81	71.44	70.59
K-Serb	70.16	71.75	70.92
REA	69.05	70.42	69.74
Other	70.12	71.88	70.97

Source: UNDP Kosovo, HDS 2004

**Urban/Rural Divide in Human Development**

There is a large difference in human development levels between Kosovo's rural and urban populations. On average, urban citizens enjoy a higher standard of well-being as measured by HDI (0.700) than rural citizens (0.615). The highest urban/rural disparities lie in the area of education, followed by life expectancy and per capita

**FIGURE 2.11: HDI BY URBAN AND RURAL DIVIDE**



Source: UNDP Kosovo, HDS 2004

TABLE 2.4: EDUCATION INDICATORS BY PLACE OF RESIDENCE

	Literacy Rate (%)	Enrollment rate (percentage)			Mean Years of Schooling
		Primary	Secondary	Combined	
Rural	93.95	95.77	70.84	87.27	8.96
Urban	94.55	94.98	80.96	90.14	9.91

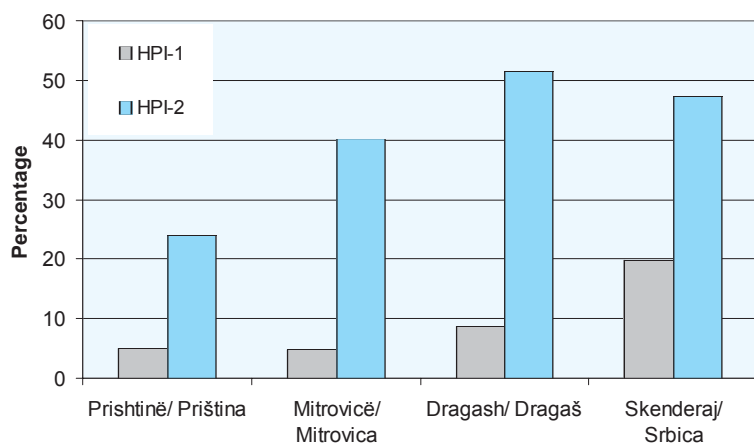
Source: UNDP Kosovo, HDS 2004

income (see Figure 2.11). For example, secondary school enrollment in rural areas is 10% lower than in urban areas. Other urban/rural disparities in education can be seen in Table 2.4.

## Human Poverty

In analyzing poverty across municipalities, purely income-based indicators show the most pronounced inequality, followed by access to health infrastructure and indicators for life expectancy. Education indicators are fairly similar across municipalities.

FIGURE 2.12: RELATIONSHIP BETWEEN HPI-1 AND HPI-2



Source: UNDP, HDS 2004

As discussed in **Chapter One**<sup>6</sup>, *KHDR 2004* uses two indicators to measure poverty levels, which was deemed necessary, given the complexity of the phenomenon in Kosovo (refer to Figure 2.12). For example, comparing extreme poverty levels (as measured by HPI-1) shows greater inequality between Skenderaj/Srbica and Dragash/Dragaš than comparing levels of less extreme poverty (as measured by HPI-2). For the municipalities of Mitrovicë/Mitrova and Prishtinë/Priština, the opposite is true; comparing indicators for less extreme poverty (as measured by HPI-2) reveals wider differentiation, (see maps of HPI-1 and HPI-2 pages 38,39).

### BOX 2.8: INEQUALITIES AMONG MUNICIPALITIES WITH RESPECT TO HUMAN POVERTY COMPONENTS

- The percentage of people living in extreme poverty (as defined both by percentage of people living under USD \$1 a day and the national extreme poverty line) ranges from 3% in Shtërpçë/Štrpce to as high as 40% in Malishevë/Mališevo.
- The percentage of people without access to piped water ranges from 6% in Shtërpçë/Štrpce to over 93% in Malishevë/Mališevo.
- The percentage of people living under USD \$2 a day ranges from 7% in Zubin Potok/Zubin Potok to 71% in Dragash/Dragaš.
- The unemployment rate in Klinë/Klina (67%) is three times higher than in Zubin Potok/Zubin Potok (21%).

### Extreme poverty and municipal characteristics

A closer analysis of HPI-1 shows that, the higher the average household size within a given municipality, the greater the percentage of residents living under the human poverty line. A similar pattern is observed with regard to the number of children per household. In municipalities with a high prevalence of more extreme human poverty, households tend to derive a larger share of total income from borrowed money and dis-savings, remittances, help from relatives, as well as income from sold property. The higher the percentage of assets within the households in a municipality, the lower its human poverty level, and vice versa. The percentage of people living without access to piped water and the decent living standard index are the strongest determining factors of HPI-1. Adult literacy rates have the lowest impact on HPI-1 scores, except for Malishevë/Mališevo, where this had the largest impact.

Municipalities with the highest levels of extreme poverty are Malishevë/Mališevo, Novobërdë/Novo Brdo, Skenderaj/Srbica, Suharekë/Suva Reka and Shtime/Štimlje, while those with the lowest levels of extreme

poverty are Mitrovicë/Mitrovica, Prishtinë/Prishtina, Zubin Potok/Zubin Potok, Shtërpçë/Štrpce and Zveçan/Zvečan.

### Poverty and municipal characteristics

Income inequality within municipalities is strongly related to the incidence of less extreme poverty. Across all administrative areas, the higher the level of income inequality<sup>7</sup>, the higher the level of human poverty (as reflected by HPI-2) tends to be. In almost all municipalities, the main determinants of less extreme poverty are the unemployment rate and percentage of people living on USD \$2 a day or less. The percentage of the population in a municipality expected to die before the age of 60 has the lowest impact on its HPI-2 score, while adult illiteracy typically has the greatest impact.

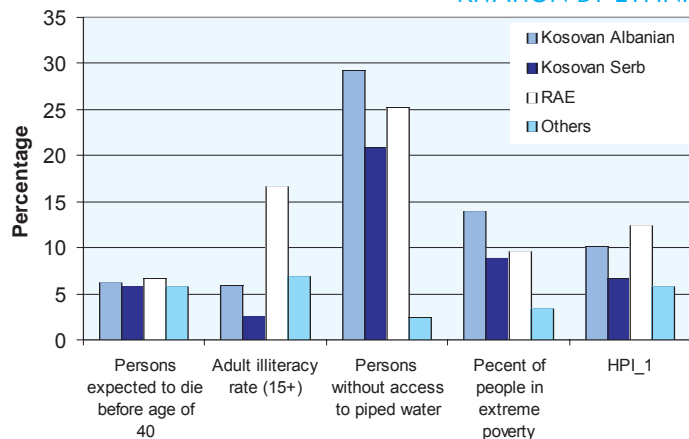
The highest levels of less extreme poverty are recorded in the municipalities of Dragash/ Dragaš, Glogovac/Glogovac, Klinë/ Klina, Skenderaj/Srbica and Rahovec/ Orahovac, while the lowest levels are recorded in Zubin Potok/Zubin Potok, Zveçan/Zvečan, Leposaviq/Leposavic, Prishtinë/Prishtina and Pejë/Peć.

### Human poverty across ethnic communities

As can be seen in Figure 2.13, extreme poverty is most pronounced in the RAE community, followed by the K-Albanian and K-Serb communities. Bosniacs, Turks, and Gorani fare relatively better than the rest of the population. This could be partly attributable to their higher prevalence in urban areas, giving them greater access to piped water. Perhaps for the same reason, the RAE community enjoys better access to piped water than the K-Albanian population.

The high incidence of poverty in the RAE community is mainly attributable to the fact that this community has the highest percentage of people expected to die before the age of 40 as well as the highest relative illiteracy rate. For the K-Albanian community, high levels of poverty are mainly due to

FIGURE 2.13: HPI-1 AND SELECTED INDICATORS OF HUMAN DEPRIVATION BY ETHNICITY



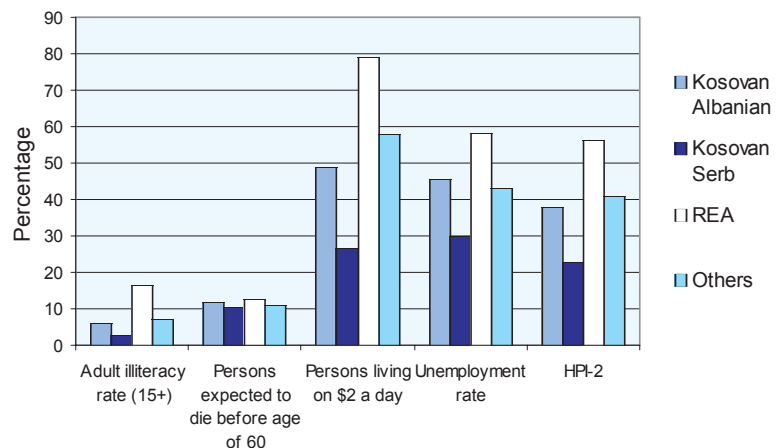
Source: UNDP, HDS 2004

the high percentage of people without access to piped water and the large share of people living on less than USD \$1 per day; for both of these latter indicators, the K-Albanian community has the highest percentage of deprived people.

### Poverty among ethnic communities

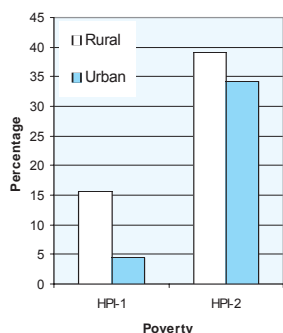
As seen in Figure 2.14, the RAE community is the most vulnerable group with regard to human deprivation as defined by HPI-2. Following them, the highest percentage of people living in HPI-2 poverty are Bosniacs, Turks and Gorani, largely due to the illiteracy rates and high numbers of people living on USD \$2 or less a day. K-Serbs enjoy the lowest incidence of less severe poverty.

FIGURE 2.14: HPI-2 AND SELECTED INDICATORS OF HUMAN DEPRIVATION BY ETHNICITY



Source: UNDP, HDS 2004

**FIGURE 2.15:**  
PERCENTAGE OF PEOPLE LIVING IN HUMAN POVERTY - URBAN AND RURAL



Source: UNDP, HDS 2004

## Human poverty by urban rural population

Regardless of the indicator in question, poverty is typically higher in rural areas (see Figure 2.15)

### *Extreme poverty by urban/rural*

As shown in Table 2.6, the percentage of people living in extreme poverty in rural areas is four times higher than in urban areas. The percentage of the population without access to piped water is approximately eight times higher in rural areas than in urban areas, while the percentage of people expected to die before the age of 40 is 2.5 times higher in rural areas compared to urban areas.

## Municipal gender development index

Indicators of female education and participation in the labor force are strong predictors of gender-related development in Kosovan municipalities. In addition, the larger the household and the greater the number of children, the lower the GDI on average, (see the map of GDI by municipality, page 40).

### *Some characteristics of municipal GDI in Kosovo*

The top three municipalities ranked by GDI are Zubin Potok/Zubin Potok, Mitrovicë/Mitrovica, and Zveçan/Zvecan, while the lowest are Malishevë/Mališevo, Skende-

**TABLE 2.5: EDUCATION INDICATORS BY PLACE OF RESIDENCE**

	Percentage of people expected to die before age 40	Adult illiteracy rate(15+),%	Percentage of people lacking access to piped water	Percentage of people whose nearest health center is over 5 km away	Percentage of people living under the decent living standard index
Rural	8.33	6.05	48.12	14.23	21.95
Urban	3.73	5.45	6.08	0.69	3.42

Source: UNDP, HDS 2004

## Poverty by urban/rural

Illiteracy, unemployment, and people living on less than \$2 per day are all slightly more prevalent in rural areas. The highest disparity is in relation to access to a health center. Perhaps this explains why the percentage of people who are not expected to survive beyond age 60 is four times higher in rural areas compared to urban areas.

raj/Srbica and Rahovec/Orahovac. In general, municipalities with a high rural population have a lower GDI than municipalities with a lower rural population. With the exception of Novobërdë/Novo Brdo, municipalities with a high percentage of K-Serbs generally fare better than municipalities with a predominantly K-Albanian majority.

**TABLE 2.6: SOME HPI-2 COMPONENTS BY URBAN RURAL**

	Percentage of people expected to die before age of 60*	Percentage of people living on \$2 a day or less	Adult unemployment rate (percent)
Rural	18.26	49.23	48.62
Urban	4.21	45.79	39.97

Source: UNDP, HDS 2004

The most important determinant of GDI is the equally distributed income index. In Malishevë/Mališevo, which ranks at the bottom, for every eight Euros earned by women, men earn 100 Euros. In Zubin Potok/Zubin Potok, at the other end of the spectrum, men earn 100 Euros for every 87 Euros earned by women.

## Gender-related development

In all of Kosovo's municipalities, men have a higher income per capita and better education than females, whereas women in all municipalities have a higher life expectancy.

Women are also disfavored in education, with lower literacy rates and lower combined (primary, secondary and tertiary) enrollment rates than males. Podujevë/Podujevo has the lowest equally distributed education attainment index; among women in Podujevë/Podujevo illiteracy is approximately 16%, the combined enrollment ratio is 84%, and the average years of schooling is just seven.

The only component of GDI that is more favorable to women than men is the LEI. Women live two years longer than men on average for Kosovo as a whole. Skenderaj/Srbica ranks lowest, with an average life expectancy of 61.7 years and women living 2.4 years more than men, while Gjilan/Gnjilane ranks highest, with an average life expectancy of 71 years, and with women typically living 1.4 years more than men.

## Women and Poverty

Closer examination of the UNDP HDS data reveals at least some of the effects of poverty on women, particularly in relation to their choices and opportunities. As seen in Figure 2.16, labor force participation is very low - and disproportionately more so for women compared to men - in areas where the incidence of less extreme (HPI-2) poverty is high<sup>8</sup>. As demonstrated by Figure 2.17, a similar trend can be seen in relation to earned income per month.

## Municipal gender empowerment measures

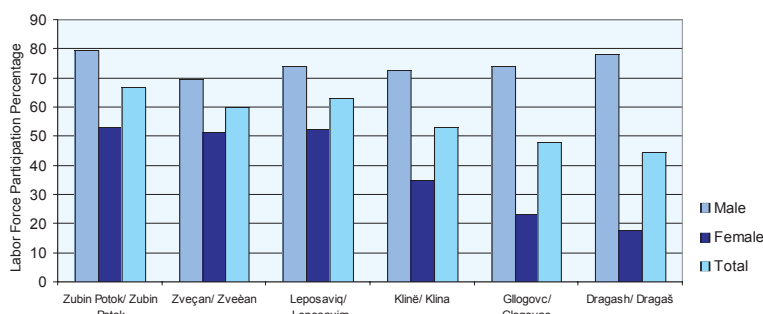
The widest gender disparities among municipalities can be seen in relation to economic participation rates and the percentage of professional and technical positions held by women. In Kosovo, municipalities with a high GDI also have higher female participation in politics and the economy. As seen in Figure 2.18, employment is a crucial determining factor for municipal GEM.

## Some characteristics of municipal GEM in Kosovo

Municipalities such as Novobërdë/Novo Brdo, Dragash/Dragaš, Rahovec/Orahovac, Vushtrri/Vucitrn, and Skenderaj/Srbica, whose economies are based on agriculture and contain a larger share of rural residents, are ranked fairly low on GEM. Zvečan/Zvečan, Zubin Potok/Zubin Potok and Leposaviq/Leposavic are the top three ranked municipalities with regard to GEM, while Novobërdë/Novo Brdo, Dragash/Dragaš, and Rahovec/Orahovac rank at the bottom of the scale.

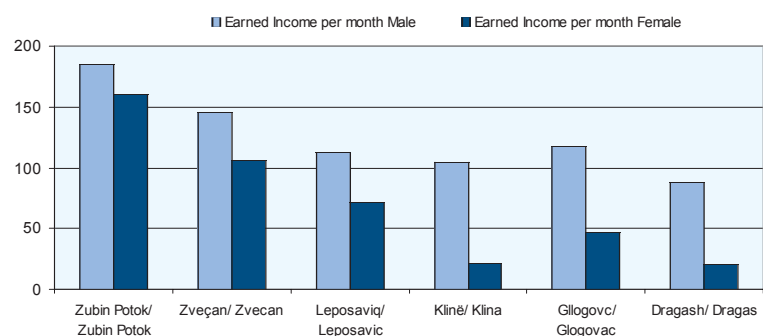
In Malishevë/Mališevo, female participation in the labor force is 17%, while in Leposaviq/Leposavic it is around 71% and in Zubin Potok/Zubin Potok it is around 67%. No women hold professional or technical positions in Novobërdë/Novo Brdo; by contrast, in Obiliq/Obilic, 45% of working women hold professional and technical positions. In Malishevë/Mališevo, the HDS records no female legislators, senior officials

FIGURE 2.16: GENDER RELATED LABOR FORCE PARTICIPATION RATE: TOP THREE AND BOTTOM THREE MUNICIPALITIES



Source: UNDP, HDS 2004

FIGURE 2.17: GENDER RELATED INCOME RATE: TOP THREE AND BOTTOM THREE MUNICIPALITIES



Source: UNDP, HDS 2004

and managers, yet in Leposaviq/Leposavic, almost a third of these positions are held by women.

The percentage of females in Municipal Assemblies was the least important factor in determining GEM, mainly due to the electoral law that guarantees at least thirty percent of seats for women.

## Ethnicity and women's empowerment

K-Serbs have the highest GDI (0.717), followed by K-Albanians (0.668) and Other communities (0.664), while the RAE community has the lowest GDI (0.590). The

*Gender-related development and human development appear to be closely interconnected. It has frequently been observed that the higher the particular human development indicator for any given municipality, the lower the inequality that exists between men and women.*

TABLE 2.7: COMPONENTS OF GDI AND GEM BY URBAN RURAL

		Life Expectancy at birth	Adult Literacy Rate, %	Net combined enrollment rate, %	Mean Years of schooling	Labor force partici- pation rate, %	Monthly Earned Income
Rural	Male	67.00	97.03	88.71	10.00	74.39	112
Rural	Female	69.23	90.97	85.69	7.94	25.54	32
Rural	Difference	-2.23	6.06	3.02	2.06	48.85	100 (M); 28 (F)*
Urban	Male	70.23	97.54	90.54	10.88	76.64	163
Urban	Female	71.87	91.74	89.70	8.99	37.19	53
Urban	Difference	-1.64	5.80	0.84	1.89	39.45	100 (M); 33 (F)

Male/female ratio in monthly income. For every 100 Euros earned by men, women earn 28 Euros.  
Source: UNDP, HDS 2004

biggest differences in the components of GDI stem from income and education inequalities.

At 28 Euros on average per month, RAE women have the lowest rate of earned income. RAE women also have the lowest participation rate in the labor force (23%). Women from the K-Albanian and Other communities have slightly higher rates of female participation in the work force, at 29%, and K-Serb women record the highest score on this indicator, at 40%. The illiteracy rate among RAE women (26%) is particularly high, followed by women from Other communities (11%), K-Albanian women (8%) and K-Serb women (4%). Among women in all communities, RAE women score the lowest in mean years of schooling (5.7), and net primary and secondary education enrollment (53%). There are no RAE women working as legislators, senior officials or managers. There are also no RAE women working as professional or technical staff, compared to women in the K-Serb community, who at least have a marginal representation in these areas, at 15% and 28% respectively.

### Urban/Rural Gender-related Development

Rural areas record a lower GDI (0.643) than urban areas (0.692). As Table 2.7 shows, overall, higher figures for most of the

components of GDI are registered for urban areas. Moreover, inequality between rural men and women is also wide. The most severe of all gender-related inequality indicators are labor force participation and monthly earned income.

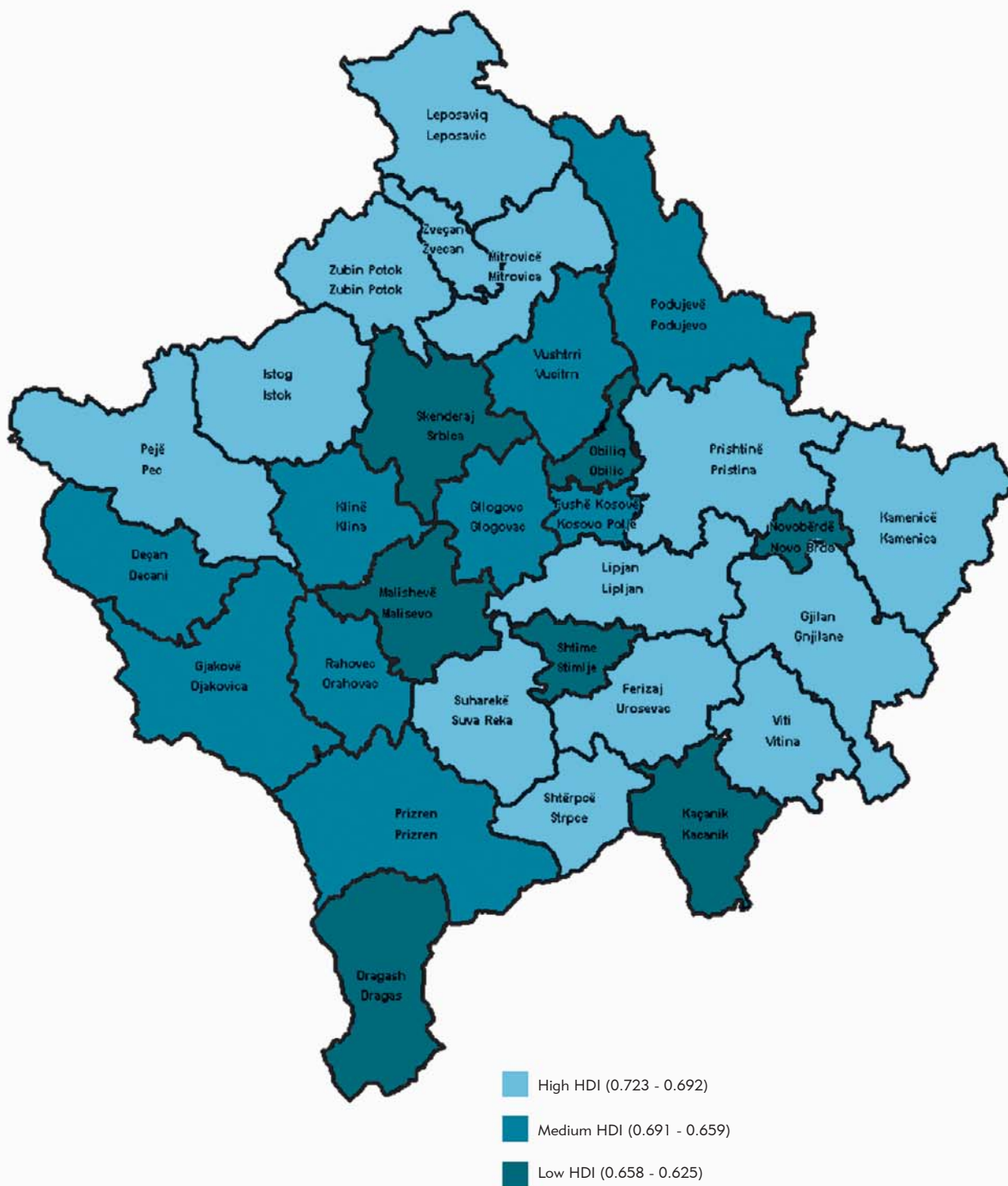
The GEM could not be calculated for urban and rural populations, as it is not possible to estimate the figures for the shares of Municipal Assembly and Assembly of Kosovo seats held by rural and urban females. However two components of GEM were calculated from the survey data. As seen in Table 2.8 below, rural women hold significantly fewer positions as legislators, senior officials, and managers than urban females. Similarly the percentage of rural women in professional and technical positions is smaller than among urban women.

TABLE 2.8: SELECTED COMPONENTS OF GEM BY URBAN/RURAL

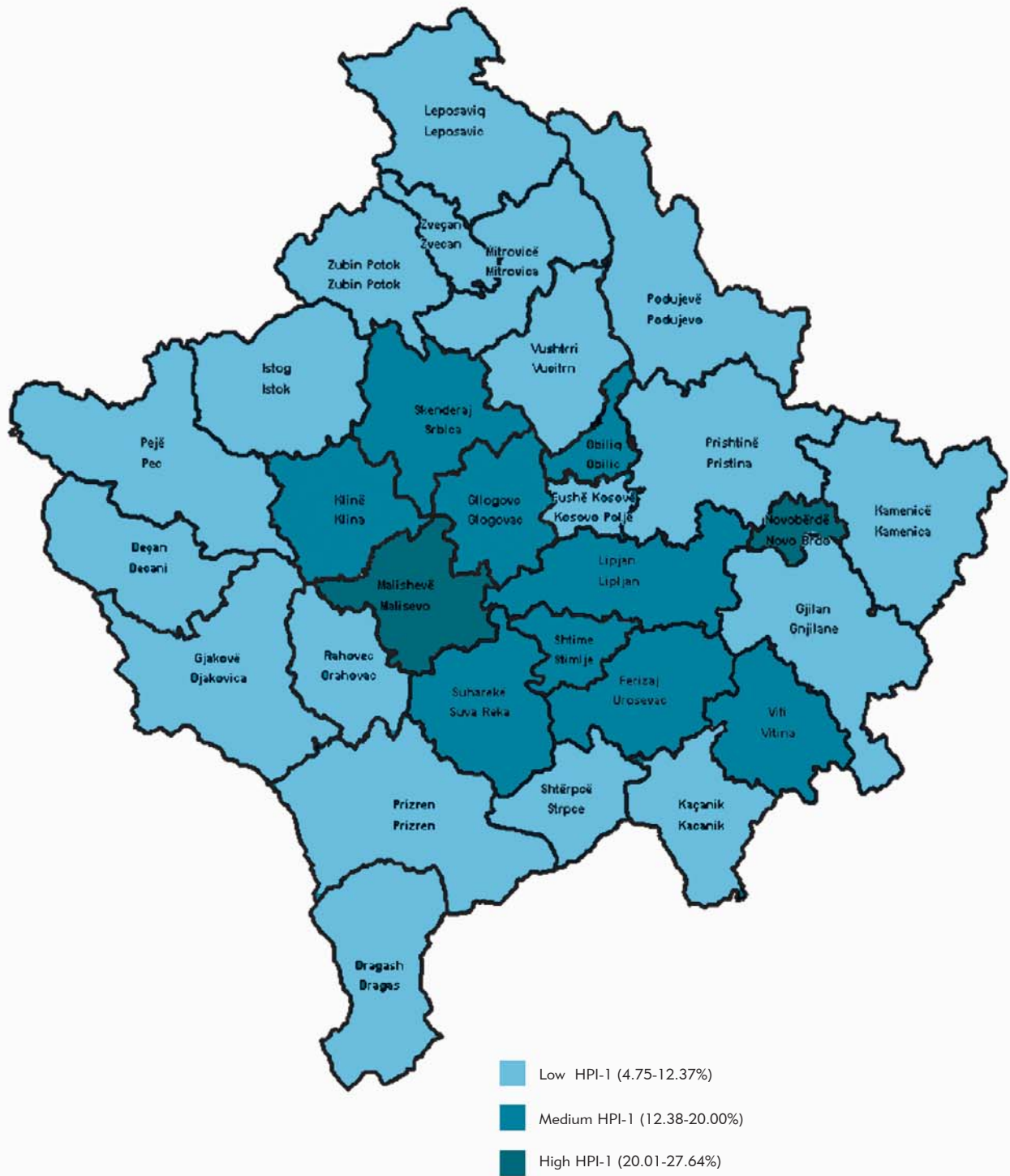
		Percentage of legislators, senior officials and managers	Percentage of professional and techni- cal positions
Rural	Male	85	82
Rural	Female	15	18
Urban	Male	82	72
Urban	Female	18	28

Source: UNDP, HDS 2004

MAP 2.1: HUMAN DEVELOPMENT INDEX BY MUNICIPALITY

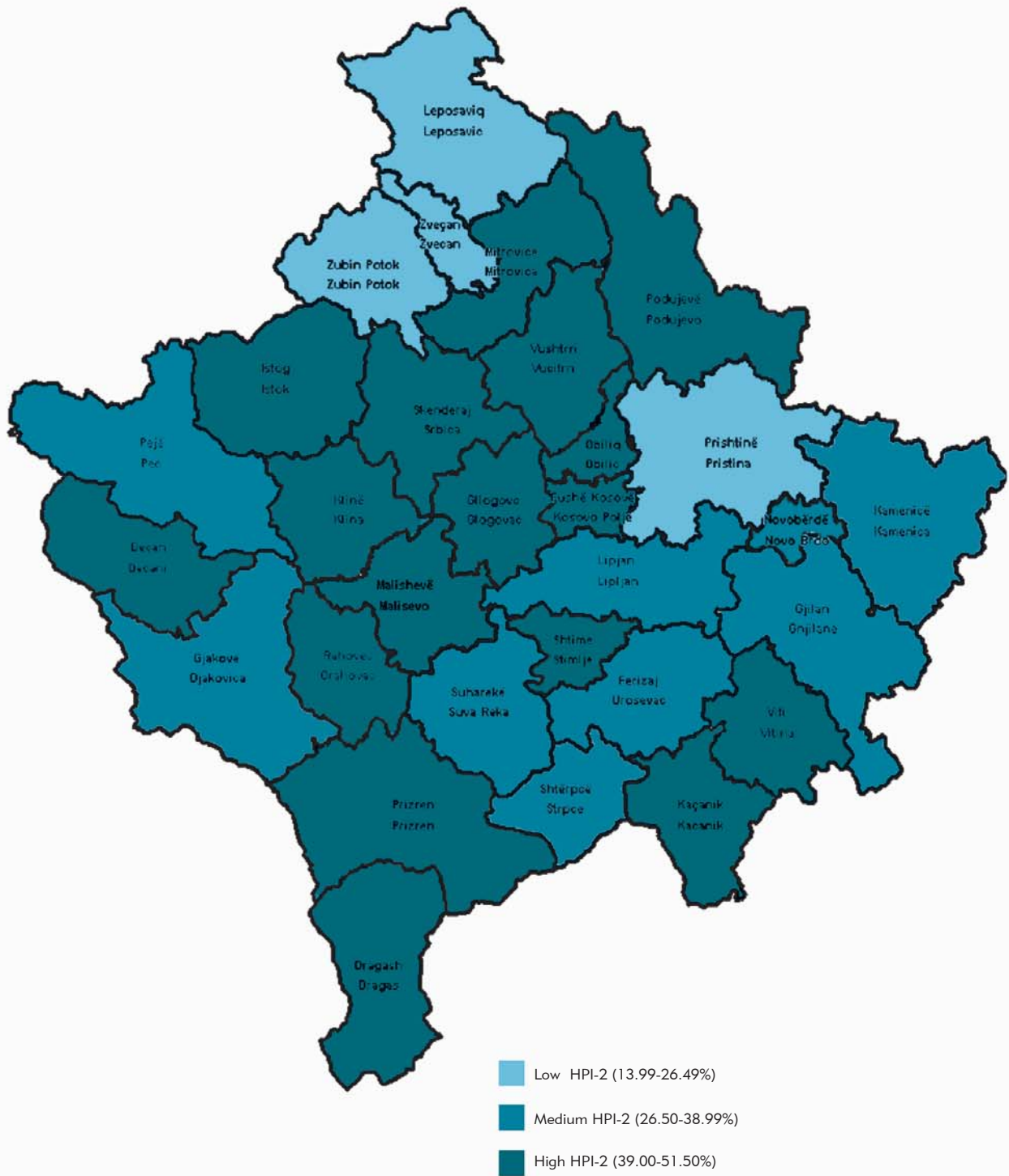


MAP 2.2: HUMAN POVERTY INDEX 1 BY MUNICIPALITY

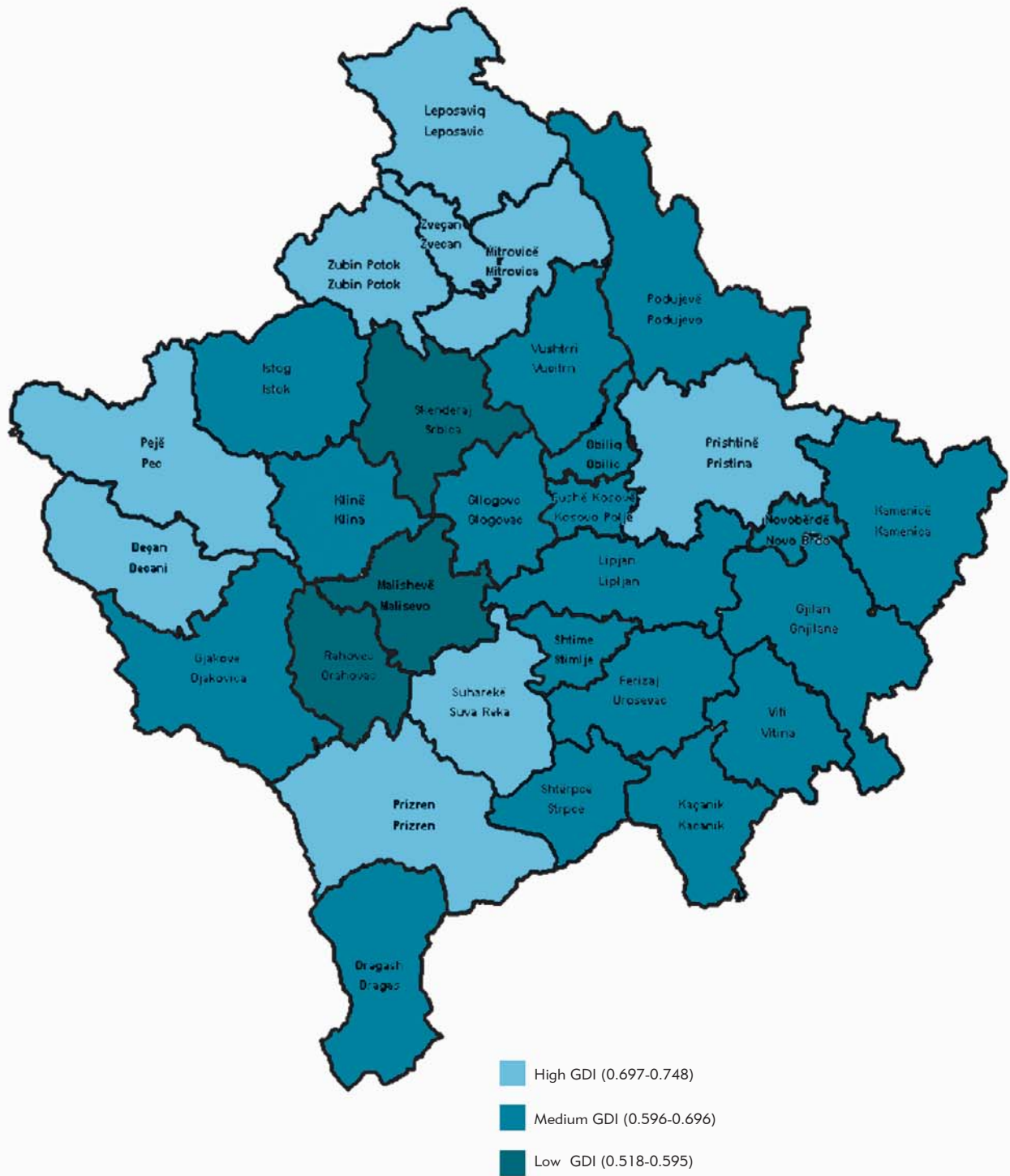




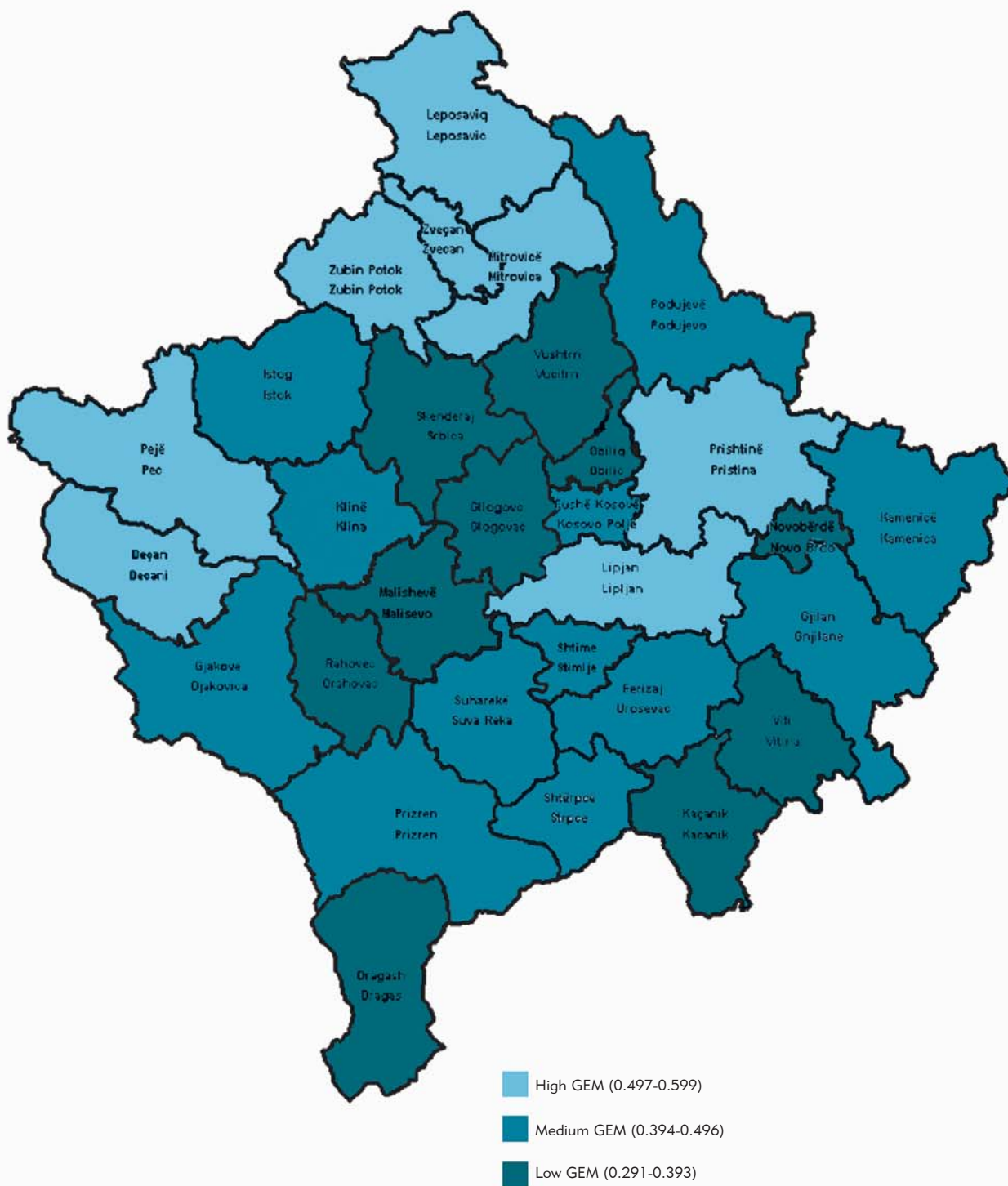
MAP 2.3: HUMAN POVERTY INDEX 2 BY MUNICIPALITY



MAP 2.4: GENDER - RELATED DEVELOPMENT INDEX BY MUNICIPALITY



MAP 2.5: GENDER EMPOWERMENT MEASURE BY MUNICIPALITY





## REVISITING PARTICIPATION AND REPRESENTATION IN KOSOVO

## Introduction

From 17-19 March 2004, nearly five years after the international community's intervention and establishment of an interim international administration in Kosovo, violence and material destruction erupted on a scale not seen since the end of major hostilities in the spring of 1999. The outburst resulted in 19 deaths, the displacement of some 4500 Kosovan Serbs, nearly 900 injured (more than 20 gravely and including 65 international police officers and 58 KPS officers), and the damage to or destruction of over 700 homes, up to 10 public and 29 religious buildings<sup>1</sup>. Various observers have attributed the sudden unrest to many factors including high unemployment, poverty, uncertainty, extremism and even organized crime. The euphoria that surrounded the elections of 2001 and 2002 has succumbed to a more sobering reality that peace building and democratic institution building requires painstaking effort, time, a sound strategy, and strong personal commitment. Without a further broadening and deepening of channels for more meaningful dialogue and responsive governance, public frustration will continue to fester, derailing the development process in Kosovo. Clearly, the effort to establish democratic governance in Kosovo has only just begun.

*KHDR 2002* introduced the concept of human development to Kosovo by defining it as a process of enlarging people's choices in terms of political, economic and social freedoms and opportunities (see **Chapter One**). *KHDR 2004* enriches the dialogue on human development through an examination of the core democratic principles of participation and representation. This chapter provides an analytical framework for understanding how these issues affect the lives of all citizens in Kosovo. Drawing on this framework, subsequent chapters delve into some of the most urgent policy questions facing Kosovans and their international partners, such as political and institutional reforms, in greater detail. Although Kosovo's long-term political status remains sensitive and unresolved, efforts to improve the well-being and choices of all Kosovans through better participation and representation remain a constant.

## Participation and representation: powerful democratic principles

Moving beyond the traditional pre-occupation with economic and technological inputs, development and poverty reduction strategies increasingly incorporate the effective participation and representation of ordinary citizens. As core democratic principles, participation and representation are essential for human development to take root and flourish. Democracy has proven to be the most capable system of governance to represent the views and ensure the inclusive participation of all citizens in decision-making. Moreover representative democracy has proven to be the most agile political system for mediating and preventing violent conflict and sustaining socio-economic well-being.

### *Participation as essential to human development*

Participation requires that people be placed at the center of socio-political and economic transformations. Large-scale political participation can exert tremendous pressure on governments and the political elite. Challenging both the rule of the few and the rule of the majority, democratic participation can - at a minimum - exert pressure on stakeholders to consider diverging viewpoints. This pluralism inherently generates conflict, yet societies that succeed in transforming this conflict into win-win solutions can achieve unparalleled levels of development. Despite the uncertainties, well-managed participation can be a source of vitality and innovation in transitional societies, ensuring that the rights of minorities and other vulnerable groups are protected and promoted<sup>2</sup>.

All too frequently, dictators portray their countries as democracies, based solely on the criteria that elections were held. Yet history shows that elections alone do not guarantee effective representation of the citizenry. In both rich and poor countries, elections are often manipulated and sometimes blatantly rigged. Even when conducted in a reasonably free and fair manner, elections

*"Democracy is not a matter of one decision or of hastily organized elections. When democracy works for human development, every institution-and every policy action-should be judged by one critical test: how does it meet the genuine aspirations of the people?"*  
*(Mabub ul Haq, founder of the Human Development Report)*

### Box 3.1: WHAT IS PARTICIPATION?

**Participating in the public realm includes, but is not limited to:**

- (a) regular voting patterns in free and fair elections;
- (b) vibrant and effective civil society;
- (c) active presence of lobbies and interest groups;
- (d) contributing to local media coverage;
- (e) use of referenda and petitions;
- (f) open access to and involvement in different levels and stages of government policy-making;
- (g) volunteerism in areas such as service delivery and advocacy; and
- (h) economic activity of workers and entrepreneurs.

**Participation is useful because it:**

- (a) enables increased citizen involvement in decision-making processes;
- (b) obliges powerful societal actors to share information with citizens;

tion with citizens;

(c) allows the perceived legitimacy and trust in a society's governance system to grow;

(d) often increases the bargaining power of and increases the benefits to the citizenry;

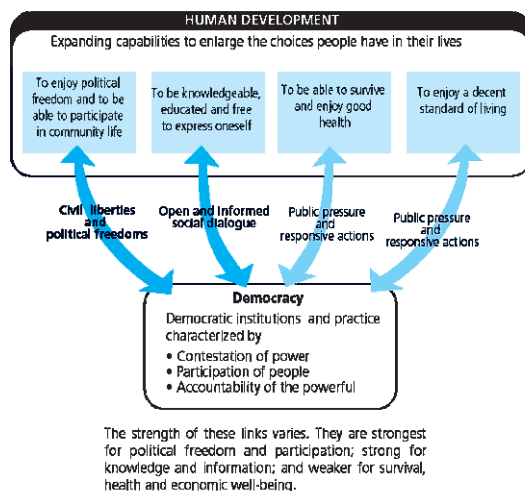
(e) facilitates consideration of the widest number of policy choices in a debate, including those most advantageous to ordinary citizens;

(f) increases in social capital or trust, and the amplification of important issues shared by groups of like-minded individuals;

(h) helps women and other politically and socially marginalized groups to improve their status; and

(i) encourages better use of local knowledge and capacities to address the needs of local communities which, in turn, can lead to better mobilization and more efficient utilization of local resources and skills.

FIGURE 3.1: DEMOCRACY AND HUMAN DEVELOPMENT LINKS



Source: UNDP, Global HDR 2002

may be held too infrequently to effectively translate the wishes of the voters into decisions that adequately reflect their needs and aspirations. In order to ensure that active citizen participation will increase the success of programs of great importance to large numbers of ordinary citizens, such as primary education and maternal health care, more mechanisms beyond elections - including adequate financial, political, and human resources - are needed. Building strong and responsive institutions of democratic governance takes time, and it would be a mistake to equate democracy with regular elections and to fall into the fallacy of "electoralism"<sup>13</sup>.

Beyond elections, genuine democratic participation demands a conducive environment (see Box 3.1). This includes the presence of: vibrant interest or citizen's groups; decentralized and effective local government; an active citizenry that protects its interests through such channels as union rallies; public discussions broadcast by the media; public hearings in national and local legislative bodies; and public demonstrations and petitions. In order to help individuals participate constructively in decision-making between elections, political parties need to fulfill the functions of political education, mobilization, and representation of diverse interests, including women and minorities<sup>4</sup>. In addition to political parties, citizen groups (such as community and non-governmental organizations) often play influential roles in educating and then organizing the public around important social, economic and political issues. For example, when citizens form co-operatives and consumer interest groups to ensure that safety standards are met and prices for essential products are kept at fair levels in the market, they are participating in shaping fundamental decisions about economic production and the costs assumed by ordinary people. In a robust democracy, no one path to participation should dominate, because citizens are afforded multiple channels to individually and collectively voice their opinions and protect their interests.

As a result of an authoritarian and, at times, violent past, lack of democratic processes and a culture of debate, dissatisfaction and impatience with international efforts to foster greater self-governance, widespread poverty, and the perception that governing institutions are unresponsive, civic participation in Kosovo has yet to evolve much beyond intermittent street demonstrations. Channels for citizens to voice their legitimate concerns can and must be opened. Only then can the links between democratic participation and human development concerns, such as reducing inequalities, be strengthened (see Table 3.1).

### Participation in Kosovo

Although participation, in all its dimensions, is difficult to measure, *KHDR 2004* attempts to assess civic engagement in five aspects of public life: (a) union activities, (b) public discussions (c) citizen initiatives (d) petition-signing and (e) participation in public protests (See Table 3.1).

lead to rioting, looting, and physical harm. The data (see Table A.22 in Annex III) indicates that public protest is the norm among Kosovans, who are more likely to voice their concerns *outside* of institutions rather than *through* them. Indeed, positive participation, as measured by "union activities", "public discussions", "citizen's initiatives" and "petition signing", is four times lower than participation in public protests. Policy-oriented interest or citizen's groups are almost non-existent, in part due to an inappropriate environment to heed their requests. And where they do exist, the data shows that they are more likely to seek to address their grievances through public protests or brute demonstrations of force than through other means. This disconcertingly suggests a lack of confidence by the public in constructive and peaceful means of change.

The ability of individuals to assert their influence hinges how vocal they are, and their

*"Participation means that people are closely involved in the economic, social, cultural and political processes that affect their lives. People may, in some cases, have complete and direct control over these processes-in other cases, the control may be partial or indirect. The important thing is that people have constant access to decision-making and power."*  
(Bulgaria HDR 2001, 13)

TABLE 3.1: FORMS OF CIVIC PARTICIPATION IN KOSOVO

Implemented NGO projects	Was beneficiary of an NGO project	Implemented project of the local government	Was beneficiary of a project of the local government	Took part in trade union activities	Took part in public discussions	Took part in citizen initiative	Signed petition	Participated in public protests
1.7%	2%	0.7%	0.8%	3.8%	6.7%	6.4%	6.1%	21.8%

Source: UNDP HDS 2004

The legacy of authoritarian rule and/or a limited grasp of alternative channels for civic participation may explain why the most popular form of public participation for Kosovans appears to be public street protest. Issues of concern to individual Kosovans do not seem to be - or at the very least are not perceived as - effectively reaching the public realm through existing channels. The report differentiates between "positive" and "negative" forms of participation in order to get a better handle on whether Kosovan civic participation can be considered more or less constructive from an institutional perspective. Positive participation involves peaceful and constructive engagement by citizens in the decision-making process through organization around specific, shared interests. Participation in public protests is considered negative participation, because, as witnessed from 17-19 March 2004, they can

ability to collectively organize into groups. All the participation mechanisms above rely on effective organization within groups that maintain specific aims. These enable the amplification and articulation of collective voices necessary to capture the attention of political parties and legislators. Democracy is about maintaining majority rule, while protecting the rights of minority groups. Nevertheless, there are plenty of interests shared by small citizens' groups that can bring significant votes to those parties willing to incorporate them into their programs. In a democracy, where successful parties are normally responsive and seek to maximize their votes, even relatively small but skillful interest groups can influence the formal political system. Even small interests groups and organized associations can have their demands met, as long as they mobilize a sufficient number of people and clearly articulate their needs.

*A primary challenge for Kosovo's young democracy is how to amplify an individual's voice, from the adoption of his or her idea by interest groups and political parties to policy formulation and eventual implementation*

The events of 17-19 March, coupled with civil society initiatives (e.g., calls from a 250-NGO coalition to improve the electoral system and Kosovo Action Network's recent conference on "the citizen") are diverse, yet concrete examples of ways in which Kosovans have sought to affect societal change (see box 6.1 "Reform 2004": A new model for constructive citizen engagement, in **Chapter Six**). Extensive research has illustrated that when people unite around particular issues, they enhance the legitimacy of their shared aspirations<sup>5</sup>. At the same time, their pursuit of shared aims might lead to conflict with others who oppose alternative views.

Citizens can effectively exercise their preferences by joining groups:

(a) *In democracy, it is the responsibility of individuals and groups to request and voice their concerns, and groups help to amplify the interests of individual citizens;*

(b) *The grievances aired by groups are more likely to obtain media coverage and increase the chance that political parties will adopt and pursue constructive policy responses to the publicized concerns.*

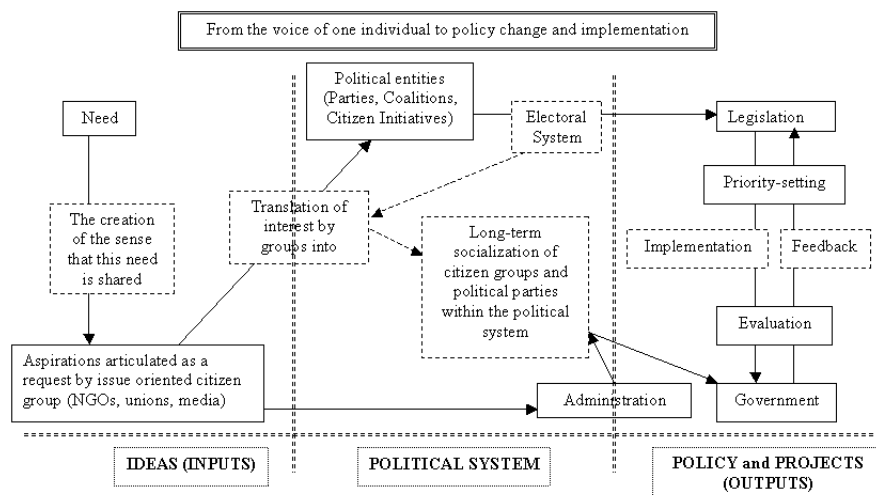
A primary challenge for Kosovo's young democracy is how to amplify an individual's voice, from the adoption of his or her idea by interest groups and political parties to

policy formulation and eventual implementation. The schematic presented below (Figure 3.2) outlines how an individual's ideas can be fully realized within a participatory system of democratic governance.

This schematic illustrates the process by which an individual can recognize whether his or her concerns are shared by others. Community groups, NGOs, associations or established unions serve the purpose of aggregating individual voices into vote-winning issues. Whether voting directly translates into political power and whether the individuals comprising such an interest group will grant their votes to a party that heeds their views depends on many factors. Among others, they depend to a large extent on the fairness and openness of the electoral system, a subject that will be discussed in greater detail in **Chapter Four**. Strong institutions and a robust civil society, underpinned by democratic values and respect for human rights, are also crucial to provide checks and balances against populist politicians and powerful actors outside of government.

*Representation as essential to human development*  
 "No taxation without representation!" became a standard cry by American colonialists in the 1770s seeking to change their

**FIGURE 3.2: FROM THE VOICE OF ONE INDIVIDUAL TO POLICY CHANGE AND IMPLEMENTATION**





political relationship with the King of England and Parliament at Westminster. Since democracy's early days, the representation of the interests and aspirations of diverse groups and individuals in a society through elected officials and other governmental and non-governmental bodies has become a cornerstone of the establishment of effective, responsive governing institutions. When people feel excluded from important decisions on issues that affect them or their community - whether through a failure to directly participate in a process or have one's views represented by another individual or organization - they are prone to either take extreme actions or lose confidence in the system and refrain from participating altogether.

Simply voicing one's views in a public forum or having one speak on your behalf is necessary but not sufficient to establish effective and responsive democratic governance. Policy decision-making as well as outcomes must reflect the representation of diverse and even competing interests. Representation is fundamental to ensuring that powerful actors (both inside and outside of government) are held accountable for their actions and pressured to share public resources equitably. Regardless of how participatory a government may be in terms of regular, free, and fair elections and multiple other channels for citizens to express their views and make their voices heard, if political leaders and their partners in the civil service, business sector, media and other organizations circumvent the rule of law and the norms of good democratic governance, then they also fail to represent the people and their interests.

Democracy can at times be a slow, cumbersome and even messy process for arriving at and implementing decisions. But without proper channels for diverse viewpoints to be represented and then incorporated into a course of action, the risks are high that violence or apathy gain legitimacy among large numbers of individuals that feel "left out" and un-represented in their society (see Box 3.2).

For legislative and other governing institutions to enjoy high levels of legitimacy, they must be able to represent all parts of society, including women, ethnic and religious minorities, and the full spectrum of ideolog-

**Box 3.2. WHAT IS REPRESENTATION?**

There is no standard definition of representation, but the chief characteristics include:

- (a) a public or private institution ensures the regular involvement of diverse groups and individuals;
- (b) decision-making reflects diverse viewpoints, ideally in the form of consensus decision-making;
- (c) policy outcomes fairly represent and manage the interests of multiple stakeholders; and
- (d) powerful actors are held accountable for their actions through regular public scrutiny by diverse groups and individuals, however small in number and resources.

What does representation help to achieve in a democratic system?

- (a) A perception of fairness and accountability;
- (b) Greater confidence in the system, leading to legitimacy;
- (c) The creation of effective constituencies and a sense of belonging to an electorate;
- (d) Greater responsiveness of political leaders and other powerful actors in society;
- (e) Protection of the needs and interests of minorities, the marginalized, and smaller interest groups;
- (f) Promotion of diversity in society, that, in turn, promotes greater tolerance;
- (g) A culture of dialogue, debate, and peaceful negotiations; and
- (h) Increased likelihood of stability and responsible democratic governance.

ical beliefs. A representative body is a precondition for participatory development approaches involving diverse groups and individuals (see Table 3.2). On the other hand, high levels of participation are conflict-prone and demand flexible systems of governance. Unless decision-making reflects the broad range of views and identities that accurately represent a society, satisfactory participation will appear illusory.

Good governance calls for more effective institutions and rules that uphold the values of transparency, participation, responsiveness, accountability and the rule of law. In turn, inclusive governance - where people feel adequately represented - promotes equality of opportunity, efficient functioning of the market, and better public service delivery. In such a system, citizens are more amenable to paying taxes and believing in fair government, as they witness tangible results from their personal sacrifices and participation in the governing process.

**TABLE 3.2: NUMBER OF VOTES REQUIRED TO ELECT A MUNICIPAL REPRESENTATIVE IN KOSOVO**

Election year	2000	2002
Average	854	1,278
Lowest	2	163
Highest	2,165	3,044
Minority average	196	620
K-Albanian average	1,017	1,441

Source: KIPRED Elections Factsheet (2004).

*From this table, K- Albanian candidates required twice the number of votes, in 2002, as minority candidates to be elected as a municipal representative.*

The arguments that authoritarian regimes can more efficiently manage public resources and make tough decisions in the interests of the people are not supported by empirical evidence. Rather, there is reason to believe that representative systems of governance deliver the best outcomes for the people. Recent World Bank studies indicate, with just two exceptions, all of the world's richest countries - those with per capita incomes above USD \$20,000 (in 2000 purchasing power parity) - have the world's most democratic systems of governance<sup>6</sup>. In addition, 42 of the 48 high human development countries are democracies<sup>7</sup>.

*Weak forms of governance that reflect low levels of participation and representation lead to persistent social problems, such as uneven development, pockets of extreme poverty, widespread corruption, and abuse of power*

Democratic governance empowers citizens and elected leaders to determine policy priorities that reflect solid values. As a result, democracies may not always promote the most equitable sharing of public resources and outcomes, especially when unaccountable interest groups wield undue influence. But, unlike authoritarian regimes, incentives exist in democratic systems to promote equitable outcomes for the greater good of all citizens. When strong democratic institutions and a democratic culture are established, the history of the past thirty years shows that representative and participatory systems of government provide real incentives to elected leaders: to better manage internal and external conflicts; to help societies avoid famines and disasters; and to help spread the word about critical health issues such as the negative implications for women of a large number of births, the benefits of breast feeding, and the dangers of unprotected sex in the context of HIV/AIDS.<sup>8</sup>

### *Participation and Representation: Key Determinants of A Successful Democracy*

Democracy is the only form of political regime compatible with respecting all five categories of rights - economic, social, political, civil and cultural.<sup>9</sup> When participation and representation reach satisfactory levels, democratic systems of governance are like-

ly to be far more effective than their authoritarian counterparts in:

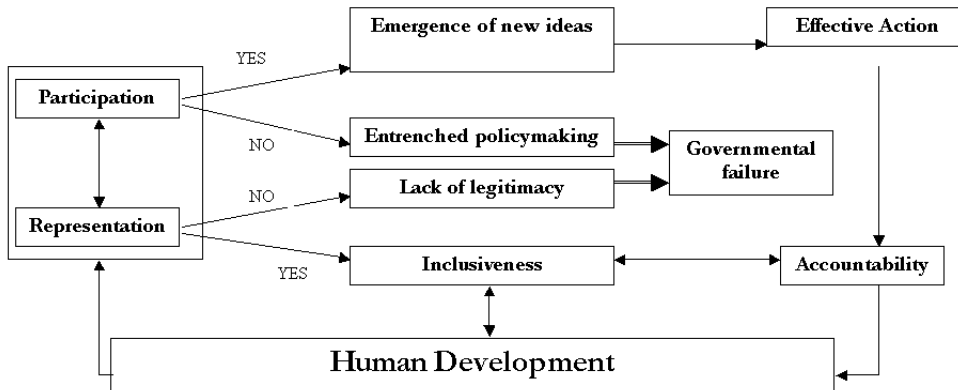
- (a) conflict management and stability;*
- (b) economic development and the fair distribution of economic gains;*
- (c) social development for diverse groups;*
- (d) promoting fairness and accountability; and*
- (e) avoiding catastrophes and sudden economic downturns.*

Weak forms of governance that reflect low levels of participation and representation lead to persistent social problems, such as uneven development, pockets of extreme poverty, widespread corruption, and abuse of power. Although no direct causal relationship has been established between human development and democracy, poverty and low levels of human development can prevent democracy from taking root.<sup>10</sup> In places like Kosovo, democracy should not be viewed as a luxury. On the contrary, as illustrated in Figure 3.1, democratic governance has intrinsic value for human development, because it has strong links to political and civil freedoms and can contribute to social and economic development. In contrast, regimes that are not representative and fail to accept constructive participation from citizens are far more likely to slide into vicious cycles of intolerance, extremism, abhorrence for human rights, corruption, crime, drug and human trafficking.

Without adequate levels of meaningful participation and representation, overall government performance and accountability will suffer, jeopardizing the establishment of an effective and responsive democratic system. Figure 3.3 shows that lack of participation and representation can lead to deficiencies in policy-making and legitimacy that contribute to governance failures.

Representation and participation are closely linked in bringing about good democrat-

FIGURE 3.3: PARTICIPATION AND REPRESENTATION: LINKS BETWEEN ACCOUNTABILITY, RESPONSIVENESS AND HUMAN DEVELOPMENT



ic governance. Unless citizens are well represented, they are unlikely to constructively participate in democratic processes. These processes are mutually reinforcing. Greater participation levels increase the perceived legitimacy of institutions; participating social groups also perceive less discrimination, and hence are less likely to transform into unco-operative "struggle groups".

In recent years, the concept of governance has evolved from the narrow definition used by the World Bank as "the manner in which power is exercised in the management of a country's economic and social resources" to the broader notion of participatory and representative democratic governance adopted in *KHDR 2004*. It is important that a system of governance enables the government, civil society and the private sector to further broad-based economic growth and social development as a means to increased human welfare<sup>11</sup>. But equally so for Kosovans, it must advance important political and other basic human freedoms to help preserve and spread social and economic progress and to give everyone a voice in the creation of a decent society where no one is left behind.

### Obstacles to Greater Participation and Representation in Kosovo

Years of authoritarian control and the accompanying perception of illegitimate rule have prevented Kosovans from creating a sense of shared ownership and self-governance. For many years, and especially during the 1990s, Kosovan Albanians (K-Albanians) tried to avoid paying taxes as a way to undermine regimes they viewed as foreign, autocratic, and corrupt. They had little faith in holding government accountable for spending tax payer's money; protests were again the norm when public perception reached its limit of tolerance. Even today, many Kosovans do not automatically make the connection between fundamental citizen responsibilities, such as paying taxes, and the public services received.

The adoption of "participatory human development" as an important organizing principle in Kosovo requires a rethinking of how Kosovans understand some basic terms. When Kosovans called for "democracy" in 1989, what they really meant was "freedom". Democracy demands: (a) dialogue among groups not accustomed to negotiating with each other, (b) accountability, and (c) minority rights. Many simply don't understand what is at stake: "In democracy, you talk too much and do too little". As the report reveals, Kosovans have yet to properly "embrace democracy", and

*When there was little hope in improving how public funds were spent and when people's patience from a lack of public services reached their limit, Kosovans did what they do best and took to the streets in protest.*

some view it as a threat. A clear case must be made that participatory and representative democratic governance can deliver both short and long-term benefits to all citizens. But in order for this to occur, all Kosovans must abide by the rule of law, accept an array of new responsibilities, and be willing to make personal commitments of time, energy and money to ensure that democracy in Kosovo genuinely works for, of, and by the people. Democracy in this sense is a "use it or lose it" proposition.

When Kosovans eschew their civic duties, such as voting and paying taxes, they seriously hamper the functioning of democratic institutions. While the political elite is inexperienced in managing democratic governance, the perceived distance of political leaders from their electors is a major challenge to democratization. Kosovan politicians are furthermore under pressure to respond to the interests and priorities of the international community - a situation compounded by the unresolved political status

of Kosovo - which constitute another entire class of "constituents" to be managed.

Since 2002, confidence in elected political leaders has steadily declined. For instance, in all but one Kosovan municipality, the ruling party (regardless of which one) lost substantial votes (see Table 4.2: Nonvoters are the biggest party now, in **Chapter Four**). Early Warning reports increasingly note growing dissatisfaction and low confidence in the Assembly of Kosovo. Table 3.3 shows confidence slipping by over 12 % between November 2002 and March 2004 (although dissatisfaction in the performance of some international actors fell even more dramatically during the same period)<sup>12</sup>.

The virtuous cycle of trust and confidence building cannot be created overnight. Democratization through expanded participation and representation is a process. The task of deepening and widening democracy in Kosovo is complicated by many factors.

TABLE 3.3 TRENDS IN SATISFACTION WITH INSTITUTIONS

	UNMIK	SRSB	Government	Assembly	KFOR	KPS
November 2002	63.8	73.1	74.1	76.7	87.8	90.0
March 2003	51.9	64.1	74.9	71.9	85.5	87.9
July 2003	43.1	71.4	78.1	74.7	81.4	84.5
November 2003	28.4	43.1	68.5	65.3	77.6	85.2
March 2004	24.9	32.4	73.9	64.3	83.0	84.9

**Box 3.3. THE RISE AND FALL OF VOLUNTARISM IN KOSOVO**

During the 1980s, but especially the 1990s, stories of individuals' daily, heroic self-sacrifice across Kosovo abound. Some observers even view voluntarism as the "glue" that held Kosovan society together.

A recent study conducted on volunteerism in Kosovo shows that people's willingness to extend help to others for the good of the community has declined markedly since the late 1990s, especially among the K-Albanian majority. Reasons include, but are not limited to, changing conditions of life (both socially and politically), a low understanding of voluntarism, and low institutional and social appreciation for volunteer work. Past experience shows that volunteerism in Kosovo is most visible during times of struggle for basic human rights and freedoms.

Voluntarism is much higher in rural communities, due to their small size, higher social cohesion and visible benefits from their actions. People engage in voluntary projects that benefit their small communities. But people appear less inclined to participate in voluntary activities where the benefits are not as tangible and immediate. Far greater efforts are required today to promote and expand an ethic of voluntarism in Kosovo.

For many people, the post-1999 era has opened new political, social and economic opportunities, and given rise to expectations of a better life. However, slow economic growth combined with Kosovo's uncertain political status has deflated these expectations. Thus, many feel that voluntary activities are either not expected of them or not beneficial.

Indeed, institutional and societal valuation of voluntary acts is at a low point. People are now more concerned with providing food for their families than volunteering. According to one citizen from Gjakova interviewed for this study, "Young people who struggle with economic problems have to earn a living, and they never think about voluntary activities since they face difficulties in making ends meet."

Few individuals and organizations that participate or take the lead in solving social challenges receive public or institutional support or acknowledgement. Particularly in addressing inter-ethnic tensions, where people are sometimes condemned for extending help or promoting reconciliation.

Source: "Volunteerism in Kosovo", *Index Kosovo*, May 2004

**Box 3.4. SOCIAL MOVEMENTS AND NATIONAL ASPIRATIONS:  
RECONCILING BLOOD FEUDS**

In the early 1990s, a retired folklorist and ethnologist, Anton Qeta, began a campaign that was supported across the Albanian political spectrum. The movement revolved around reconciling blood feuds, which have been present in Albania and Kosovo for centuries. These feuds originate from customary law of the Kanun of Lekë Dukagjini, a nobleman from northern Albania, which governed organization of property relations, family, and mores. Shame, kinship, and male and female honor are important concepts in this common law. Scholars and experts of Albanian customary law have observed that the Kanun has had a key role in internal cohesion of Albanians in the face of outside threats. The Kanun was preserved in oral tradition from the fifteenth century until it was written down by Padre Shjefen Gjeçovi in Shkodër, Albania in 1933. Until then, blood feuds had persisted as a result of adherence of the Kanun's laws.

For example, during the socialist era, customary law existed in Kosovo as a means of resisting the socialist state (similar to how churches and various informal networks existed in all countries of socialist Eastern Europe). Various crimes, disputes and conflicts were resolved in village councils according to the Kanun. This helped dispel the effects of state control and socialist laws, particularly those perceived as Serbian attempts to destroy Albanian culture and way of life. At the same time, selective adherence to customary law aided the preservation of patriarchal structures in private and public life.

The independence movement, precipitated by the revocation of Kosovo's autonomy by Serbia in 1991 Yugoslavia's subsequent disintegration, encompassed various networks both within and outside the purview of the state, including village councils, respected community members, academics, and others were mobilized to function as mediators in blood-feud reconciliation. For K-Albanians, reconciliation was necessary for the preservation of the nation; and national honor assumed more importance to the people and the law than the single family. Nonetheless, the reconciliations were hailed by many as displays of the commitment of Albanians to non-violence and adherence to human rights based on democratic principles. Reconciliation became identified with democracy.

The unique strength of this movement stemmed from its adherence to cultural traditions. As a grass-roots movement, it directly fulfilled the needs of ordinary citizens, and empowered them to make decisions relevant to their lives and the lives of their families. If participation and representation are closely linked in bringing about good democratic governance, then the reconciliations of the 1990s are a good model.

Instead of identifying enemies along national lines, Kosovans must now mobilize collectively against new threats: poverty, corruption, and inequity. Drawing on previous experiences of participation in non-violent social movements, and appropriate critiques of corrupt practices in government and other institutions, there is potential to mobilize people towards democratic ends.

Among the most challenging are: a low-skilled labor force; no tradition of self-governance, let alone democracy; high unemployment hovering around 40% of the adult population; inadequate education rendered obsolete by the demand for new skills; and the perception of widespread corruption and organized crime. While the growth in civic organizations has been impressive in recent years, the same spirit of voluntarism and self-sacrifice that permeated Kosovan society in the 1990s has declined (see Box 3.3). Kosovans will also need to reconcile traditional forms of participation with the norms of modern democracy (see Box 3.4: Social Movements and National Aspirations: Reconciling Blood Feuds). As *KHDR 2004* shows, citizens from urban/rural or various ethnic and gender backgrounds do not enjoy the same level of human development, nor do they share the same expectations of democratic governance.

At the same time, Kosovo's new ruling elite assumes governing responsibilities with fresh ideas and a willingness to consider good practice for democratic governance from around the world. An openness to new

and relevant advice, from both within and outside the region, is a defining characteristic of successful governments in an age of global interdependence.

The former Yugoslavia's governance system provided strong guidance of the people and the market by the state. Kosovan politicians were, by-and-large, excluded from that system. In a capitalist system, while markets may predominate, the role of the people remains active. People should guide both the state and the market, which need to work in tandem, with people sufficiently empowered to exert a more effective influence over both<sup>130</sup>. As a major power-broker in Kosovo today, the UN Interim Administration Mission in Kosovo (UNMIK) also must assume a primary responsibility for promoting more participatory and representative approaches to governance in Kosovo.

## Strengthening Democratic Self-Governance in Kosovo

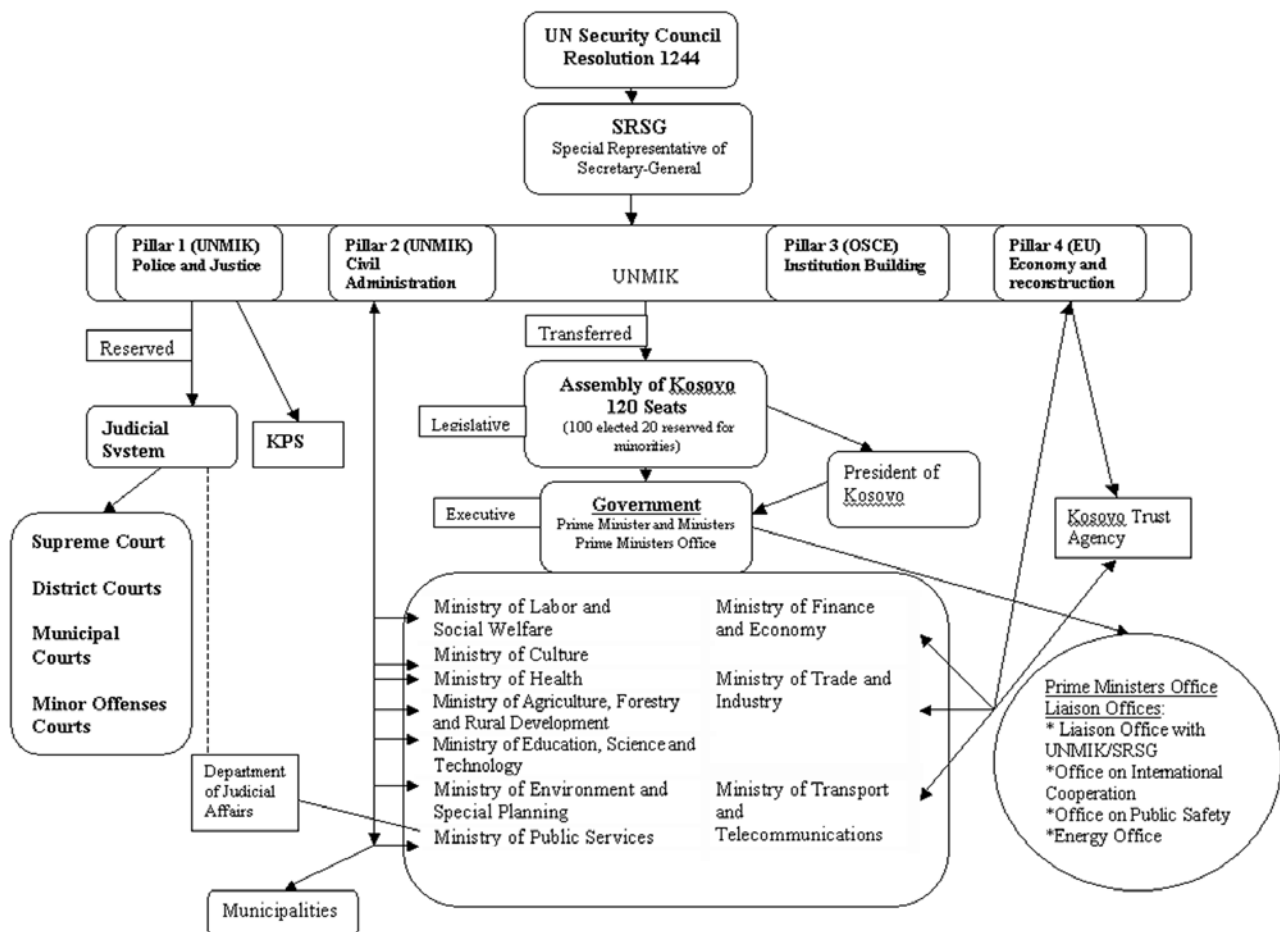
Since the passage of UN Security Council Resolution 1244 and the establishment of UNMIK in June 1999, much progress has been made towards laying the foundations

for a long-term process of building democracy in Kosovo. In May 2001, a Kosovo Constitutional Framework for Interim Self-Government, drafted by international and local experts, was approved. A chief aim of the Constitutional Framework was to establish Provisional Institutions of Self-Government (PISG) in Kosovo through free and fair elections. Accordingly, elections for a new Assembly of Kosovo, comprised of 120 seats, were held in November 2001. This was followed by the elected Assembly Members' selection of a Kosovan President (Ibrahim Rugova), who represents the unity of the people of Kosovo and guarantees the democratic functioning of the PISG. The President assumed chief responsibility in early 2002 for the appointment of a Prime Minister (Bajram Rexhepi), who in turn, secured approval from the Assembly for the appointment of 10 cabinet members (ministry heads). Moreover, since its creation,

the Assembly has played an important role in reviewing and endorsing candidates, appointed by the UN Special Representative of the Secretary-General (SRSG), to serve as judges and prosecutors in the judicial system. For a full schematic of the PISG structure (refer to Figure 3.4).

These pivotal steps, as well as the municipal elections of 2000 and 2002, were defining moments in extending representation and participation in Kosovo's formal political processes. Over time, an increasing transfer of UNMIK's governmental authority to Kosovans is expected. Some of the responsibilities already transferred include: finance, education, health, the environment, culture, agriculture and public services. Other competencies and responsibilities remain reserved functions of the SRSG although, as shown in Figure 3.4 "liaison offices" within the PISG have been created.

FIGURE 3.4: THE STRUCTURE OF THE GOVERNANCE SYSTEM IN KOSOVO 2004



In implementing UN Security Council Resolution 1244 in 2002, former SRSG Michael Steiner devised a series of benchmarks to prepare Kosovo's society and institutions before undertaking discussions about the status of Kosovo. Known as the "Standards for Kosovo", this policy framework describes a Kosovo where "public institutions are representative and democratic, where the rule of law is effective, respected and accessible to all, where those internally displaced persons who wish to, are free and able to return to Kosovo without hindrance, threat or intimidation, where all individuals, regardless of ethnic background, can travel and work safely, and use their languages (and where that use is respected) anywhere and in any institution of Kosovo, where the framework for a functioning market economy is in place and where the Kosovo Protection Corps operates strictly within its mandate ...<sup>14</sup>" The "Standards for Kosovo" document was published in Prishtinë/Priština on 10 December 2003 and subsequently endorsed by the UN Security Council in its statement of 12 December (see Box 3.5).

tutions of government, the Assembly and municipal - level bodies, make more progress in allowing the full participation of all communities and in producing and implementing policies that fully protect the rights and reflect the needs of all communities<sup>15</sup>. The "Standards for Kosovo" document provides a series of time-bound guideposts for realizing this vision for the benefit of all Kosovans.

### *Civil Society and NGOs: the heart of civic participation*

Development of a robust civil society is a key pillar of Kosovo's democratic development. Since 1999, the European Union (EU), foreign development agencies, and private foundations have invested tens of millions of Euros in Kosovo's non-governmental organizations. The number of NGOs proliferated at a dramatic rate across Kosovo, thanks to outside financial support and newfound freedoms. Since 1999, around 2,300 local NGOs have been formed. While most are Prishtinë/Priština-based, some are geographically spread throughout Kosovo, with an extremely wide range of activities.

#### **Box 3.5. STANDARDS FOR KOSOVO: WHAT WILL IT TAKE FOR THEIR IMPLEMENTATION?**

The Standards for Kosovo policy aims for "A Kosovo where all - regardless of ethnic background, race or religion - are free to live, work and travel without fear, hostility or danger and where there is tolerance, justice and peace for everyone." It consists of eight separate standards:

1. Functioning Democratic Institutions; 2. Rule of Law; 3. Freedom of Movement; 4. Sustainable Returns and the Rights of Communities and their Members; 5. Economy; 6. Property Rights; 7. Dialogue; and 8. Kosovo Protection Corps

In the Standards for Kosovo Implementation Plan, a series of specific benchmarks are defined for each of the eight separate standards. For "Functioning Democratic Institutions" these include:

- The Provisional Institutions of Self-Government (PISG) are freely, fairly and democratically elected.
- The PISG governs in an impartial, transparent and accountable manner, consistent with UNSCR 1244 and the Constitutional Framework.
- The interests and needs of all Kosovan communities are fully and fairly represented in all branches and institutions of government, and those communities participate fully in government.
- The laws and functions of the PISG approach European standards.
- The PISG provides services for all people of Kosovo throughout the territory of Kosovo, and the parallel structures have been dismantled.

*Source: PISG-UNMIK, "Kosovo Standards Implementation Plan", (31 March 2004).*

Actions currently undertaken by the PISG, UNMIK and other partner institutions to achieve the standards are crucial to the full realization of a more just and democratic Kosovo. In particular, as stated in the Kosovo Standards Implementation Plan finalized on 31 March 2004, "It is essential that Kosovo's institutions, including the insti-

Civil society or non-governmental organizations are often defined as: "... organizations which contribute to the achievement of some socially useful purpose<sup>16</sup>..." Quite a few Kosovan NGOs are organized around or led by minorities. Unlike political parties, they face few obstacles to conducting joint projects and establishing inter-ethnic coalitions.

*It is a vibrant civil society that will serve as the strongest driving force toward the generation of creative proposals to deepen democracy in Kosovo*

tions. Youth, in particular, are leading the way in addressing major social problems (Box 3.6). Women's organizations and movements, both indigenous and foreign, are also producing some of the most visible development leaders in Kosovo, in direct response to the needs of Kosovan women. International financial support and the accumulation of local and foreign knowledge are helping to expand the work of NGOs and dramatically improve their results.

A major driving force behind NGO sector development has been the availability of donor funds. Consequently, most NGOs tend to be service-oriented, organized around short-term, donor-funded projects, and without strong constituencies. Moreover, most are temporary and tend to dissolve or become inactive after donor money has been spent. Few NGOs have attempted to continuously shape policy in support of the interests of particular constituencies, be they women, minorities, the disabled, or other marginal groups. While Kosovo has witnessed a boom in civil society, donor dependency casts doubt on the sustainability of current levels of civic engagement. Nevertheless, it is a vibrant civil society that will serve as the strongest driving force toward the generation of creative proposals

to deepen democracy in Kosovo. While **Chapter Six** recognizes that the agenda for civil society groups is vast in Kosovo, it recommends that immediate attention be given to the three issue areas of: *promoting gender quality in the work place and the home, improving interethnic relations, and aiding psycho-social problems.*

At the same time, Kosovo's political structure and status have provided few incentives for NGOs to directly shape policy. Kosovo's most sensitive political and security issues are handled by UNMIK and KFOR. The PISG have yet to establish sufficient formal and informal channels through which civic groups can channel their concerns and advice on such issues. Most Kosovans tend to view NGOs as not serving a representative function on a particular issue, since political representation is generally understood to be the function of parties, while NGOs tend to be viewed as the domain of particular social segments. Associational life through formal non-party organizations is less developed, although a number of groups have emerged, including the coalition of organizations of families of missing persons, Kosovo Liberation Army (KLA) veterans' organizations, pensioner groups, and unions that represent wider segments of Kosovo's population.

#### **Box 3.6. KOSOVO'S YOUTH: LEADERS OF DEVELOPMENT AND SOCIAL INTEGRATION**

With more than half the population under the age of 25, Kosovo has one of the youngest populations in Europe. A recent report published by the Kosovo Youth Network sees young people as "active and competent members of their communities who have the capacity to make positive contributions to society". The report emphasizes the important role the youth play in encouraging and facilitating the active participation of young people in all levels of decision-making

At present, some 102 Youth Organizations and NGOs are recorded as operating in Kosovo, mostly located in urban areas. If international donor and government funding decreases, the future of many organizations will be in jeopardy. For example, the PISG Department of Youth's budget decreased from 0.39 million Euro in 2002 to 0.24 million Euro in 2003, businesses are not given tax incentives for donations to NGOs, while membership fees and income generating activities can only raise limited sums.

Although lack of capacity continues to be an issue, Youth Organizations are very much needed to help address some the main problems facing Kosovo, including unemployment, the quality of education, and drug abuse. The political environment is not particularly conducive to youth development or participation, although the Department of Youth has made some notable contributions. The socio-cultural environment is not conducive to the unique problems of youth being taken seriously, or to youth being viewed as actors with real influence.

*Source: Research for Youth, Kosovo Youth Network, 2003*



Democratization in Kosovo continues to hinge upon the need to develop a flourishing civil society. If civil society continues to be viewed as prerequisite for Kosovo's transition to democracy, then the status of NGOs, women, and youth will increasingly be used to measure Kosovo's progress. The policy of "Standards Before Status" is key to this process, for it delineates steps that Kosovan society and institutions must undergo on the road to stability, prosperity, and European integration.

### *The structure of the remaining portion of KHDR 2004*

In the main theme of *KHDR 2004*, trends and experiences with participation and representation in Kosovo are analyzed, upon which policy proposals are provided to strengthen the process of peace-building and democratic institution building. At its core, this exercise seeks to answer to the following questions:

- Do citizens fully participate in, and help shape, democratic governance?
- Do citizens feel that their views and interests are fully represented in decisions that affect them as individuals and as members of distinct communities?
- Are the needs of the poor and marginalized met in the current system of governance?
- Are women equal partners with men?
- Are all people's human rights guaranteed?
- Are the needs of youth and future generations taken into account in current policies?
- How can Kosovans maintain hope and claim a greater stake in their future governance in the face of the sensitive unresolved political status of Kosovo?

The forthcoming elections in October offer an opportunity for Kosovans to participate formally in the democratic process. Electoral reforms can encourage informed, meaningful debate on the problems Kosovo faces and help move beyond personalities and emotional rhetoric. *KHDR 2004* seeks to spark such debate and reforms that extend far beyond the election.

Considerable room exists for Kosovans to instill and strengthen a commitment to democratic institutions and practice among all citizens. If Kosovans are acknowledged as an important part of their system of democratic governance, they will take greater responsibility for it, and strive to improve it. Many actors within and outside government, including political leaders, teachers, journalists, civil society and business leaders, all have important contributions to make to the process of extending participation and representation - in its many forms - across Kosovo. While the international community, led by UNMIK, also has a pivotal facilitating role to play, democratization must grow organically from within. If each of these actors can effectively complement their contributions to Kosovo's future governance, then a new civic ethic will emerge wherein individuals embrace and defend their rights and responsibilities to meet the basic needs and aspirations of all citizens. A deeper understanding of, and commitment to, advancing the core democratic principles of participation and representation will likewise embed, a culture of tolerance, empowerment, and justice for many years to come.

*If Kosovans are acknowledged as an important part of their system of democratic governance, they will take greater responsibility for it, and strive to improve it*



# GOVERNANCE: HOW FAR FROM THE PEOPLE?

## Introduction

"Kosovo is on a good path to build an active and modern democracy..." Ibrahim Rugova, President of Kosovo

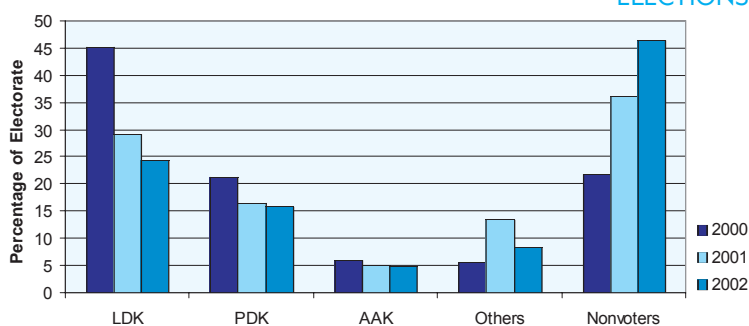
As discussed in **Chapter Three**, the establishment of democratic structures of government and decision-making that are both representative and open to citizen participation are essential to human development. Just as human development can be understood as enlarging peoples' choices, democracy aims to offer citizens choices in their leaders and in the issues their government prioritizes.

Since 1999, democratic structures have been established in Kosovo, in accordance with UN Security Council Resolution 1244 and the provisional Constitutional Framework. At present, Municipal Assemblies, elected in the second municipal elections in late 2002, are operating in all 30 municipalities. The Assembly of Kosovo, elected in late 2001, along with the Office of the President, established a coalition Government in 2002<sup>1</sup>.

Given the complex challenges facing this new governance model, democratic institutions and practices are only slowly taking root. Challenges include the slow pace of progress in addressing pressing concerns such as unemployment, poverty, refugee and IDP returns, and the rule of law<sup>2</sup>. Indicators that demonstrate the level of disconnect between decision-making processes and the people of Kosovo include:

- Decreased voter turnout in the last three elections (79% in 2000, 64 % in 2001, and 54% in 2002)<sup>3</sup>, (see Figure 4.1);
- Decreased satisfaction with political and economic trends<sup>4</sup>;
- Low percentage of people who think they can influence decision-making processes in their municipality (13%) and in Kosovo (12%);
- Declining satisfaction with the main governmental structures (Assembly of

FIGURE 4.1: VOTER TRENDS IN 2000, 2001 AND 2002 ELECTIONS



Source: OSCE Mission in Kosovo, [www.osce.org/kosovo/elections](http://www.osce.org/kosovo/elections)

Kosovo, Political Parties, UNMIK, SRSG, etc)<sup>5</sup>; and

- The violent events of March 17-19.

This chapter analyses the openness of government structures to participation by all Kosovans in decision-making, as well as their adequacy in terms of representing all segments of society. Since lack of participation and representation are contributing factors to the above problems, *KHDR 2004* argues that the democratization process could be advanced through improved quality and quantity of participation and representation. The present analysis will, consequently, focus on the areas that most influence the process of democratization. The relationship between participation and representation and human development is explored by examining the electoral system, political parties, central decision-making, decentralization, and the justice and security sector in Kosovo. Some of the core institutional challenges to democratic governance in Kosovo illustrated by this analysis are addressed by creative policy and institutional reform proposals in **Chapter Six**.

In analyzing social issues, it is hard to illustrate a principle "without exaggerating many things and without omitting many things" from the overall analysis<sup>6</sup>. This is especially true when considering the complex social, economic and political situation in Kosovo. In last five years, Kosovo has been experiencing multiple transitions: from communism to liberal democracy, from inter-ethnic conflict to multi-ethnic tolerance, from a socialist economy to a free market economy, and, during the last two years, the transition from emergency reconstruc-

tion to development. In the wake of all these transitions, it is impossible to analyse any particular social phenomena and not simplify the overall social picture.

*"One of the latest definitions of democracy, by the eminent international lawyer Thomas Franck, describes it as the process of participation and consultation of the citizens themselves in decision taking. Perhaps this democratic formula is easy to employ in the so-called 'internal democracy', but how does it apply in 'internationally controlled democracies', after post-conflict situations? How can democratic principles be exercised under conditions of asymmetrical co-governance by two different authorities with different legitimacy and power? How can accountability be applied to international authorities, and to whom are they accountable? Finally, how can the human factor be best utilized in Kosovo's current transition?"*  
**Professor Blerim Reka, Kosovo HDR Consultation, December 2003.**

## Electoral systems and human development

Integral to the concept of "development by the people" is the right to determine the management of one's community. In a democratic system, the most basic way to exercise this right is by voting for a representative that will protect and pursue the interests of a community. Elections are, therefore, at the center of a mutually reinforcing relationship between participation and representation; indeed, the electoral system defines this relationship.

Although electoral systems need not be the same in all democracies, they must be appropriate for a given society; otherwise, they may hamper democratization and, by association, human development.

This section examines the electoral system in Kosovo and assesses whether it fosters or hinders human development. Three criteria are used to gauge the extent to which Kosovo's present system gives citizens sufficient voice in decision-making:

- *The extent to which elected bodies mirror society;*

- *Accountability; and*
- *Stability.*

If these criteria are not achieved, the system will be plagued by a vicious cycle whereby citizens become disillusioned with their representatives, participation rates fall, and governing structures neglect people's needs and lose their legitimacy.

## The electoral system in Kosovo

The current electoral system is one of Proportional Representation (PR) by party list. This means that the system takes Kosovo as one electoral district for the Assembly of Kosovo elections with seats allocated on a proportional basis. The Sainte-Lague formula<sup>7</sup> is used to calculate the translation of votes into seats. The Assembly has a total of 120 seats, with 20 seats reserved for non-Albanian ethnic communities. These are allocated in the following way: 10 for the K-Serb community, four for the Roma, Ashkali and Egyptian community, three for the Bosniac community, two for the Turkish community, and one for the Gorani community. These seats are in excess of any additional seats that a community wins out of the 100 seats determined through the votes of all electors. The candidates' list is closed, meaning that a voter chooses a political party rather than an individual candidate. Parties rank their candidates on the list to determine which representatives will take the winning seats. The system also requires that women comprise one-third of the candidate list for each party, or that every third candidate be a woman<sup>8</sup>. There is no threshold for representation in the Assembly for any political entities<sup>9</sup>.

In post-conflict societies, PR electoral systems are fairly common (Ali and Matthews, 1999; Lake and Rothchild, 1996). This trend is informed by a significant body of literature on designing political institutions to manage inter-group relations in such societies<sup>10</sup>. Kosovo's electoral system was designed on the premise that PR gives minorities a greater chance of being elected to the legislature, which can make individual citizens feel more secure since their voices will be represented at the national level.

## *Extent to which the elected bodies mirror the society*

The extent to which elected bodies mirror the diversity of society in terms of geography, gender, ethnicity, religion and social status can bolster perceptions of legitimacy. If an elected body truly reflects the electorate, a greater sense of ownership and support of governing institutions is likely to develop. With increased legitimacy and trust, people are more encouraged to work within the system to address their grievances, keeping conflict manageable and mitigating possible escalation to violence.

The Closed-List PR system in Kosovo effectively allows for full proportionality whereby all communities are ensured representation in the Assembly. The system contributes to increasing gender representation, as the quota rule is easily enforceable without causing controversial relations within parties. Closed-List PR is, therefore, one of the best systems to achieve the quantitative goal of representation. However, the challenge of influencing minority and gender sensitive agendas is less related to the quantity than to the quality of representatives. For example, while Kosovo ranks 17th in the world in terms of gender representation, the ability of Assembly Members to bring gender issues to the top of the political agenda remains limited. Similarly, the guarantee of quantitative representation has not been sufficient to convince the K-Serb community to participate fully in Kosovan government institutions.

By treating Kosovo as a single electoral district with full proportionality for ethnic communities, the current system works against the principle of geographic representation. Party and ethnic affiliations are not the sole determinants of citizens' interests. Geographic representation is often significant, especially in a society like Kosovo that is based on agricultural subsistence and family ties. Ensuring geographic representation disperses power from the capital to all areas of a territory proportionately, and creates a sense of inclusivity no matter how physically isolated particular communities may be. Moreover, geographic representation increases the likelihood that specific regional

interests will be channelled to and addressed by the Assembly.

The current system disproportionately favors candidates from Prishtinë/Priština, while a number of municipalities are not represented in central government at all because candidates from those municipalities were not ranked high enough on party lists. For example, the municipality of Viti/Vitina, which gave over ten thousand votes to LDK in the last general elections, has no representatives in the of Kosovo Assembly. Although voters from Viti/Vitina may continue to support LDK's position on Kosovo's independence, there is no representative who understands and seeks to address their basic needs in terms of unemployment and poverty, which reach 52% and 40% respectively in this municipality<sup>11</sup>. This has significant implications for accountability. While it is impossible to achieve full geographic, community and gender representation through an electoral system, a balance is nevertheless desirable. In Kosovo, the system is heavily weighted towards ethnic and gender proportionality at the expense of geographic representation.

## *Accountability*

The electoral system functions as a mechanism for people to hold their representatives accountable. Voting is one of the clearest ways for people to address the successes or failures of their government. Perceiving a direct link between electorates and their representatives forces politicians to seek to understand the needs of their constituents and to devise policy platforms that address those needs. If the system does not foster such a link, then there is no incentive for politicians to be accountable.

Since party lists are closed in Kosovo, voters are limited to choosing among political parties rather than weighing the merits of individual candidates. This dilutes the accountability link between elected representatives and citizens. Politicians have greater incentive to raise their profiles within parties and obtain higher rankings on party lists than to address the needs of their constituents. Politicians are preoccupied with intra-party politics and winning the favor of the party

*While it is impossible to achieve full geographic, community and gender representation through an electoral system, a balance is nevertheless desirable*

*Choosing not to exercise one's right to vote is a strong indication of social trust in political parties and their candidates. The number of non-voters in Kosovo has grown steadily. In 2002, the number of Kosovans who did not vote was twice as large as the number who voted for the majority party.*

leader, because these are the primary determinants of election to the Assembly. This is even more likely in Kosovo, where political parties have their origins in the independence struggle and people tend to offer support to these parties on the basis of their allegiance to party leaders during the struggle. The closed list system also gives a great deal of unchecked power to party leaders. Since these leaders are not directly elected, there is no mechanism to prevent them from behaving autocratically, changing candidates' positions on the party list at their whim.

### **Stability**

Stability refers to the ability of government institutions to balance competing political interests in society and create favorable conditions for compromise. Stable governments are more likely to achieve goals that benefit the entire society such as a prosperous economy, effective public service delivery, and improved health. While absolute stability is neither realistic nor desirable<sup>12</sup>, a certain amount of stability prevents polarization and fragmentation between communities, and encourages representatives to seek power-sharing arrangements that cut across social cleavages, which can contribute to reconciliation and reintegration.

As discussed previously, closed lists limit voters' ability to hold their representatives accountable for responding to their needs. This enables politicians to remain focused on a limited number of political issues such as final status. Ethnic divisions are also entrenched, in part because the PR system gives parties no incentive to appeal to voters beyond their own ethnic group. Together, these two dis-incentives actually promote polarization of interests and extremism between rival communities. Arguably, parties gain by being more extreme. The system therefore hinders stability by discouraging moderation and compromise between ethnically-based parties.

### **Voter trends**

An electoral system that enables people to steer their own future by influencing government decision-making promotes human development. Kosovo's electoral system has

achieved full proportionality. This is a significant accomplishment that contributes to the perception that elected bodies are representative of the society, and thus legitimate. However, this has been achieved at the expense of geographic representation and a direct accountability to the voter. Consequently, parties have become increasingly disconnected from the people, politicians are not accountable, and party platforms are superficial, neglecting the real needs of the population. These factors have contributed to widespread disillusionment with democracy in Kosovo. Voter turnout has decreased steadily since the first elections, in part perhaps because people see no benefit to participating (see Figure 4.1). In order to reverse this trend, the population needs to be convinced that they can influence the political process. Suggestions along these lines are presented in **Chapter Six**.

## **Political parties, participation, and representation**

The electoral system debate cannot be presented in isolation from the nature and operation of political parties. The party is the vehicle that articulates the specific interests of groups of citizens in democratic institutions. In this regard, they are one of the core institutions of democracy.

Although political parties are not the only platform for representing the interests of people in democracies, they remain essential for recruiting leaders, structuring electoral choice, and organizing government. As Carothers<sup>13</sup> argues, political parties play at least three essential roles in political life:

1. *Accumulating and articulating the interest of citizens;*
2. *Structuring electoral competition and shaping the political landscape; and*
3. *Providing coherent political groupings to run the government.*

### **Kosovan context and political parties**

As opposed to parties in Western democracies, which evolved from interest groups, (e.g., social democrats formed around a social agenda) or social class, K-Albanian

political parties stem from the struggle for independence, while Kosovan Serb political parties, organised in two local coalitions, are extensions of parties based in Serbia. Both political party systems rely heavily on the debate concerning the final status of Kosovo to determine their legitimacy within their communities.

The Kosovo political climate breeds strong leaders and weak political parties. Some experts believe that supporters join political parties primarily based on emotional connections with the leaders during times of struggle<sup>14</sup>. Often the ultimate determinant of party affiliation is the ability to get a job; local differences between parties come

#### **Box 4.1. POLITICAL PARTIES IN KOSOVO**

The Kosovan Albanian political scene before the international intervention had been organized around a parallel system dominated by a single political party, the Democratic League of Kosovo (LDK). Despite the LDK's political dominance, through the conflict it had been challenged by the more militant Kosovo Liberation Army (KLA). Since the peacekeeping deployment, former KLA militants have engaged the post-conflict political process in a variety of ways. A number of former KLA leaders founded the Democratic Party of Kosovo (PDK), which has drawn on the remnants of the organization for much of its strength. A smaller number of former war-time KLA leaders participated in founding a separate political party, the Alliance for the Future of Kosovo (AAK).

For the Kosovan Serb side, in 1999 the political dynamic surrounding Kosovo was even more complicated. The Serbian political dynamic inside Kosovo still operates with reference to a much larger political process in Serbia proper.

In Kosovo proper, there are currently two political party systems, both of which rely heavily on the debate concerning the final status of Kosovo to determine their legitimacy. The dominant system is the K-Albanian system. The K-Serb political party system is divided between two locally organized coalitions, and local representations of parties based in Serbia proper. The parties in both systems are not clearly differentiated by their ideological stance in economic, political or civil development, but rather in reference to their roles in the Albanian-Serbian struggle leading up to the international intervention in 1999, and in the ethno-nationalist politics since the intervention.

While it is not surprising that ethnic and nationalist divisions dominate political dynamics in Kosovo, the effects of this continual reliance on ethnic and nationalist legitimation on the politics of the province are not clearly understood. General perceptions that economic issues are rapidly replacing identity concerns as the primary focus of the public have been confirmed by a recent survey by the UNDP in Kosovo. By a tremendous majority, K-Albanians in Kosovo identify unemployment as the most important issue facing the province, with questions of status coming in second. For the K-Serb community, issues of personal security and freedom of movement persist as the dominant concerns. Despite this increasing concern toward more local issues, the political parties of both communities define their roles through their position vis-à-vis the prior conflict and in the contestations over final status.

Although both the K-Albanian and K-Serb parties have similar legitimation claims - support of a nationalist ideology with a focus on the questions of historical ethnic communal roles and Kosovo's independence or reintegration into Serbia - K-Serb parties are operating under a more complicated dynamic. The coalition *Povratok* (Return), the first K-Serb political structure to engage with the UN administered system, is a diverse coalition which has not maintained the same parties through two elections. For the K-Serb parties that are based in Serbia proper, some of which have participated in *Povratok*, legitimacy is based in the party's position in larger Serbian politics.

The parties of the non-Serbian minorities are caught between the two competing blocs. Their legitimacy depends on protecting the rights of the communities which they represent. These include Bosniacs, Muslim Slavs (Gorani and Torbesh), Roma, Ashkali, Egyptian (RAE) and Turkish communities. These parties have a choice of identifying themselves as "minority" parties and forming a bloc with the K-Serb community; accepting the dominant K-Albanian structure and trying find a niche within that bloc; or seeking a united organization of "other minorities". At present, this group is unified within the Kosovo Assembly as "other minorities," or although usually voting with the K-Albanian majority. Because the K-Albanian and K-Serb parties, as well as the international community, are focused primarily on the debate over final status, and the issues that surround it, the concerns of these parties and their communities are not often being addressed.

*From: Fred Cocozzelli. Political Parties In Kosovo, 2003. GSC Quarterly 11 (Winter 2004).*

**Box 4.2. PERCEPTIONS AND PUBLIC VISIBILITY OF WOMEN POLITICIANS**

"Women have long hair, and short minds" is one of the stereotypes in Albanian culture. Unfortunately, this stereotype still affects perceptions of female politicians. One of the most common perceptions is that women are represented in decision-making structures only because of the quota. Women politicians are often seen as mere "numbers" rather than agents of change or genuine actors with strong influence on social and political developments.

Women politicians are not very visible in the political arena. Media play a key role in increasing the public visibility of women politicians. In monitoring the print media in Kosovo during the 2002 municipal elections, INTERNEWS Agency found only 24 newspaper articles that focused exclusively on the activities of women politicians, out of a total of 3,238 articles published in 10 daily and weekly papers in Kosovo.

down to individuals. Turning the political activist into a policy-maker has proven to be an elusive challenge, while the political activity and influence of women remains barely visible. Policy processes are neither inclusive nor participatory, and one rarely hears debates on concepts such as free trade or social welfare, in relation to ideological differences (see also Box 4.1 on Political Parties in Kosovo).

Similar to other transition countries, political parties in Kosovo remain weak and poorly organized, with limited membership and scarce funds. They are perceived as elitist and patriarchal constructions, wherein women have little space for action (see Box 4.2). Kosovan parties produce strong leaders, and internal cliques - often geographically based - develop around the personalities of particular leaders rather than their ideas.

### Better representation or loss of credibility?

Analyzing political parties in Kosovo along the core functions defined by Carothers is difficult, due to the blossoming of political entities participating in elections. The number of political parties has more than doubled. Twenty-four political parties and citizens' initiatives participated in the 2000 municipal elections<sup>15</sup>, while 57 political entities and 11 independent candidates took part in 2002.

This proliferation of political parties can be viewed as a positive development, particularly for minority participation and representation in municipal assemblies. However, it

might also point to the fact that the three major K-Albanian political parties Democratic League of Kosova-LDK, Demo-

**Box 4.3. VOTER TRENDS**

As Graph 1 (below) indicates, parties that controlled various Municipal Governments between the local elections in 2000 and 2002 lost over 80,000 votes. This points to general dissatisfaction with all ruling parties at the local level. The main opposition party usually gained most from this dissatisfaction. This leaves at least 50,000 votes in the "undecided" camp, which suggests that many voters decided to abstain rather than begrudgingly voting for the opposition. For example the second-largest national party, the PDK, picked up votes in municipalities where it was the opposition party, but lost votes in those it controlled.

### DIFFERENCE IN THE NUMBER OF VOTES TO EACH PARTY BETWEEN 2000 AND 2002 (WHITE IS POSITION, HIGHLIGHTED OPPOSITION)

	LDK	PDK	AAK
Deçan/Deçani	-926	-275	3,122
Gjakovë/Đakovica	-9,442	-238	2,007
Gillogovc/Glogovac	-438	-1,274	211
Gjilan/Gnjilane	-2,890	1,769	-33
Dragash/Dragaš	-1,625	-458	35
Istog/Istok	-1,966	358	110
Kaçanik/Kaçanik	841	-659	-56
Fushë Kosovë/ Kosovo Polje	-138	757	-681
Klinë/Klina	-1,867	114	648
Kamenicë/Kamenica	-1,615	279	595
Mitrovicë/Mitrovica	-5,269	2,778	767
Lipjan/Lipljan	-795	1,966	-269
Obiliq/Obilić	-344	459	-1,426
Rahovec/Orahovac	-5,108	1,500	-1,854
Pejë/Peć	-7,985	-332	5,741
Podujevë/Podujevo	-3,470	906	-1,135
Prishtinë/Priština	-11,967	2,386	-1,014
Prizren/Prizren	-12,058	2,541	815
Skenderaj/Srbica	-543	-2,507	95
Shtime/Štimlje	568	1,150	-20
Suharekë/Suva Reka	-4,077	2,105	-425
Ferizaj/Uroševac	-2,395	1,571	837
Viti/Vitina	-1,420	496	257
Vushtrri/Vučitrn	-2,114	875	-4
Malishevë/Mališev	-1,383	2,391	150
<b>Total</b>	<b>-78,426</b>	<b>18,658</b>	<b>8,473</b>
<b>Average:</b>	<b>-3,210</b>	<b>678</b>	<b>347</b>

\* since the three major parties had few votes in five Serb-dominated municipalities, these scores have been left out.

Legend:  Position  Opposition

*Malazogu Leon. Discussion Paper: WHERE DOES THE LEGITIMACY IN KOSOVO REALLY LIE? (KIPRED). 2004*



cratic Party of Kosova-PDK, and Alliance for the Future of Kosova-AAK and the K-Serb Coalition "Povratok" are losing credibility and failing to articulate the interests of their constituents.

Despite the fragmented political scene, new parties seem unable to fully absorb the many unsatisfied voters. Although the number of non-voters more than tripled between the 2000 and 2002 municipal elections (from less than 200,000 to more than 600,000), the number of voters choosing parties other than the three major Kosovan Albanian ones only doubled (from less than 40,000 to approximately 100,000).

The third important indicator in this regard is decreased support for the ruling party in most municipalities between the 2000 and 2002 elections, regardless of which party was in power. For example, the largest party in Kosovo, LDK, lost votes in every single municipality it controlled between 2000 and 2002 (See Box 4.3, Municipalities of Prishtinë/Priština, Gjilan/Gnjilane, Vushtri/Vučitrn, Suharekë/Suva Reka, Podujevë/Podujevo, etc), losing 3,210 votes on average per municipality. The same trend haunted PDK, which lost ground in three out of four municipalities where it had a majority (Gllgovc/Glogovac, Skenderaj/Srbica and Kaçanik/Kaçanik).

Kosovo's unresolved status continues to have a "freezing effect" on local political culture, keeping most Kosovans focused on broader problems, such as independence. However, some positive changes can be noted. In the 2002 elections, for example, local problems were stressed more than in the 2000 elections, and campaigning has become more disciplined. A system of checks and balances has been introduced with financial auditing of parties and candidates, which encourages transparency and accountability.

## Enhancing participatory political culture

Stability requires evolution and adaptability on the part of political parties. They should be able to expand, moderate, and channel

the participation of newly mobilized social groups, while still maintaining equilibrium in the system. The democratic system will become strong if the political parties develop a participatory political culture that results in maximum utilization of available human capital and incorporation of fresh ideas into the political debate.

Widespread voter non-participation cannot be solely attributed to political parties. Other factors may also play a role:

- *Political debate in Kosovo remains stagnated on the same issues as in 1999, such as the final status of Kosovo, rather than on pressing everyday issues like unemployment, poverty, and electricity access and reliability.*
- *Lack of political compromise and cooperation between parties, leading to ongoing delays in Municipal Government formation and preventing consideration of pressing issues. For example,*

### Box 4.4. WOMEN IN DE FACTO DECISION-MAKING?

The fact that the percentage of women in Municipal Assemblies and in the Assembly of Kosovo is the highest in the region, and even higher than in most Western European countries, does not mean that Kosovan women occupy key leadership posts. When initially constituted, the Government of Kosovo did not have a single female minister. Only after the suspension of the Minister of Health, was a woman appointed Minister. As shown in Table 4.2 below, women occupy only one of 10 Ministry Permanent Secretary positions, chair only 7 of 18 Assembly committees, and lead only one of 30 municipalities. One might be tempted to conclude that the political environment in Kosovo is still dominated by men. Men hold real political power (though this does not mean that women lack leadership capacity). Kosovan culture and mentality favor men on most social issues, especially politics. At the same time, women continue to have difficulties entering the political sphere, despite the quota system, due to traditional, historical, and cultural biases.

#### Gender break-up in decision-making Positions

Position	Total	Women	Men
Ministers	10	1	9
Permanent Secretaries	10	1	9
Members of Parliament	120	35	85
Chairs of Parliamentary Committees	18	7	11
Mayors	30	1	29
Members of Municipal Assemblies	1172	262	910

Source: KWI

Looking at the internal structures of the three largest political parties, the predominance of men is evident. Both the LDK and the AAK have just 20% of women in their leadership, while women comprise only 10% of the PDK leadership. A woman does not hold the top post in any party represented in Parliament.

Source: KWI

opposition boycotts occurred in 10 Municipal Assemblies following the 2002 elections<sup>16</sup>.

- *Lack of democratic structures within political parties and overall empowerment of party leaders by the electoral system with closed lists (see Box 6.1, "Reform 2004": A new model for constructive citizen engagement).*

## Central decision-making, participation, and representation

As noted in **Chapter Three**, effective representation and participation can increase legitimacy, accountability and trust in governing structures. After the elections of 2001, it took three months for the President and the Prime Minister to be chosen<sup>17</sup> and a government to be formed. Ministries were allocated according to an agreement between leaders of three main political parties, signed by the Special Representative of the Secretary General<sup>18</sup>. The Prime Minister had no say in the matter.

The manner in which Kosovo's Government was formed has profoundly influenced the subsequent nature of its central decision-making<sup>19</sup>. While Security Council Resolution 1244 added challenges in terms of functionality and interpretation of roles, substantive constraints also stemmed from lack of prior institutional experience with democracy, weak public administration mechanisms, and flaws in the budgetary processes.

### *Procedural constraints*

The Constitutional formula for representation at the central level did not produce a majority capable of governing on its own<sup>20</sup>, necessitating intervention by a supra-constitutional body. Against the backdrop of this disappointing start and the inherent mistrust between political parties, a consensus formula of decision-making was deemed most feasible.

Since the Constitutional Framework legally required government decisions to be reached by either consensus or majority vote<sup>21</sup>, the Prime Minister was hamstrung in

playing an active mediating role to resolve the crisis.

### *Legal limbo*

The Constitutional Framework clearly delineates the decisions that the Assembly can make (law-making powers), but it is silent on the Government's regulatory powers. The Government has a Constitutional responsibility to "exercise executive authority" and "implement Assembly laws and other laws within the scope of responsibilities of the PISG", but the Constitution includes no specific provisions for ensuring the implementation of laws (e.g., issuance of secondary legislation). Against this legal limbo, the Kosovan Government is struggling to define the parameters of its decision-making power.

### Consensual decision making

The Prime-Minister's lack of effective substantial and procedural means has fostered either overt or tacit consensus decision-making. For a number of reasons, this is not ideal. Achieving consensus has meant lengthy debates, even on relatively simple matters, which should not have reached the Cabinet level. By implication, prospects for delegation of decision-making authority to lower, more technical levels are limited. Ministers have developed a mentality in which they must either accept or reject a collective decision. This creates the danger of reopening and contesting points already decided.

The manner in which the Government was formed, together with legal and other practical constraints, has meant that no form of decision-making other than consensus could have been considered. However, central government decision-making cannot be judged by the standard of how broadly a consensus decision was achieved, nor by the number of cases where it opted for majority, instead of consensus decisions, but rather the quality of such decisions. This includes how informed such decisions are, and how they are coordinated and monitored in their implementation. A recent positive initiative is the drafting of a joint economic development strategy in cooperation with Pillar IV and implemented by the European Stability Initiative.

## *Impact with respect to developmental goals*

The Program of the Government<sup>22</sup> is the pivotal document outlining the Government's vision and development strategy. It incorporates all of Kosovo's major development objectives: sustainable economic development; promoting agricultural and rural development; improving standards in education; modernizing transportation, post, telecommunications; reforming the health system; creating social protection schemes and a pension scheme; increasing the level of employment; improving the environment, spatial planning and housing; and supporting culture, youth and sports. The Program also illustrates the pattern of decision-making by the Government, as the highest executive body.

The Program was developed over the course of a couple of weeks without sufficient research, either by internal personnel or external experts. Stakeholder participation was minimal<sup>23</sup>: in effect, consultations hinged upon a series of meetings among employees (mainly political advisors) from all ministries, at which the visions of the respective ministries were presented. In the course of several subsequent working group meetings, the priorities of various ministries were drafted into a final Program. Despite the fact that most ministers felt their respective priorities were not sincerely translated into the Program, a mode of consensus decision-making allowed the final version to be endorsed without significant changes.

The shortcomings of this process have still not been addressed. Indeed, decisions on other critical areas are generally taken on an ad hoc basis, without thorough research, stakeholder-targeting or extensive participation. There is still no gate to attract initiatives, or properly channel input to central authorities.

At the same time, consensus is still generally followed as the preferred form of decision-making. Particularly in cases of tacit consensus, this opens the door to either confusion or obstruction in the decision-making process.

## **Shortcomings in the current state of affairs**

Alongside the hastily drawn Program, other hindrances to central decision-making have emerged. The Office of the Prime Minister (OPM) is regarded as a single Ministry under the Regulation on the Executive Branch of Provisional Self-Government. As a result, its role in coordination and monitoring of the work performed by various ministries is encumbered by perceptions of its lack of authority<sup>24</sup>. Implementation of the Program of the Government, legislative agenda, and other major decisions is left entirely to the ministries themselves. As such, no proper coordination mechanism is in place<sup>25</sup>. A serious flaw is the current lack of a cycle of assessing, deciding, implementing and monitoring decisions and policies. There is an obvious necessity for establishing a Policy Planning Unit<sup>26</sup>. Possible roles for this unit could include tracking the implementation of the Government Program, providing adequate policy analysis, and assessing financial repercussions of policy decisions.

Many ministries themselves lack a consistent structure and hierarchy for proper delegation, follow up, monitoring, and intervention in relation to policy making. Following promulgation of Regulation 2001/19, no administrative direction was issued stipulating standardized formal structures within ministries<sup>27</sup>.

### *Legal Ambiguities*

The lack of any clear, unambiguous legal intervention mechanism on a daily basis hinders the functioning of ministries. Likewise, the political agreement establishing the Government, coupled with its consensus decision-making formula, has led to a blind eye being turned toward deviations from decisions and a toleration of omissions in ministry work plans.

Consequently, at least a couple of unfocused draft laws have been prepared.

### *A cacophony of legislative initiatives*

Another important decision that followed the adoption of the Program of the

*A serious flaw is the current lack of a cycle of assessing, deciding, implementing and monitoring decisions and policies.*

Government was the legislative agenda. Similarly formulated by a small group of staff from ministries, a so-called matrix of legislative initiatives was presented to - and subsequently endorsed by-the Government with few objections.

The legislative agenda was not entirely fleshed out within the framework of the Government Program, and no legislative unit is in charge of matching initiatives and/or draft laws to the legislative matrix. Consequently, a cacophony of legislative initiatives by different ministries - not necessarily conforming to policy priorities - vie compete for attention in the Cabinet. For its part, the Cabinet has tended not to question legislative initiatives originating from ministries, and a consensus endorsement has typically been enjoyed by each initiative.

#### *Ad hoc citizen inclusion*

On a more positive note, there exists a reasonable open-minded willingness to include independent experts, NGO representatives, associations and other relevant stakeholders in key decisions. For example, the final draft of the Assembly Rules of Procedure set a good precedent by opening its committee

#### *Interrelation between priorities and the budget*

Improvements in the budgetary process began in 2003 when each ministry presented its respective priorities to the Ministry of Finance and Economy. A Budget Committee (chaired by the Prime Minister) was also established to better align strategic economic opportunities with other development goals. Until the approval of the budget in 2004 however, the budgetary process had resulted in ministries being handed a sum of money, which at times they struggled to spend.

Table 4.1 shows the Kosovo Consolidated Budget (KCB) in terms of appropriations to the PISG, Municipalities and Reserved Powers Institutions in 2004. More than one-fourth of the Kosovo Consolidated Budget is allocated to Reserved Power Institutions; the Assembly of Kosovo and Government have no authority or ability to call the representatives of these organizations to report before the Assembly.

#### *Enhancing responsiveness*

Ramifications of legal vagueness, lack of promptness in decision-making, and an evident improvisation in the process of setting the Program of the Government have not been adequately addressed. Aside from the structure of Permanent Secretaries and their weekly meetings, there is no unit in charge of facilitating decision-making at the central level and monitoring observance of decisions. There is also no organized mechanism (whether a single unit within the Prime Minister's office or within various ministries) charged with coordinating stakeholder inputs. At the same time, demands presented from outside the Government mostly constitute requests or petitions limited to remedial action, rather than proactively prescribing a certain policy initiative.

Furthermore, institutional deficiencies make the Government unable to track implementation of its decisions even in its own ministries. Thus, ministries are left to their own diligence in observing common priorities and joint decisions. This has far-reaching implications, especially in terms of the implementation of the "Standards for Kosovo".

**TABLE 4.1: KOSOVO CONSOLIDATED BUDGET 2004 SUMMARY OF APPROPRIATIONS**

Kosovo Consolidated Budget 2004	Employees 2004	Employees 2003	Appropriations in Euro FY 2004-2005	Total Appropriations %
PISG Institutions	17 286	16 357	289 045 594	45.71%
Reserved Power Institutions	17 968	16 371	167 498 508	26.48%
Municipalities	42 150	N/a	175 781 460	27.79%
Total		N/a	632 325 922	100.00%

Source: MFE, Kosovo Consolidated Budget, 2004

meetings to interested individuals. Nonetheless, there is no clear delineation between phases in which stakeholders are involved as well as the role that they ought to have. Consultations with civil society and stakeholders have been too spontaneous, with no clear timetable for involvement and decision-making. One option to streamline stakeholder involvement would be to issue white papers to a larger spectrum of stakeholders before the introduction of a piece of legislation in order to solicit more focused and time-limited input.

#### **Box 4.5. THE ROLE OF LOCAL GOVERNMENT**

The concept of local development, understood to be the process of change and improvement of economic structures within a homogeneous territory, is not new to Kosovo. Under section 3 of the UNMIK regulation 2000/45, municipalities were given the lead role in providing "basic local conditions for sustainable economic development". However, present socio-economic and political realities undercut the crucial role of municipalities as policy-makers, innovators and key players in the creation of local prosperity. Political and legal uncertainties have hindered the process of decentralization, and consequently the Government's ability to share power with local authorities. An effective decentralization process would enable grass roots democracy, which eventually allows the willingness of civil society to participate in the governance of local issues.

Endogenous development based on local human and natural resources and a self-determined, participatory approach based on local needs and the use of local know-how, requires a new vision of local government. This must include promoting growth, reducing inequality, increasing participation, and tackling poverty. Participation in local economic development is understood not as an end, but rather as a means through which local development goals can be achieved.

*"Successful local government brings decision-making power closer to the people"*  
*The Kosovo Mosaic*

### **Local government in Kosovo: How close to the people**

*"Successful local government brings decision-making power closer to the people"<sup>281</sup>*  
*The Kosovo Mosaic*

If effectively implemented, decentralization can be one of the most important mechanisms to bring governance closer to the people. It can increase trust in the system, enable closer monitoring and oversight by the people, enhance tax collection, and bet-

ter meet the interests of various communities, by allowing them to make a greater number of decisions for themselves (see box 4.5 on the Role of Local Government).

At the same time, decentralization can have a host of negative effects if hastily or reflexively adopted. It aims to tackle political problems and should be discussed as such. It is intended to minimize levels of bureaucracy between people and services, but may end up creating redundant levels of bureaucracy.

#### **Box 4.6. SNAPSHOT: HUMAN DEVELOPMENT AND SATISFACTION WITH SERVICES**

Comparative analysis shows no clear linkage between satisfaction with service and HDI. However, certain issues are worth noting:

- K-Serb-dominated municipalities in the north have the highest HDIs (besides Prishtinë/Pristina) and are in the bottom six in terms of overall satisfaction with services. Similarly, Shterpece ranks around the middle in terms of satisfaction, but is in the top five municipalities according to HDI.
- Malishevë/Malisevo, Dragash/Dragas and Obiliq/Obilic are consistently low in terms of both satisfaction with services and HDI.
- Shtime and Kaçanik/Kacanik are in the top seven in terms of overall satisfaction with services but fall in the bottom five for HDI.

#### **Box 4.7. MECHANISMS FOR PARTICIPATION IN MUNICIPAL DECISION-MAKING**

In terms of institutional mechanisms, Regulation 2000/45 makes several important references to public participation:

- Section 8 - stipulates that the municipality must hold a minimum of two public meetings per year and that any person or organization has the right to present a petition to the Municipal Assembly.
- Section 4.1 regarding municipal regulations - the municipal Statute shall make provision for the adoption of municipal regulations "after public consultation".
- Section 7.1 - all members of the public, including press, shall be admitted to all meetings of the Municipal Assembly and its committees.
- Section 7.2 - any person may inspect any document held by the municipality.
- Section 7.5 - the municipal Statute may make provision for the public to participate in Assembly meetings.
- Section 21.4 - allows assembly committees to co-opt members who are not members of the Municipal Assembly.

## Participation in local government in Kosovo

"Kosovo Mosaic: Perceptions of Local Government and Public Services in Kosovo" noted in January 2003 that 63% of Kosovans were satisfied with their Municipal Assembly and 52% believed their municipality was heading in the right direction. Nevertheless, the same survey revealed a troubling lack of engagement or interest in the work of their local community. Only 30% of respondents expressed a willingness

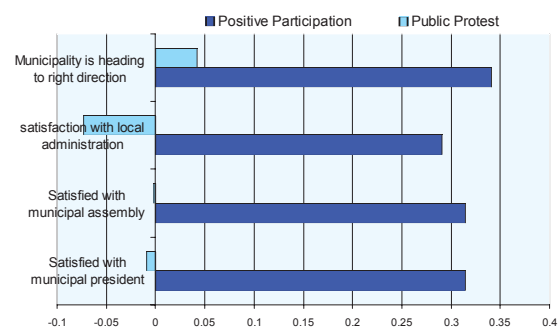
## Theory of decentralization

Decentralization is categorized in two broad categories: horizontal (diffusing power among institutions and agencies at the same level) and vertical (devolving some powers to lower levels; such as regions, local governments and village councils). Whereas horizontal decentralization is desirable for common monitoring, it decreases direct accountability. Vertical accountability, on the other hand, meets political and/or administrative demands of communities at a lower level.

### Box 4.8. SATISFACTION AND POSITIVE PARTICIPATION:

1. People in municipalities with higher satisfaction rates also have higher positive participation rates.
2. The strongest relationship is between positive participation and satisfaction with the direction in which the municipality is heading.

### RELATIONSHIP BETWEEN SATISFACTION AND PARTICIPATION



to work voluntarily on various issues in their municipality. Similarly, the UNDP HDS indicated low levels of participation in various activities (see also **Chapter Three**). More importantly, for local government, less than 1% of people participated or believed that they were beneficiaries of local government projects. Furthermore, few people (just 13%) felt they could influence decision-making in their municipality - only 1% more than those who felt they can influence decision-making at the central level.

There might be different interpretations of these divergences; however, one of the guiding principles for participation is that regulations are simple and institutions are accessible<sup>29</sup>. For effective governance and citizen participation in the decision-making process, a clear understanding of the division of roles and responsibilities between the local and central authorities is needed<sup>30</sup>. In Kosovo, the division of competencies between local (PISG) and international (UNMIK and KFOR) governance structures needs to be clarified urgently.

There are three types of vertical decentralization:

- *Deconcentration* - "devolve only administrative powers of the central level which can be invoked at any time";
- *Delegation* - "passing some authority and decision-making powers to local officials"; and
- *Devolution* - "decision-making powers given to local authorities and allowing them to take full responsibility without reference back to central government".

While deconcentration and delegation effectively mean that power remains with the center, the success of devolution in terms of increasing political participation depends ultimately on the quality of representation from local institutions<sup>31</sup>.

### Advantages

Decentralization can increase oversight and accountability of tax collection and budgetary spending. Experience from other coun-

"Central or local government, UNMIK or Belgrade, which institutions can be held accountable for what? Local government should be judged vis-à-vis its specific competencies. But what if these competencies are not clearly defined?" *Kosovo Mosaic, 2003*

tries show that schools or hospitals that rely on local funding are more efficient, and operate at a lower cost. Supervision of schools by local people has also improved teacher attendance.

It is often said that decentralization promotes development, although in reality the relationship is probably mutually reinforcing. As local interest in relevant projects increases, so too can social mobilization and volunteerism. Economic participation can also be increased by decentralized investment strategies that promote small-scale industries and make better use of local resources, raw materials, and skills.

### *Disadvantages*

There are a number of inherent disadvantages to decentralization, but these can be avoided if the process is well managed. Decentralization can empower only local elites and does not automatically produce efficiency gains, thereby adding to costs rather than reducing them. Another risk is that the benefits of decentralization in terms of improved service provision can be offset by losses in economy of scale. Standards can also slip. The involvement of communities often increases the quality of services, but sometimes, despite the proximity of the end-users, the distance from central government results in lower-quality services. In this regard, it may increase disparities between different social groups.

### Accountability and local government

The present confusion over who is responsible for what, especially in relation to service provision (see Box 4.9), stems from an overly complex and confusing system that makes lines of responsibility unclear and prevents citizens from holding their government accountable. During consultations, municipal officials repeatedly raised the concern that municipalities are usually viewed as having more competencies or authority than they actually possess, which can undermine their legitimacy in the eyes of their constituents when they don't produce expected results. However, civil society organizations have criticized Municipal Governments for using the ambiguity of

competencies to excuse their passivity and poor service delivery, arguing that municipalities rarely take any action to better inform the public on competencies<sup>32</sup>.

### Decentralization in the Kosovo context

According to the HDS, people in Kosovo believe they can influence decisions regarding their neighborhood much more than

#### **Box 4.9. CONFUSION OVER RESPONSIBILITIES**

The extent of respondents' confusion was determined by asking the respondents which authority they believed to be responsible for the functioning and development of each service.

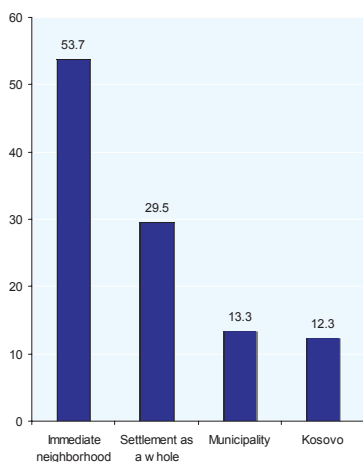
Respondents offered several authorities in answering this question: local municipal authorities, Kosovo central authorities, UNMIK, public enterprise and Belgrade authorities. The level of confusion was measured by the extent of the variance among the choices on a per-service basis that is, the amount of times different respondents selected different authorities for the same service. The variances are very high for all services across Kosovo.

Another indicator of confusion was the extent to which a high percentage of respondents attribute responsibility to the local authorities for competencies clearly in hands of UNMIK, as per Regulations. For example, a majority of respondents attributed responsibility to local municipal authorities for consistency of water supply and sewage and sanitation (66% and 65% respectively). While Regulation 2000/45 states that municipalities are responsible for providing these services, Regulation 2000/49 establishes a Department of Public Utilities and public enterprises for the provision of these services. According to Regulation 2000/49, (See Regulation 2000/45 Section 3.1 (f), and Regulation 2000/49 Section 1.2 and Section 2.2 (f, g)) the command and control structure of these enterprises are not in municipal hands. Similarly, it is not possible to ascertain whether the majority of respondents had the "right" or the "wrong" answer for every service because in some cases the division of competencies is poorly defined -not just poorly understood by the Kosovan public. Consequently, it could be argued that a "right" answer does not exist for certain services.

*UNDP, Kosovo Mosaic, 2003*

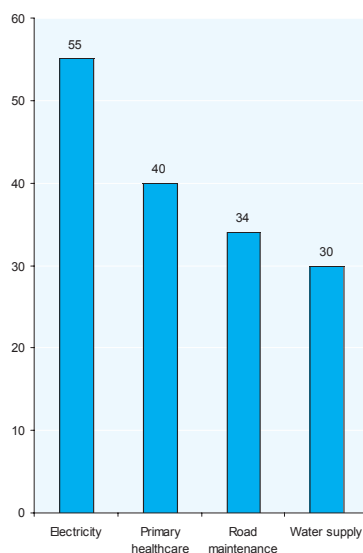
decisions regarding their municipality or Kosovo as a whole (see Figure 4.2 below). There is a perception that the closer people are to decision making, the more influence they can exert. This point is illustrated in the "Kosovo Mosaic", which reported that people would like to see the transfer of the most basic services, such as electricity, to Municipal Governments (see Figure 4.3). The HDS also revealed that the closer the household is to a health or educational facility, the higher the chance that a member of the household is a local government official or political party member (see Table 4.2). The "connections" of inhabitants in rural areas drastically decrease with physical distance from the center, as does their influence. Aspects of decentralization are thus an urgent priority; otherwise Kosovo might experience gradual deterioration of living conditions in rural areas and massive urban migration.

**FIGURE 4.2 PERCENTAGE OF PEOPLE THAT THINK THAT THEY CAN INFLUENCE DECISION-MAKING BY DISTANCE OF DECISION-MAKING PROCESS**



Source: UNDP Kosovo, HDS 2004

**FIGURE 4.3 SERVICES THAT WOULD FUNCTION MORE EFFECTIVELY AT THE LOCAL LEVEL**



Source: Kosovo Mosaic, 2003

Even though ordinary people place great faith in decentralization, different institutions and civil society have expressed concern with regard to the process. In the Kosovan context, decentralization has been politicized along ethnic lines. This polarization can be reduced through a process that ensures participatory mechanisms for all communities. The proposal on decentrali-

sation from the Council of Europe is discussed in **Chapter Six**.

**TABLE 4.2 DISTANCE FROM HEALTH AND EDUCATION FACILITIES AND LIKELIHOOD OF POLITICAL ACTIVITY.**

Distance to nearest basic health and educational facilities	Member of the household in local government or political party (%)
Less than 1 km	52.375
From 1 to 3 km	34.675
From 3 to 5 km	9.325
From 5 to 10 km	3.05
Over 10 km	1.2

Source: UNDP Kosovo, HDS 2004

Due to the ethnic conflict and small size, Kosovo must focus on political solutions rather than administration carve-outs, or "cantonization". Too many layers of government are unnecessary or counterproductive. Due to the need by the K-Serb community to have vital processes in its own hands, and the fear of the majority K-Albanian community that any administrative solutions may lead to the division of Kosovo, a solution must be found that empowers all ethnic communities and reassures them that power will not be arbitrarily taken away without their consent.

## Justice and security sector governance in Kosovo

This section seeks to identify the relationship between human development and the themes of participation and representation, or lack thereof, in the justice and security sector (see Box 4.10). For the purposes of this report, only the police services, judiciary/correctional services, the civil emergency services and those civilian institutions charged with management and oversight of these bodies will be reviewed.

Given Kosovo's current political status, many sectors remain reserved powers of UNMIK. As such, Kosovan institutional participation and representation is heavily restricted or non-existent. Under UN Security Council Resolution 1244 and the 2001 Constitutional Framework, the Kosovo Police Services (KPS) and Judiciary/Corrections Service are placed under the authority of the Deputy Special Represe-



ntative for the Secretary General (DSRSG) for Pillar One (Police and Justice). On the other hand, the civilian emergency organisation, the Kosovo Protection Corps (KPC), is placed under the combined international authority of UNMIK's Special Representative for the Secretary General (SRSG) and NATO COMKFOR (Commander Kosovo Force). That said, it should be pointed out that Kosovans essentially form the backbone of the police and judiciary systems. There are in fact more than 6,000 KPS officers (of which 15% are women)<sup>33</sup>, and only around 15 international prosecutors. Moreover, more than 90% of criminal cases and nearly 100% of civil cases are heard by local judges.

**Box 4.10. THE JUSTICE & SECURITY SECTOR DEFINED**

Broadly speaking, the justice and security sector is defined as the basket of institutions including, but not limited to: those authorized and organized by the state to use coercive force, including the police services, defense forces, civil emergency organizations, intelligence services, paramilitary forces, border control, corrections, and the judiciary. The sector also encompasses civilian institutions charged with management and oversight - the executive (including Presidential/Prime Ministerial offices, National Security coordination bodies, and Ministries such as Defence and Justice), the legislature (Parliament, Assemblies and their relevant Defence, Justice Committees), and financial control mechanisms managed, for example, by the Finance Ministry and Parliamentary Finance Committee.

*The human development case for democratic, civilian oversight of the justice & security sector*

Fair, transparent, accountable, and effective public institutions are key building blocks in the creation of the socio-economic environment necessary to ensure human development in Kosovo. Without democratic oversight of security institutions and equitable access to justice, human development will be held back.

Kosovans know all too well that security institutions can prey on the most vulnerable members of society, hampering their daily struggles for survival and curtailing their

basic freedoms. Throughout history, authoritarian governments have resisted or overturned moves towards greater participation and representation - arguing that democracy is incompatible with public order and personal security<sup>34</sup>. But the record suggests that the opposite is true: democratic, civilian oversight of the justice and security sector, far from jeopardizing personal security, is in fact essential to it.

The Serbian-led Yugoslav security forces and judiciary failed to represent the needs and aspirations of most citizens and, at times, decidedly sought to undermine Kosovan participation in decision-making about issues that directly affect their lives. Conflict (both non-violent and armed struggle) was the inevitable result. Today, Kosovan participation and representation in the justice and security sector is still restricted. At the same time, the presence of parallel structures continues.

The poor and vulnerable universally cite weak security as a major obstacle to their human development. In a recent survey, 81% of Kosovans interviewed believed Kosovo's security situation either improved or remained the same in 2003, and 56% perceive the performance of the KPS as excellent or good<sup>35</sup>. However, K-Serb respondents were almost twice as likely to believe security conditions had deteriorated during the same period (29% compared to 16%).

**TABLE 4.3 KOSOVO GENERAL BUDGET 2004 SUMMARY OF APPROPRIATIONS: JUSTICE AND SECURITY**

Kosovo General Budget 2004	Appropriations in Euro FY 2004-2005	Percentage of Total Appropriations
Public Order and Security (KPS, Judiciary etc)	80 861 846	12.78%
Kosovo Police Service	52 960 000	8.37%
Justice (including Department of Judicial Admin)	14 228 250	2.25%
Correctional Service	11 000 000	1.73%
Total	632 325 922	100.00%

Source: MFE, Kosovo Consolidated Budget, 2004

Many countries are caught in a vicious circle of poverty and conflict, particularly those lacking robust judiciary and security institutions to maintain peace and order. However, in many countries, the extensive powers of the judiciary and police services can be the greatest obstacle to building truly open, democratic institutions. Justice

and security are not simply exercised by governmental (or non-governmental) actors against individuals and communities; they must be properly applied through civilian management and oversight of these institutions. This is a fundamental element of democratic governance and the rule of law. In Kosovo, establishing a unified and accessible system (including the dismantling of parallel structures) is a chief priority for rule of law.

While the government has the responsibility to provide its citizens with justice and security, no government can be secure or prosperous if its people are fearful of its justice and security providers. This is especially true in societies recovering from violent conflict and transitioning from authoritarian institutions and practices.

### *The Kosovo Standards Implementation Plan: the road ahead*

The international community views high standards of good governance among Kosovo's nascent public institutions as a prerequisite for discussions about Kosovo's future political status. Consequently, after months of consultations between the PISG and UNMIK officials, the Kosovo Standards Implementation Plan (KSIP) was made public in late March 2004. It can be viewed as a "road map", against which the development of Kosovo's justice and security sector can be measured.

- *"The "Standards for Kosovo" describe a Kosovo where public institutions are representative and democratic, where the rule of law is effective, respected and accessible to all...<sup>361</sup> Every effort should be made to begin to engage citizens and local institutions in dialogue about all aspects of governance and respect for the rule of law, including in sensitive areas where powers have yet to be transferred to the PISG. In strong democracies, even the most delicate official issues are subject to civilian oversight and, often times, public scrutiny.*

- *"The KSIP describes actions to be undertaken by the PISG and other institu-*

*tions to achieve the standards. UNMIK's actions, in most parts of the Plan, are in support of the PISG. In some cases, in particular for areas of reserved competence (such as the Rule of Law), UNMIK bears the primary responsibility for action, since it bears legal and functional responsibility for these Standards<sup>137</sup>.*

- *"In light of the violence of 17-20 March 2004, the immediate priority is the establishment of the rule of law, the prosecution of perpetrators, and public respect for law and order"<sup>138</sup>. Although competency rests with UNMIK, regular consultations about law and order issues with PISG counterparts, as well as civil society leaders, can greatly contribute to the restoration of the stability required to effectively address the sources of the recent violent outburst.*

- *"It is essential that Kosovo's institutions, including the institutions of government, the Assembly and municipal-level bodies make more progress in allowing the full participation of all communities and in producing and implementing policies that fully protect the rights and reflect the needs of all communities<sup>139</sup>. The protection and promotion of human rights involves all levels of government and must cut across all public institutions, but especially justice and security sector institutions.*

Despite the myriad challenges facing an expansion of participation and representation in Kosovo, there are signs of progress in the security sector that should be encouraged. The capacity built over the last five years, is the foundation for any future decision-making responsibility of Kosovans in this sector.

As a living document, the KSIP will be reviewed and revised in the coming months to ensure that actions implemented in the near-term maximize progress toward achieving the Standards. For example, the section on returns and freedom of movement is undergoing changes in light of the March events, in order to ensure that planned actions can meet the Standards. Just one year remains until July 2005. Thus, concerted attention must be taken to

build up civilian management and oversight responsibilities in the justice and security sector, in order to better prepare for a new set of operational realities. These are likely to include:

- Significant reductions in UNMIK Police, as well as in international staffing for the Department of Justice (see Table 4.4);
- The transfer of most regional policing operations to the KPS, with central head-quarter functions handed over by mid-2006. By this time, the KPS should have become a fully self-sustained entity funded from the Kosovo Budget<sup>40</sup>; and
- The further development of the Liaison Office on Public Safety, established in January 2004 in the Office of the Prime Minister, to increase information flows on matters relating to law and order.

**TABLE 4.4: REDUCTIONS IN THE UNMIK POLICE**

Date	Total KPS	Total UNMIK-P
Percentage Increase/Decrease	20% Increase	18% Decrease
December 2003	5 704	3 735
September 2003	5 769	3 727
June 2003	5 207	4 067
March 2003	5 247	4 389
October 2002	5 240	4 274
June 2002	4 770	4 524

Source: UNMIK Police Press Office

As the transfer of operational and policy responsibilities accelerates, special attention should be given to engaging civilians (both inside and outside of government) in the management and oversight of Kosovo's justice and security actors. A policy framework that balances the interests and participation of various actors in the justice and security sector - including local and central governments, the executive, the legislature, the media, and civil society - will improve the inter-related goals of democratic governance and human development.

The analysis presented in this chapter has highlighted some primary challenge for *deepening* and *widening* democratic gover-

nance in Kosovo; however, many other significant issues could not be covered here. **Chapter Five** will focus on the "Silent Majority" in terms of participation: vulnerable groups largely left out of the process. In this vein, **Chapter Six** recommends key policy and institutional reforms for expanding citizen participation and representation and enhancing good democratic governance in Kosovo.



# THE SILENT MAJORITY

## Introduction

"The strength of a society can be measured by how it treats its weakest members..." **Mahatma Gandhi**

Participation and representation are aimed at empowering people to have a meaningful voice in decision-making and to hold their leaders accountable. But what about the least powerful members of society, who often have little time to exercise their political rights in their struggle to survive in daily life? From uneducated women and unemployed youth, to minorities that fear for their safety and the disabled and elderly who require daily attention, Kosovo has its fair share of "vulnerable" groups that are marginalized in society. Whose responsibility is it in Kosovo to ensure that their critical issues - often involving life or death considerations - are prioritized in a government preoccupied with countless daily competing pressures?

Regardless of how open to participation governance structures are, or how representative they might be, certain social groups can easily, and innocently, be left out of the decision making process, and by implication the process of development. As noted in several HDRs, almost every country, rich and poor alike, has one or more ethnic groups that does not fully benefit from the fruits of development and whose level of human development is far below the national average<sup>1</sup>. As the Regional HDR "Roma in Central and Eastern Europe" illustrates, marginalized groups, such as the Roma, require special attention and policies to facilitate their mainstreaming into society<sup>2</sup>.

This chapter focuses attention on some of these vulnerable groups, particularly women, unemployed youth, subsistence farmers, and minorities, especially RAE (Roma, Ashkali, and Egyptian). While recognizing that this is by no means an exhaustive list of the most marginalized people in Kosovo, this chapter will provide a more in-depth discussion of those groups found in **Chapter Two** to be at the lower end of the human development scale. Mention will also be made of other marginalized groups, including people with disabilities and trauma

related disorders, five years after the end of the conflict.

When the democratic principles of participation and representation succeed in securing human development, every effort is made to help the most vulnerable groups. Their voices and influence over decision-making could be easily disregarded without the support of champions of social justice that can actively speak out and lobby on their behalf. On the one hand, the agenda to tackle the many obstacles facing Kosovo's disadvantaged is vast and complex. On the other hand, networks for change and the availability of human resources, both within civil society and government, are impressive. Perhaps most encouraging is when "vulnerable" or socially stigmatized individuals employ their inner strength and creativity to drive their own development and to improve living conditions within their communities. Although a slow and arduous process, this is precisely the challenge faced by thousands of Kosovans and their families seeking better livelihood opportunities, as well as equality before the law.

## Women

As in many other East European countries, socialist arrangements that "guaranteed" gender equality and traditional customs alleging respect for women, gave rise to the argument that Kosovo did not need special laws, institutions, or spokespersons for women. New arrangements, it was argued, would only marginalize women as a special interest group and "ghettoize" their concerns. As shown in Box 5.1, this view has not prevailed in Kosovo and much has been achieved in terms of gender mainstreaming. Indeed, as discussed in Box 5.2, the promotion of gender equality has become an integral part of Kosovo's political development.

## Poverty of opportunity

Despite these achievements, many challenges still need to be overcome to ensure that Kosovan women are afforded equal opportunities. Kosovo has much to gain from the proactive engagement of women in the political, social, economic and cultur-

*Regardless of how open to participation governance structures are, or how representative they might be, certain social groups can easily, and innocently, be left out of the decision making process, and by implication the process of development*

### Box 5.1. GENDER MAINSTREAMING

The United Nations defines Gender Mainstreaming as the "process of assessing the implications for women and men of any planned action, including legislation, policies or programs, in all areas and at all levels. It is a strategy for making women's as well as men's concerns and experiences an integral dimension of the design, implementation, monitoring and evaluation of policies and programs in all political, economic and societal spheres so that women and men benefit equally and inequality is not perpetuated".

"Gender Mainstreaming in Practice: A Handbook" (UNDP: Regional Bureau for Europe and CIS)

Gender mainstreaming in Kosovo is being defined through the formation of institutional mechanisms, laws, offices, standards, and the coordination of activities whose aim is "the empowerment of women in Kosovo." In this regard, the Office for Good Governance, which formed under the auspices of the Office of the Prime Minister, is working on a range of policies and strategies:

- Establishing civil administration and services, at the local and central level, based on international standards;
- Institutionalizing of gender issues and gender equality in Kosovo;
- Designing of a policy promoting gender equality in civil administration;
- Improving the role and furthering the position of women in decision-making processes; and
- Creating more successful cooperation between local institutions and civil society.

Increasing better cooperation between all parts of the chain that govern Kosovo, particularly the executive and legislative branches, with gender equality and women's role in society as a principle and foundation<sup>1</sup>.

In Kosovo, several institutional mechanisms have been created to date, including:

- The Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) is a part of the Constitutional Framework in Kosovo<sup>2</sup>.
- The UNMIK Gender Office;
- The Office for Good Governance, Human Rights, Equal Opportunities and Gender Issues, housed in the Office of the Prime Minister;
- The Commission for Equal Opportunities and Gender Issues in the Kosovo Assembly;
- Inter-ministerial group for Gender Equality, within the Government of Kosovo;
- 10 representatives of ministries for gender issues;
- 30 municipal offices for gender issues;
- 12 committees for gender equality in municipal assemblies;
- The Office of the Ombudsperson;
- The Law on Gender Equality;
- The Anti-discrimination Law; and
- The Action Plan for Reaching Gender Equality.

One important success that has been achieved in Kosovo is the requirement that at least 30% of parliamentary seats be held by women.

<sup>1</sup> Taken with permission from KWI report on the conference "Are we in the right direction of empowering women in Kosova," (in the press 2004). Presentation by Cyme Mammutaj, Advisory Office for Good Governance, Human Rights, Equal Opportunities and Gender Equality at the Office of the Prime Minister.

<sup>2</sup> The Convention on the Elimination of All Forms of Discrimination against Women (CEDAW): "Countries that have ratified the CEDAW are committed to realizing equality between women and men through ensuring women's equal access to and equal opportunities in political and public life, as well as education and employment. Moreover, the committee responsible for overseeing the implementation of CEDAW periodically issues recommendations that can guide countries in concrete action to eliminate gender discrimination." In Astrida Neimanic and Arkadi Tortisyn, "Gender Thematic Guidance Note #2," UNDP Human Development Report Office/National Human Development Report Series, July 2003, 8.

al arenas. However, many women experience a poverty of opportunity, not just in terms of educational attainment as seen in **Chapter Two**, but also in terms of their prescribed social roles. This section analyzes the particular challenges facing Kosovan women at home and in the labor market.

### Treatment of Women at home

The home is a common space where gender inequity is manifested, and Kosovo is no exception. As noted by Folbre<sup>3</sup>, "transition" in Eastern Europe created a disequilibrium of unpaid work between women and men. The elimination of services previously provided for free by the state (health-care, child-care, and so on) has all too often resulted in women's filling of the void and bearing the burden of change. In Kosovo,

an increasing amount of labor such as domestic work and child care is relegated to women. In addition, support for women's education in families is low or lacking. Similarly, improving women's participation in public life (governmental and non-governmental organizations alike) and building social capital among this group is not widely championed. Socio-economic realities such as these discourage Kosovan women from seeking a better standard of living and from voicing their unique concerns.

### Preference for boys

The disfavored position of women in Kosovan society is well illustrated by the preference for having male children. According to the Kosovo Demographic Health Survey<sup>4</sup> when respondents were

### Box 5.2. CHANGING GENDER REGIMES IN KOSOVO

The disintegration of state socialism and the end of the Cold War have brought to Eastern European societies immense transformations: changes in political systems; attempts to develop open markets; civil society; and a free media; property restitution; and even conflict, have shaped what various researchers have coined "transition pains". Attempts to restructure state and legal institutions and to redefine conceptions of justice and equality underline all these transitional processes. Redefinitions of gender roles and women's movements have been integral to these transformations. Often through violent means, such as the sexual violence committed during the ethnic conflicts in Yugoslavia, "gender" transformations have been at the core of attempts to establish political legitimacy and authority for new political formations (nation-states, "democracy," NATO and EU membership, etc.).

The previous socialist regime instituted guarantees and legal protection to ensure women equal rights in employment, property matters, and various other arenas. The opening of the University of Prishtinë/Priština in 1968 was a pivotal event not only for education in Kosovo as a whole, but particularly for women's education. Reforms to the Yugoslav Constitution in 1974 provided greater political rights to women, at a time when primary education became mandatory and illiteracy rates dropped significantly. Women increasingly joined the ranks of doctors, lawyers, economists, university professors, etc. Nonetheless, women continued to be responsible for traditional labor roles and were paid less than men. The combination of legally prescribed equal opportunities and socially mandated roles for women as housewives, mothers, and caregivers, created what many have called "the double burden". In Kosovo, for example, even as education and employment rates for women significantly increased, but birth rates continued to be the highest in the country.<sup>1</sup>

An important shift occurred in the early 1990s as Yugoslavia's disintegration began. Calls for pluralism and the formation of new political parties fostered an environment conducive to the creation of women's non-governmental organizations (e.g., *Motrat Qiriazi, the Center for the Protection of Women and Children*) and feminist-oriented political circles began to assert themselves. *The Women's Forum* within the LDK (Democratic League of Kosova), was a particularly important early vehicle to organize and encourage Albanian women to participate in political life. These different forums created the foundation upon which other women's organizations and networks were later formed, addressing all the different concerns of women in Kosovo (in rural and urban areas, among educated and uneducated women, mothers, professionals, activists, etc.). At the same time, emerging nationalist discourses brought with them new forms of domination, and what many have called a "return to traditional values." Mobilized in all the ways noted by Yuval-Davis and Anthias, women became the "reproducers" of the nation.<sup>2</sup> There was enormous social pressure that Albanian women should first fight for their independence, and then worry about gender equality. In the post-war period, this is no longer the main aim of most women's activists and members of civil society. The emancipation of women is seen as a fundamental process of Kosovo's political development.

*Note: Often overlooked is the fact that these political shifts brought redefinitions of manhood and the role of men in society as well. Constructions of masculinity based on martyrdom, heroism, and patriotism have been dominant in Kosovo, for K-Albanians and K-Serbs alike. This remains a relatively un-researched aspect and will remain so as long as "gender" is used synonymously for "women". In order for the analysis of GDI to be placed within a "holistic" gender mainstreaming approach,<sup>3</sup> it must also include an analysis of socially prescribed men's roles.*

<sup>1</sup> Janet Reineck, "Seizing the Past Forging the Present: Changing Visions of Self and Nation Among the Kosova Albanians," in *Anthropology of East Europe Review*, Autumn 1993 (Special Issue: War Among the Yugoslavs).

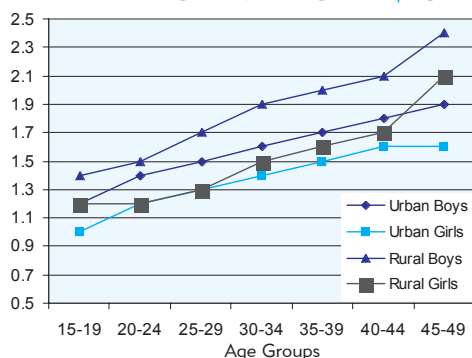
<sup>2</sup> Nira Davis-Yuval and Floya Anthias, Eds., *Women-Nation-State* (New York: St. Martin's Press, 1989). As biological reproducers of members of ethnic collectivities; as reproducers of the boundaries of ethnic/national groups; as participating centrally in the ideological reproduction of the collectivity and as transmitters of its culture; as signifiers of ethnic/national difference-as a focus and symbol in ideological discourses used in the construction, reproduction, and transformation of ethnic/national categories; as participants in national, economic, political, and military struggles.

<sup>3</sup> Astrida Neimanic and Arkadi Tortisyn, "Gender Thematic Guidance Note #2," UNDP Human Development Report Office/National Human Development Report Series, July 2003.

asked about the number of boys and the number of girls they desire to have a marked preference for sons was recorded. On average, women would prefer to have

22% more boys than girls. As can be seen from Figure 5.1, rural women want more children than urban women, and older women want more children than younger women.

FIGURE 5.1: PREFERENCE FOR BOYS BY AGE AND BY URBAN/RURAL



Source: KDHS, SOK 2004

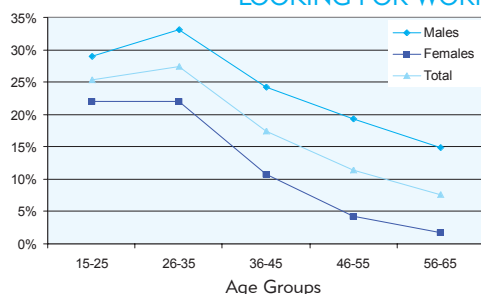
### Women in the labor market

The majority of women in Kosovo (69%) do not participate in the labor force, and in rural areas three-quarters of all women do not work in the formal labor force.

As shown in Figures 5.2 and 5.3 closer analysis of the HDS reveals some disturbing trends in the choices afforded to many women in Kosovo. As perhaps expected, the percentage of women who do not par-

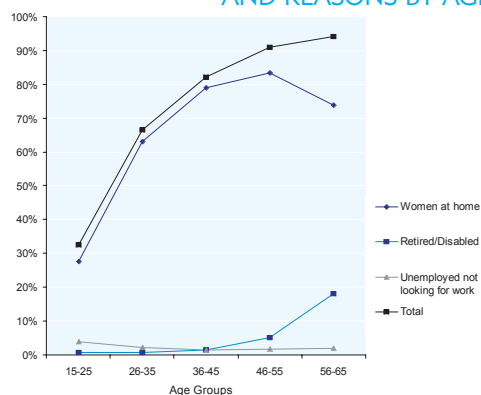
participate in the labor force is higher in municipalities with a lower HDI, and higher still where total unemployment is greater. In municipalities in which women are less educated, the share of women remaining at home is also higher.

FIGURE 5.2: UNEMPLOYED AND LOOKING FOR WORK



Source: UNDP Kosovo, DHS 2004

FIGURE 5.3: PERCENTAGE OF WOMEN OUT OF THE LABOR FORCE AND REASONS BY AGE



Source: UNDP Kosovo, DHS 2004

The percentage of unemployed women actively seeking work tends to significantly drop once they reach the age of 26. At this age most get married and disengage from the labor force.

### Gendered division of labor

Dissecting the aggregate figures, the HDS reveals that over 85% of the women who do work are employed in the service sector, while just 8% work in industry, and about 6% in agriculture. A 2003 survey<sup>5</sup> of Small and Medium Enterprises (SMEs) in Kosovo, revealed that 23% of those employed in the sector are women, and only 6% of SMEs are owned by women. Less than 30% of legislators, senior officials and managers are women, and similar figures apply for professional and technical positions.

The current election regulations mandate a 30% quota for women. Because of this, 30% of Kosovan Assembly Members are women. Although eight out of 19 heads of assembly committees are women, only one woman is currently a Minister in the Government and no women head Municipal Assemblies. In senior positions of Municipal Government, women are considerably outnumbered by men. Out of a total of 326 Municipal Department Heads, only 22 are women split evenly between Kosovan Albanian (K-Albanian) and Kosovan Serb (K-Serb) women. As discussed in **Chapter Four**, women are also largely missing from leadership structures within political parties at the central and local levels.

As discussed above, much has been done to improve the standing of women in Kosovan society and to promote their inclusion in public life; however, challenges remain. Suggestions for specific reforms in this regard are presented in **Chapter Six**.

### Youth

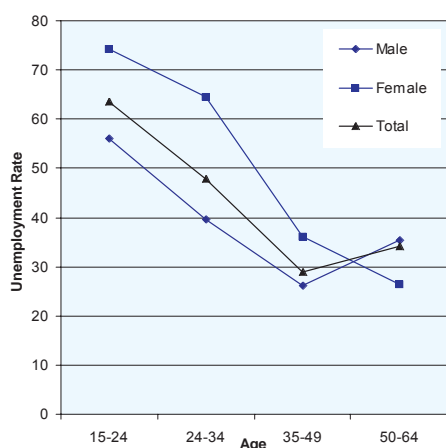
Young men and women in Kosovo (under age 25) constitute 52% of the population and are a valuable human resource to be capitalised upon in Kosovo's future development. This social group must be afforded incentives and opportunities to place them on an equal footing with their European counterparts, or at least to address current levels of vulnerability.

### Unemployment

Kosovan youth face immense challenges, not least of which is a staggeringly high rate of unemployment; this is over 63% for those aged between 15 and 24 years. According to the SOK<sup>7</sup>, as much as 85% of 15 to 19 year olds and recent graduates or school dropouts are unemployed. Figures from the Department of Labor and Employment<sup>8</sup> show that in 2003, youth suffered the highest increase in unemployment (14.6%). The unemployment rate among young women is 74%, (see Figure 5.2), while for young men it is 56%. Given that just about a third<sup>9</sup> of the population is under the age of 14, the job crisis facing a future generation of Kosovans is even more alarming.



FIGURE 5.4: UNEMPLOYMENT BY GENDER AND AGE



Source: UNDP Kosovo, DHS 2004

## Challenges entering the labor market

The challenges facing young entrants to the labor market in Kosovo warrant attention. Upon entering the labor force, young Kosovans join an already large pool of people (approximately 580,000<sup>10</sup>) who also are in search of meaningful participation in the economy. And yet, their skills are shaped by an educational system of questionable quality. Thus many are under tremendous pressure to take informal jobs, such as street vending and so on. According to the World Bank<sup>11</sup>, lack of practical knowledge and work experience, combined with low skills, represent a key barrier to employment entry for graduates and dropouts. As discussed in **Chapter One** the enrollment rate in tertiary education in Kosovo has decreased. The lack of development in the education sector has meant that there are insufficient places available for the large youth population. A recent Report from the Riinvest Institute highlights the urgent need for reforms in the sector to properly prepare Kosovo's young population for the labor market needs of the 21st Century<sup>12</sup>. Otherwise it is likely that many young people in Kosovo will remain unskilled over long periods of time, have lower wage levels, and, as a result, be increasingly vulnerable to slipping into poverty. As elaborated in **Chapter Six**, special efforts must be made to create better opportunities and choices for this pivotal social group.

## The rural poor

As noted in **Chapter Two**, poverty incidence is highest in rural areas, where approximately 60% of the population resides. Three times more people live in extreme poverty<sup>13</sup> in rural areas compared to urban areas. Particularly alarming is the fact that the percentage of rural citizens living on USD \$1 a day or less (11 %) and the percentage of people without access to piped water (48%) shows no sign of improvement.

## Subsistence farmers

Over 57 % of rural households report that self-production provides a significant share of their household food needs (see Table 5.1).

TABLE 5.1: SHARE OF SUBSISTENCE FARMING

	Rural (%)	Urban (%)	Total (%)
No home production	26.6	80.3	51.4
Insignificant	15.8	7.4	11.9
Significant	57.6	12.2	36.6

Source: UNDP Kosovo, HDS 2004

Remittances from relatives abroad, which are estimated to be approximately 500 million Euros per year<sup>14</sup>, are still an important economic crutch for a large number of rural Albanian households. For many rural people, agricultural development could help reduce the dependence on remittances whilst also providing a way out of poverty. However, there is presently little incentive or opportunity to move beyond subsistence farming, the predominant form of agricultural activity in Kosovo today. Some 80 % of farms are sized between 0.5 and 2.0 hectares<sup>15</sup>. Given such small land holdings, access to credit is limited; moreover, land titles remain uncertain for many. The World Bank has also noted a lack of technical expertise and poor use of modern inputs among farmers. For example, livestock producers were found to have limited knowledge of least-cost feeding requirements and veterinary needs, resulting in very low milk yields<sup>16</sup>.

Subsistence farming is both an indicator and a consequence of poverty. In Kosovo, the number of people who live at this level and hence on the fringes of the socio-eco-

### Box 5.3. SOCIAL CAPITAL AND COOPERATIVES

The concept of "social capital" advocates the creation of social value-added in response to society's needs, building a model for developing practical experience of democracy that encourages both economic and citizens' participation.

Social Capital is essentially built through co-operatives, mutual societies, associations and foundations. Its four intrinsic areas of development are: 1) social, democratic, and participatory entrepreneurship; 2) employment and social cohesion/inclusion; 3) local development; and 4) mutual social protection.

Co-operatives, probably the most common "legal form" of social economy, are associations of people who voluntarily come together to advance their common economic, social, and cultural needs and aspirations through jointly-owned and democratically controlled enterprises. They are not the same as socialistic enterprises or state-controlled co-operatives.

There are many examples of co-operatives in Europe, as well as in other regions, that have become successful actors in a globalized

market economy. In most of the transitional economies (particularly in Eastern Europe) co-operatives are the engine of agricultural development. Agricultural co-operatives are said to offer various advantages, such as:

- Improving the bargaining power of farmers (input suppliers and processors);
- Permitting farmers to exploit economies of scale;
- Enabling improvements in quality by imposing strict standards and quality control to ensure consumer expectations are met; and
- Creating employment and raising farmers incomes.

Participation of farmers in agricultural co-operatives can occur in various ways. A successful example in Kosovo is the Agroflora association of farmers established in Pejë/Pec in 2002. The association is composed of 45 members who are all milk producers. With the support of an Italian NGO, Agroflora, has established and equipped a Collection Center, where milk is processed and sold to local dairy factories. Agroflora, through its Board of Directors manages the center. Milk is paid for on a quality basis, so that farmers have incentives to improve the quality of their product.

economic and political process warrants serious attention. While Box 5.3 illustrates the benefits of agricultural cooperatives, **Chapter Six** offers some further suggestions to promote agricultural development and Area Based Development in Kosovo.

## Minorities in Kosovo

The Statistical Office of Kosovo estimates that, out of a total population of 1.9 million, 88% are Albanian, 7% are Serbs, and 5% are "Others" (Bosniac, Roma, Turk, Ashkali, Egyptian, and Gorani).

The "Standards for Kosovo" Document embraces the ideal of a multi-ethnic Kosovo wherein all people are afforded the same rights and freedoms, and cultural and religious tolerance prevails. As discussed in Box 5.4 and Table 5.2, much has been

done to secure the rights of all minorities in Kosovo. However, at the community level, considerable separation between the communities still exists.

Much attention has been focused on the highly politicized and polarized relationship between K-Albanians and K-Serbs.

TABLE 5.2 COMPOSITION OF THE KOSOVO POLICE SERVICE (JUNE 2003)

Ethnicity	Number	Percent in KPS	Percent in Population
Kosovan Albanians	4.387	84.2	88
Kosovan Serbs	495	9.5	7
Other ethnic minorities	325	6.2	5
Total	5.207	100	100

Source: SOK web site: <http://www.sok-kosovo.org/>

Albanian and Serb political parties are not, as noted by Fred Cocozzelli<sup>18</sup>, differentiated by their stance on economic, political or

*"The Priority for Kosovo should be the building of a stable, civil society which would respect human rights and freedoms regardless of one's ethnic or religious background"*  
**Father Sava Janjic**

### Box 5.4.

Since 1999<sup>1</sup> both the international community and representatives of the PISG have promoted the principles of human and minority rights in Kosovo. Some steps toward this aim have been made to date in many areas:

- Out of 120 seats in the parliament, 20 seats are reserved for minorities an additional 11 have been secured by elections, providing a total of 33 parliamentary seats for minorities;
- Out of ten ministries controlled by the PISG, two have been secured for minorities, one for K-Serbs (Ministry of Agriculture) and one (Ministry of Health) for other minorities (according to agreement rotating between Turks, Bosniacs, and RAE);
- In municipal elections, fewer votes are needed for minorities than for K-Albanians<sup>2</sup>; and
- The Kosovo Police Service (KPS) has a slight overrepresentation of minorities in the service, (see table 5.2).

<sup>1</sup> OSCE and UNHCR, "The Tenth Assessment of the Situation of Ethnic Minorities in Kosovo," March 2003, available from UNMIK website, <http://www.unmikonline.org/press/reports/MinorityAssessmentReport10ENG.pdf>

<sup>2</sup> See Table 3.2, Chapter 3 of this Report.

social development, but rather by their roles in the Albanian-Serb struggle and in the ethno-nationalist politics since the 1999 NATO intervention. While a disproportionate amount of time is spent on aspects of the political transition, issues at the core of development and the concerns of other minorities, such as RAE, Bosniacs, Turks and Goranis, tend to be sidelined. As a result, the possibility for co-operation, co-existence and effective citizen participation in decision making from all communities is diminished.

This section details forms of impoverishment within two minority communities in Kosovo, effectively on the fringes of Kosovan society. The first relates to the harsh economic conditions experienced by many members of the RAE community, while the second concerns the high level of fear and insecurity felt by mostly K-Serbs.

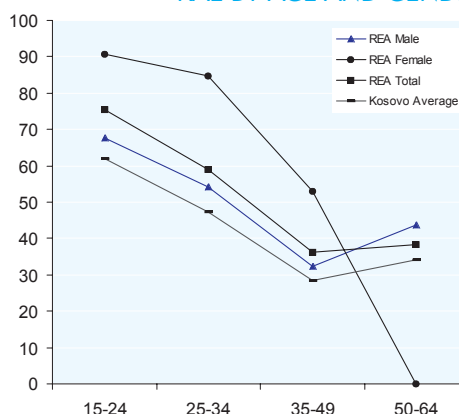
## The RAE community and poverty

The RAE community is perhaps the most marginalized in Kosovo. They generally live in towns and cities and inhabit separate neighborhoods called "Mahalla's". Traditionally engaged in handicrafts and recently doing mostly informal work, human poverty levels are highest among this community (78% live on less than USD \$2 per day). RAE also experience a high rate of unemployment, at 58%.

Some 75% of RAE youth (aged 15 to 24) are unemployed, while 90% of RAE women in this age group are unemployed. Those in the RAE community who do work generally hold low profile jobs: only 8% of working RAE hold legislative and managerial positions, while 11% hold professional and technical positions and no RAE women hold either type of position.

Job prospects for the RAE community are challenged by the relatively low education profile<sup>19</sup> as well as low access to economic resources. Very few RAE finish university and many drop out after primary education. Illiteracy rates among RAE approach 17%, rising to just over 25% for RAE woman.

FIGURE 5.5 UNEMPLOYMENT AMONG RAE BY AGE AND GENDER



Source: UNDP Kosovo, DHS 2004

Compared to other communities, the RAE enjoy the lowest access to economic assets, including land and livestock (over 59% have none)<sup>20</sup>, and the lowest rate of business ownership. Their access to phones, computers, sewage and other basic services is typically the lowest among Kosovan ethnic communities. This lack of access to services and productive resources, constrains their choices and opportunities to improve their standing in life.

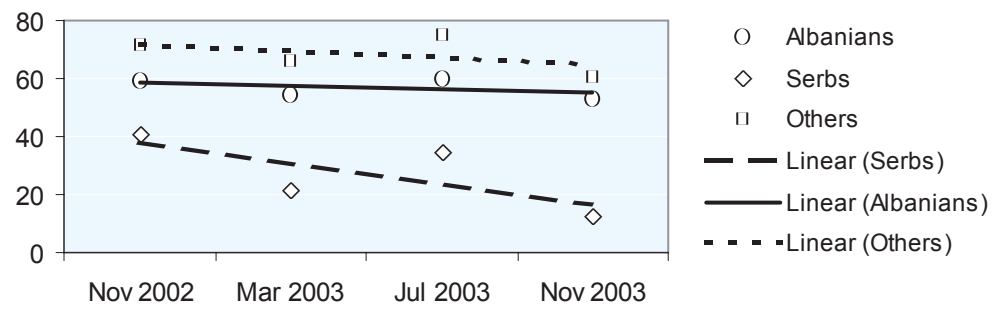
## Kosovan Serbs and security

According to the OSCE and UNHCR<sup>21</sup>, a substantial number<sup>22</sup> of K-Serbs live in Serbia and Montenegro, while those who live in Kosovo are predominantly settled in Mitrovicë/Mitrovica, Leposaviq/Leposavic, and Zubin Potok/Zubin Potok. The remainder live in Gjilan/Gnjilane, Prishtinë/Priština, and Shtërpçë/Štrpce.

As the events of March 2004 graphically illustrated, the risks of ethnic violence remain very real. While "Other" minority communities have experienced substantial improvements<sup>23</sup> in security and freedom of movement, K-Serbs consistently rank security as one of the biggest problems facing Kosovo<sup>24</sup>. As can be seen in Figure 5.6, feelings of insecurity among K-Serbs have risen over the past year.

K-Serbs enjoy relatively higher human development indicators than other communities. However, their incomes are mostly derived from salaries and pensions earned

FIGURE 5.6 THE TREND OF RESPONDENTS' PERCENTAGES THAT FEEL "SAFE" OR "VERY SAFE" ON THE STREET.



Source: Riinvest Institute: Kosovo Early Warning Report # 5, September to December, 2003. Page 25

in parallel structures funded by the Government of Serbia and Montenegro<sup>25</sup>. Many members of this community continue to live in heavily guarded enclaves with limited freedom of movement. This situation can hardly be considered sustainable, and quality of life for most is heavily curtailed by this anxiety.

As outlined in Box 5.5, considerable efforts have been made to foster better inter-ethnic relations in Kosovo. However, much rema-

ins to be done in order to create the enabling conditions for all ethnic communities to proactively engage in political, cultural, social and economic life. Recommendations in this regard are outlined in **Chapter Six**.

#### Box 5.5. CO-EXISTENCE IN KOSOVO

It is often said that toleration is always a relationship of inequality in which tolerated groups or individuals are cast in an inferior position. To tolerate someone else is an act of power, to be tolerated is an acceptance of weakness.<sup>1</sup>

How far then has Kosovan society progressed towards co-existence?

According to Walzer, co-existence requires a politically stable and morally legitimate arrangement. Yet peace in Kosovo is fragile and evolved merely from the absence of war. The concept of an absence of structural violence in society, "positive peace,"<sup>2</sup> does not exist yet. A lack of social and economic resources forcing the population to struggle to survive, coupled with a lack of political culture, have compounded the uncertain and fragile peace.

However, to co-exist requires sharing common values and mutual respect, which has occurred infrequently in post-1999 Kosovo. Developing the value of trust among different groups without confronting the past can be painful and demanding; and yet this process is often the most successful in healing both the victims and perpetrators and ensuring reconciliation and a better and more peaceful future.

"Positive peace" can only be achieved by shaping attitudes in the long-term through education, such as providing civic education and human rights curricula in elementary schools. Such education of youth is a long-term process that should be viewed as a responsibility by all Kosovans who desire a peaceful society where citizens enjoy equal rights and mutual respect.

Confronting the past is necessary to bring about truth, justice and reconciliation with others and with history.

Creating such a "culture of peace" is a formidable challenge, not just in Kosovo, but also in the Balkans as a whole. Some accommodations have been made and positive co-existence programmes initiated by different international and local NGOs to bring ethnic communities together. Direct working-level cooperation already exists in a number of areas through the mediation of UNMIK officials. Though unmediated contact has yet to be established between Prishtinë/Priština and Belgrade in most sectors, the Ministry of Labor and Social Welfare now holds regular monthly meetings with counterparts in Belgrade. In this particular sector, Serbian officials deal directly with the relevant PISG officials with little involvement from UNMIK personnel. Their results so far have included the return of more than 50 people with disabilities to their places of origin.

One project worth mentioning is in the town of Gjilan/Gnjilane, where Kosovo Protection Corps (KPC) members built a Roma Resource Centre and formed a work crew with K-Serbs to reconstruct the City Park.<sup>3</sup> Other activities include collaboration between the Kosovo Women's Network and Serbian Women's Network "Zora" to organize a series of six workshops entitled "Managing NGOs in a New Legal Environment". The workshops, which began in February 2004, will continue throughout the year; four workshops will take place in Kosovo and two in Belgrade. In addition, numerous projects have brought young people from Kosovo and Serbia together to speak and to learn, opening channels for and aiming at peace, tolerance and co-existence.

<sup>1</sup> Michael Walzer, *On Toleration*. (New Haven: Yale University Press), 52.

<sup>2</sup> Johan Galtung, [www.transend.org](http://www.transend.org)

<sup>3</sup> The report (40pp., ISBN no. 1903818079) was published in January 2002 by the Centre for the Study of Forgiveness and Reconciliation and can be downloaded at: [www.coventry-isl.org.uk/forgive/about/boward-doc.pdf](http://www.coventry-isl.org.uk/forgive/about/boward-doc.pdf) or purchased from CSFR at Coventry

## Other marginalized groups

In post-conflict Kosovo, a significant number of people are suffering from the fallout of the conflict, and, consequently experience substantial barriers to participating in the economic social and political realms. These social groups can be divided into two distinct categories: those suffering from physical disabilities which for some, is a direct consequence of armed conflict or land mines, and those commonly suffering from Post Traumatic Stress Disorder (PTSD).

## People living with disabilities

The precise number of people living with disabilities in Kosovo is unknown. According to Handikos, a local organization of Kosovans with disabilities, it is approximately 40,000. This estimate is based on the very conservative assumption that 3 to 5 % of the entire population is somehow disabled. Handikos itself has also surveyed and identified approximately 16,000 people with disabilities<sup>26</sup>. According to the December 2001 Comprehensive Disability Policy Framework of the Disability Task Force (composed of government offices, international and local NGOs), there may be as many as 150,000 Kosovans living with disabilities. This figure actually matches WHO estimates that 10% of the Kosovo population is disabled.

Together with international organizations, Handikos and numerous small NGOs have been working on promoting the rights of people living with disabilities. Although family support tends to be high and a pension scheme for people living with disabilities exists (albeit limited), in practical terms there is widespread stigmatisation of individuals living with disabilities as well as a lack of disability-friendly infrastructure. Consequently, the disabled experience substantial problems in terms of their access to services, employment and their overall participation in social and political life.

## Conflict and psychosocial well-being in Kosovo

The direct impact of conflict and psychosocial problems, which handicap an individu-

als functioning in society are well documented. This is particularly germane to societies like Kosovo striving to establish peace and democracy. As discussed in Box 5.7, the events of March 2004, highlight the fact that in Kosovo psycho-social problems have not, fully received the attention they deserve.

### **Box 5.6. KOSOVA REHABILITATION CENTRE FOR TORTURE VICTIMS (KRCT)**

In October 1999, a team of doctors who worked in refugee camps in Albania and supported by the International Rehabilitation Council for Torture Victims (IRCT), established the Kosova rehabilitation Centre for Torture Victims (KRCT). KRCT is an independent, non-governmental and non-profit organization based in Prishtinë/Priština.

This center has seven satellite centres in Skenderaj/Srbica, Podujevë/Podujevo, Gjilan/Gnjilane, Suharekë/Suva Reka, Rahovec/Orahovac, Pejë/Pec and Deçan/Decani. These satellites have been built up in the areas in which the most crimes against humanity and destruction happened. KRCT provides urgently needed treatment and rehabilitation for traumatised Kosovans, as well as training to doctors and teachers.

## *Phenomenon of Post-traumatic stress disorder*

Psycho-social problems decrease the likelihood of continuing with education, getting or holding employment and they increase the likelihood of chronic health problems - all of which are dimensions of human development.

A common and grave psychological problem that emerges following a conflict is PTSD. Symptoms include the re-experiencing of feelings related to the event (such as intrusive memories, thoughts and images), and avoidance behavior (such as hyper-vigilance for trauma-related information). Sadness, guilt, and anger are also associated with the disorder. PTSD is usually accompanied by other psycho-somatic effects (e.g., depression, insomnia, headaches). Worse, the onset of the disorder may be delayed by many years. Events causing PTSD include war, rape, traffic accidents for children, bank robberies, and natural or other man-made disasters.

*If left uncared for, Kosovo's "collective troubled psychology" will prevent further economic and social development. The Kosova Rehabilitation Center for Torture Victims (KRCT)*

In the aftermath of the riots of March 17-18, the Kosova Rehabilitation Center for Torture Victims (KRCT) questioned the reasons for the escalation of violence (see Box 5.7). They point to the prevalence of PTSD in Kosovo, which they say affects up to 25% of people but remains generally undiagnosed and untreated.

### *Anxiety, depression and feelings of hatred*

In recent years, Kosovans have experienced a series of major traumatic events, including massive displacement<sup>27</sup>, violence, and the loss of close relatives or friends.

Perhaps the most valid study on this issue was conducted at the end of 1999 among all members over the age of 15 in 558 K-Albanian households, totalling 1,358 participants<sup>28</sup>. The study revealed a high prevalence of psychological problems, with 43%

of respondents experiencing non-specific psychiatric problems. Somatic symptoms and anxiety associated with war trauma were evident, as well as social dysfunction and depression. One important finding relates to feelings of ethnically motivated hatred. Some 89% of men and 90% of women reported feelings of hatred, while, over half of all men and some 43% of women reported strong feelings of hatred toward K-Serbs. Other relevant findings included a linear decrease in mental health status and social functioning as a result of the number of traumatic events experienced. Internally displaced people were found to be the most vulnerable to psychological problems and social dysfunction<sup>29</sup>.

A similar study was conducted among 200 K-Serbs. The results mirrored those of the K-Albanian study, revealing a high incidence of somatic symptoms, anxiety, depression, and social dysfunction<sup>30</sup>.

#### **Box 5.7: FRESH WOUNDS-THE MARCH RIOTS**

For a moment, scenes from before the war reappeared. What started calmly and with solidarity, regressed into chaos, destruction, burnings and death. What caused such a great escalation of violence? While multiple theories have been advanced, one main cause is the psychological turmoil that prevails in the social, political and economic life of Kosovo. Unfortunately, for many people the past five years did not improve their level of well being, but rather tested the patience of the population and aggravated an already troubled psychological situation.

One of the main causes of the violent escalation of the protests is the actual and desperate evocation of emotions from the war. Individuals that have fallen into depression might react in different ways to confront, avoid or fight their depressive state. The main symptoms encountered among the suffering are: trauma, depression, neurosis and in certain cases, even outbursts of psychosis. This part of the population is trying to understand politics and to embrace tolerance, but when confronted with its emotions, it can hardly control them.

A possible reaction to express the frustration, stress and anxiety accumulated for five years was the violence directed toward other communities in Kosovo as well as UNMIK and KFOR authorities.

The latest events in Kosovo reveal a collective troubled psychology. One can't improve social and economic conditions without aiming to first improve the aggrieved collective psychological situation of the population. It is evident that various individuals continue to manipulate a certain segment of the population to fulfill their aims and interests. The frequent outbursts that stem from the political arena continuously "scratch" still fresh wounds from the war.

In the professional, psycho-social and governance aspect, everything possible should be done in order to assist this category of individuals. The highest bodies should be more engaged and responsible toward understanding the needs of society in general, and especially the needs those that profited little from this freedom except the loss of dignity, spiritual calmness and their closest relatives.

*From an article by the Kosova Rehabilitation Centre for Torture Victims (KRCT) published in Koba Ditore, March 2004, reprinted with kind permission from KRCT*

Addressing the mental health problems and impaired social functioning of Kosovo's vulnerable are critical to fostering a stable and productive environment. Widespread feelings of hatred and desire for revenge, as the studies suggest, are alarming. Although recent data from EWS polls suggest that there has been some improvement in the situation<sup>31</sup>, a follow-up study specifically designed for these issues should be conducted in order to assess the progress achieved in last four years.

The present chapter tried to highlight the challenges facing vulnerable groups in Kosovo. Networks for change and more human resources, both within civil society and government, are necessary for positive change in this regard. **Chapter Six** recommends building alliances in civil society, the media, and the private sector for greater citizen participation and representation of vulnerable groups. **Chapter Six** will also elaborate on the importance of breaking down economic barriers that impede local entrepreneurship and job creation.



# THE RISE OF THE CITIZEN: EMBRACING RIGHTS AND RESPONSIBILITIES



"It is true that we may never be able to create a perfect society. It is true that we may never be able to eliminate all social and economic injustices or to provide equality of opportunity to all people. But we certainly can take a few practical steps to make our society a little more compassionate, a little more humane."

- **Mahbub ul Haq**

The primary challenge faced in today's Kosovo is to deepen and widen democratic governance to improve the living conditions and development choices of ordinary people. In order for this to be achieved, an ethic of civic participation must be fostered, one that motivates people to embrace and defend their rights and responsibilities as citizens in their local communities. Second, policy and institutional reforms should be introduced to expand citizens' participation and representation in a manner that enriches human development for all Kosovans. Finally, a broad-based implementation strategy - involving many partners from within government, civil society, the private sector and the international community - should be designed to advance the proposed reform agenda for stronger democratic governance. Together, these comprehensive responses to the current situation in Kosovo can provide some answers to the question: "How can Kosovans assume more hope for the future and a greater stake in the governance of their affairs, while remaining deeply sensitive to the unresolved political status of Kosovo?"

## **I. Building the ideals of citizenship**

Democracy extends far beyond casting a vote in an election, or even establishing representative legislative, judicial, and executive institutions. As presented in *KHDR 2004* Democracy requires effective participation and representation of all citizens, in a way that not merely "involves people," but *empowers* them to take important decisions concerning their livelihoods and communities. People must play the leading role in holding decision-makers accountable and establishing inclusive and fair rules, institutions and practices governing social interactions.

A concerted effort among local and international actors to strengthen the notion of citizenship - the rights and responsibilities of all Kosovans, coupled with a sense of belonging and loyalty to a community - lies at the heart of efforts to prepare Kosovo for a hopeful future. While the political status of Kosovo remains unresolved, the people of Kosovo must be encouraged to understand, promote and defend the human rights and fundamental freedoms that are central to citizenship. Only when women are equal partners with men in private and public spheres of life and decision-making, when economic and social policies are responsive to people's needs and aspirations, and when people are free from discrimination based on ethnicity, race, class, gender or any other attribute, can people live in dignity<sup>1</sup>. This is the essence of modern citizenship: it defines a people, binds them together, and ensures that they take collective responsibility for their lives and actions. Without leadership, sacrifice, and a keen sense of individual and shared responsibility, the rights and freedoms inherent to citizenship will be lost.

Citizenship also involves a commitment to the special developmental needs of children and youth. In Kosovo young people under the age of 25 account for over half of the population, and a large majority of them have no jobs or other opportunities associated with a more hopeful future. This was fertile ground for the organizers behind the violence and material destruction of March 2004. Among the contributing factors to their disgraceful actions were the limited channels of meaningful communication and dialogue between this disgruntled group of youth and their democratically elected leaders. As the analysis in the previous chapters of *KHDR 2004* illustrates, the needs of future generations and their opportunities to be meaningfully heard are not adequately reflected in current policy priorities. Addressing the needs and aspirations of young people is critical to transforming them into responsible, active citizens in Kosovo's young democracy.

In sum, good citizenship calls for embracing tolerance and the notion of community, respecting oneself and respecting others

*Democracy extends far beyond casting a vote in an election, or even establishing representative legislative, judicial, and executive institutions*

*Addressing the needs and aspirations of young people is critical to transforming them into responsible, active citizens in Kosovo's young democracy*

and acting together, in good faith, regardless of ethnicity, religion, or other differences. The true spirit of citizenship applies equally across as within man-made borders. To build understanding and spread the ideals of citizenship, the following four immediate and longer-term actions are recommended:

### Immediate Actions:

*Organize a media campaign about the rights and responsibilities of Kosovans:* The campaign could be coordinated by the Provisional Institutions of Self-Government (PISG), but should involve prominent statements and endorsements from respected members of civil society, religious communities, the media, and business.

*Sponsor visits of Kosovan Albanian (K-Albanian) and Kosovan Serb (K-Serb) Assembly and Municipal Assembly Members to each others communities to discuss shared rights and responsibilities:* Partly as a direct response to the outburst of 17-19 March, the visits would be designed to promote open and meaningful dialogue about the barriers and concrete steps to achieving peaceful co-existence and a shared sense of community in Kosovo.

### Longer-Term Actions:

*Introduce lessons on citizenship and good democratic governance in school curricula:* Prepare textbooks or short manuals and train teachers to share knowledge with their pupils about the principles and functioning of Kosovo's democracy, including lessons on the importance of human and minority rights.

*Sponsor student and cultural exchanges among municipalities, particularly between K-Albanian and K-Serb communities:* Nothing promotes learning about tolerating differences better than face-to-face interactions, particularly among young people, who are often more open to accepting diversity than their adult counterparts. Similarly, cultural exchanges can help a multi-ethnic society to promote respect and understanding among social groups that harbor distrust and ignorance about one another.

## II. Key reforms to expand participation & representation for human development in Kosovo

As presented in *KHDR 2004*, Kosovo continues to traverse a tumultuous period in its history - politically, socially, and economically. The priority needs of Kosovan citizens are many and require urgent attention. Believing in the power of democratic governance to unleash entrepreneurial talents and local leadership to address many of Kosovo's most pressing concerns, the following initiatives to expand participation and representation are proposed. Although UNMIK and the international community continue to have an important role, Kosovans must be careful not to blindly adopt any one particular model of democratic governance. Rather, any reforms to promote participation and representation must be guided by one basic principle:

Does the reform truly empower Kosovans, help them to respond effectively to their basic needs and engage them fully in a multiple transitions underway?

With this principle in mind, the reforms presented are grouped into two distinct categories:

*i) Expanding participation and representation through transformation toward good democratic governance; and*

*ii) Building alliances among civil society, the media and the private sector for greater citizen participation and representation.*

Greater civic participation and representation fall within the spirit of the "Standards for Kosovo" policy and would significantly assist the core actors (mainly the PISG) charged with leadership roles in its implementation. Thus, many of the proposals presented above would comprise a natural extension of the "Standards for Kosovo Implementation Plan" and help to reinforce their goals.

## Expanding participation and representation through government transformation:

### *Reform electoral systems to make democracy more inclusive and accountable:*

As articulated in **Chapter Four**, the link between political parties and citizens is tenuous, party platforms are superficial, and politicians are not being held accountable by an informed electorate. Electoral system reforms are required over the coming years to improve geographic representation, increase direct accountability, motivate parties to seek the support of specific social groups (in particular the vulnerable), and enhance democratic practice and processes within parties. These concerns topped the agenda of a large coalition of civil society organizations and individuals under the banner "Reform 2004" (see Box 6.1).

The creation of electoral districts, albeit a complicated task, should be afforded consideration as one option to improve geographic representation. Each electoral district should include a similar distribution of voters, be geographically compact, and capture cohesive communities and a contiguous territory. For such a system to work effectively, an up-to-date population census data is essential. Moreover, large rather than small electoral districts should be advocated, to increase the likelihood that women and minority candidates are elected.

Another electoral reform to districting that may offset possible gender and ethnic imbalances is to employ "top-up seats". The idea involves the proportional distribution of a set number of seats from among closed lists to promote greater gender and ethnic balance. This would naturally be balanced against the distribution of seats under a majoritarian system, as described above. In other words, "top-up seats" are drawn from

*Greater civic participation and representation fall within the spirit of the "Standards for Kosovo" policy and would significantly assist the core actors (mainly the PISG) charged with leadership roles in its implementation*

#### **Box 6.1: "Reform 2004": A NEW MODEL FOR CONSTRUCTIVE CITIZEN ENGAGEMENT**

"Reform 2004", a broad citizen coalition, has advocated for open electoral lists in seven multi-member districts, in place of the current one-district, closed-list proportional representation approach. Their work demonstrates the heightened level of positive participation on an issue central to the democratization process. Conceived at a citizens' forum in February 2004, the initiative arose out of several concurrent electoral reform activities, led by the Council for the Defense of Human Rights and Freedoms (CDHRF), the Kosovan Institute for Policy Research and Development (KIPRED), and the Forum.

Once finalized by a core working group of ten civic organizations, Reform 2004 set out to gather hundreds of signatures from leading NGO representatives in support of the major recommendations to strengthen Kosovo's electoral system. Soon, several major citizens networks joined in support of the proposed changes in the electoral system. To generate further public support, several televised debates were organized, public demonstrations were staged, and dozens of letters were sent to local and international leaders.

In total, more than 250 leading citizen groups endorsed the Reform 2004 electoral reform agenda, including organizations that had hitherto little or no relation with one another. Indeed, this was the largest coalition of citizens organizations ever to rally around and advocate on a particular issue in Kosovo. Although this citizens' initiative did not succeed in overhauling the current electoral system for the forthcoming election in October, it strengthened Kosovo's nascent democracy by helping to generate debate on sensitive political matters that were previously unchallenged in the public domain.

Thanks to Reform 2004, new levels of public discussion and interest are widespread on such issues as internal party democracy, government accountability, geographic representation, gender quotas, and minority representation. Many more citizens now feel empowered to challenge political parties during the upcoming election campaign season and to think more carefully and critically before casting their ballot. Further, a mechanism for internal elections, advocated by Reform 2004, has been introduced recently to help the regulation of elections. Through their experience, civil society groups have learned about useful lobbying techniques, how a broad coalition can wield more influence than simply one or two civic associations, and that sustained cooperation among coalition members is necessary to reach an ambitious goal.

*Peace is not possible to achieve in Kosovo without the establishment of institutions that are democratic, overseen by civilians, and capable of enforcing the rule of law*

closed lists and compensate for the majoritarian effects of seats allocated from geographically-open base lists.

### *Strengthen the representative, legislative and oversight functions of the Assembly:*

The Assembly of Kosovo, composed of 120 elected legislators representing diverse communities and interests, lies at the heart of Kosovo's young democracy. The agenda to strengthen the core functions of Assembly Members and their political parties should include, at a minimum, the following five strategies:

- ensure the supremacy of the Assembly of Kosovo over the executive, both legally and practically, as the chief source of legitimate, local democratic authority with regard to the agreed areas of its competencies;
- improve decision-making within political parties by exercising "internal democracy" (e.g., holding regular party congresses and decentralizing power to local branches in the regular election of party representatives);
- improve the transparency of political parties through the publication (via websites and other media) of a party's political platform, sources of income, and expenditures (party accounts should be audited and open to the public);
- increase the effectiveness of Assembly Committees to initiate new legislation and serve as watchdogs of executive branch institutions;
- establish a Parliamentary Research Centre to provide Assembly Members easy access to relevant information and analysis on issues to be addressed in their conduct of law-making and oversight functions;
- undertake a population and housing census as soon as possible. Statistics are essential for policy development and good decision-making. Regrettably, the Statistical Office of Kosovo continues to face many challenges due to a weak statistical infrastructure, a missing statistical business register, and the failure to hold reliable agricultural and population censuses since 1960 and 1981, respectively.

### *Increase access to justice and respect for human rights, including minority rights*

Peace is not possible to achieve in Kosovo without the establishment of institutions that are democratic, overseen by civilians, and capable of enforcing the rule of law. A professional and impartial judicial system is integral to the foundations for these institutions. This is particularly true in fragile or post-conflict, multi-ethnic societies. These institutions can protect the basic rights of minorities and other vulnerable groups which are often under threat.

The agenda to increase access to justice and to safeguard the human rights of all citizens in Kosovo is vast. The international community, led by UNMIK, has expended considerable resources to help pave the way for an appropriate judicial system guided by modern legal norms. Nevertheless, a well informed and broad public debate should also be promoted around the vision for institutional structures that will support the rule of law over the coming decades. An easily accessible and up-to-date database of local legislation and UN regulations should be established immediately; this database could serve to increase awareness among local and international lawyers, prosecutors, and judges about applicable legal frameworks and be particularly valuable for efforts by Government and NGOs to reduce corruption.

The integrity of a democratic society can be reflected in how its citizens treat each other; namely, do more powerful, often more numerous, social groups co-opt or harm less powerful, less numerous social groups? The violence of 17-19 March 2004 tarnished Kosovo's global image. Renewed efforts to protect the rights of minorities are essential to both the survival and deepening of democracy in Kosovo (see Box 6.2), beginning with the strengthening of judicial systems and the adoption of new human rights legislation. Consideration should be given to the establishment of an independent Human Rights Commission, composed of competent human rights professionals from across all ethnic groups in Kosovo.

Although a Human Rights Commission would not replace the role of the judiciary in adjudicating crimes, through careful investigations and a skillful use of the media, the Commission could bring the power of moral persuasion to cases that the judiciary and other public institutions fail to address adequately.

**Box 6.2: PROTECTING MINORITY RIGHTS: AN ESSENTIAL PART OF A SUCCESSFUL DEMOCRACY**

As in many multi-ethnic and multi-cultural societies (including the United States, Spain and India), Kosovo must effectively confront the "Achilles' Heel" of majoritarian democracies: the exclusion and marginalization of minorities.

Human rights are protections against the harms that people are likely to suffer. Minority rights protect groups against the threats from majoritarian decision-making procedures. The threats typically include:

- Exclusion from participation - manipulating political rights and the media to increase the power of the majority in politics;
- Bypassing of the rule of law - setting aside the rule of law in times of great social stress, often targeting minorities whose loyalty the majority questions. In assessing the rights of minorities in a democratic Kosovo, two questions are relevant. What rights for the protection of minorities are in the Constitutional Framework and body of laws for Kosovo? How well does the political system protect these rights in practice?
- Oppression - imposing social practices on minorities, such as banning the languages and cultures of minorities; and
- Impoverishment - actions of the majority to further its economic interests at the expense of minorities, through, say, forced relocations from resource-rich areas.

Violence against minorities continues to be a serious issue. Even with protection from the Constitutional Framework and from the police, KFOR, and the judicial system, minorities in Kosovo face large threats, as illustrated dramatically from 17-19 March of this year. The failure to integrate Kosovo's minorities can lead to further violations of human rights and even war. Kosovo's democracy must be made more inclusive (legally and in practice), embracing the principle that power must be dispersed and shared.

*Source: Kosovo HDR 2004 Report Team and UNDP, Human Development Report 2000, (Oxford: Oxford University Press, 2002), 60.*

**Decentralize democratically to improve citizen participation and public service delivery:**

When properly executed, the decentralization of political, financial and administrative authority from the center to municipalities, towns, and villages can serve as a prime vehicle to advance public participation for advancing human development. By decentralizing power, people's access to decision-making and the efficiency of public services can increase. The vast majority of public resources are currently managed from Prishtinë/Priština; however, confusion reigns over the proper division of responsibility between Prishtinë/Priština and the municipalities. Regrettably, decentralization has become an overly-politicized issue, and the process has been hampered by inter-ethnic tensions.

In November 2003, the Council of Europe Decentralization Mission in Kosovo issued an important report on "Reform of Local Self-Government and Public Administration in Kosovo"<sup>12</sup>. A key feature of the reform proposal was a call for the establishment of 280 sub-municipal units (SMUs), with the aim of bringing decision-making closer to the citizens (the principle of subsidiarity) and providing decentralized administrative services to the public in over a quarter of the proposed SMUs (i.e., 60 out of the total). While consistent with democratic principles advocated by the Council of Europe Charter on Local Self-Government, the reform proposal, nonetheless, raised significant questions linked to the provision of clear lines of accountability at the various levels of government, for example in the delivery of key public services.

If embraced by Kosovans in the coming years, the decentralization process will need to be paved by preparation activities, *inter alia*:

- conducting a comprehensive financial analysis of the costs of decentralization and potential benefits of reform;
- reviewing the advantages and benefit-to-cost ratio for the creation of "regional service centers" that would supplement public services between the

*By decentralizing power, people's access to decision-making and the efficiency of public services can increase*

*The advent of civil society will serve as the strongest check on the abuse of power and the generation of creative proposals to deepen democracy*

- center and municipal levels;
- defining the roles and responsibilities of municipal and possible sub-municipal units vis-à-vis the center based on comparative advantages in the areas of public service delivery performance and the ability to engage citizens in decision-making;
- articulating mechanisms for municipal governing bodies to yield stronger political autonomy and tax collection powers to cover at least 30% of the municipality's total social sector expenditures; and
- establishing databases that maintain information at the municipal level, (e.g., on, land records, disaggregated census figures when the next census is held, outcomes of local development assistance projects.

Fortunately, some of these steps are already being considered in the form of a new Draft Law on Local Self-Government. Active citizen participation, particularly in the municipalities, will be crucial to the formulation of legislation that clarifies and strengthens the authority and public functions of municipal government in Kosovo.

#### *Ensure democratic, civilian oversight of the security sector:*

Although KFOR and UNMIK still reserve authority on the sensitive issues of internal and external security in Kosovo, initial steps should be taken to lay the basis for democratic, civilian oversight of all future security institutions. For example, both Assembly Members and officials in the Office of the Prime Minister should receive training on security policy issues and how to exercise budgetary oversight in this sector in anticipation of greater responsibilities in this domain in the future. This will help to keep future powerful security bodies in check and ensure maximum efficiency and professionalism in the performance of their public duties.

Given the increasing responsibilities that will be assumed by the Kosovo Police Service (KPS) during the next 12-24 months, special attention should be afforded to preparing the PISG for civilian management of the

police. In addition, regular and substantive community consultations over issues of safety and security, as well as police performance, would be beneficial. At present, structured contacts between the police service and communities are minimal. As the recent *Kosovo Police Survey* illustrated, "There is a high level of public interest-matched by the KPS officers themselves-in creating and participating in forums and/or other mechanisms for improving the police service through community information and opinion sharing". This opportunity should be seized.

*Expand local capacity-building efforts in key priority areas of the PISG, through methods that reduce dependency on international agencies and their advisors. In addition to transferring hard technical skills, emphasis should be placed on the development of leadership skills that encourage initiative, risk-taking, embracing change, and results-based performance management. Local capacity-building efforts would benefit, in particular, from the untapped, abundant human and technical resources found within Kosovo's large diaspora community living in Western Europe and North America.*

#### **Building alliances among civil society, the media and the private sector for greater citizen participation and representation:**

##### *Extend civic engagement to all spheres of Kosovo life:*

As articulated in the opening pages of *KHDR 2004*, the rise of citizen participation and representation in Kosovo's governance would not be possible without the formation of a broad range of non-governmental, civic actors that fall under the umbrella term "civil society". The advent of civil society will serve as the strongest check on the abuse of power and the generation of creative proposals to deepen democracy (see Box 6.1). As discussed in **Chapter Five**, although the agenda for civil society groups in Kosovo is vast, five issue areas deserve priority attention, through policy advocacy and direct action:

- *Promoting Gender Equality in the Work Place and the Home.* Across the globe, *Human Development Reports* have shown that a community's level of human development (measured, in part, by the Human Development Index) improves when women enjoy greater employment opportunities. Tapping into the capabilities of women, as productive and creative members of society would serve the cause of development in Kosovo. Public policies and various institutional mechanisms will, however, fail to reach this goal unless traditional patterns of female discrimination are not reformed. For example, women's unpaid labor in the home makes their productive capacities invisible and often taken for granted. Public policies that aim to improve the status of women in Kosovo must respond carefully to the specific needs of Kosovans and create greater responsibility on the part of all members of society. Yet, in order for this to succeed, education through a citizen's movement will need to be advanced as a vehicle for change. Various arrangements to empower women, such as paternity leave, affirmative action in employment practices, gender sensitive security services, and a gender sensitive curricula in schools, should be afforded serious consideration by civic actors concerned with gender equality.

- *Improving Inter-ethnic relations.* Poor inter-ethnic relations is one of the chief barriers to effective participation and representation. It is difficult to imagine any significant progress in this area without the contributions of local civic actors across Kosovo and the region. Unequivocal support for the "Standards for Kosovo" can go a long way toward improving the status of minorities and the functioning of a truly multi-ethnic society. In this spirit, a useful step would be to create a "collective memory" acknowledging the wrongdoing on each side and honoring those who took a stand against the violence. Everyone must insist on upholding human rights norms and equal treatment before the law.

In addition, on issues of inter-ethnic cooperation and understanding, K-Albanian and

K-Serb civil society and political leaders should be more visible in the media and increase their contact with local populations. This would promote the notion of peaceful co-existence, dismantle parallel structures, and encourage the safe return of refugees and displaced people, especially in the context of achieving the "Standards for Kosovo". In particular, K-Albanians should take quicker action to ensure the safe return of the Roma and K-Serb populations that fled Kosovo in the wake of NATO's intervention. The recent PISG decision to allocate funds from the Kosovo Consolidated Budget for the reconstruction of property and religious and cultural facilities damaged during the events of 17-19 March will generate momentum to be built upon through the collection of voluntary donations by civic organizations. In sum, civil society groups must redouble their efforts to support the principle of multi-ethnic representation and meaningful participation of all communities in Kosovo's provisional central and local institutions.

- *Alleviating Psycho-social Problems.* In order for people to participate in decision-making and enlarge their development choices, they must enjoy physical as well as mental health. However, the high incidence of psycho-social problems recorded among Kosovans - emanating from the violent conflict of the 1990s - handicaps their ability to contribute constructively to society. To assess the extent of Post-Traumatic Stress Disorders and other conflict-related trauma among the Kosovan population, civil society groups with relevant skills should undertake a comprehensive survey and provide direct counseling services to the most needy. As discussed in **Chapter Five** and illustrated by the events of 17-19 March, feelings of deep-seated hatred among ethnic groups put at severe risk the sustainability of all reconciliation and peacebuilding efforts to date. Kosovo's future development depends on the restoration of a healthy population - both in mind and body - willing to overcome past anger and pain and begin to slowly co-operate with communities previously viewed as a threat and the enemy.

*A properly functioning media is one of the pillars of democracy, empowering citizens with information to make informed decisions and to hold powerful leaders accountable*

### *Promote a free and independent media*

Kosovo emerged from the conflict of the 1990s with just three daily newspapers and no radio or television stations. The first news media organizations to be set up in the new environment under the UNMIK administration was the public broadcaster Radio Television of Kosova (RTK). In 2000 two private television stations, Koha Television (KTV) and TV 21 were established.

Today, there are six daily newspapers, three local TV stations, and numerous radio and local television stations operating throughout Kosovo. Although the professionalism and quality of news reporting has improved markedly in a few short years, the 17-19 March crisis illuminates the challenges ahead to ensure that all Kosovans trust the media as an impartial provider of valuable information and analysis (see Box 6.3).

#### **Box 6.3: KOSOVO'S MEDIA DURING THE MARCH 2004 CRISIS**

The events of 17-19 March represented the first serious crisis to be covered by the media in Kosovo<sup>1</sup>. In a report produced by the OSCE shortly after the March events, the broadcast media, and in particular the public broadcaster Radio Television Kosova (RTK), received harsh criticism for the quality of their reporting during the events. The report notes that the broadcasting sector "displayed unacceptable levels of emotion, bias, carelessness and falsely applied "patriotic" zeal" in their reporting. The Report also claims that in the absence of "reckless and sensationalist" reporting, the March events might not have reached such levels of intensity or indeed might not have taken place at all. Print media were seen as more constructive and balanced in their reporting.

RTK has, in a series of statements and reports, strongly rebuked the criticisms of both the OSCE and the Temporary Media Commissioner (TMC)<sup>2</sup>, in what has become perhaps the most heated debate about the role of the media in post-conflict Kosovo. RTK<sup>3</sup> did not accept the TMC report as balanced, though the management of RTK did accept that there were some "cases of professional errors" that they would work to overcome.

<sup>1</sup> OSCE, "The Role of the Media in the March 2004 Events in Kosovo", 2004

<sup>2</sup> RTK, "Editorial Evaluations of the Coverage of the March Events, Statements by Journalists on the Coverage of the March Events, "Has Radio Television Kosovo Violated Article 2.2 of the TMC Broadcast Code of Conduct?", 2004

<sup>3</sup> <http://www.rtklive.com/site/perme/dokumentet/index.php>

A properly functioning media is one of the pillars of democracy, empowering citizens with information to make informed decisions and to hold powerful leaders accountable. A more traditional approach to the media understands that its role is to inform, educate and entertain<sup>4</sup>. "Peace Journalism", on the other hand, argues that the role of media is to facilitate peace rather than just to provide information<sup>5</sup>. The Peace Jour-

nalism approach suggests that, while covering a conflict, the journalist should not simply portray the struggle as two sides fighting each other. Rather, the journalist should try to find the reasons behind the conflict and where people stand in relation to it. By breaking down and analyzing skillfully the two or more conflicting parties into many smaller groups, the pursuit of multiple goals often becomes apparent, creating the potential for a range of peaceful outcomes<sup>6</sup>. In Kosovo, where ethnic tensions remain high, a Peace Journalism approach could possibly reinforce the process of peace-building and help to build a broader constituency that benefits from the constructive tools provided by the media.

### *Break down economic barriers that impede local entrepreneurship and job creation*

Given the urgent need to make the business community the chief creator of new wealth and job opportunities in Kosovo, a new six-pronged economic participation strategy should be considered by the government that includes:

- increased access to finance for new entrepreneurs (e.g., enabling landowners to use their land as collateral, enforcing creditor rights, and providing more non-bank financial services, such as credit unions, credit and saving co-operatives, and mutual guarantee schemes);
- increasing access to business development and commercial skills (e.g., creation of local business advisory centers, relevant educational reforms, including steps to encourage more girls to participate in secondary and higher education);
- reformed fiscal policy (e.g., by changing fiscal incentives, such as reducing tariffs on imported capital goods and raw materials that help to increase the competitiveness of local producers and stimulate further investments);
- revitalized privatization efforts through increased international support and the undertaking of necessary procedural changes;



- expanded export promotion (e.g., by negotiating a new regional Free Trade Agreement through the Stability Pact network and addressing harmful non-tariff barriers and arbitrary fees that limit Kosovan access to regional and global markets); and
- concentrated attention towards job creation initiatives targeting youth, given that over the course of the next five years almost 200,000 young people are expected to reach age 16 (tantamount to a demand of at least 30,000 new jobs every year)<sup>7</sup>.

Equally important is the need to expand agricultural development. A staggering 35% of Kosovo's current imports are food products<sup>8</sup>. Agricultural investment activities should be diversified across Kosovo to include more value-added primary, processed and semi-processed products. Specific actions that should be championed include:

- providing incentives to farmers to modernize and improve the productivity of their operations;
- adopting appropriate policies and an integrated legislative framework for rural development, including through tailor-made Area Based Development programmes that embrace the need to prioritize social development (including roles of non-governmental actors and the media), economic development (including small business support), and local democratic governance (institution-building);
- addressing the adverse effects of import duties and other fiscal measures on the imports of agricultural inputs and capital goods; and
- facilitating the creation of new credit programs so that farmers can access short-term investment capital. In the medium-term, this necessitates effective land titling and registration.

### III. Promoting a strategy for strengthened democratic governance

Although spreading good citizenship ideals and devising institutional and policy reforms

are important steps, their impact is limited unless a diverse cross-section of Kosovans embrace these ideas and ensure their full and proper implementation. Mobilizing citizens and influential organizations to accept change willingly and to agree to exert pressure peacefully is never easy. For Kosovo, the complex transition to a modern, democratic system has, and will continue to encounter, many obstacles and opponents to change. But progressive champions of greater participation and representation in governance, where all citizens are treated equally before the law, must not be deterred. On the contrary, to be effective, these leaders of positive change must unite all reform-minded actors to advance their shared democratic agenda in a courageous and strategic manner.

Specifically, the essential elements of a broad-based implementation strategy to advance comprehensive democratic governance reforms in Kosovo should include:

*Survey people's views and share accurate information and rigorous analysis:* Information is power, so it is therefore essential that any reform program is preceded by careful and informed analysis. Citizens surveys can serve as a useful instrument to assess how affected people view a certain issue, and how they might react to efforts to bring about change.

*Draw lessons from similar reform efforts across the region and beyond:* In addition to understanding the local context, valuable lessons (and pitfalls) for reform efforts can be extracted from similar initiatives in other parts of the world. Experience from within the region is particularly helpful given the, more or less, shared history and cultural traditions that inevitably affect a reform process.

*Build a progressive alliance among supportive individuals and groups within government, civil society, the media, the private sector, and the international community:* Successful reformers must openly and aggressively discuss with the public and powerful societal actors the rationale, characteristics and likely consequences of pro-

posed reforms. As principal agents of change, ordinary citizens must be included in all stages of reform programs to encourage ownership.

*Prepare adequate financial, political and technical resources to carry out reforms:* Even as certain policy and institutional reform are under deliberation, it is crucial to credibly establish the sources of various inputs - financial, political and technical - that will be required to successfully implement them. In addition to garnering further support for proposed reforms, securing the requisite resources ahead of their adoption will prevent a recurring weakness of many well-intentioned reform initiatives failing to ensure appropriate means and leadership to achieve certain ends.

*Prepare to respond to determined spoilers and others who resist change:* Opposition to reforms is an easy target for those who benefit from a status quo rife with corruption and inefficiencies. To counter inevitable attacks, the positive results of reforms should be announced as soon as they emerge in order to weaken the influence of the detractors. At the same time, vulnerable groups affected by reforms (e.g., laid off factory workers from unsustainable Socially Owned Enterprises) require reasonable compensation and retraining programs in order to smoothly transition to a radically new economic and political system.

*Sequence the implementation of reforms at an appropriate pace:* The skillful sequencing of key components in a reform program is often a decisive factor in whether the main objectives are ever realized. This is particularly the case in the often volatile processes of political and economic liberalization, where entrenched power-brokers are challenged and vulnerable groups dependent on the old system are dislocated. At all stages of a complex reform process, ensure that sufficient political support has been mobilized before proceeding.

*Monitor and evaluate progress regularly and learn from setbacks accordingly:* From the outset of a reform initiative, establish credible qualitative and quantitative perform-

ance indicators. Use these instruments to monitor and assess progress at frequent intervals, and publicize any success achieved, however small or incremental. Ideally, independent evaluators should be invited at a later stage to gauge the overall impact of a reform program.

*Continuously rebuild and strengthen alliances to sustain the implementation of reforms:* Progress towards a set of reform objectives should never be taken for granted. This is particularly true in regard to democratic reforms that can take years to fully achieve, but might be vulnerable to sudden threats from authoritarian elements in a society who hold sway over the security forces. Alliances comprised of progressive actors within government, civil society, the media and the private sector must be constantly nurtured and reinigorated.

Perhaps more than anything else, a determined group of representative leaders, with a shared long-term vision that can be articulated effectively to the public, is the most important factor toward realizing progressive changes in Kosovo. Skillful and honest leadership that is forward-looking, capable of empowering other actors, and sensitive to the needs of the most vulnerable Kosovans is essential to guiding the ambitious, yet realistic and urgent policy and institutional reforms outlined in *KHDR 2004*. From among politicians and civil servants to journalists, entrepreneurs and citizen's organizations, courageous and wise leaders that guard vigorously and champion passionately the core democratic principles of participation and representation will transform Kosovo by creating and sustaining powerful constituencies for change.

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# NOTES

## Chapter One

1. Sakiko Fukuda-Parr and A.K. Shiva Kumar, Eds., *Readings in Human Development*, Human Development Report Office, United Nations Development Programme (UNDP) New York. (New Delhi: Oxford University Press, 2003), xxi.
2. Robert Piper, UNDP Kosovo Resident Representative, comments at HDR Conference, Prishtinë/Priština, December 2003.
3. Human Development Reports, UNDP website, <http://hdr.undp.org/about/nhdr/default.cfm>
4. After North Atlantic Treaty Organization (NATO) troops entered Kosovo in 1999, the Statistical Office of Kosovo (SOK) restarted work and it has opened offices in Prishtinë/Priština and in six other regional centers.
5. Noel Malcolm, *Kosovo: A Short History*. (London: Macmillan, 1998).
6. Kosovo Human Development Report 2002, United Nations Population Fund (UNFPA)/International Organization for Migration (IOM) estimates range from pp 104, 1,614,548 to 1,919,948, while World Bank estimates range from 1,778,377 to 1,958,034.
7. "Statistical Shortages and Available Data," KHDR 2002, 18-19 (Box 1.2). A description of available statistics in Kosovo may be found on the SOK website: [www.sok-kosovo.org](http://www.sok-kosovo.org). Another source for reliable statistical data is Organization for Security and Cooperation in Europe (OSCE) voter registration records. The total number of voters for each municipality can be found on the OSCE website, <http://www.osce.org/kosovo/elections/archive/2002/index.php>.
8. Save the Children-Kosovo Assistance Program (KAP) and the Swiss Agency for Development and Cooperation co-funded the Human Development Survey (HDS), while SOK, UNFPA and the United Nations Children's Fund (UNICEF) were involved in initial discussions. However, SOK, UNFPA and UNICEF proceeded with a Kosovo-wide Demographic and Health Survey. The questionnaire for this survey served as a basis for the questionnaire used in the subsequent UNDP municipal survey.
9. The only exception was GDP per capita, a statistic provided by the International Monetary Fund (IMF).
10. In 2003, the Central Fiscal Authority (CFA) was incorporated into the structures of the Ministry of Finance and Economy (MFE).
11. World Bank, "Kosovo Poverty Survey," December 2001. The Report was based on a Living Standard and Measurement Survey that gathered data from 2,880 households.
12. For purposes of comparison, the GDP as calculated by the IMF were used for both HDI 2001 and HDI 2003.
13. For consistency, the HDI figure for 2001 was recalculated according to GDP figures from the IMF. Thus it is different from the figure in KHDR 2002 that was calculated using GDP figures from the CFA.
14. Education Attainment Index is composed of adult literacy rate (with adult defined as 15 or older) and combined enrollment rates in primary and secondary schools.
15. The figures used in the KHDR 2002 for life expectancy were based on data from the pre-conflict period. Therefore, the comparability of these figures should be interpreted cautiously.
16. Ekrem Beqiri, Riinvest Institute, 2004.
17. SOK, "Kosovo Demographic and Health Survey, 2003", March 2004. Similar figures have been recorded by SOK: 68.6 years (66.6 for men and 70.5 for women).
18. According to SOK the crude death rate in 1999 was 13 per thousand while in 2003 it was 7 per thousand.
19. Kosovo's population is one of the youngest in Europe, with 52% under the age of 25 and 30% under the age of 15, as calculated by the 2004 HDS.
20. SOK, "Social Statistics: Higher Education in Kosovo 2003" April 2004.
21. Kosova Education Center, "Some Aspects of Efficiency of Education in Kosovo," November 2002, 224.
22. United Nations, 'Capacity Building for Poverty Eradication: Analysis and Lessons from Evaluations of UN System Support To Countries Efforts,' 2002.
23. Extreme Poverty is defined as the cost required to provide 2,100 calories a day per adult. For more details please see Annex II.
24. Government of Kosovo, Ministry of Labor and Social Welfare, Department of Labor and Employment, "Labor and Employment 2003 Annual Report," April 2004 (draft). According to this report the registered unemployed account for 42.9% of the active labor force.
25. HDS 2004 classifies as unemployed a person between the ages of 15 and 65 who has not worked in the last month, has been available for work and has looked for work.
26. Unemployment is consistently cited as one of the top problems for Kosovo by respondents to opinion polls conducted by the Riinvest Institute and reported in Kosovo Early Warning Reports 1-5.
27. Riinvest Institute, "Kosovo Early Warning Report # 4", May-August 2003.
28. Index Kosova BBSS Gallup International, "Corruption Survey: Report on Main Findings," April 2004.
29. Astrida Neimanis and Arkadi Tortisyn, "Gender Thematic Guidance

- Note #2," UNDP Human Development Report Office/National Human Development Report Series, July 2003, 14.
30. United Nations Country Team in Kosovo, "Where will we be in 2015? Millennium Development Goals Baseline Report for Kosovo", March 2004.

## Chapter Two

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2. Kosovo's territory is 10,908 square kilometers in area.
3. When municipal data sets from the HDS were analyzed with regard to the relationship between income per capita and demographic of the household, negative correlation was found between income per capita and size of household, the number of children and the number of dependents.
4. The dependency ratio is the ratio between family size and the number of people in the household generating income.
5. Damage during the conflict as reported in OSCE Municipal Profiles, available from the UNMIK website, [http://www.osce.org/kosovo/documents/reports/municipal\\_profiles](http://www.osce.org/kosovo/documents/reports/municipal_profiles).
6. See Box 1.4, "What is the human poverty index (HPI-1 and HPI-2)?"
7. Inequality here is measured by the Gini Coefficient, an indicator that measures inequality in income distribution. The number ranges between 0 and 1, where 0 describes a society of perfect income equality (i.e., everyone earns the same income) and 1 describes a society of perfect inequality (i.e., one person has all the income, everyone else earns nothing).
8. This trend can be seen comparing labor force participation rates for women and men in the top three and bottom three municipalities by HPI-2 poverty ranking.

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4. UNDP, Human Development Report 2002, (Oxford: Oxford University Press, 2002), 69-71.
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8. UNDP, Human Development Report 2002. (Oxford: Oxford University Press, 2002), 57-58.
9. UNDP, Human Development Report 2000, (Oxford: Oxford University Press, 2000), 56.
10. UNDP, Human Development Report 2002, (Oxford: Oxford University Press, 2002), 60.
11. Mahbub ul Haq, *Human Development in South Asia 1999: The Crisis of Governance*, (Islamabad: Oxford University Press, 1999), 29.
12. Riinvest Institute, *Kosovo Early Warning Report Series* (September 2002 to May 2004).
13. UNDP, Human Development Report 1993, (Oxford: Oxford University Press, 1993), 4.
14. PISG-UNMIK, "Kosovo Standards Implementation Plan," 31 March 2004, 2.
15. Ibid, 3.
16. UNDP Bulgaria, *Human Development Report for Bulgaria 2001*, (Sofia: UNDP, 2001), 19.

## Chapter Four

1. The coalition government formed in February 2002 consists of The Democratic League of Kosova (LDK), The Democratic Party of Kosova (DPK), Alliance for the Future of Kosova (AAK), and minority parties in February 2002. More details can be found on the Prime Minister's website, <http://www.pm-ksgov.net>.
2. International Crisis Group, "Collapse in Kosovo," March 2003.
3. Election information available from OSCE website, <http://www.osce.org/kosovo/elections>.
4. Early Warning System opinion poll trends for Kosovo Assembly and UNMIK.
5. Riinvest Institute, "Kosovo Early Warning Report # 5," January 2003.
6. Walter Bagehot, *English social scientist*, 1826- 1877.
7. The Sainte-Lague method divides the number of votes for each party by a series of odd numbers (1,3,5,7 etc.), and seats are allocated to parties with the highest resulting quotients, up to the total number of seats available. The Sainte-Lague method can be modified, for instance by the replacement of the first divisor by 1.4, which in small constituencies has

- the effect of prioritizing proportionality for larger parties over smaller ones in the allocation of the first few seats. See also [http://www.youencyclopedia.net/-Highest\\_averages\\_method.html](http://www.youencyclopedia.net/-Highest_averages_method.html)
8. The gender quota was and still is a controversial issue among both men and women in Kosovo. The pros and cons of the closed-list system in particular remain a hotly debated topic among women's organizations and civil society in Kosovo.
  9. Malazogu and Dugolli, "Reforming the Electoral System of Kosovo" KIPRED 2003, 7.
  10. For a summary of this literature, see Joseph V. Montville, Ed., *Conflict and Peacemaking in Multiethnic Societies* (Lexington: Lexington Books, 1990).
  11. HPI 2 measurements.
  12. Since a certain amount of instability is desirable for functioning democracy and development.
  13. Thomas Carothers, "Aiding Democracy Abroad: the learning curve," Carnegie Endowment for International Peace, 2003.
  14. Bernard Zeneli and Leon Malazogu, remarks at HDR conference, Prishtinë/Priština December 2003.
  15. Election information available from OSCE website, <http://www.osce.org/kosovo/elections>.
  16. OSCE, "Boycott at Municipal Level," May 2003, available from (<http://www.osce.org/kosovo/documents/reports/>)
  17. Blerim Reka, "UNMIK as an international governance in post-war Kosova: NATO's intervention, UN Administration and Kosovar Aspirations," Logosa, 2003.
  18. Agreement on the President and Government of Kosovo. Prishtinë/Priština, 28 February 2002.
  19. This section has been drawn out of a number of interviews with key players in the central decision-making process, analysis of relevant materials and authors' observations.
  20. See also section on Electoral System in this Chapter.
  21. "Constitutional Framework for Provisional Self-Government," 15 May 2001, Section 9.3.1.6, available from UNMIK website, <http://www.unmikonline.org/constframework.htm>.
  22. This is an eight-point programme that includes: Consolidating the democratic structures of Kosovo; Increasing the transparency and efficiency of the administration; Improving educational standards for all inhabitants of Kosovo; Improving the quality of the health of all inhabitants of Kosovo; Promoting economic development and international economic cooperation; Increasing employment; Establishing pension insurance and social assistance for vulnerable groups; Integrating all ethnic communities into Kosovan society. It was adopted by the Assembly in May 2002. More details can be found on the Prime Minister's website, <http://www.pmksgov.net>.
  23. With the exception of few consultants from an international agency.
  24. As admitted by one of the interviewed drafters of the Regulation, these constraints were deliberately included to prevent the Prime Minister from becoming too powerful.
  25. Some actions have already been taken towards remedying this situation, including establishment of the position of the Secretary of the Government.
  26. The United Kingdom Department for International Development in Kosovo (DFID) is assisting the Office of the Prime Minister to strengthen its policy and planning functions.
  27. Not all of the ministries follow the agreed setting of their structures into department, divisions, sections and units, and there is still no legal act regulating this aspect of organization and introducing structural consistency.
  28. UNDP, Kosovo Mosaic, 2003, 3.
  29. UNDP, Human Development Report 1992 (Oxford: Oxford University Press, 1992).
  30. UNDP, Kosovo Mosaic, 2003.
  31. UNDP, Human Development Report 1993 (Oxford: Oxford University Press, 1993).
  32. Consultations with civil society organizations and representative of youth NGO "Hapi i Ri," March 2003.
  33. Report of the Secretary-General to the Security Council, 26 January 2004.
  34. UNDP, Human Development Report 2002, (Oxford: Oxford University Press, 2002), 87.
  35. UNDP Kosovo, "Light Blue" A Public Perceptions Survey on Public Security and Police Performance in Kosovo, May 2004.
  36. KSIP, March 31 2004, p.2.
  37. KSIP, March 31 2004, p.3.
  38. KSIP, March 31 2004, p.3.
  39. KSIP, March 31 2004, p.3.
  40. The Kosovo General Government 2003 Budget, p. 143.

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1. UNDP, Human Development Report 1993, (Oxford: Oxford University Press, 1993), and UNDP, Human Development Report 2000, (Oxford: Oxford University Press, 2000).
2. UNDP, "The Roma in Central and Eastern Europe: Avoiding the dependency trap," 2002.
3. Nancy Folbre, "Care and the Global Economy," background paper for

- UNDP Human Development Report 1999, in Sakiko Fukuda-Parr and A.K. Shiva Kumar, Eds., *Readings in Human Development*, Human Development Report Office, UNDP New York. (New Delhi: Oxford University Press, 2003).
4. SOK, "Kosovo Demographic and Health Survey 2003," March 2004.
  5. I. Hoti, Riinvest Institute, "Labor Market and Unemployment in Kosovo," and I. Havolli, "Annual SME Report," 2002 (unpublished).
  6. Of these, only two are municipal Chief Executive Officers, a K-Serb woman in Shtërpçë/Štrpce and an K-Albanian woman in Obiliq/Obilic, while two more women head municipal departments of finance and economy. The other 18 positions are in the Department of Health and Social Welfare, Department of Urbanism and Public Utilities, Department of Education, Culture, Youth and Sport, one in Agriculture, two in Administration, and one (in Podujevë/Podujevo) is Acting Head of the Directorate of Public Relations and Democratization. Calculated from figures from OSCE Municipal Profiles, available from the OSCE website, [http://www.osce.org/kosovo/documents/reports/municipal\\_profiles/](http://www.osce.org/kosovo/documents/reports/municipal_profiles/)
  7. SOK, "Kosovo Demographic and Health Survey 2003," March 2004.
  8. Government of Kosovo, Ministry of Labor and Social Welfare, "Labor and Employment 2003 Annual Report," April 2004 (draft).
  9. SOK, "Kosovo Demographic and Health Survey 2003," March 2004.
  10. Based on UNDP HDS figures for unemployment and an estimated population size of 1.9 million.
  11. World Bank, "Kosovo Economic Memorandum," 2004.
  12. Riinvest Institute, "Education and Economic Development of Kosova" 2004.
  13. As measured by the Human Poverty Index 1.
  14. World Bank, "Kosovo Economic Memorandum" 2004. The World Bank estimate that remittances amount to 300 Euros per person per year.
  15. Ministry of Agriculture, Forestry and Rural Development, "The Kosovo Greenbook," 2003, 28.
  16. World Bank, "Kosovo Economic Memorandum," 2004.
  17. Successive Early Warning Opinion Polls reveal the polarization of opinions on a variety of issues in Kosovo.
  18. Fred Cocozzelli. "Political Parties In Kosovo", 2003. GSC Quarterly 11 (Winter 2004).
  19. The average member of this community has just 6 years of schooling, and only 30% continue to secondary education.
  20. See Table A.8, "Percentage of People with Access to Basic Amenities and Durable Goods and Productive Economic Resources", in Annex III OSCE and United Nations High Commissioner for Refugees (UNHCR), "The Tenth Assessment of the Situation of Ethnic Minorities in Kosovo," March 2003, Available from UNMIK website, <http://www.unmikonline.org/press/reports/MinorityAssessmentReport10ENG.pdf>
  21. Figures differ substantially according to the source.
  22. OSCE and UNHCR, "Tenth Assessment of the Situation of Ethnic Minorities in Kosovo," March 2003.
  23. Early Warning System Opinion Poll Data.
  24. OSCE, "Parallel Structures in Kosovo," October 2003.
  25. Political Access for People with Disabilities. Briefing Paper Series "Promoting the Inclusion of People with Disabilities in Civil Registration and Municipal elections in Kosovo," Kosovo Case Study (Volume I, Paper 2), September 2000.
  26. Sergei Vinogradov, "Të dhënat dhe shifrat plotsojnë vakuumin statistikor të Kosovës," (Data and numbers that fill in the statistical vacuum of Kosovo), UNMIK Direct, October 9, 2000, 1-25. According to this assessment carried out in the aftermath of the conflict, 1.4 million people were displaced from their homes during 1998-1999; 800,000 of these were displaced outside of Kosovo for a period of more than one month, while the remainder were internally displaced. This means that over 60% of the population experienced displacement.
  27. L. B. Cardonzo., A. Vergara, F. Agani, and C. A. Gotway, "Mental Health, Social Functioning and Attitudes of Kosovar Albanians Following the War in Kosovo," *Journal of the American Medical Association*, August 2, 2000.

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3. UNDP Kosovo, "Light Blue" Public Perceptions of Security and Police Performance in Kosovo, 2004.
4. <http://www.bbc.co.uk/info/purpose/>
5. Lynch, McGoldrick What A Peace Journalist Would Try To Do, [www.mediachannel.org](http://www.mediachannel.org)
6. *ibid*.
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# ANNEXES

*Annex I: Methodology for the Human Development Survey*

*Annex II: Technical Notes*

*Annex III: Human Development Indicator Tables*

*Annex IV: List of Consultations*

*Annex V: Kosovo at Glance*





# ANNEX I: METHODOLOGY FOR THE UNDP HUMAN DEVELOPMENT SURVEY

The HDS was conducted by Index Kosova BBSS Gallup International and covered 6,000 households and more than 39,000 individuals across all 30 municipalities.

The sample was drawn according to ethnicity and urban/rural dimensions of the population.

## Aim of the Survey

- To gather information and gain understanding of human development in Kosovo as a whole and at municipal level; and
- To measure the current situation and collect comparable data for each municipality with respect to Human Development Indicators as per UNDP Guidelines.

## Methodology

From 4<sup>th</sup> through 13<sup>th</sup> October 2003, Index Kosova, joint venture with BBSS Gallup International, conducted a household survey among Kosovan Albanians and Kosovan Serbs. The survey was conducted in two separate sub-samples, each implemented based on the same methodology, whereby slight differences in the composition of the respective sampling plans were designed to address the environmental and behavioral conditions encountered among the main ethnic groups of the Kosovan population at present. The size of the K-Albanian plus sub-sample amounted to 4,800 households, with a residential split of 55% rural vs. 45% urban. The number of K-Serb plus households equalled to 1,200 households. The exercised sampling procedure was a multi-staged random selection method.

Face-to-face paper and pencil interview, "in house" of respondent.

Exercised approach is multi-staged random probability method:

1<sup>st</sup> stage = The universe was divided proportionally according to regional, residential (urban/rural) and ethnic characteristics of the population. (As the survey regards as primary the municipality strata, the regional aspect was considered conditionally and the plan was deliberate over-sampling so to achieve 200 households per municipality on average. In municipalities, where a significantly relevant portion of the population (25% and over) was composed of residents from another ethnic group, that sub-sample was further divided in proportionally so to allow analysis by segments.)

2<sup>nd</sup> stage = Selection of a household via "random route" method. (The size of a sampling unit was eight households irrespective of the type of residence, or 25 sampling units per municipality in average. Each sampling unit was given a starting point (a well-known public building or site

in respective settlement, selected on "from the pot" principle"). In urban areas, the selected household was every 4<sup>th</sup> address/house on the left-hand side of the street. In block-of-flats of up to four floors, the selected household was each 5<sup>th</sup> apartment, counting them from the first to the left from the entrance. In block-of-flats of five floors and over, the selected household was every 10<sup>th</sup> apartment, counting them the same manner. In rural areas, the selected household was every 4<sup>th</sup> inhabitable dwelling house on both sides of the interviewer's route, counting them wave-wise. In settlements of compact, dense pattern, the selection step was identical to the one for urban areas.

3<sup>rd</sup> stage = The "household" interview, which collects information on the living environment and the household's possessions, was conducted with the "head of the household", whereas individual data was obtained from each present member of the household.

4<sup>th</sup> stage = Substitution after three attempts (first visit and two call-backs), if the designated household was not available during the field period, or refused to take part in the survey.

The survey was carried out in the field by a total of 215 interviewers of whom 158 K-Albanian and 57 K-Serb, 10 regional supervisors of whom seven K-Albanian and three K-Serb, and two field force managers, one for each sub-sample. Twelve data clerks accomplished the data entry, while the two Data Processing managers, Project manager and Research Manager validated the final data set.

## Research instrument

Integrated Household questionnaire with sections on i) household roster, ii) absent members and contributions, iii) mortality and migration, iv) literacy and education, v) working status and employment, vi) living quarters and household's material status and vii) infant birthrate (see Draft version of the questionnaire in Appendix I). Estimated duration with average household = 30-35 min.

## Sample size

6,000 effective households (on average 200 per municipality).

The surveyed universe is divided into two sub-sets, the criterion being most common language used for daily public purposes:

- *K-Albanian plus sub-set of the universe - 4,800 effective households (600 sampling points; estimated number of total individual respondents - approx. 33,000 persons); and*
- *K-Serb plus sub-set of the universe - 1,200 effective households (150 sampling points; estimated number of total individual respondents - approx. 4,800 persons).*

# ANNEX II: TECHNICAL NOTES

## I. Calculating the HDI

This illustration of the calculation of the HDI uses data for the municipality of Prizren/Prizren

Performance in each dimension is expressed as a value between 0 and 1 by applying the following general formula: Dimension index = (actual value - minimum value) / (maximum value - minimum value)

### 1. Calculating the life expectancy index

The life expectancy index measures the relative achievement of a country in life expectancy at birth. For Prizren/Prizren, with a life expectancy of 71.003 years according to HDS, the life expectancy index is 0.767.

Life expectancy index =  $(71.003 - 25) / (85 - 25) = 0.767$ .

### 2. Calculating the education index

The education index measures a country's relative achievement in both adult literacy and combined primary, secondary and tertiary gross enrollment.

First, an index for adult literacy and one for combined gross enrollment are calculated. Then these two indices are combined to create the education index, with two-thirds weight given to adult literacy and one-third weight to combined gross enrolment.

For Prizren, with an adult literacy rate of 92.889% and a combined gross enrolment ratio of 87.249%, the education index is 0.910.

Adult literacy index =  $(92.889 - 0) / (100 - 0) = 0.92889$ ;

Gross enrolment index =  $(87.249 - 0) / (100 - 0) = 0.87249$ ;

Education index =  $2/3$  (adult literacy index) +  $1/3$  (gross enrolment index) =  $2/3 (0.92889) + 1/3 (0.87249) = 0.910$ .

### 3. Calculating the GDP index

The GDP index is calculated using adjusted GDP per capita (PPP USD \$). In the HDI income serves as a surrogate for all the dimensions of human development not reflected in a long and healthy life and in knowledge. Income is adjusted because achieving a respectable level of human development does not require unlimited income. Accordingly, the logarithm of income is used.

For Prizren/Prizren, with a income per capita of 897.59, the GDP index is 0.366.

GDP index =  $(\log (897.59) - \log (100)) / (\log (40,000) - \log (100)) = 0.366$ .

The HDI is then calculated as a simple average of the dimension indices.

### 4. Calculating the HDI

Once the dimension indices have been calculated, determining the HDI is straightforward. It is a simple average of the three dimension indices.

HDI =  $1/3$  (life expectancy index) +  $1/3$  (education index) +  $1/3$  (GDP index) =  $1/3 (0.767) + 1/3 (0.910) + 1/3 (0.366) = 0.681$ .

## II. Calculating the HPI-1

### 1. Measuring deprivation in a decent standard of living

An unweighted average of two indicators is used to measure deprivation in a decent standard of living.

Unweighted average of deprivation in a decent standard of living =  $1/2$  (population without sustainable access to an improved water source) +  $1/2$  (children under weight for age).

As there was no available information on children underweight at the Kosovo wide or municipality level, the infant mortality rate - which was available at the Kosovo wide level only - was used together with the percentage of people with no access to health services as expressed by more than five Km distance to the nearest health service units.

A sample calculation: Municipality of Podujevë/Podujevo  
Population without sustainable access to an improved water source = 37.647 %;

Infant mortality rate = 3.5%;

Percentage of people who have to travel more than 5 Km distance to reach the nearest health unit = 6.993;

Unweighted average of deprivation in a decent standard of living =  $1/3 (37.647) + 1/3 (3.5) + 1/3 (6.993) = 16.047\%$ .

### 2. Calculating the HPI-1

The formula for calculating the HPI-1 is as follows:

$$\text{HPI-1} = [1/3 (P1^A + P2^A + P3^A)]^{1/A}$$

Where:

P1 = Probability at birth of not surviving to age 40 (times 100);

P2 = Adult illiteracy rate;

P3 = Unweighted average of population without sustainable access to an improved water source, infant mortality rate and access to health services.

A = 3;

A sample calculation: Podujevë/Podujevo

P1 = 5.736%;

P2 = 10.645%;

P3 = 16.047%;

HPI-1 =  $[1/3 (5.736^3 + 10.645^3 + 16.047^3)]^{1/3} = 12.259$ .

## III. Calculating the HPI-2

The formula for calculating the HPI-2 is as follows:

$$\text{HPI-2} = [1/4 (P1^A + P2^A + P3^A + P4^A)]^{1/A}$$

Where:

P1 = Probability at birth of not surviving to age 60 (times 100);

P2 = Adults lacking functional literacy skills;

P3 = Population below USD \$ 2 per person per day poverty line;

P4 = Rate of unemployment;

A = 3.

A sample calculation: Prishtinë/Priština

P1 = 10.530%;

P2 = 4.311%;

$$P3 = 29.807\%;$$

$$P4 = 30.263\%;$$

$$HPI-2 = [1/4 (10.53^3 + 4.311^3 + 29.807^3 + 30.263^3)]^{1/3} = 24.022\%.$$

#### Why A = 3 in calculating the HPI-1 and HPI-2

The value of A has an important impact on the value of the HPI. If A = 1, the HPI is the average of its dimensions. As A rises, greater weight is given to the dimension in which there is the most deprivation. Thus as A increases towards infinity, the HPI will tend towards the value of the dimension in which deprivation is greatest (for the Central African Republic, the example used for calculating the HPI-1, it would be 55.3%, equal to the probability at birth of not surviving to age 40).

In this Report, as in any Human Development Report, the value 3 is used to give additional but not overwhelming weight to areas of more acute deprivation. For a detailed analysis of the HPI's mathematical formulation, see Sudhir Anand and Amartya Sen's "Concepts of Human Development and Poverty: A Multidimensional Perspective" and the technical note in *Human Development Report 1997*.

## IV. Calculating the GDI

This illustration of the calculation of the GDI uses data for the municipality of Viti/Vitina.

### 1. Calculating the equally distributed life expectancy index

The first step is to calculate separate indices for female and male achievements in life expectancy, using the general formula for dimension indices.

FEMALE:

Life expectancy: 70.20 years;

Life expectancy index =  $(70.20 - 27.5) / (87.5 - 27.5) = 0.712$ .

MALE:

Life expectancy: 68.54 years;

Life expectancy index =  $(68.54 - 22.5) / (82.5 - 22.5) = 0.767$ .

Next, the female and male indices are combined to create the equally distributed life expectancy index, using the general formula for equally distributed indices.

FEMALE:

Population share: 0.481;

Life expectancy index: 0.712;

MALE:

Population share: 0.519;

Life expectancy index: 0.767;

Equally distributed life expectancy index =  $\{[0.481 (0.712^{-1})] + [0.519 (0.767^{-1})]\}^{-1} = 0.740$ .

### 2. Calculating the equally distributed education index

First, indices for the adult literacy rate and the combined primary, secondary and tertiary gross enrolment ratio are calculated separately for females and males. Calculating these indices is straightforward, since the indicators used are already normalized between 0 and 100.

FEMALE

Adult literacy rate: 90.68%;

Adult literacy index: 0.9068;

Gross enrolment ratio: 92.04%;

Gross enrolment index: 0.9204.

MALE

Adult literacy rate 93.33%;

Adult literacy index: 0.9333;

Gross enrolment ratio: 89.76%;

Gross enrolment index: 0.8968.

Second, the education index, which gives two-thirds weight to the adult literacy index and one-third weight to the gross enrolment index, is computed separately for females and males.

Education index =  $2/3$  (adult literacy index) +  $1/3$  (gross enrolment index);

Female education index =  $2/3 (0.9068) + 1/3 (0.9204) = 0.911$ ;

Male education index =  $2/3 (0.9333) + 1/3 (0.8976) = 0.921$ ;

Finally, the female and male education indices are combined to create the equally distributed education index.

FEMALE:

Population share: 0.481;

Education index: 0.921.

MALE:

Population share: 0.519;

Education index: 0.911.

Equally distributed education index =  $\{[0.481 (0.911^{-1})] + [0.519 (0.921^{-1})]\}^{-1} = 0.917$ .

### 3. Calculating the equally distributed income index

First, female and male earned income are estimated. Then the income index is calculated for each gender. As for the HDI, income is adjusted by taking the logarithm of estimated earned income :

Income index =  $\log(\text{actual value}) - \log(\text{minimum value}) / (\log(\text{maximum value}) - \log(\text{minimum value}))$ ;

FEMALE

Estimated earned income: 601.84

Income index =  $\log(601.84) - \log(100) /$

$(\log(40,000) - \log(100)) = 0.300$ .

MALE

Estimated earned income : 2168.07

Income index =  $\log(2168.07) - \log(100) /$

$(\log(40,000) - \log(100)) = 0.531$ .

Second, the female and male income indices are combined to create the equally distributed income index:

FEMALE:

Population share: 0.481;

Income index: 0.300.

MALE:

Population share: 0.519;

Income index: 0.531.

Equally distributed income index =  $\{[0.481 (0.300^{-1})] + [0.519 (0.531^{-1})]\}^{-1} = 0.382$ .

## 4. Calculating the GDI

Calculating the GDI is straightforward. It is simply the unweighted average of the three component indices - the equally distributed life expectancy index, the equally distributed education index and the equally distributed income index.

$GDI = 1/3$  (life expectancy index) +  $1/3$  (education index) +  $1/3$  (income index);

$GDI = 1/3 (0.740) + 1/3 (0.917) + 1/3 (0.382) = 0.679$ .

### Why E = 2 in calculating the GDI

The value of E is the size of the penalty for gender inequality. The larger the value, the more heavily a society is penalized for having inequalities. If E = 0, gender inequality is not penalized (in this case the GDI would have the same value as the HDI). As E increases towards infinity, more and more weight is given to the lesser achieving group.

The value 2 is used in calculating the GDI (as well as the GEM). This value places a moderate penalty on gender inequality in achievement.

## V. Calculating the GEM

This illustration of the calculation of the GEM uses data for the municipality of Peja/Peć.

### 1. Calculating the EDEP for parliamentary representation

The EDEP for parliamentary representation measures the relative empowerment of women in terms of their political participation. The EDEP is calculated using the female and male shares of the population and female and male percentage shares of Parliamentary seats according to the general formula.

FEMALE:

Population share: 0.495;

Parliamentary share: 26.83%.

MALE:

Population share: 0.505;

Parliamentary share: 73.17%.

$EDEP$  for parliamentary representation =  $\{[0.495 (26.83^{-1})] + [0.505 (73.17^{-1})]\}^{-1} = 39.39$ .

Then this initial EDEP is indexed to an ideal value of 50%.

Indexed EDEP for parliamentary representation =  $39.39/50 = 0.789$ .

### 2. Calculating the EDEP for economic participation

Using the general formula, an EDEP is calculated for women's and men's percentage shares of positions as legislators, senior officials and managers, and another for women's and men's percentage shares of professional and technical positions. The simple average of the two measures gives the EDEP for economic participation.

FEMALE:

Population share: 0.495;

\*Percentage share of positions as legislators, senior officials and managers: 21.2%;

\*Percentage share of professional and technical positions: 35.2%.

MALE:

Population share: 0.505;

\*Percentage share of positions legislators, senior officials and managers: 78.8%;

\*Percentage share of professional and technical positions: 64.8%;

EDEP for positions as legislators, senior officials and managers =  $\{[0.495 (21.2^{-1})] + [0.505 (78.8^{-1})]\}^{-1} = 33.599$ .

Indexed EDEP for positions as legislators, senior officials and managers =  $33.599/50 = 0.672$ ;

EDEP for professional and technical positions =  $\{[0.495 (35.2^{-1})] + [0.505 (64.8^{-1})]\}^{-1} = 45.73$ ;

Indexed EDEP for professional and technical positions =  $45.73/50 = 0.915$ .

The two indexed EDEPs are averaged to create the EDEP for economic participation:

EDEP for economic participation =  $(0.672 + 0.915)/2 = 0.793$ .

### 3. Calculating the EDEP for income

Earned income (PPP US\$) is estimated for women and men separately and then indexed to goalposts as for the HDI and the GDI. For the GEM, however, the income index is based on unadjusted values, not the logarithm of estimated earned income. (For details on the estimation of earned income for men and women, see the addendum to this technical note).

FEMALE:

Population share: 0.495;

Estimated earned income : 1066.17;

Income index =  $(1066.17 - 100)/(40000 - 100) = 0.024$ .

MALE:

Population share: 0.505;

Estimated earned income : 2706.13;

Income index =  $(2706.13 - 100)/(40000 - 100) = 0.065$ .

The female and male indices are then combined to create the equally distributed index:

EDEP for income =  $\{[0.495 (0.024^{-1})] + [0.505 (0.065^{-1})]\}^{-1} = 0.071$ .

### 4. Calculating the GEM

Once the EDEP has been calculated for the three dimensions of the GEM, determining the GEM is straightforward. It is a simple average of the three EDEP indices.

$GEM = (0.789 + 0.793 + 0.071)/3 = 0.551$ .

## VI. Poverty measures:

### Poverty Lines

Poverty lines define the consumption standards that must be reached if a person is not to be deemed poor. Poverty lines can be absolute, relative or subjective. Much of the literature on poverty has been concerned with the respective merits of absolute and relative measures of poverty. An **absolute poverty line** will classify two people at the same real consumption

level as poor or non-poor, irrespective of the time or place. The common approach is to define an absolute poverty line (based on the cost-of-basic-needs concept) in terms of the estimated cost of a food bundle that achieves a stipulated energy intake, and which is consistent with the consumption behavior of the poor. This is known as the food poverty line, which is then augmented by an allowance for expenditure on essential non-food goods.

The household consumption aggregate was measured in terms of adult-equivalent resulting in a per-adult equivalent consumption. The estimation of economies of scale or equivalence scales in Kosovo provided extreme values due to the agglomeration of families in the same dwelling. The household composition and size observed in Kosovo are temporary results of the post-conflict events such as the internal displacement, home destruction and the return of refugees from abroad. To avoid the effects of this temporary condition on the welfare estimate, the study converted the number of adults (A) and children below 15 (C) into a number of equivalent adults (EA) using a scale-economy parameter ( $M=0.75$ ) and the following expression:  $EA = (A + M C) / M$ . Consumption divided by the number of adult-equivalents resulted in the per adult-equivalent consumption used here, using a rescaling suggested by Deaton and Zaidi (1999) to keep the "typical" household in the same monetary welfare level as its per-capita consumption.

**Food Poverty Line (extreme poverty line).** Following the World Bank Kosovo Poverty Assessment 2001, that is based on The LSMS survey of Kosovo 2001, the food poverty line is the cost of the food basket that contains 2,100 calories per adult. The estimation is illustrated in the Table below. For each of the food items (column 1) the calorie intake per adult equivalent (column 2) was estimated from the data, resulting in the calorie intake structure shown in column 3. The calorie intake structure varies across socioeconomic status, since richer households may prefer meats rather than carbohydrates. These estimates correspond to the calorie consumption structure for those households between the 30th and 50th population percentiles ranked according to the PEC measure. Alternative calorie intake structures did not alter the results significantly. Imposing a 2,100-calorie intake consumption per adult per day, the Table shows the calorie needs from each item (column 4). Then, using the calorie content indicated in USDA (2000) and the prices per kilogram (or liter) estimated before, we obtained the cost per calorie (column 5) for each item. Finally, the cost of the calorie needs (column 6) was estimated using Kosovo-level cost per calorie, and the sum of these monetary values is the cost of the basket that provides 2,100 calories per adult per day. The estimated *food line* (FL) is DM 1.8529 per adult per day equivalent to USD \$0.813. Households per adult equivalent consumption is below the FPL are then considered to be in *extreme poverty*.

**We used the World Bank estimates of extreme poverty line of 2001 and updated to 2003 using CPI, The poverty line =27.93 Euro per adult per month.**

**Full Poverty Line (national poverty line):** Households, however, need other resources for sustaining their living conditions,

such as heating, transportation and services from durables. In order to provide some room for expenditures in other necessary items, an additional allowance on non food items was estimated using the share on non-food items for those households whose consumption is close to the extreme poverty line. For these households, food expenditures account for 53.97% of total expenditures. We adjust the extreme poverty line (FL) by dividing it by the food share (xf) generating the Absolute Poverty Line (PL):

$PL = FL / xf = DM 1.8529 / 0.5397 = DM 3.498$  equivalent to USD \$ 1.5.

Households whose per adult equivalent consumption is below the PL are considered to be in poverty.

**We used the World Bank estimates of extreme poverty line of 2001 and updated to 2003 using CPI. The poverty line =57.39 Euro per adult per month.**

**International Poverty Lines:** In order to compare poverty levels in different developing countries, international organizations such as The World Bank, and the United Nations use USD \$1 per person per day as the extreme poverty line and USD \$ 2 per person per day as the poverty line, where the US Dollar is evaluated at Purchasing Power Parity. As there are no Purchasing Power Parity values for Kosovo, we used the market exchange rate that prevailed in November 2003, (one Euro=1.18 \$).

Thus, one Dollar a day per person=1/1.18 euro per person per day : 25.6 Euro per person per month. Also, two Dollar a day per person=2/1.18 euro per person per day : 51.2 Euro per person per month.

### Poverty Measurements

It has become standard practice in poverty comparisons to use the Foster-Greer-Thorbecke class of decomposable poverty measurements. It is given by:

$$p_{\alpha} = 1/n \sum [(z - y_i) / z]^{\alpha} \quad (2)$$

where  $y_i$  denotes income or expenditure of the i-th poor individual,  $z$  is the poverty line,  $q$  is the number of individuals whose consumption or income is less than the poverty line, and  $n$  is the population size,  $\alpha = 0, 1$  or  $2$  depends on which poverty measure is used. These include three indices: the head count, the poverty gap and the poverty severity indices.

The **head count index** (P0) is a measure of the prevalence of poverty. It denotes the percentage of households who are poor - as defined by the poverty line - as a proportion of total population. This measure however, is insensitive to the distribution of the poor below the poverty line. This is captured by the following two indices, P1 and P2. The **poverty gap index** (P1), is a measure of the depth of poverty and it denotes the gap between the observed expenditure levels of poor households and the poverty line. Assuming perfect targeting, the poverty gap index indicates the amount of resources (transfers) needed to bring all households in poverty up to the poverty line. The **poverty severity index** (P2) measures the degree of inequality in distribution below the poverty line and it gives

Item	Calorie intake per adult equivalent	Calorie intake consumption	Calorie needs	Cost per calorie	Minimum basket cost
Bread	0.21	0.12	250.39	0.000263	0.0659
Maize, other cereals	0.0652	3.60%	76.26	0.000355	0.0271
Pasta and rice	0.0328	1.80%	38.34	0.000541	0.0207
Beans	0.03	0.02	35.63	0.001711	0.061
Butter and other fat	0.047	2.60%	54.94	0.000657	0.0361
Milk	0.15	0.08	172.24	0.001671	0.2878
Yogurt	0.01	0.00	6.54	0.002673	0.0175
Curd	0.00	0.00	4.16	0.002844	0.0118
Fresh cheese	0.02	0.90%	18.88	0.002756	0.052
Baby Formula	0.0043	0.20%	5.07	0.003178	0.0161
Mutton/lamb/goat	0.0027	0.20%	3.18	0.002993	0.0095
Beef/Buffalo	0.035	1.90%	40.89	0.002617	0.107
Chicken and other Poultry	0.0727	4.00%	84.97	0.001249	0.1061
Pork	0.0174	1.00%	20.32	0.002507	0.051
Eggs	0.0247	1.40%	28.9	0.002412	0.0697
Fish	0.0028	0.20%	3.33	0.002209	0.0073
Garlic	0.0058	0.30%	6.84	0.001936	0.0132
Sweet pepper	0.039	2.20%	45.56	0.003273	0.1491
Cucumber	0.0041	0.20%	4.81	0.005685	0.0274
Tomatoes	0.0142	0.80%	16.65	0.003883	0.0647
Cabbage	0.0098	0.50%	11.48	0.003023	0.0347
Other Vegetables	0.0011	0.10%	1.3	0.002826	0.0037
Grapes	0.0197	1.10%	23	0.001807	0.0416
Apples	0.0169	0.90%	19.8	0.001738	0.0344
Orange	0.0042	0.20%	4.95	0.004769	0.0236
Other Fruits	0.0031	0.20%	3.59	0.002761	0.0099
Canned Food	0.0003	0.00%	0.39	0.006824	0.0027
Pickles	0.0029	0.20%	3.39	0.001549	0.0053
Jam	0.0114	0.60%	13.3	0.001504	0.02
Soft drinks	0.029	1.60%	33.97	0.00267	0.0907
Beer	0.0031	0.20%	3.58	0.002955	0.0106
Shlivovica	0.0022	0.10%	2.57	0.002276	0.0059
Fast Food	0.002	0.10%	2.29	0.001817	0.0042
Yeast	0.01	0.60%	11.72	0.002354	0.0276
Biscuits	0.0184	1.00%	21.52	0.000993	0.0214
Spices	0	0.00%	-	0	
Tea	0.0001	0.00%	0.08	0.4443	0.035
Coffee	0.0001	0.00%	0.1	0.4906	0.051
Misc. other food expenses	0	0.00%	-	0	
Wheat (flour)	0.4469	24.90%	522.66	0.0001	0.0715
Sunflower oil	0.1865	10.40%	218.06	0.0002	0.0423
Sugar	0.2144	11.90%	250.73	0.0003	0.0657
Potatoes	0.0241	1.30%	28.17	0.0012	0.0324
Honey	0.0013	0.10%	1.57	0.0033	0.0052
Onions	0.0033	0.20%	3.9	0.0033	0.0128
<b>Total</b>	<b>1.7957</b>	<b>100.00%</b>	<b>2,100</b>		<b>1.8529</b>

greater weight to households at the bottom of the income (or expenditure) distribution.

To illustrate, suppose that, as a result of a policy change, 10% of income is redistributed from a poor household whose income level places it at 30% below the poverty line to a household who is placed at 50% below the poverty line. The head count index in this case would not change, since the size of the redistribution does not afford either household to move up to the poverty line. The poverty gap index would not change either, since

the redistribution occurred at levels below the poverty line. The effect of this redistribution policy will be captured by the P2 index, as the position of the lower level household in the distribution would improve.

## VII. Constructing the Social Capital Index

### Social Capital Index

An average of different scores of Questions number q55, q56 and q57. The suggested scores are:

<b>Q55</b>		<b>scores</b>
Most people		1
Some people		1
Few people		0
No one		0
Refused / Don't Know		0
<b>Q56</b>		<b>scores</b>
Whom you will invite to family event, like birthday, wedding etc.?	1 for yes and 0 otherwise	
Can borrow money if the situation is really difficult?	1 for yes and 0 otherwise	
You can rely on if it will come about your personal safety?	1 for yes and 0 otherwise	
With whom you can do something for the benefit of all neighborhood,	1 for yes and 0 otherwise	
People you can engage for a political cause you think it's worth?	1 for yes and 0 otherwise	
<b>Q57</b>		<b>scores</b>
Incidents, like car crash or similar	1 for yes and 0 otherwise	
Initiative of your local government implemented in the neighborhood	1 for yes and 0 otherwise	
NGO project taking place in your vicinity	1 for yes and 0 otherwise	
Action initiated by political party or leader	1 for yes and 0 otherwise	
Maximum Score		11

From the HDS, the largest value of this index was 10 and minimum was zero, we standardized this index like all human development indicators by subtracting the minimum value and dividing by the range (maximum value-minimum value) and multiplied by 100. Thus the index is ranged from zero to 100.

## ANNEX II: HUMAN DEVELOPMENT INDICATOR TABLES

TABLE A1: HUMAN DEVELOPMENT INDEX AND ITS COMPONENTS

	Life expectancy at birth*	Adult literacy rate (15+) %	Combined enrollment rate %	Income per capita in Euro	Life expectancy index	Education index	Income index	Human Development Index (HDI)
Prishtinë/Priština	70.96	95.70	90.73	1585.64	0.766	0.940	0.461	0.723
Zubin Potok/Zubin Potok	70.68	98.33	93.55	1180.18	0.761	0.967	0.412	0.714
Zvečan/Zvecan	70.76	97.85	92.31	1225.39	0.763	0.96	0.418	0.714
Leposaviq/Leposavic	69.34	97.57	93.10	1214.08	0.739	0.961	0.417	0.706
Shtërpçë/Štrpce	70.68	93.02	93.33	1162.09	0.761	0.931	0.409	0.701
Ferizaj/Uroševac	69.23	96.37	91.06	1209.69	0.737	0.946	0.416	0.700
Istog/Istok	70.99	92.76	85.42	1283.25	0.767	0.903	0.426	0.699
Lipjan/Lipljan	71.00	95.42	88.75	1085.67	0.767	0.932	0.398	0.699
Suharekë/Suva Reka	69.69	95.40	85.80	1282.02	0.745	0.922	0.426	0.698
Kamenicë/Kamenica	70.87	93.89	87.23	1190.59	0.765	0.917	0.413	0.698
Viti/Vitina	69.37	92.05	90.87	1348.12	0.740	0.917	0.434	0.697
Mitrovicë/Mitrovica	70.89	97.18	91.89	919.79	0.765	0.954	0.370	0.696
Gjilan/Gnjilane	71.14	92.65	92.47	1062.68	0.769	0.926	0.394	0.696
Pejë/Pec	70.98	95.43	89.71	1006.00	0.766	0.935	0.385	0.696
Gjakovë/Đakovica	71.05	92.07	81.72	1149.04	0.768	0.886	0.407	0.687
Prizren/Prizren	71.00	92.90	87.25	897.59	0.767	0.91	0.366	0.681
Vushtrri/Vucitrn	70.07	93.90	93.38	819.45	0.751	0.937	0.351	0.680
Fushë Kosovë/Kosovo Polje	71.04	93.56	86.26	859.19	0.767	0.911	0.359	0.679
Gillogovc/Glogovac	68.63	96.73	91.59	731.48	0.727	0.95	0.332	0.670
Deçan/Decani	70.86	94.07	85.06	722.14	0.764	0.911	0.330	0.668
Rahovec/Orahovac	70.70	90.25	86.84	807.81	0.762	0.891	0.349	0.667
Klinë/Klina	68.10	94.46	83.94	919.18	0.718	0.91	0.370	0.666
Podujeva/Podujevo	71.07	89.36	85.68	755.17	0.768	0.881	0.337	0.662
Dragash/Dragaš	65.28	94.64	85.51	955.40	0.671	0.916	0.377	0.655
Obiliq/ Obilic	65.38	94.46	85.46	899.50	0.672	0.915	0.367	0.651
Skenderaj/Srbica	61.65	95.52	87.54	1135.50	0.611	0.929	0.406	0.648
Kaçanik/Kacanik	65.94	94.78	92.92	631.80	0.682	0.942	0.308	0.644
Shtime/Štimlje	64.08	95.82	89.40	623.18	0.651	0.937	0.305	0.631
Malishevë/Mališevo	64.15	92.08	86.96	723.94	0.653	0.904	0.330	0.629
Novobërdë/Novo Brdo	62.41	94.34	86.96	736.73	0.623	0.919	0.333	0.625
Average	68.86	94.22	88.52	1053.23	0.731	0.923	0.393	0.682
Kosovan Albanian	70.59	94.12	88.91	1051.14	0.760	0.924	0.393	0.692
Kosovan Serb	70.92	97.47	91.13	1282.43	0.765	0.954	0.426	0.715
RAE	69.74	83.41	60.46	396.69	0.746	0.758	0.230	0.578
Others	70.98	93.07	88.20	865.55	0.766	0.914	0.360	0.680
Rural	68.10	93.95	87.27	915.34	0.718	0.758	0.370	0.615
Urban	71.00	94.55	90.14	1221.19	0.767	0.914	0.418	0.700

Calculated from Human Development Survey, 2004.

\* Life expectancy indicators are based on rate of death by age that are available at the Kosovo wide level only. In order to disaggregate for municipality and ethnic levels, we estimated the number of deaths in each municipality and ethnic group by multiplying a weighted death rate in each age group by corresponding number of population. Weights are the percentage of population without access to health services.



TABLE A 2. HUMAN POVERTY INDEX-1 AND ITS COMPONENTS

	Percentage of people expected to die before age of 40**	Adult illiteracy rate (15+), %	Percentage of people without access to piped water	Infant mortality rate, %*	Nearest health center is more than 5 km, %	Decent living standard index	Human Poverty Index 1 (HPI-1)
Prishtinë/Priština	5.73	4.31	9.91	3.5	0.41	4.60	4.96
Zubin Potok/Zubin Potok	5.73	1.67	10.53	3.5	5.81	6.61	5.44
Zvečan/Zvečan	5.74	2.15	11.47	3.5	6.93	7.30	5.81
Leposaviq/Leposavic	6.40	2.43	10.20	3.5	10.38	8.03	6.42
Shtërpcë/Štrpce	5.74	6.98	6.56	3.5	0.00	3.35	5.74
Ferizaj/Uroševac	6.61	3.63	54.60	3.5	11.26	23.12	16.18
Istog/Istok	5.73	7.24	39.55	3.5	7.72	16.92	12.18
Lipjan/Lipljan	5.73	4.58	56.60	3.5	7.54	22.55	15.76
Suharekë/Suva Reka	6.40	4.60	69.89	3.5	10.22	27.87	19.43
Kamenicë/Kamenica	5.74	6.11	24.23	3.5	0.00	9.24	7.38
Viti/Vitina	6.63	7.95	46.05	3.5	10.99	20.18	14.43
Mitrovicë/Mitrovica	5.74	2.82	10.22	3.5	0.71	4.81	4.75
Gjilan/Gnjilane	5.74	7.35	16.67	3.5	0.00	6.72	6.67
Pejë/Pec	5.73	4.57	31.65	3.5	6.36	13.84	9.93
Gjakovë/Đakovica	5.74	7.93	15.58	3.5	7.97	9.02	7.80
Prizren/Prizren	5.09	7.10	13.62	3.5	7.07	8.06	6.97
Vushtrri/Vucitrn	6.17	6.10	14.36	3.5	9.58	9.15	7.42
Fushë Kosovë/Kosovo Polje	5.74	6.44	8.89	3.5	4.38	5.59	5.94
Gllgovc/Glogovac	6.61	3.27	47.06	3.5	11.63	20.73	14.55
Deçan/Decani	5.72	5.93	22.76	3.5	5.90	10.72	8.16
Rahovec/Orahovac	5.84	9.75	18.64	3.5	8.52	10.22	9.01
Klinë/Klina	7.04	5.54	55.75	3.5	12.75	24.00	16.85
Podujeva/Podujevo	5.74	10.64	37.65	3.5	6.99	16.05	12.26
Dragash/Dragaš	8.56	5.36	9.22	3.5	18.62	10.45	8.62
Obiliq/ Obilic	8.55	5.54	38.57	3.5	18.50	20.19	14.44
Skenderaj/Srbica	10.91	4.48	53.09	3.5	27.81	28.13	19.90
Kaçanik/Kacanik	8.13	5.23	21.13	3.5	17.16	13.93	10.41
Shtime/Štimlje	9.41	4.18	47.89	3.5	22.20	24.53	17.35
Malishevë/Mališevo	9.44	7.92	93.46	3.5	21.77	39.58	27.60
Novobërdë/Novo Brdo	10.68	5.66	69.23	3.5	27.16	33.30	23.38
Total	6.79	5.78	27.41	3.5	8.125	12.96	9.66
Kosovan Albanian	6.18	5.88	29.28	3.5	8.95	13.91	10.14
Kosovan Serb	5.73	2.53	20.94	3.5	2.18	8.87	6.70
RAE	6.62	16.60	25.24	3.5	0.26	9.67	12.43
Others	5.76	6.932	2.424	3.5	4.18	3.36	5.72
Rural	8.33	6.05	48.12	3.5	14.23	21.95	15.59
Urban	3.73	5.45	6.08	3.5	0.69	3.42	4.39

\*Calculated from Human Development Survey, 2004, except Infant Mortality rate which was derived from WHO statistics for all Kosovo.

\*\*Percentage of people expected to die before age of 40 indicators are based on rate of death by age that are available at the Kosovo wide level only. In order to disaggregate for municipality and ethnic levels, we estimated the number of deaths in each municipality and ethnic group by multiplying a weighted death rate in each age group by corresponding number of population. Weights are the percentage of population without access to health services.

TABLE A3. HUMAN POVERTY INDEX-2 AND ITS COMPONENTS

	Percentage of people expected to die before age of 60*	Adult illiteracy rate (15+)	Percentage of people living on USD \$2 a day	Unemployment rate (15-64), %	Human Poverty Index -2 (HPI-2)
Prishtinë/Priština	10.53	4.31	29.81	30.26	24.02
Zubin Potok/Zubin Potok	10.63	1.67	6.66	21.15	13.99
Zvečan/Zvecan	10.46	2.15	22.93	22.81	18.44
Leposaviq/Leposavic	12.45	2.43	28.70	27.26	22.55
Shtërpçë/Štrpce	10.56	6.98	37.90	35.59	29.34
Ferizaj/Uroševac	13.02	3.63	46.14	41.90	35.17
Istog/Istok	10.43	7.24	48.16	54.93	41.16
Lipjan/Lipljan	10.41	4.59	40.43	48.91	35.85
Suharekë/Suva Reka	12.28	4.60	42.94	41.89	33.81
Kamenicë/Kamenica	10.36	6.11	43.38	46.31	35.72
Viti/Vitina	12.62	7.95	48.20	52.39	40.12
Mitrovicë/Mitrovica	10.43	2.82	49.25	51.62	40.11
Gjilan/Gnjilane	10.37	7.36	41.52	47.69	35.67
Pejë/Pec	10.47	4.57	34.81	34.90	27.80
Gjakovë/Đakovica	10.30	7.94	50.68	42.26	37.28
Prizren/Prizren	6.80	7.10	59.11	35.00	39.69
Vushtrri/Vucitrn	11.85	6.10	56.40	42.95	40.24
Fushë Kosovë/Kosovo Polje	10.37	6.44	54.23	49.10	41.18
Glogovc/Glogovac	12.94	3.27	64.71	64.06	51.17
Deçan/Decani	10.52	5.93	28.13	64.72	41.92
Rahovec/Orahovac	10.63	9.75	69.57	28.39	44.89
Klinë/Klina	14.44	5.54	58.87	67.20	50.35
Podujeva/Podujevo	10.35	10.65	51.92	55.17	42.65
Dragash/Dragaš	18.80	5.36	70.85	56.85	51.50
Obiliq/ Obilic	18.81	5.54	36.93	58.23	39.93
Skenderaj/Srbica	25.25	4.48	46.91	67.39	47.38
Kaçanik/Kacanik	17.33	5.23	63.89	45.28	44.77
Shtime/Štimlje	20.75	4.18	57.24	49.21	42.89
Malishevë/Mališevo	20.61	7.92	64.81	37.92	43.79
Novobërdë/Novo Brdo	26.21	5.66	42.63	43.70	35.51
Total	13.40	5.78	47.65	44.42	36.74
Kosovan Albanian	11.68	5.88	48.68	45.85	37.65
Kosovan Serb	10.59	2.53	26.46	30.18	22.77
RAE	12.70	16.60	79.09	58.32	55.93
Others	10.74	6.93	57.72	42.96	40.87
Rural	18.26	6.05	49.22	48.62	39.18
Urban	4.21	5.45	45.79	39.97	34.21

Calculated from Human Development Survey, 2004

\*Percentage of people expected to die before age of 60 indicators are based on rate of death by age that are available at the Kosovo wide level only. In order to disaggregate for municipality and ethnic levels, we estimated the number of deaths in each municipality and ethnic group by multiplying a weighted death rate in each age group by corresponding number of population. Weights are the percentage of population without access to health services.

**TABLE A 4. GAP BETWEEN MALES AND FEMALES**

	Life expectancy at birth		Adult literacy rate, %		Net combined enrollment rate, %		Mean years of schooling		Labor force participation, %		Earned income per month (Euro)	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Prishtinë/Priština	70.12	71.88	98.02	93.40	92.95	87.79	11.27	9.64	75.30	39.60	169.92	55.89
Zubin Potok/Zubin Potok	70.00	71.39	100.00	96.67	92.86	100.00	11.96	10.97	79.52	53.19	184.77	160.00
Zvečan/Zvečan	70.02	71.53	100.00	96.04	90.48	94.44	11.94	10.16	69.46	51.38	145.07	106.20
Leposaviq/Leposavic	68.57	70.04	98.73	96.49	93.33	92.86	11.02	9.95	73.91	52.46	112.16	71.96
Shtërpçë/Štrpce	69.77	71.73	96.35	88.52	92.00	90.48	10.54	8.77	77.96	29.60	136.19	58.41
Ferizaj/Uroševac	68.12	70.65	97.27	95.40	89.09	93.55	10.53	8.94	74.53	30.63	106.57	25.21
Istog/Istok	70.21	71.82	97.72	88.38	88.62	81.90	10.18	7.80	74.52	25.74	86.34	23.80
Lipjan/Lipljan	70.33	71.71	97.77	93.16	88.48	89.61	10.69	9.15	73.80	35.09	121.03	33.56
Suharekë/Suva Reka	68.74	70.75	97.75	93.21	87.26	84.57	9.91	7.52	75.17	19.13	256.00	103.90
Kamenicë/Kamenica	70.15	71.72	98.32	89.47	89.17	85.96	10.25	7.69	77.35	45.31	150.03	32.04
Viti/Vitina	68.54	70.20	93.33	90.68	89.76	92.04	9.97	8.47	79.57	27.62	180.67	50.15
Mitrovicë/Mitrova	70.26	71.63	99.06	95.30	92.23	91.43	11.22	9.93	76.12	42.75	207.21	142.29
Gjilan/Gnjilane	70.25	72.11	96.14	89.35	92.22	92.37	10.07	8.10	76.50	47.29	106.81	33.56
Pejë/Pec	70.18	71.8	98.19	92.88	90.91	88.16	10.89	9.07	76.81	38.88	225.51	88.85
Gjakovë/Đakovica	70.33	71.77	97.04	87.64	81.19	82.40	10.35	8.45	76.39	26.57	131.48	43.98
Prizren/Prizren	70.29	71.82	95.82	90.27	87.66	86.88	9.41	7.61	75.24	19.40	202.11	94.86
Vushtrri/Vucitrn	69.05	71.12	97.97	89.96	92.65	94.18	10.90	8.69	76.30	26.22	130.64	18.92
Fushë Kosovë/Kosovo Polje	70.34	71.80	98.00	89.22	87.14	85.48	10.61	8.40	74.69	32.60	84.41	28.15
Gillogovc/Glogovac	67.60	69.76	98.37	95.08	94.00	89.47	10.74	8.55	73.92	23.00	117.88	47.39
Deçan/Decani	70.09	71.81	97.58	90.83	86.18	84.06	10.88	8.01	73.66	28.83	231.23	102.82
Rahovec/Orahovac	69.79	71.74	94.41	86.62	90.75	82.94	8.56	6.71	73.11	20.80	94.78	12.89
Klinë/Klina	67.03	69.13	97.54	91.47	88.80	78.86	9.81	7.78	72.33	34.59	104.82	21.26
Podujeva/Podujevo	70.43	71.78	95.45	83.75	86.15	84.87	9.79	7.21	75.73	25.45	91.64	14.11
Dragash/Dragaš	63.66	66.87	97.73	92.19	91.40	80.99	10.16	7.10	78.07	17.43	87.33	19.97
Obiliq/Obilic	64.02	66.71	98.14	90.85	87.04	83.93	10.79	8.30	79.81	33.05	117.39	24.16
Skenderaj/Srbica	59.94	63.49	98.02	92.96	84.77	89.93	10.44	8.04	70.09	28.48	58.88	18.63
Kaçanik/Kacanik	64.61	67.15	98.24	91.53	93.60	92.08	10.40	8.38	74.57	15.54	104.61	18.00
Shtime/Štimlje	62.16	66.01	97.75	94.44	90.91	87.10	9.78	8.04	75.81	22.99	104.10	21.23
Malishevë/Mališevo	62.57	65.75	95.36	89.06	90.18	82.96	9.01	6.93	76.45	13.36	60.16	4.78
Novobërdë/Novo Brdo	60.00	65.25	100.00	92.31	90.91	81.82	9.29	7.45	75.78	31.81	107.52	60.57
Total	67.82	69.97	97.28	91.32	89.50	87.41	10.40	8.42	75.42	30.91	135.92	42.23
Kosovan Albanian	69.81	71.44	97.14	91.23	89.91	87.80	10.38	8.32	75.51	29.55	136.26	36.46
Kosovan Serb	70.16	71.75	98.95	96.00	91.14	91.12	11.14	10.07	72.80	48.47	138.24	91.74
RAE	69.05	70.42	92.14	74.89	68.60	52.94	8.04	5.69	80.25	22.45	93.68	28.13
Others	70.12	71.88	99.18	88.62	84.62	90.72	9.96	7.60	79.60	23.81	140.31	39.10
Rural	67.00	69.23	97.03	90.97	88.71	85.69	10	7.94	74.39	25.54	112.3	31.59
Urban	70.23	71.87	97.54	91.74	90.54	89.7	10.88	8.99	76.64	37.19	162.66	53.46

\*Calculated from Human Development Survey, 2004

Labor Force Participation rate is calculated as the percentage of people in the labor force divided by total population aged 15-64 years

TABLE A 5. MALE FEMALE RATIO (MALE=100)

	Life expectancy at birth	Adult literacy rate, %	Net combined enrollment rate, %	Labor force participation, %	Mean years of schooling	Monthly earned income
Prishtinë/Priština	102.51	95.28	94.45	52.59	85.56	32.89
Zubin Potok/Zubin Potok	101.98	96.67	107.69	66.89	91.77	86.59
Zveçan/Zvecan	102.17	96.04	104.39	73.97	85.12	73.21
Leposaviq/Leposavic	102.15	97.73	99.49	70.97	90.32	64.15
Shtërpçë/Štrpce	102.81	91.88	98.34	37.96	83.14	42.89
Ferizaj/Uroševac	103.72	98.07	105.00	41.11	84.90	23.65
Istog/Istok	102.29	90.44	92.42	34.54	76.56	27.57
Lipjan/Lipljan	101.95	95.29	101.27	47.56	85.58	27.73
Suharekë/Suva Reka	102.93	95.35	96.92	25.44	75.91	40.59
Kamenicë/Kamenica	102.23	91.00	96.41	58.57	74.95	21.36
Viti/Vitina	102.42	97.16	102.53	34.71	84.97	27.76
Mitrovicë/Mitrovica	101.95	96.20	99.13	56.16	88.51	68.67
Gjilan/Gnjilane	102.64	92.93	100.16	61.82	80.48	31.42
Pejë/Pec	102.31	94.59	96.97	50.61	83.28	39.40
Gjakovë/Đakovica	102.05	90.32	101.50	34.78	81.60	33.45
Prizren/Prizren	102.18	94.20	99.11	25.78	80.93	46.93
Vushtrri/Vucitrn	103.00	91.83	101.65	34.36	79.66	14.48
Fushë Kosovë/Kosovo Polje	102.08	91.04	98.10	43.65	79.22	33.34
Glogovc/Glogovac	103.19	96.66	95.18	31.12	79.57	40.20
Deçan/Decani	102.45	93.08	97.54	39.14	73.62	44.47
Rahovec/Orahovac	102.80	91.74	91.39	28.45	78.45	13.59
Klinë/Klina	103.13	93.77	88.81	47.82	79.29	20.29
Podujeva/Podujevo	101.91	87.73	98.52	33.61	73.60	15.40
Dragash/Dragaš	105.05	94.34	88.61	22.33	69.91	22.87
Obiliq/ Obilic	104.20	92.58	96.43	41.41	76.94	20.58
Skenderaj/Srbica	105.92	94.84	106.09	40.64	77.02	31.64
Kaçanik/Kacanik	103.93	93.17	98.38	20.84	80.60	17.20
Shtime/Štimlje	106.19	96.62	95.81	30.33	82.20	20.39
Malishevë/Mališevo	105.08	93.39	91.99	17.47	76.94	7.94
Novobërdë/Novo Brdo	108.75	92.31	90.00	41.98	80.16	56.33
Total	103.16	93.88	97.66	40.98	80.99	31.07
Kosovan Albanian	102.35	93.92	97.65	39.14	80.19	26.76
Kosovan Serb	102.26	97.02	99.97	66.58	90.45	66.36
RAE	101.98	81.28	77.17	27.97	70.84	30.02
Others	102.50	89.36	107.22	29.91	76.32	27.87
Rural	103.32	93.75	96.60	34.33	79.38	28.13
Urban	102.34	94.05	99.07	48.53	82.65	32.86

Calculated from Table A 4

TABLE A6. GENDER-RELATED DEVELOPMENT INDEX AND ITS COMPONENTS

	Index for life expectancy at birth		Equally distributed life expectancy index	Index for education attainment		Equally distributed education attainment index	Index for earned income		Equally distributed income index	Gender-related Development Index (GDI)
	Male	Female		Male	Female		Male	Female		
Pristinë/Priština	0.794	0.740	0.766	0.963	0.915	0.939	0.503	0.318	0.390	0.698
Zubin Potok/Zubin Potok	0.792	0.731	0.761	0.976	0.978	0.977	0.517	0.493	0.505	0.748
Zvečan/Zvečan	0.792	0.734	0.761	0.968	0.955	0.962	0.477	0.425	0.449	0.724
Leposaviq/Leposavic	0.768	0.709	0.738	0.969	0.953	0.961	0.434	0.360	0.394	0.697
Shtërpçë/Štrpce	0.788	0.737	0.763	0.949	0.892	0.921	0.466	0.325	0.387	0.690
Ferizaj/Uroševac	0.760	0.719	0.740	0.945	0.948	0.947	0.425	0.185	0.259	0.648
Istog/Istok	0.795	0.739	0.766	0.947	0.862	0.902	0.390	0.175	0.241	0.637
Lipjan/Lipljan	0.797	0.737	0.765	0.947	0.920	0.933	0.447	0.233	0.304	0.667
Suharekë/Suva Reka	0.771	0.721	0.743	0.943	0.903	0.921	0.572	0.421	0.480	0.715
Kamenicë/Kamenica	0.794	0.737	0.764	0.953	0.883	0.916	0.482	0.225	0.305	0.662
Viti/Vitina	0.767	0.712	0.740	0.921	0.911	0.917	0.513	0.300	0.382	0.679
Mitrovicë/Mitrovica	0.796	0.736	0.765	0.968	0.940	0.954	0.536	0.474	0.503	0.741
Gjilan/Gnjilane	0.796	0.744	0.769	0.948	0.904	0.926	0.426	0.233	0.301	0.665
Pejë/Pec	0.795	0.738	0.766	0.958	0.913	0.935	0.550	0.395	0.461	0.720
Gjakovë/Đakovica	0.797	0.738	0.767	0.918	0.859	0.888	0.460	0.278	0.347	0.667
Prizren/Prizren	0.797	0.739	0.766	0.931	0.891	0.910	0.532	0.406	0.458	0.711
Vushtrri/Vucitrn	0.776	0.727	0.751	0.962	0.914	0.937	0.459	0.137	0.210	0.633
Fushë Kosovë/Kosovo Polje	0.797	0.738	0.766	0.944	0.880	0.910	0.386	0.203	0.265	0.647
Gillogovc/Glogovac	0.752	0.704	0.727	0.969	0.932	0.950	0.442	0.290	0.349	0.675
Deçan/Decani	0.793	0.738	0.764	0.938	0.886	0.910	0.555	0.419	0.476	0.717
Rahovec/Orahovac	0.788	0.737	0.761	0.932	0.854	0.890	0.406	0.073	0.120	0.590
Klinë/Klina	0.742	0.694	0.717	0.946	0.873	0.909	0.423	0.156	0.230	0.619
Podujeva/Podujevo	0.799	0.738	0.766	0.924	0.841	0.879	0.400	0.088	0.142	0.596
Dragash/Dragaš	0.686	0.656	0.669	0.956	0.885	0.915	0.392	0.146	0.203	0.596
Obiliq/ Obilic	0.692	0.653	0.672	0.944	0.885	0.914	0.442	0.178	0.252	0.612
Skenderaj/Srbica	0.624	0.600	0.612	0.936	0.920	0.928	0.326	0.134	0.190	0.576
Kaçanik/Kacanik	0.702	0.661	0.681	0.967	0.917	0.941	0.422	0.129	0.196	0.606
Shtime/Štimlje	0.661	0.642	0.652	0.955	0.920	0.938	0.421	0.156	0.233	0.607
Malishevë/Mališevo	0.668	0.637	0.652	0.936	0.870	0.902	0.330	0	0	0.518
Novobërdë/Novo Brdo	0.625	0.629	0.627	0.970	0.888	0.929	0.427	0.331	0.375	0.644
Total	0.755	0.708	0.731	0.947	0.900	0.923	0.466	0.271	0.342	0.665
Kosovan Albanian	0.788	0.732	0.759	0.947	0.901	0.923	0.466	0.246	0.322	0.668
Kosovan Serb	0.794	0.737	0.765	0.963	0.944	0.954	0.469	0.400	0.432	0.717
RAE	0.776	0.715	0.745	0.843	0.676	0.752	0.404	0.203	0.272	0.590
Others	0.794	0.740	0.761	0.943	0.893	0.913	0.471	0.258	0.318	0.664
Rural	0.742	0.695	0.718	0.943	0.892	0.917	0.434	0.222	0.294	0.643
Urban	0.795	0.740	0.766	0.952	0.911	0.931	0.496	0.310	0.381	0.692

Calculated from Table A4

TABLE A7: GENDER EMPOWERMENT INDEX AND ITS MEASURES

	Shares of parliamentary seats, %			Percentage of legislator, senior officials and managers			Percentage of professional and technical positions			Index for economic participation	Earned income			Gender Empowerment Index (GEM)
	Male	Female	Index	Male	Female	Index	Male	Female	Index		Male	Female	Index	
Prishtinë/Priština	70.59	29.41	0.834	0.757	0.243	0.739	0.712	0.288	0.824	0.782	0.049	0.014	0.044	0.553
Zubin P. /Zubin P.	75.97	24.03	0.733	0.611	0.389	0.952	0.705	0.295	0.835	0.893	0.053	0.046	0.098	0.575
Zvečan/Zvečan	76.47	23.53	0.714	0.611	0.389	0.948	0.696	0.304	0.841	0.895	0.041	0.029	0.068	0.559
Leposaviq/ Leposavic	70.59	29.41	0.834	0.634	0.366	0.931	0.667	0.333	0.892	0.911	0.031	0.019	0.048	0.598
Shtërpçë/Štrpce	82.35	17.65	0.603	0.799	0.201	0.664	0.803	0.197	0.655	0.660	0.038	0.015	0.044	0.436
Ferizaj/Uroševac	68.29	31.71	0.871	0.878	0.122	0.434	0.754	0.246	0.748	0.591	0.030	0.005	0.018	0.493
Istog/Istok	77.42	22.58	0.698	0.86	0.140	0.480	0.767	0.233	0.714	0.597	0.023	0.005	0.015	0.437
Lipjan/Lipljan	70.97	29.03	0.817	0.865	0.135	0.460	0.644	0.356	0.911	0.686	0.034	0.008	0.024	0.509
Suharekë/Suva Reka	73.17	26.83	0.762	0.864	0.136	0.449	0.881	0.119	0.398	0.424	0.074	0.029	0.081	0.422
Kamenicë/Kamenica	70.97	29.03	0.820	1.000	0	0	0.771	0.229	0.703	0.351	0.043	0.007	0.024	0.399
Viti/Vitina	74.19	25.81	0.781	0.913	0.087	0.328	0.897	0.103	0.38	0.354	0.052	0.013	0.041	0.392
Mitrovicë/Mitrovica	80.49	19.51	0.63	0.707	0.293	0.830	0.616	0.384	0.947	0.889	0.060	0.040	0.096	0.539
Gjilan/Gnjilane	78.05	21.95	0.688	0.742	0.258	0.768	0.811	0.189	0.616	0.692	0.030	0.008	0.024	0.468
Pejë/Pec	73.17	26.83	0.789	0.788	0.212	0.672	0.648	0.352	0.915	0.793	0.065	0.024	0.071	0.551
Gjakovë/Đakovica	75.97	24.03	0.733	0.842	0.158	0.534	0.833	0.167	0.558	0.546	0.037	0.011	0.033	0.438
Prizren/Prizren	73.17	26.83	0.773	0.949	0.051	0.189	0.842	0.158	0.52	0.354	0.058	0.026	0.071	0.399
Vushtrri/Vucitrn	77.42	22.58	0.697	0.927	0.073	0.270	0.898	0.102	0.365	0.318	0.037	0.003	0.012	0.342
F. Kosovë/ Kosovo P.	80.95	19.05	0.609	0.823	0.177	0.576	0.817	0.183	0.590	0.583	0.023	0.006	0.019	0.404
Glllogovc/Glogovac	83.87	16.13	0.535	0.846	0.154	0.514	0.846	0.154	0.514	0.514	0.033	0.012	0.034	0.361
Deçan/Decani	64.52	35.48	0.909	0.893	0.107	0.375	0.639	0.361	0.916	0.645	0.067	0.028	0.079	0.544
Rahovec/Orahovac	74.19	25.81	0.752	0.963	0.037	0.138	0.923	0.077	0.275	0.206	0.026	0.001	0.005	0.321
Klinë/Klina	70.97	29.03	0.829	0.829	0.171	0.572	0.846	0.154	0.526	0.549	0.029	0.004	0.014	0.464
Podujeva/Podujevo	68.29	31.71	0.857	0.828	0.172	0.560	0.850	0.150	0.500	0.530	0.025	0.002	0.006	0.464
Dragash/Dragaš	75.97	24.03	0.693	0.909	0.091	0.305	0.971	0.029	0.104	0.205	0.024	0.004	0.011	0.303
Obiliq/ Obilic	76.19	23.81	0.721	0.905	0.095	0.341	0.867	0.133	0.458	0.399	0.033	0.005	0.016	0.379
Skenderaj/Srbica	83.87	16.13	0.540	0.810	0.190	0.615	0.906	0.094	0.339	0.477	0.015	0.003	0.010	0.342
Kaçanik/Kacanik	74.19	25.81	0.763	0.907	0.093	0.335	0.925	0.075	0.275	0.305	0.029	0.003	0.010	0.360
Shtime/Štimlje	71.43	28.57	0.832	0.905	0.095	0.358	0.833	0.167	0.572	0.465	0.029	0.004	0.014	0.437
Malishevë/Mališevo	70.97	29.03	0.828	1.000	0	0	0.846	0.154	0.524	0.262	0.016	0	0	0.363
Novobërdë/ Novo Brdo	82.35	17.65	0.597	0.869	0.131	0.470	1.000	0	0	0.235	0.030	0.016	0.042	0.291
Total	75.97	24.03	0.728	0.833	0.167	0.555	0.766	0.234	0.715	0.635	0.038	0.010	0.032	0.465
Kosovan Albanian				0.864	0.136	0.468	0.782	0.218	0.680	0.574	0.038	0.008	0.028	
Kosovan Serb				0.648	0.352	0.914	0.681	0.319	0.871	0.892	0.039	0.025	0.061	
RAE				1.000	0	0	1	0	0	0	0.026	0.006	0.020	
Others				0.847	0.153	0.464	0.833	0.167	0.503	0.484	0.040	0.009	0.027	
Rural				0.854	0.146	0.497	0.817	0.183	0.597	0.547	0.031	0.007	0.023	
Urban				0.820	0.180	0.587	0.723	0.277	0.796	0.692	0.046	0.014	0.042	

\*Calculated from The Human Development Survey, 2004, except "shares of parliamentary seats " which were derived from OSCE Municipality Profiles.

TABLE A8. PERCENTAGE OF PEOPLE WITH ACCESS TO BASIC AMENITIES, DURABLE GOODS AND PRODUCTIVE ECONOMIC RESOURCES.

	Safe source of drinking water	Sewerage for disposal of wastewater	Access to electricity	TV-set	Percentage of households with no economic assets*	Computer	Computer and telephone
Pristinë/Priština	90.09	89.12	99.72	93.46	24.29	21.83	17.01
Zubin P./Zubin P.	89.47	88.46	99.35	98.06	12.06	7.69	7.05
Zvečan/Zvecan	88.52	84.48	100.00	95.24	30.25	15.09	15.09
Leposaviq/Leposavic	89.80	67.22	99.76	95.05	13.05	15.33	14.62
Shtërpçë/Štrpce	93.44	63.49	98.09	99.37	6.13	5.71	1.91
Ferizaj/Uroševac	45.40	49.17	99.14	96.80	18.50	14.45	8.42
Istog/Istok	60.45	49.89	98.39	97.21	9.50	8.90	2.15
Lipjan/Lipljan	43.40	31.20	99.47	92.61	12.02	7.16	4.37
Suharekë/Suva Reka	30.11	69.01	99.45	96.62	6.50	7.66	1.59
Kamenicë/Kamenica	75.77	80.22	96.98	98.26	18.58	7.42	3.94
Viti/Vitina	53.95	53.10	98.58	91.94	6.82	15.60	10.64
Mitrovicë/Mitrovica	89.78	83.31	98.84	93.60	40.77	13.46	9.08
Gjilan/Gnjilane	83.33	80.09	96.60	97.21	20.07	6.93	5.40
Pejë/Pec	68.35	64.64	98.94	97.28	23.38	8.34	4.75
Gjakovë/Đakovica	84.42	84.19	96.10	96.47	24.00	7.52	4.80
Prizren/Prizren	86.38	77.39	99.36	97.65	21.00	6.21	4.61
Vushtrri/Vucitrn	85.64	70.14	98.36	97.44	14.50	9.77	6.04
F. Kosovë/Kosovo P.	91.11	67.34	99.33	97.81	20.13	9.76	4.04
Glogovc/Glogovac	52.94	54.09	98.64	93.73	9.50	7.72	2.36
Deçan/Decani	77.24	64.49	99.69	96.99	10.55	9.22	5.28
Rahovec/Orahovac	81.37	46.78	100.00	96.32	9.50	4.51	0.92
Klinë/Klina	44.25	55.50	97.31	93.68	9.50	4.45	1.17
Podujeva/Podujevo	62.35	55.84	99.11	91.11	14.07	9.10	4.31
Dragash/Dragaš	90.78	75.90	99.56	92.12	17.50	4.49	0.99
Obiliq/ Obilic	61.43	55.00	98.33	96.26	17.00	6.88	3.13
Skenderaj/Srbica	46.91	54.04	100.00	90.91	12.00	7.14	1.70
Kaçanik/Kacanik	78.87	64.37	98.68	97.56	23.50	5.89	3.86
Shtime/Štimlje	52.11	38.90	98.90	97.80	3.50	11.01	0
Malishevë/Mališevo	6.54	24.47	98.27	96.53	5.50	2.22	0
Novobërdë/Novo Brdo	30.77	46.25	100.00	83.75	13.04	6.17	0
Total	72.59	66.76	98.76	95.45	18.84	9.92	6.02
Kosovan Albanian	70.72	65.88	98.77	95.78	18.09	10.09	5.92
Kosovan Serb	79.06	72.00	98.94	93.26	15.31	10.79	8.86
RAE	74.77	61.12	98.31	89.60	59.72	1.17	0
Others	97.58	88.37	97.63	95.72	30.90	7.59	5.10
Rural	51.88	48.44	98.59	94.64	7.09	5.84	1.79
Urban	93.92	89.09	98.95	96.42	30.94	14.91	11.19

\* Percentage of households that do not own a business, shop, renting property, land, livestock and production machinery.

## EDUCATION PROFILE

TABLE A9. LITERACY RATE, ENROLLMENT RATE AND MEAN YEARS OF SCHOOLING

	Literacy rate, %	Enrollment rate, %			Mean years of schooling	Pupil to teacher ratio, %*
		Primary	Secondary	Combined		
Prishtinë/Priština	95.69	94.44	84.27	90.73	10.46	20.62
Zubin Potok/Zubin Potok	98.33	100.00	90.91	93.55	11.47	11.91
Zvečan/Zvecan	97.85	92.00	92.86	92.31	10.98	17.61
Leposaviq/Leposavic	97.57	96.61	85.71	93.10	10.47	12.69
Shtërpcë/Štrpce	93.02	100.00	84.21	93.33	9.72	12.23
Ferizaj/Uroševac	96.37	95.44	84.62	91.06	9.77	29.54
Istog/Istok	92.76	94.30	67.47	85.42	8.96	20.27
Lipjan/Lipljan	95.41	98.03	73.50	88.75	9.92	19.71
Suharekë/Suva Reka	95.40	95.98	66.39	85.80	8.63	19.80
Kamenicë/Kamenica	93.89	94.00	76.19	87.23	8.94	14.51
Viti/Vitina	92.05	98.18	75.00	90.87	9.25	22.51
Mitrovicë/Mitrovica	97.18	96.40	83.04	91.89	10.58	18.12
Gjilan/Gnjilane	92.65	98.03	80.25	92.47	9.06	20.71
Pejë/Pec	95.43	95.08	81.00	89.71	9.96	19.78
Gjakovë/Đakovica	92.06	89.71	62.42	81.72	9.37	23.22
Prizren/Prizren	92.90	95.99	62.50	87.25	8.47	21.52
Vushtrri/Vucitrn	93.90	97.80	83.33	93.38	9.79	19.96
Fushë Kosovë/Kosovo Polje	93.56	91.95	75.00	86.26	9.50	13.84
Glllogovc/Glogovac	96.73	98.01	80.83	91.59	9.66	22.36
Deçan/Decani	94.07	94.01	69.89	85.06	9.40	20.29
Rahovec/Orahovac	90.25	95.96	70.00	86.84	7.58	23.24
Klinë/Klina	94.46	96.91	59.77	83.94	8.78	21.57
Podujeva/Podujevo	89.35	92.76	72.12	85.68	8.45	18.89
Dragash/Dragaš	94.64	96.03	60.32	85.51	8.46	23.66
Obiliq/ Obilic	94.46	94.03	72.09	85.45	9.53	15.80
Skenderaj/Srbica	95.52	93.92	76.64	87.54	9.26	19.90
Kaçanik/Kacanik	94.77	98.47	85.26	92.92	9.37	18.83
Shtime/Štimlje	95.82	96.12	75.00	89.40	8.90	19.40
Malishevë/Mališevo	92.08	96.19	64.77	86.96	7.92	20.58
Novobërdë/Novo Brdo	94.34	93.33	75.00	86.96	8.42	7.48
Total	94.22	95.44	75.20	88.52	9.40	20.47
Kosovan Albanian	94.12	95.94	75.37	88.90	9.33	
Kosovan Serb	97.47	93.97	86.19	91.13	10.61	
RAE	83.41	75.65	29.82	60.47	6.89	
Others	93.07	95.54	71.43	88.20	8.61	
Rural	93.95	95.77	70.84	87.27	8.96	
Urban	94.55	94.98	80.96	90.14	9.91	

Calculated from The Human Development Survey 2004

\* Calculated from Figures of the Ministry of Education, Science and Technology



TABLE A10. LITERACY RATE, ENROLLMENT RATE AND MEAN YEARS OF SCHOOLING BY GENDER

	Literacy rate, %		Enrollment rate, %						Mean years of schooling	
	Male	Female	Primary		Secondary		Combined		Male	Female
			Male	Female	Male	Female	Male	Female		
Prishtinë/Priština	98.02	93.40	94.84	93.88	89.20	79.56	92.95	87.79	11.27	9.64
Zubin P. /Zubin P.	100.00	96.67	100.00	100.00	75.00	100.00	92.86	100.00	11.96	10.97
Zvečan/Zvečan	100.00	96.04	93.33	90.00	80.00	100.00	90.48	94.44	11.94	10.16
Leposaviq/ Leposavic	98.73	96.49	93.94	100.00	91.67	81.25	93.33	92.86	11.02	9.95
Shtërpçë/Štrpce	96.35	88.52	100.00	100.00	83.33	75.00	92.00	90.48	10.54	8.77
Ferizaj/Uroševac	97.27	95.40	94.63	96.32	82.54	88.75	89.09	93.55	10.53	8.94
Istog/Istok	97.72	88.38	95.24	93.24	74.36	62.79	88.62	81.90	10.18	7.80
Lipjan/Lipljan	97.77	93.16	99.04	96.97	70.49	76.79	88.48	89.61	10.69	9.15
Suharekë/Suva Reka	97.75	93.21	97.09	95.87	68.52	64.18	87.26	84.57	9.91	7.52
Kamenicë/Kamenica	98.32	89.47	96.05	91.78	75.56	75.00	89.17	85.96	10.25	7.69
Viti/Vitina	93.33	90.68	97.59	98.78	75.00	75.00	89.76	92.04	9.97	8.47
Mitrovicë/Mitrovica	99.06	95.30	94.35	97.98	88.57	73.81	92.23	91.43	11.22	9.93
Gjilan/Gnjilane	96.14	89.35	96.53	100.00	80.60	80.00	92.22	92.37	10.07	8.10
Pejë/Pec	98.19	92.88	94.83	95.36	85.25	74.03	90.91	88.16	10.89	9.07
Gjakovë/Đakovica	97.04	87.64	86.49	94.27	66.25	58.44	81.19	82.40	10.35	8.45
Prizren/Prizren	95.82	90.27	97.5	94.75	59.80	64.75	87.66	86.88	9.41	7.61
Vushtrri/Vucitrn	97.97	89.96	96.53	99.22	83.33	83.61	92.65	94.18	10.90	8.69
F. Kosovë/ Kosovo P.	98.00	89.22	92.86	93.18	81.48	66.67	87.14	85.48	10.61	8.40
Glllogovc/Glogovac	98.37	95.08	97.00	99.00	86.27	76.81	94.00	89.47	10.74	8.55
Deçan/Decani	97.58	90.83	93.51	94.44	73.91	65.96	86.18	84.06	10.88	8.01
Rahovec/Orahovac	94.41	86.62	95.76	96.19	79.63	61.54	90.75	82.94	8.56	6.71
Klinë/Klina	97.54	91.47	96.51	97.37	71.79	50.00	88.80	78.86	9.81	7.78
Podujeva/Podujevo	95.45	83.75	90.67	94.81	77.78	66.67	86.15	84.87	9.79	7.21
Dragash/Dragaš	97.73	92.19	95.59	96.43	80.00	47.37	91.40	80.99	10.16	7.10
Obiliq/ Obilic	98.14	90.85	97.06	90.91	68.42	73.91	87.04	83.93	10.79	8.30
Skenderaj/Srbica	98.02	92.96	89.47	97.73	76.79	76.92	84.77	89.93	10.44	8.04
Kaçanik/Kacanik	98.24	91.53	98.61	98.31	86.79	82.93	93.60	92.08	10.40	8.38
Shtime/Štimlje	97.75	94.44	96.67	95.35	79.31	68.42	90.91	87.10	9.78	8.04
Malishevë/Mališevo	95.36	89.06	95.69	96.84	77.08	51.22	90.18	82.96	9.01	6.93
Novobërdë/ Novo Brdo	100.00	92.31	100.00	85.71	100.00	60.00	90.91	81.82	9.29	7.45
Total	97.28	91.32	94.92	96.00	78.76	71.53	89.50	87.41	10.40	8.42
Kosovan Albanian	97.14	91.23	95.34	96.59	79.06	71.48	89.91	87.80	10.38	8.32
Kosovan Serb	98.95	96.00	93.06	94.79	87.76	84.82	91.14	91.12	11.14	10.07
RAE	92.14	74.89	81.67	69.09	38.46	22.58	68.60	52.94	8.04	5.69
Others	99.18	88.62	92.86	97.14	68.18	74.07	84.62	90.72	9.96	7.60
Rural	97.03	90.97	95.61	95.94	75.24	66.13	88.71	85.69	10.00	7.94
Urban	97.54	91.74	94.03	95.98	83.38	78.39	90.54	89.70	10.88	8.99

\*Calculated from The Human Development Survey, 2004, except "shares of parliamentary seats " which were derived from OSCE Municipality Profiles..

TABLE A11. PERCENTAGE OF PEOPLE AGED 15 YEARS AND ABOVE BY EDUCATION ATTAINMENT

	No schooling	Less than elementary (1-3 years)	Less than primary (4-7 years)	Primary	Less than secondary (9-10 years)	Secondary (11-12)	High school	University and higher	Total
Prishtinë/Priština	0.75	1.57	8.38	17.14	7.19	50.82	10.74	3.41	100
Zubin Potok/Zubin Potok	0.83	0.83	3.33	9.17	5.00	65.83	11.67	3.33	100
Zveçan/Zecan	1.10	1.65	5.49	12.64	3.85	59.89	12.09	3.30	100
Leposaviq/Leposavic	0.93	2.80	7.45	14.60	5.90	56.52	8.70	3.11	100
Shtërpçë/Štrpce	1.65	2.48	11.16	20.66	4.13	47.52	10.74	1.65	100
Ferizaj/Uroševac	0.35	2.08	9.38	27.15	7.92	44.79	7.36	0.97	100
Istog/Istok	0.51	2.04	15.79	28.52	7.47	33.45	10.53	1.70	100
Lipjan/Lipljan	0.46	2.29	9.51	22.79	6.64	49.72	7.22	1.37	100
Suharekë/Suva Reka	0.12	1.93	17.9	37.36	8.71	25.15	7.74	1.09	100
Kamenicë/Kamenica	2.15	2.73	14.63	27.69	7.32	37.16	7.46	0.86	100
Viti/Vitina	0.85	2.13	12.20	29.08	5.67	40.57	7.38	2.13	100
Mitrovicë/Mitrovica	0.55	0.96	8.79	20.05	5.7	49.31	12.09	2.54	100
Gjilan/Gnjilane	3.48	1.23	11.33	33.24	7.03	33.51	7.37	2.80	100
Pejë/Pec	0.59	1.52	10.44	26.02	7.33	40.22	13.14	0.73	100
Gjakovë/Đakovica	2.27	3.41	9.23	30.75	6.61	37.93	8.38	1.42	100
Prizren/Prizren	1.04	2.44	14.15	43.21	6.89	24.45	6.32	1.50	100
Vushtrri/Vucitrn	0.43	1.38	8.40	24.55	8.71	49.10	6.38	1.06	100
Fushë Kosovë/Kosovo Polje	0.53	1.85	11.90	23.81	5.82	47.35	7.14	1.59	100
Gillogovc/Glogovac	0.44	1.02	8.15	33.33	8.15	41.34	6.11	1.46	100
Deçan/Decani	1.08	1.54	10.80	31.33	7.56	35.19	11.57	0.93	100
Rahovec/Orahovac	0.86	7.02	15.90	43.12	9.31	18.63	4.30	0.86	100
Klinë/Klina	0.55	2.03	15.29	34.07	8.66	31.86	6.63	0.92	100
Podujeva/Podujevo	0.90	2.98	13.11	32.10	6.96	36.44	6.33	1.18	100
Dragash/Dragaš	0.18	1.95	16.16	45.47	4.44	24.69	5.68	1.42	100
Obiliq/ Obilic	0.97	0.97	9.06	25.89	7.12	50.16	5.18	0.65	100
Skenderaj/Srbica	0.27	1.60	13.85	28.36	9.19	37.95	7.59	1.20	100
Kaçanik/Kacanic	1.18	2.07	9.45	33.97	6.79	40.33	5.61	0.59	100
Shtime/Štimlje	0.29	2.05	17.30	32.84	4.69	36.65	5.57	0.59	100
Malishevë/Mališevo	0.69	1.91	14.21	49.22	6.59	23.40	3.64	0.35	100
Novobërdë/Novo Brdo	0	4.00	18.00	38.00	10.00	26.00	4.00	0	100
Total	0.96	2.07	11.37	29.34	7.10	39.30	8.22	1.65	100
Kosovan Albanian	0.82	1.90	11.50	30.82	7.34	37.87	8.15	1.60	100
Kosovan Serb	1.50	2.36	7.89	13.62	5.41	56.87	10.00	2.36	100
RAE	5.49	10.02	19.33	37.95	5.25	20.53	1.43	0	100
Others	0.94	1.88	15.95	34.71	6.94	30.59	7.88	1.13	100
Rural	0.97	2.25	12.98	33.70	7.20	36.04	5.91	0.94	100
Urban	0.95	1.88	9.46	24.14	7.01	43.15	10.94	2.47	100
Male	0.57	1.60	7.52	20.77	8.00	48.21	10.99	2.33	100
Female	1.35	2.57	15.25	37.95	6.22	30.31	5.42	0.94	100

\*Calculated from The Human Development Survey, 2004

## LABOR FORCE PROFILE

TABLE A12. PARTICIPATION IN THE LABOR FORCE AND UNEMPLOYMENT (PEOPLE AGED 15-64)

	Participation Rate, %			Unemployment Rate, %		
	Male	Female	Total	Male	Female	Total
Prishtinë/Priština	75.30	39.60	57.04	25.67	38.62	30.26
Zubin Potok/Zubin Potok	79.52	53.19	66.61	21.89	20.00	21.15
Zvečan/Zvečan	69.46	51.38	59.91	20.01	26.20	22.81
Leposaviq/Leposavic	73.91	52.46	62.94	20.14	36.84	27.26
Shtërpçë/Štrpce	77.96	29.60	55.04	35.69	35.29	35.59
Ferizaj/Uroševac	74.53	30.63	53.00	33.90	62.14	41.90
Istog/Istok	74.52	25.74	49.59	52.72	61.06	54.93
Lipjan/Lipljan	73.80	35.09	54.33	41.00	65.33	48.91
Suharekë/Suva Reka	75.17	19.13	44.40	38.94	51.43	41.89
Kamenicë/Kamenica	77.35	45.31	60.78	33.84	66.20	46.31
Viti/Vitina	79.57	27.62	54.40	47.43	67.59	52.39
Mitrovicë/Mitrovica	76.12	42.75	59.05	51.41	51.97	51.62
Gjilan/Gnjilane	76.50	47.29	61.00	28.83	74.68	47.69
Pejë/Pec	76.81	38.88	57.65	27.60	49.06	34.90
Gjakovë/Đakovica	76.39	26.57	50.20	39.64	49.06	42.26
Prizren/Prizren	75.24	19.40	45.66	30.65	50.00	35.00
Vushtrri/Vucitrn	76.30	26.22	50.91	39.32	53.23	42.95
Fushë Kosovë/Kosovo Polje	74.69	32.60	53.35	40.87	67.43	49.10
Gllgovc/Glogovac	73.92	23.00	48.07	61.01	73.55	64.06
Deçan/Decani	73.66	28.83	50.53	60.60	74.60	64.72
Rahovec/Orahovac	73.11	20.80	44.97	18.39	58.59	28.39
Klinë/Klina	72.33	34.59	53.10	57.53	86.67	67.20
Podujeva/Podujevo	75.73	25.45	49.15	48.37	73.23	55.17
Dragash/Dragaš	78.07	17.43	44.09	49.81	81.58	56.85
Obiliq/ Obilic	79.81	33.05	55.52	48.55	79.87	58.23
Skenderaj/Srbica	70.09	28.48	49.15	63.11	77.78	67.39
Kaçanik/Kacanik	74.57	15.54	43.89	40.75	65.38	45.28
Shtime/Štimlje	75.81	22.99	49.68	44.66	64.55	49.21
Malishevë/Mališevo	76.45	13.36	43.42	30.81	75.00	37.92
Novobërdë/Novo Brdo	75.78	31.81	55.15	38.69	57.18	43.70
Total	75.42	30.91	52.47	38.47	58.06	44.42
Kosovan Albanian	75.51	29.55	51.78	39.31	61.53	45.85
Kosovan Serb	72.80	48.47	60.71	28.07	33.39	30.18
RAE	80.25	22.45	50.60	52.47	78.15	58.32
Others	79.60	23.81	47.31	33.47	66.05	42.95
Rural	74.39	25.54	49.54	42.62	65.50	48.62
Urban	76.64	37.19	55.96	33.48	52.11	39.97

Calculated from The Human Development Survey, 2004

TABLE A13. PERCENTAGE SHARE OF MANAGERS AND PROFESSIONALS IN THE LABOR FORCE

	Legislation and managerial staff (% labor force)*				Professional and technical staff (% labor force)**			
	Males	Females	Total	% of females to males	Males	Females	Total	% of females to males
Prishtinë/Priština	15.07	10.61	13.67	45.45	31.08	27.66	30.01	40.45
Zubin Potok/Zubin Potok	18.13	17.50	17.88	65.93	47.25	30.00	40.40	41.86
Zvečan/Zvečan	15.36	12.82	14.26	76.35	41.41	23.67	33.73	43.64
Leposaviq/Leposavic	16.97	16.67	16.86	58.78	39.43	33.53	37.24	50.00
Shtërpcë/Štrpce	14.73	10.78	13.72	34.42	32.58	23.24	30.18	24.56
Ferizaj/Uroševac	15.38	9.43	14.29	22.65	20.94	30.19	22.65	32.65
Istog/Istok	29.05	15.91	26.04	29.73	15.54	15.91	15.63	30.43
Lipjan/Lipljan	20.39	11.28	18.38	28.27	18.97	37.01	22.94	55.16
Suharekë/Suva Reka	9.18	5.88	8.53	24.64	25.12	13.73	22.87	13.46
Kamenicë/Kamenica	10.43	0	7.90	32.05	41.02	38.07	40.30	29.75
Viti/Vitina	12.07	5.71	11.00	20.11	20.11	11.43	18.66	11.43
Mitrovicë/Mitrovica	22.05	15.7	19.72	58.18	30.27	32.44	31.07	62.35
Gjilan/Gnjilane	8.26	11.57	8.92	24.84	39.74	37.31	39.25	23.33
Pejë/Pec	11.66	8.64	10.86	36.32	15.70	23.46	17.76	54.29
Gjakovë/Đakovica	19.28	11.11	17.27	32.53	9.04	5.56	8.18	20.00
Prizren/Prizren	17.21	4.44	15.00	20.93	14.88	13.33	14.62	18.75
Vushtrri/Vucitrn	17.84	5.17	15.13	27.23	20.66	8.62	18.08	11.36
Fushë Kosovë/Kosovo Polje	26.47	23.07	25.79	24.72	35.07	31.77	34.41	22.39
Gllgovc/Glogovac	7.48	6.25	7.26	21.77	22.45	18.75	21.79	18.18
Deçan/Decani	21.01	9.38	18.54	26.89	19.33	40.63	23.84	56.52
Rahovec/Orahovac	10.66	2.44	9.47	16.80	9.84	4.88	9.12	8.33
Klinë/Klina	24.11	31.82	25.15	15.60	15.60	18.18	15.95	18.18
Podujeva/Podujevo	13.79	14.71	13.94	19.54	19.54	17.65	19.23	17.65
Dragash/Dragaš	14.93	14.29	14.86	10.45	24.63	7.14	22.97	3.03
Obiliq/ Obilic	10.73	6.45	10.10	17.51	51.41	45.16	50.48	15.38
Skenderaj/Srbica	14.05	13.33	13.91	24.79	23.97	10.00	21.19	10.34
Kaçanik/Kacanik	19.02	14.81	18.53	13.17	18.05	11.11	17.24	8.11
Shtime/Štimlje	9.27	5.13	8.61	19.02	24.39	25.64	24.59	20.00
Malishevë/Mališevo	16.79	0	15.70	6.93	4.01	10.53	4.44	18.18
Novobërdë/Novo Brdo	5.95	3.47	5.44	25.93	24.35	0	19.34	0
Total	15.32	10.35	14.18	29.74	23.41	24.05	23.55	30.56
Kosovan Albanian	15.23	9.06	13.94	26.47	21.91	23.08	22.15	27.88
Kosovan Serb	16.87	15.08	16.19	60.85	36.77	28.3	33.57	46.83
RAE	8.97	0	7.90	13.54	13.26	0	11.68	0
Others	15.97	13.72	15.58	20.96	26.1	25.05	25.91	20.12
Rural	11.81	9.43	11.39	21.38	22.32	23.40	22.51	22.42
Urban	19.00	10.87	16.74	38.49	24.59	24.43	24.55	38.23

\*Calculated from The Human Development Survey, 2004

\* Legislation and managerial staff includes: owner of own business, manager of enterprise, white collar and officer.

\*\* Professional and technical staff includes: professional, foreman, technician and skilled worker

## UNEMPLOYMENT PROFILE

TABLE A14. UNEMPLOYMENT RATE BY EDUCATION STATUS, IN PERCENT.

Code Municipality of Current Residence in Kosovo	Primary	Less than secondary (9-10 years)	Secondary (11-12 years)	Gymnasium	High school	University and higher	Total
Prishtinë/Priština	44.66	24.79	33.4	0	16.32	3.30	30.39
Zubin Potok/Zubin Potok	40	0	22.04	0	11.63	20	21.15
Zvečan/Zvečan	37.50	25	24.15	58.43	9.26	17.65	22.56
Leposaviq/Leposavic	38.46	20	27.89	20	12.1	25.77	26.98
Shtërpçë/Štrpce	42.30	0	37.25	54.60	22.35	0	35.33
Ferizaj/Uroševac	58.51	28.57	40.64	12.50	17.24	14.29	41.56
Istog/Istok	67.92	45.45	58.73	0	25.86	8.33	55.06
Lipjan/Lipljan	67.46	31.13	49.5	30	24.64	0	48.52
Suharekë/Suva Reka	50	38.71	38.16	25	20.34	0	40.88
Kamenicë/Kamenica	63.95	47.97	41.04	26.94	16.22	0	46.27
Viti/Vitina	65.35	33.33	52.04	40	25	21.43	51.95
Mitrovicë/Mitrovica	75.74	66.43	54.02	60	22.66	14.19	51.52
Gjilan/Gnjilane	63.09	60.4	41.69	42.45	12.4	20.32	47.89
Pejë/Pec	47.83	38.89	34.19	11.11	20.93	0	34.56
Gjakovë/Đakovica	61.62	45.45	38.76	18.18	12.50	16.67	42.22
Prizren/Prizren	40	36.36	33.07	0	16.67	0	34.61
Vushtrri/Vucitrn	55.29	57.89	43.77	25	18.18	14.29	43.01
Fushë Kosovë/Kosovo Polje	62.15	100	47.55	52.53	27.86	10.30	48.27
Gllgovc/Glogovac	75	92.86	67.03	33.33	19.61	27.27	63.69
Deçan/Decani	75.47	66.67	71.43	71.43	32.91	0	64.61
Rahovec/Orahovac	29.78	33.33	26.6	20	6.67	16.67	28.24
Klinë/Klina	82.72	66.67	65.07	20	20	28.57	66.80
Podujeva/Podujevo	68.91	50	54.95	41.67	15.91	11.11	54.59
Dragash/Dragaš	73.11	75	51.94	54.55	11.11	33.33	56.89
Obiliq	79.52	72.73	54.94	0	38.89	33.33	58.18
Skenderaj/Srbica	88.24	85.71	66.97	62.50	21.31	37.50	66.89
Kaçanik/Kacanik	43.43	45.45	50.41	33.33	15.79	20	45.13
Shtime/Štimlje	56.35	53.85	48.82	75	14.89	0	49.31
Malishevë/Mališevo	48.06	33.33	25.9	66.67	6.67	33.33	37.31
Novobërdë/Novo Brdo	50.66	37.89	39.01	0	23.11	0	43.06
Total	57.83	46.41	43.98	27.66	18.64	11.24	44.19
Albanian	58.13	47.41	46.09	28.27	19.14	10.80	45.59
Serbs and Montenegrin	46.31	21.67	32.35	6.71	12.8	14.43	30.19
Roma	61.44	55.45	47.89	100	23.06	0	59.28
Others	58.38	42.81	39.5	60	25.47	0	43.51
Rural	59.88	47.77	46.76	34.73	17.60	16.96	48.45
Urban	54.50	44.65	41.13	23.65	19.33	8.65	39.66

Calculated from The Human Development Survey, 2004

TABLE A15. UNEMPLOYMENT RATE BY AGE AND GENDER

	Aged 15-24 years			Aged 25-34 years			Aged 35-49 years			Aged 50-64 years*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Prishtinë/Priština	34.84	47.14	40.41	27.58	45.11	34.56	20.17	24.85	21.63	22.56	27.38	23.45
Zubin Potok/Zubin Potok	65.31	45.45	59.15	14.06	20.93	16.82	10.39	15.38	12.68	4.65	5.00	4.76
Zvečan/Zvečan	44.48	75.00	58.11	27.62	30.00	28.71	6.80	16.33	11.13	14.29	4.46	9.92
Leposaviq/Leposavic	65.99	80.95	72.23	19.39	47.37	33.16	5.75	15.15	9.56	18.62	23.94	20.47
Shtërpçë/Štrpce	70.56	67.30	69.69	30.96	41.11	33.79	20.91	12.98	18.71	25.44	12.50	23.57
Ferizaj/Uroševac	49.45	70.59	57.04	28.04	67.92	41.25	20.00	41.67	24.56	40.91	41.67	41.03
Istog/Istok	72.73	73.17	72.88	47.5	64.86	52.99	46.08	50.00	46.97	44.44	0	40.68
Lipjan/Lipljan	54.44	82.80	67.24	38.44	69.80	49.84	32.58	26.81	31.23	43.49	56.74	45.73
Suharekë/Suva Reka	51.32	70.45	58.33	40.22	51.85	42.86	24.53	25.93	24.81	46.15	28.57	44.44
Kamenicë/Kamenica	55.57	78.09	67.87	34.28	78.97	53.55	21.48	45.66	29.54	41.66	0	37.46
Viti/Vitina	65.43	80.00	69.83	53.10	74.42	58.97	29.89	45.00	32.71	36.00	40.00	36.67
Mitrovicë/Mitrovica	70.27	82.76	75.69	60.62	62.29	61.27	38.31	29.96	35.34	38.38	13.23	31.28
Gjilan/Gnjilane	45.32	75.58	60.83	32.82	82.70	57.42	18.02	65.17	34.33	29.84	52.02	33.12
Pejë/Pec	39.53	63.27	48.15	29.33	55.10	39.52	19.10	28.89	22.39	20.69	43.75	25.68
Gjakovë/Đakovica	48.98	81.08	62.79	34.44	59.26	40.17	32.91	16.00	28.85	49.12	11.76	40.54
Prizren/Prizren	41.67	74.07	51.72	36.70	69.57	42.42	13.98	25.71	17.19	35.42	0	32.08
Vushtrri/Vucitrn	59.30	65.45	61.70	38.64	52.63	42.86	29.91	40.00	31.69	30.00	0	27.27
Fushë Kosovë/Kosovo Polje	48.76	78.36	61.32	52.79	67.73	57.90	27.22	57.20	36.24	33.98	20.78	33.25
Glogovac/Glogovac	83.78	84.21	83.93	63.79	74.36	66.45	46.74	52.38	47.79	34.48	25.00	33.87
Deçan/Decani	84.09	91.11	86.47	60.53	87.18	69.57	46.43	45.95	46.28	44.44	40.00	44.07
Rahovec/Orahovac	35.21	74.14	52.71	14.47	47.83	22.22	11.30	16.67	11.81	16.22	33.33	18.60
Klinë/Klina	82.42	93.67	87.65	61.11	81.13	68.53	36.89	75.00	45.04	47.92	100.00	52.83
Podujeva/Podujevo	69.89	86.67	76.47	40.00	71.05	48.87	35.29	60.87	40.74	46.88	0	42.86
Dragash/Dragaš	64.44	97.50	80	64.79	78.95	67.78	37.38	42.86	38.02	40.91	66.67	42.55
Obiliq/Obilic	79.65	91.18	83.98	48.39	75.47	58.22	19.05	66.67	31.58	29.63	33.33	29.82
Skenderaj/Srbica	82.89	91.80	86.86	66.96	76.92	70.12	47.13	35.00	44.86	52.83	100.00	54.55
Kaçanik/Kacanik	65.33	69.70	66.67	43.27	64.71	48.55	29.00	50.00	30.91	26.87	100.00	27.94
Shtime/Štimlje	72.76	83.02	76.72	41.18	67.74	47.37	27.68	21.74	26.67	43.06	33.33	42.67
Malishevë/Mališevo	44.32	85.71	59.12	21.23	72.22	26.83	31.09	25.00	30.71	34.88	0	34.09
Novobërdë/Novo Brdo	55.08	75.00	63.51	46.47	60.05	49.08	29.74	43.72	32.83	23.56	16.72	22.15
Total	56.14	74.3	63.45	39.59	64.62	47.81	26.29	36.07	28.87	35.41	26.52	34.07
Kosovan Albanian	56.51	74.61	63.88	40.57	69.35	49.76	26.90	37.81	29.56	36.49	29.59	35.63
Kosovan Serb	46.98	62.68	53.1	25.91	31.46	28.32	20.97	28.20	23.89	26.15	11.53	21.47
RAE	67.56	90.77	75.39	54.16	84.81	58.88	32.30	53.00	36.25	43.83	0	38.47
Others	57.64	90.54	67.57	33.62	67.83	47.06	24.29	39.92	27.24	24.77	63.63	36.58
Rural	61.25	79.7	67.88	42.49	67.16	49.81	28.92	44.00	31.87	39.74	35.92	39.31
Urban	48.15	68.86	57.66	36.38	62.40	45.82	23.32	31.60	26.02	30.97	21.07	29.12

Calculated from The Human Development Survey, 2004

\* Because of disgregation of data to age groups margins of errors increase especially for the age group of 50-64 years

## INCOME DISTRIBUTION PROFILE

TABLE A16. INCOME INDICATORS AND AVERAGE MONTHLY EXPENDITURE AND INCOME, IN EURO

	Earned income in Euro males	Earned income in Euro females	Female to male ratio	Expenditure per capita	Expenditure per adult equivalent	Expenditure per household	Income per capita	Income per adult equivalent	Income per household
Prishtinë/Priština	169.92	55.89	32.89	88.21	87.00	481.91	132.14	130.33	721.92
Zubin Potok/Zubin Potok	184.77	160	86.59	135.50	122.83	562.42	98.35	89.16	408.22
Zvečan/Zvečan	145.07	106.2	73.21	88.58	78.65	335.15	102.12	90.66	386.34
Leposaviq/Leposavic	112.16	71.96	64.15	87.99	80.48	378.13	101.17	92.54	434.77
Shtërpcë/Štrpce	136.19	58.41	42.89	81.08	76.38	410.61	96.84	91.23	490.41
Ferizaj/Uroševac	106.57	25.21	23.65	65.89	69.23	464.85	100.81	105.92	711.20
Istog/Istok	86.34	23.8	27.57	61.53	64.53	425.47	106.94	112.16	739.47
Lipjan/Lipljan	121.03	33.56	27.73	84.76	86.80	533.27	90.47	92.66	569.24
Suharekë/Suva Reka	256.00	103.90	40.59	72.10	79.94	596.96	106.84	118.46	884.60
Kamenicë/Kamenica	150.03	32.04	21.36	75.65	74.85	427.06	99.22	98.16	560.07
Viti/Vitina	180.67	50.15	27.76	63.51	67.92	470.95	112.34	120.13	833.00
Mitrovicë/Mitrovica	207.21	142.29	68.67	75.09	71.58	370.53	76.65	73.07	378.23
Gjilan/Gnjilane	106.81	33.56	31.42	69.29	69.73	408.94	88.56	89.12	522.67
Pejë/Pec	225.51	88.85	39.40	83.29	84.27	505.97	83.83	84.82	509.25
Gjakovë/Đakovica	131.48	43.98	33.45	62.13	63.95	389.23	95.75	98.57	599.90
Prizren/Prizren	202.11	94.86	46.93	60.92	66.55	469.96	74.80	81.71	577.08
Vushtrri/Vucitrn	130.64	18.92	14.48	63.48	68.07	478.35	68.29	73.22	514.55
Fushë Kosovë/Kosovo Polje	84.41	28.15	33.34	55.87	57.34	361.58	71.60	73.48	463.41
Glllogovc/Glogovac	117.88	47.39	40.20	55.68	61.06	451.30	60.96	66.84	494.06
Deçan/Decani	231.23	102.82	44.47	78.35	80.86	519.31	60.18	62.10	398.87
Rahovec/Orahovac	94.78	12.89	13.59	51.66	55.61	382.82	67.32	72.46	498.83
Klinë/Klina	104.82	21.26	20.29	55.55	59.71	416.64	76.60	82.33	574.49
Podujeva/Podujevo	91.64	14.11	15.40	64.58	68.94	481.29	62.93	67.18	468.98
Dragash/Dragaš	87.33	19.97	22.87	49.43	51.26	317.07	79.62	82.58	510.74
Obiliq/ Obilic	117.39	24.16	20.58	76.04	78.90	517.86	74.96	77.77	510.47
Skenderaj/Srbica	58.88	18.63	31.64	72.57	76.52	528.29	94.63	99.78	688.87
Kaçanik/Kacanik	104.61	18.00	17.20	49.26	50.94	342.33	52.65	54.45	365.92
Shtime/Štimlje	104.1	21.23	20.39	54.57	59.30	424.31	51.93	56.43	403.77
Malishevë/Mališevo	60.16	4.78	7.94	48.96	57.47	477.84	60.33	70.81	588.81
Novobërdë/Novo Brdo	107.52	60.57	56.33	66.72	68.13	406.81	61.39	62.69	374.33
Average	135.92	42.23	31.07	69.03	71.55	450.27	87.77	90.98	572.49
Kosovan Albanian	136.26	36.46	26.76	67.81	71.24	466.77	87.59	92.03	602.97
Kosovan Serb	138.24	91.74	66.36	92.16	84.15	396.93	106.87	97.58	460.29
RAE	93.68	28.13	30.02	41.16	44.14	296.63	33.06	35.45	238.26
Others	140.31	39.10	27.87	56.42	54.98	289.22	72.13	70.29	369.78
Rural	112.30	31.59	28.13	65.05	68.83	459.30	76.28	80.71	538.61
Urban	162.66	53.46	32.86	73.92	74.75	440.88	101.77	102.91	606.95

Calculated from The Human Development Survey, 2004

TABLE A17. POVERTY RATES, (PERCENT)

	Using one dollar a day per person*	Using two dollars a day per person*	Using national extreme poverty line	Using national poverty line
Prishtinë/Priština	8.08	29.81	7.89	34.48
Zubin Potok/Zubin Potok	0.61	6.66	1.21	9.44
Zveçan/Zvecan	1.30	22.93	2.65	34.79
Leposaviq/Leposavic	4.19	28.7	7.42	39.22
Shtërpcë/Štrpce	2.34	37.9	3.80	43.99
Ferizaj/Uroševac	8.93	46.14	6.87	46.49
Istog/Istok	10.20	48.16	11.14	50.98
Lipjan/Lipljan	10.06	40.43	9.56	41.88
Suharekë/Suva Reka	12.02	42.93	10.93	39.67
Kamenicë/Kamenica	7.15	43.38	7.89	50.48
Viti/Vitina	11.95	48.20	10.65	47.66
Mitrovicë/Mitrovica	19.89	49.25	22.28	54.87
Gjilan/Gnjilane	11.62	41.52	10.88	47.47
Pejë/Pec	3.60	34.81	5.24	35.95
Gjakovë/Đakovica	13.57	50.68	14.45	54.51
Prizren/Prizren	19.05	59.11	19.12	60.86
Vushtrri/Vucitrn	21.43	56.40	19.44	57.60
Fushë Kosovë/Kosovo Polje	17.83	54.23	18.80	60.04
Glogovc/Glogovac	20.11	64.71	19.68	65.39
Deçan/Decani	0.45	28.13	1.36	28.89
Rahovec/Orahovac	12.35	69.57	10.86	72.20
Klinë/Klina	19.73	58.87	18.93	61.00
Podujeva/Podujevo	13.96	51.92	14.09	52.39
Dragash/Dragaš	25.10	70.85	26.50	73.19
Obiliq/ Obilic	5.95	36.93	6.90	35.10
Skenderaj/Srbica	14.29	46.91	15.18	52.54
Kaçanik/Kacanik	16.33	63.88	17.99	70.22
Shtime/Štimlje	15.50	57.23	15.43	59.94
Malishevë/Mališevo	13.52	64.81	10.66	62.91
Novobërdë/Novo Brdo	9.54	42.63	8.33	44.25
Total	12.96	47.65	12.71	50.35
Kosovan Albanian	12.87	48.68	12.62	50.49
Kosovan Serb	3.94	26.46	5.91	36.97
RAE	36.70	79.09	37.35	80.94
Others	16.82	57.72	19.60	67.61
Rural	10.69	49.22	10.84	51.76
Urban	15.14	45.79	14.98	48.70

Calculated from The Human Development Survey, 2004

\*Using Exchange rate of Euro= 1.18 USD \$



TABLE A18. POVERTY GAP AND SEVERITY OF POVERTY INDICES (PERCENT)

	P o v e r t y   G a p				S e v e r i t y   o f   P o v e r t y			
	One dollar a day per person	Two dollars a day per person <sup>1</sup>	National extreme poverty line	National poverty line	One dollar a day per person	Two dollars a day per person <sup>1</sup>	National extreme poverty line	National poverty line
Prishtinë/Priština	2.14	9.58	2.43	11.41	1.24	4.75	1.36	5.68
Zubin Potok/Zubin Potok	0.61	1.29	0.66	2.18	0.61	0.75	0.62	1.07
Zvečan/Zvečan	0.18	4.66	0.50	9.35	0.04	1.58	0.16	3.43
Leposaviq/Leposavic	0.92	8.20	1.85	12.88	0.49	3.50	0.76	5.76
Shtërpçë/Štrpce	0.34	8.98	0.69	13.43	0.08	3.26	0.16	5.18
Ferizaj/Uroševac	1.34	12.97	1.41	13.82	0.36	5.29	0.39	5.75
Istog/Istok	1.91	15.99	2.03	17.12	0.51	6.99	0.56	7.60
Lipjan/Lipljan	2.18	12.05	2.13	13.48	0.76	5.62	0.68	6.18
Suharekë/Suva Reka	2.68	14.19	2.40	13.96	0.96	6.77	0.86	6.65
Kamenicë/Kamenica	2.53	12.33	2.94	15.21	1.30	5.51	1.48	6.87
Viti/Vitina	3.22	15.65	3.50	16.70	1.40	7.32	1.60	7.97
Mitrovicë/Mitrovica	7.13	19.63	7.86	23.10	3.75	11.31	4.06	13.16
Gjilan/Gnjilane	3.17	14.71	3.37	16.54	1.40	7.25	1.51	8.06
Pejë/Pec	0.84	8.89	1.04	10.40	0.38	3.71	0.45	4.43
Gjakovë/Đakovica	5.40	19.22	5.89	21.48	3.52	10.36	3.78	11.59
Prizren/Prizren	6.43	23.55	6.21	23.71	2.95	12.49	2.75	12.42
Vushtrri/Vucitrn	4.21	21.20	3.98	21.85	1.51	10.51	1.54	11.04
Fushë Kosovë/Kosovo Polje	5.72	21.55	6.06	23.53	2.61	11.37	2.77	12.36
Glogovc/Glogovac	5.24	24.95	5.04	25.19	2.00	12.42	1.91	12.48
Deçan/Decani	0.04	5.67	0.21	6.74	0	1.66	0.04	2.15
Rahovec/Orahovac	2.68	21.81	2.72	22.36	0.91	9.22	0.87	9.56
Klinë/Klina	5.95	23.43	5.19	24.21	2.57	12.36	2.12	12.47
Podujeva/Podujevo	4.52	18.18	4.21	18.58	2.28	9.26	2.00	9.45
Dragash/Dragaš	8.48	28.11	9.04	30.26	3.99	15.34	4.17	16.68
Obiliq/Obilic	1.20	10.15	1.34	11.44	0.37	4.34	0.46	4.98
Skenderaj/Srbica	5.26	17.05	4.89	17.99	2.71	9.12	2.55	9.45
Kaçanik/Kacanik	3.41	22.73	3.74	25.86	1.167	10.54	1.26	12.23
Shtime/Štimlje	4.04	20.18	3.75	21.09	1.64	9.80	1.38	10.04
Malishevë/Mališevo	2.66	21.25	1.95	18.42	0.99	9.35	0.80	7.52
Novobërdë/Novo Brdo	3.45	15.17	3.70	16.36	1.96	7.43	2.07	8.13
Total	3.62	16.46	3.70	17.77	1.69	8.12	1.71	8.75
Kosovan Albanian	3.44	16.62	3.46	17.65	1.52	8.07	1.51	8.56
Kosovan Serb	1.35	7.32	1.88	10.88	0.78	3.25	1.00	4.95
RAE	16.59	38.28	16.75	39.32	10.33	24.28	10.35	24.83
Others	7.52	25.06	8.25	29.18	4.19	13.97	4.48	16.24
Rural	2.87	16.28	2.85	17.10	1.25	7.57	1.22	7.92
Urban	4.52	16.70	4.73	18.61	2.22	8.79	2.30	9.76

Calculated from The Human Development Survey, 2004

<sup>1</sup>Using Exchange rate of Euro=1.18 USD \$

TABLE A19. INCOME DISTRIBUTION INDICATORS (PERCENT)

	Income share of the poorest 5%	Income share of the poorest 20%	Income share of the poorest 40%	Income share of the richest 20%	Income share of the richest 5%	Income share of the richest 20% to the poorest 20%	Gini Coefficient
Prishtinë/Priština	0.82	6.60	18.36	42.12	16.53	6.38	35.01
Zubin Potok/Zubin Potok	1.27	8.43	22.97	35.14	11.11	4.17	26.70
Zveçan/Zvečan	1.53	7.26	22.64	38.34	13.79	5.28	28.48
Leposaviq/Leposavic	1.29	6.99	19.80	41.04	17.62	5.87	33.62
Shtërpcë/Štrpce	1.43	7.55	19.52	41.92	20.53	5.55	35.27
Ferizaj/Uroševac	1.62	8.08	20.98	39.19	14.03	4.85	30.47
Istog/Istok	1.28	7.94	20.41	39.62	15.07	4.99	31.50
Lipjan/Lipljan	0.89	5.99	17.15	49.08	26.00	8.19	41.61
Suharekë/Suva Reka	1.05	6.64	17.18	42.26	18.72	6.36	35.65
Kamenicë/Kamenica	0.97	7.05	17.23	45.58	18.04	6.46	36.37
Viti/Vitina	1.03	7.33	19.73	40.59	15.53	5.54	32.98
Mitrovicë/Mitrovica	0.60	4.35	13.95	49.01	22.83	11.27	44.12
Gjilan/Gnjilane	1.20	6.66	19.82	43.32	17.87	6.50	35.16
Pejë/Pec	1.05	7.28	19.81	42.91	17.21	5.89	34.96
Gjakovë/Đakovica	0.49	6.56	17.94	41.83	14.55	6.38	35.38
Prizren/Prizren	0.66	5.72	16.14	49.51	24.91	8.66	42.15
Vushtrri/Vucitrn	0.99	6.41	16.69	47.16	22.55	7.35	40.21
Fushë Kosovë/Kosovo Polje	1.09	6.90	18.92	39.95	13.74	5.79	33.79
Glogovc/Glogovac	1.18	6.84	17.78	46.63	21.51	6.82	39.00
Deçan/Decani	1.79	9.62	23.27	36.33	12.57	3.78	26.37
Rahovec/Orahovac	1.44	8.89	22.15	41.42	17.60	4.66	30.95
Klinë/Klina	0.92	6.51	17.54	43.18	18.31	6.64	36.52
Podujeva/Podujevo	0.74	6.61	17.56	43.22	13.93	6.54	36.18
Dragash/Dragaš	0.89	6.01	17.54	45.83	19.84	7.62	38.26
Obiliq/Obilic	1.43	7.50	20.11	35.80	16.05	4.77	31.72
Skenderaj/Srbica	0.62	5.54	16.25	48.81	28.08	8.82	42.35
Kaçanik/Kacanik	1.52	8.68	21.74	38.49	13.29	4.44	29.45
Shtime/Štimlje	1.11	7.83	20.18	40.25	16.63	5.14	32.47
Malishevë/Mališevo	1.56	8.98	23.30	36.47	12.67	4.06	27.15
Novobërdë/Novo Brdo	0.52	7.25	19.57	36.44	13.02	5.03	31.98
Average	1.00	6.81	18.51	43.39	18.30	6.37	35.93
Kosovan Albanian	0.96	6.62	17.82	44.42	19.29	6.71	37.11
Kosovan Serb	1.02	7.11	19.04	40.99	14.84	5.77	33.60
RAE	0	3.80	16.29	48.62	22.92	12.81	42.45
Others	0.89	4.67	17.32	45.91	19.83	9.83	39.73
Rural	1.08	7.16	19.33	42.50	18.60	5.94	35.07
Urban	0.65	5.61	16.25	43.38	19.34	7.73	39.60

Calculated from The Human Development Survey, 2004

TABLE A20. INCOME SHARES BY DIFFERENT INCOME SOURCES (PERCENT)

	Salaries/ Wages	Pensions and social aid cash and in kind*	Business profits and rent	Borrowed money**	Remittance, help-out from relatives/friends, including alimonies'	Dis-savings and sold properties	Other sources
Prishtinë/Priština	35.86	5.22	26.00	10.21	5.00	10.31	7.39
Zubin Potok/Zubin Potok	70.03	11.85	3.08	0.66	0.42	1.90	12.06
Zvečan/Zvečan	51.08	23.66	7.99	1.63	1.35	4.56	9.73
Leposaviq/Leposavic	51.33	17.47	6.91	6.88	0.79	12.38	4.23
Shtërpçë/Štrpce	50.16	16.32	8.96	11.98	0.81	0.95	10.82
Ferizaj/Uroševac	25.76	3.21	11.48	27.25	13.66	1.95	16.69
Istog/Istok	22.07	3.31	7.46	9.48	54.29	0	3.39
Lipjan/Lipljan	24.32	8.03	14.50	22.43	7.62	7.75	15.35
Suharekë/Suva Reka	19.02	4.81	13.69	18.83	16.36	12.15	15.13
Kamenicë/Kamenica	35.93	7.83	10.93	22.66	9.29	3.96	9.41
Viti/Vitina	20.54	3.83	10.99	43.08	8.88	4.50	8.17
Mitrovicë/Mitrovica	47.46	11.54	14.36	4.13	8.32	1.59	12.6
Gjilan/Gnjilane	33.23	5.70	4.89	18.85	18.96	1.09	17.28
Pejë/Pec	40.44	2.97	18.88	7.53	20.48	0	9.69
Gjakovë/Đakovica	18.24	5.51	22.00	7.61	23.21	15.33	8.11
Prizren/Prizren	27.94	4.70	11.41	19.01	10.88	10.76	15.29
Vushtrri/Vucitrn	28.49	3.73	15.37	8.67	16.14	9.50	18.11
Fushë Kosovë/Kosovo Polje	34.05	10.16	13.61	16.15	11.38	3.99	10.68
Gllgovc/Glogovac	26.16	8.08	8.04	31.11	15.07	3.34	8.20
Deçan/Decani	29.43	7.65	14.00	13.40	23.66	0.74	11.11
Rahovec/Orahovac	18.71	5.81	37.16	10.98	15.67	2.2	9.47
Klinë/Klina	20.62	4.42	7.08	29.78	26.19	3.42	8.49
Podujeva/Podujevo	29.20	5.85	14.69	22.96	9.77	3.08	14.45
Dragash/Dragaš	16.37	9.20	6.76	42.95	9.32	7.15	8.25
Obiliq/Obilic	27.6	5.31	8.84	21.27	10.71	17.19	9.09
Skenderaj/Srbica	20.67	6.11	1.42	27.95	10.37	31.16	2.32
Kaçanik/Kacanik	41.39	6.58	6.60	17.99	14.08	0.69	12.68
Shtime/Štimlje	35.39	8.05	16.89	8.86	7.24	0.27	23.30
Malishevë/Mališevo	15.63	4.45	20.29	18.26	24.07	7.50	9.80
Novobërdë/Novo Brdo	32.95	10.71	9.63	24.66	4.44	6.78	10.83
Average	29.85	5.99	14.94	17.21	13.66	7.13	11.21
Kosovan Albanian	27.86	4.65	15.81	18.27	15.10	6.58	11.73
Kosovan Serb	48.07	16.70	8.61	7.17	1.16	12.32	5.98
RAE	26.46	15.21	8.06	14.77	20.86	0.65	13.99
Others	27.59	7.98	10.95	22.62	9.88	7.53	13.45
Rural	25.98	7.28	11.90	17.29	16.97	9.11	11.48
Urban	33.32	4.81	17.77	17.17	10.65	5.31	10.97

Calculated from The Human Development Survey, 2004

\* Pensions and social aid include Serbia and Montenegro Government and third country pensions as well as Kosovo Pensions

\*\* Borrowed money does not only include bank lending but also informal lending from individuals (relative, friends, etc.)

TABLE A21. DEMOGRAPHIC INDICATORS

	Average household size	Average number of children	Average number of adult males	Average number of adult females	Average number of elderly	Dependency ratio
Prishtinë/Priština	5.46	1.53	1.76	1.83	0.33	51.91
Zubin Potok/Zubin Potok	4.15	1.01	1.48	1.36	0.31	46.45
Zvečan/Zvečan	3.78	0.80	1.21	1.30	0.47	50.67
Leposaviq/Leposavic	4.30	1.10	1.40	1.43	0.36	51.47
Shtërpçë/Štrpce	5.06	0.83	1.95	1.74	0.54	36.99
Ferizaj/Uroševac	7.06	2.30	2.32	2.19	0.26	56.60
Istog/Istok	6.92	2.28	2.05	2.14	0.45	65.04
Lipjan/Lipljan	6.29	2.00	1.93	1.96	0.39	61.21
Suharekë/Suva Reka	8.28	3.07	2.20	2.62	0.40	71.96
Kamenicë/Kamenica	5.64	1.70	1.65	1.81	0.48	63.11
Viti/Vitina	7.41	2.48	2.32	2.20	0.41	63.74
Mitrovicë/Mitrovica	4.93	1.23	1.66	1.74	0.31	45.16
Gjilan/Gnjilane	5.90	1.89	1.72	1.92	0.38	62.28
Pejë/Pec	6.07	1.79	1.93	2.00	0.35	54.56
Gjakovë/Đakovica	6.27	2.08	1.80	1.94	0.46	67.96
Prizren/Prizren	7.72	2.87	2.06	2.28	0.51	77.76
Vushtrri/Vucitrn	7.54	2.54	2.30	2.31	0.39	63.63
Fushë Kosovë/Kosovo Polje	6.47	1.97	2.07	2.09	0.34	55.50
Gillogvc/Glogovac	8.11	2.79	2.48	2.51	0.33	62.59
Deçan/Decani	6.63	2.01	2.08	2.10	0.44	58.72
Rahovec/Orahovac	7.41	2.76	1.98	2.29	0.39	73.54
Klinë/Klina	7.50	2.56	2.22	2.30	0.43	66.30
Podujeva/Podujevo	7.45	2.41	2.23	2.43	0.39	60.15
Dragash/Dragaš	6.42	2.09	1.67	2.13	0.53	69.04
Obiliq/ Obilic	6.81	2.04	2.16	2.25	0.37	54.60
Skenderaj/Srbica	7.28	2.28	2.29	2.35	0.37	57.07
Kaçanik/Kacanik	6.95	1.91	2.26	2.47	0.32	47.25
Shtime/Štimlje	7.68	2.80	2.31	2.28	0.29	67.51
Malishevë/Mališevo	9.76	4.04	2.54	2.76	0.43	84.32
Novobërdë/Novo Brdo	5.96	1.93	1.94	1.68	0.41	64.92
Total	6.52	2.08	1.97	2.08	0.39	61.04
Kosovan Albanian	6.88	2.26	2.06	2.18	0.37	62.25
Kosovan Serb	4.30	0.97	1.48	1.44	0.41	47.40
RAE	7.19	2.50	2.18	2.17	0.34	65.31
Others	5.12	1.43	1.36	1.73	0.6	65.77
Rural	7.05	2.32	2.14	2.19	0.41	63.11
Urban	5.96	1.84	1.80	1.96	0.36	58.59

Calculated from The Human Development Survey, 2004

TABLE A22. STATISTICS FOR PARTICIPATION AND SOCIAL CAPITAL INDEX (PERCENT)

	Implemented NGO projects	Implemented project of the local government	Took part in public dis- cussions	Took part in citizen initiative	Signed petition	Total partici- pation in any of the five activities	Average participation in any of the five activities	Participated in public protests	Social Capital Index
Prishtinë/Priština	1.80	0.30	4.20	7.90	5.00	19.20	3.84	29.50	54.26
Zubin Potok/Zubin Potok	0	0	0	4.10	2.30	6.40	1.28	0	57.34
Zvečan/Zvečan	0.80	2.30	1.90	2.30	3.80	11.10	2.22	8.40	55.56
Leposaviq/Leposavic	1.50	0.20	0.40	1.10	4.10	7.30	1.46	9.30	59.07
Shtërpçë/Štrpce	1.20	3.00	6.00	0.90	3.90	15.00	3.00	21.30	56.86
Ferizaj/Uroševac	0.80	0	13.90	10.00	13.70	38.40	7.68	17.70	70.20
Istog/Istok	0	0.40	4.40	3.70	5.20	13.70	2.74	6.00	66.45
Lipjan/Lipljan	1.10	1.50	7.10	0.50	1.10	11.30	2.26	9.30	72.88
Suharekë/Suva Reka	1.30	2.10	15.70	9.80	10.90	39.80	7.96	9.50	66.65
Kamenicë/Kamenica	3.80	1.10	6.50	5.20	7.10	23.70	4.74	20.00	63.56
Viti/Vitina	0.50	0	6.60	10.30	10.50	27.90	5.58	31.80	67.95
Mitrovicë/Mitrovica	3.90	0	3.40	4.10	5.20	16.60	3.32	14.70	61.22
Gjilan/Gnjilane	0.40	0.30	5.80	1.80	2.10	10.40	2.08	24.50	65.03
Pejë/Pec	3.50	0.50	9.00	7.20	1.00	21.20	4.24	11.30	69.35
Gjakovë/Đakovica	1.10	0.70	6.70	5.70	5.60	19.80	3.96	20.80	50.45
Prizren/Prizren	1.30	0.40	7.20	5.40	5.80	20.10	4.02	18.00	62.15
Vushtri/Vucitrn	1.10	2.90	1.60	3.00	4.40	13.00	2.60	26.90	67.20
Fushë Kosovë/Kosovo Polje	0.50	1.40	5.00	5.50	8.30	20.70	4.14	30.10	50.97
Gllgovc/Glogovac	0.50	0	7.10	19.90	9.50	37.00	7.40	72.40	70.75
Deçan/Decani	3.50	0	1.50	3.10	1.60	9.70	1.94	10.00	63.52
Rahovec/Orahovac	2.10	1.00	3.20	3.80	4.90	15.00	3.00	6.10	63.80
Klinë/Klina	3.30	0.40	3.70	5.00	5.30	17.70	3.54	10.20	72.15
Podujeva/Podujevo	1.90	1.40	6.70	8.80	3.80	22.60	4.52	24.50	54.77
Dragash/Dragaš	0.90	1.40	5.00	5.10	2.40	14.80	2.96	8.50	60.30
Obiliq/ Obilic	0.40	0.40	15.30	18.10	11.00	45.20	9.04	38.20	69.30
Skenderaj/Srbica	2.30	0.40	13.30	7.40	9.80	33.20	6.64	61.10	72.70
Kaçanik/Kacanik	3.00	0	7.70	2.80	10.80	24.30	4.86	17.80	72.75
Shtime/Štimlje	0.60	0.80	9.00	11.40	7.80	29.60	5.92	9.80	64.30
Malishevë/Mališevo	1.70	0	6.00	8.70	19.60	36.00	7.20	35.70	71.45
Novobërdë/Novo Brdo	2.50	1.30	10.30	9.00	2.60	25.70	5.14	12.80	67.60
Total	1.70	0.70	6.70	6.40	6.10	21.60	4.32	21.80	62.91
Kosovan Albanian	1.80	0.60	7.50	7.10	6.90	23.90	4.78	23.30	64.06
Kosovan Serb	2.00	1.00	2.00	2.00	1.90	8.90	1.78	15.20	59.25
RAE	0	0.40	0.40	0.60	0.40	1.80	0.36	3.20	49.87
Others	1.70	0.70	0.30	2.20	6.10	11.00	2.20	6.40	52.89
Rural	1.40	0.50	8.90	8.50	6.50	25.80	5.16	21.20	66.53
Urban	2.10	0.90	4.00	3.90	5.70	16.60	3.32	22.50	59.18

Calculated from Human Development Survey, 2004

## ANNEX IV: NAMES OF THOSE WHO PARTICIPATED IN HDR CONSULTATIONS

### From Municipalities

Shaban Halimi, Halim Shemsedini, Sabidin Çufta, Hilmi Dauti, Mehmed Hamza, Bexhet Xheladini, Ishmen Baldzi, Meleq Ymeri, Irfan Ibrahim, Zeni Krasniqi, Shefik Fejza, Sahit Krasniqi, Gafurr Ilazi, Dugagjin Etemi, Ahmet Hamzaj, Xhevdet Ramolli, Jahja Emmini, Zejnullah Sadiku, Burim Berisha, Albert French, Bajram Zogiani, Maliq Berisha, Branislav Ristic, Jakup Dumoni, Idriz Idrizi, Enver Muja, Bob Symonds, Avdyl Krasniqi, Hamdi Qorri, Rustem Qorri, Ibrahim Hajdari, Alush Istogu, Islam Thaçi, Nexhmije Kallaba, Sabri Morina, Naim Canaj, Nebojša Kenic, Mitko Kotoski, Xhevat Leci, Halit Gashi, Eqrem Haziri, Shaip Bytyqi, Isak Gashi, Fatime Mustafa, Shaban Syla, Muhamet Rustemi, Isuf Marevci, Isni Kilaj, Sylejman Gashi, Haki Krasniqi, Sanie Kelmendi, Nivedita Haran, Minna Jarvenpaa, Svetomir Andelkovic, Marko Radulovic, Petar Radic, Ninoslav Đeric, Lionel De Zousa, Drita Hashani, Ejup Hashani, Kemail Hashani, Sami Bërbatovci, Rasim Fejza, Elheme Sokoli, Naser Kajtazi, Rizah Gashi, Bajram Gashi, Shefqet Maloku, Bedri Berisha, Kadrie Ajvazi, Ibrahim Kryeziu, Nahit Elshani, Myrvet Durguti, Dervish Thaçi, Sadri Rashati, Avdullah Kryeziu, Ali Hoxha, Habibe Haxhimustafa, Radica Janicevic, Jaroslav Kozak, Predrag Đordevic, Naim Ismajli, Ekrem Reçica, Lalit Agalawata, Ahmet Latifi, Hajruz Loshi, Jahir Bejta, Nazif Goxhuli, Abdyl Ymeri, Murat Musliu, Abedin Geci, Nasuf Shabani, Beqir Beqiri, Hazir Lushtaku Mehmet Berisha, Bob Charmbury, Agim Zenelaj, Sylejman Sipa, Minir Zekolli, Halil Morina, Salih Bytyçi, Bexhet Kuçi, Naim Gashi, Halit Elshani, Bashkim Berisha, Malush Berisha, Sadri Emërllahu, Besë Bejtullahu, Raif Fetiu, Habibe Bytyçi, Fay Woolley, Halil Musliu, Ahmet Arifi, Sokol Haliti, Hamid Elyassi, Svetlana Stasic, Sujata Saunik, Svetlana Pencheva, Jelena Radenkovic, Tomislav CC. Živkovic, Slaviša Markovic, Snežana Orlovic, Jelena Radomirovic, Nadica Hristov, Saurabh Bhandari, Dharam Pal, Ramesh Abhishek, Julien Bibeau, Ramesh L. Shrestha, Hamid Reza Elyassi, Bojan Todosijevic, Gaelle de Charentenay, Nivedita Haran, Charles Messier, Mybera Mustafa, Esat Hafez, Ibrahim Murat, Michael Verling.

### From Civil Society, the Media, Central Government, and International Organisations

Artor Sejfiija, Luan Shllaku, Enver Hasani, Sevdije Ahmeti, Behxhet Shala, Ana Mari Repic, Igballe Rogova, Judith Schumacher, Dafne Duzcovic, Jane Schuler Repp, Magdalena Tomczynska, Adem Demaçi, Lutfi Haziri, Rifat Blakaj, Ramush Tahiri, Habit Hajredini, Baki Svirca, Milutin Rajicevic, Besim Beqaj, Arben Cami, Blerim Burjani, Flora Brovina, Blerim Latifi, Ibrahim Makolli, Ardian Arifaj, Bekim Hasani, Ilire Zajmi, Fatmire Tërdevci, Dukagjin Gorani, Jeta Xharra, Jolyon Naegele, Nand Shani, Alexander Kolev, Petraq Milo, Skender Kolgeci, Murat Musliu, Enver Bajrami, Nevahir Hazeri, Enver Ulaj, Refki Reshitaj, Ardianë Pajaziti, Afrim Demiri, Rexhep Krasniqi, Filiz Pasoma, Leonora Fejza, Ibrahim Rexhepi, Behar Zogiani, Birol Urcan, Fazli Deliu, Jill White, Lavinia Gasperini, Lars Bjarne Jensen, Naser Krasniqi, Rifat Blaku, Xhemajl Kabashi, Flaka Surroi.

# ANNEX V: KOSOVO AT GLANCE

**Area:** 10,908 square kilometers

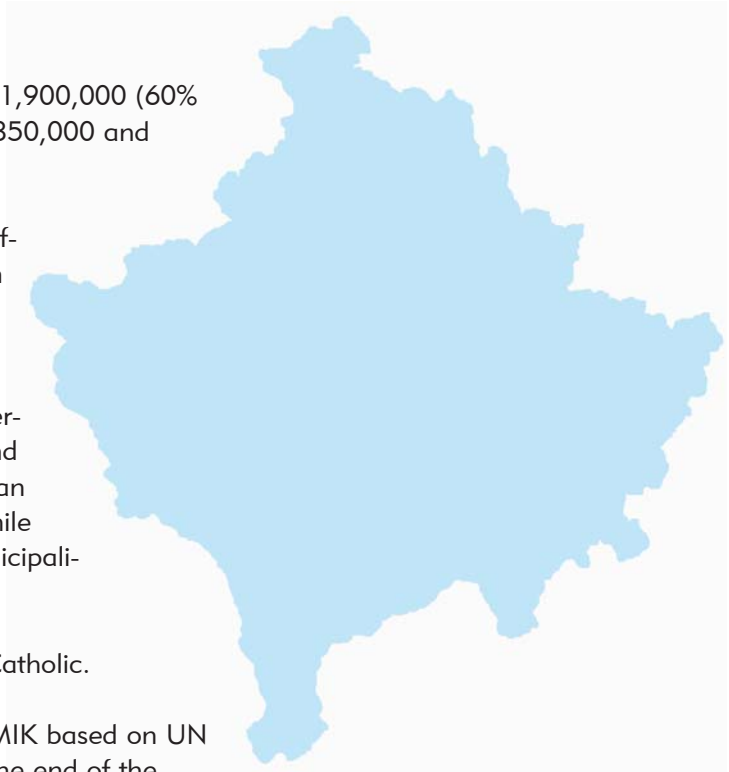
**Population:** Estimated total resident population is 1,900,000 (60% in urban and 40% in rural areas), while between 350,000 and 400,000 Kosovans live abroad.

**Municipality:** Kosovo has 30 municipalities with different levels of development; per capita income in the wealthiest municipalities is up to three times greater than in the poorest municipalities.

**Language:** English is the official language of governance, with all documents produced in English and translated in local languages. Albanian and Serbian are also official languages throughout Kosovo, while Bosnian and Turkish are also official in some municipalities.

**Religions:** Islam, Serbian Orthodox, and Roman Catholic.

**Form of Government:** Kosovo is governed by UNMIK based on UN Security Council Resolution 1244, adopted after the end of the conflict in 1999. UNMIK governs in cooperation with local institutions comprised of the Kosovo Assembly, Government and Presidency.



**HDI:** With an HDI of 0.734, Kosovo stands at the lower end of the medium level of the human development spectrum.

**Poverty levels:** Just over 47% of the population lives in poverty, while 13% live in extreme poverty.

**Life Expectancy at birth:** 68.8 years (67.8 for men and 69.9 for women).

**Illiteracy rate:** 6% (3% for males and 9% for females).

**Computers:** 10% of households own computers (6% in rural areas and 15% in urban areas).

**Economic Indicators:** GDP 1,640 million Euros, GNP 1,973 million Euros, per capita GDP 848 Euros, per capita GNP 1,021 Euros.

**Unemployment and labor force:** According to the UNDP HDS 2004, the unemployment rate is 44 % (39 % among male and 58 % among female), labor force participation is 52 % (75 % for male and 31% female).

**Currency:** The official currency is the Euro, but transactions can be made in any currency agreed to by the parties.