
THE POSSIBLE AND NEGATIVE EFFECTS OF THE POPULATION'S MIGRATION PROCESS IN MACEDONIA AND THEIR REFLECTIONS IN THE BUDGET OF THE COUNTRY

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Abstract: This article focuses on the very current social phenomenon of the territories where we live today, called the migration of the population. The migration processes of the population in Macedonia and their reflection on the country's budget, the country's economic situation, the economic situation, the causes of migration, the economic consequences of the state, state benefits, internal migration and dealing with migration as an unstoppable process are the points discussed and developed in the paper.

Migrations exist from the very early existence of the human race, as throughout history, man has migrated uninterruptedly, even over long periods of time, only to provide better living conditions. Even though many things have changed from thousands of years ago, there are still many reasons why people choose to migrate to other countries. They could be economical, political, or geographical reasons.

Nevertheless, migrations in today's Macedonia have a long history, damaged by various occupiers such as the Roman, Byzantine, Ottoman, Yugoslav, etc.

Because of the unpredictable economic and security situation, as in the past, as well today, migrations have not stopped, continue to happen today, right across the European Union and the countries of the Atlantic, such as Canada, the US and Australia, where there are better conditions for life.

Keywords: migration, budget, migration factors, economic situation

INTRODUCTION

Different economic and security factors have caused migration, both in the past and today, that today's migration continues uninterruptedly to European Union countries or to places where the conditions for life are better, there is greater security for life, socio-economic welfare and justice.

According to the European Commission's report (2012), after visa liberalization, the number of asylum seekers in 44 industrialized countries increased in 2009 to 6,351, of whom 5,773 claims were directed towards 27 EU countries. As a result of the visa liberalization that was made possible in 2009, from the Western Balkan countries, to the EU countries, massive migration of people "who, for a better life, stable social-economic conditions, often sought asylum as a decision hastened by the examples of people coming from the Near East, Africa, Asia, where there were no elementary living conditions.

This approach analyzes the benefits and costs (losses) of the state by illustrating the prerequisites and calculations that provide the basis for the COST-BENEFIT analysis of this phenomenon in the long run.

ECONOMIC SITUATION OF THE REPUBLIC OF MACEDONIA

The Republic of Macedonia is constantly faced with the same economic problems, namely the high rate of unemployment and poverty. In the period when Macedonia was part of the former Yugoslavia, the unemployment rate was 26.7%, which placed the country as a poor republic of Yugoslavia. One of the indicators of the macroeconomic situation of the Republic of Macedonia is the real rate of gross domestic product, which from 1991-1995 resulted in negative growth from the country's consolidation. Such a downturn was expected for a new economy, which faced difficulties even before the independence. The last one resulted in a transition to a new socio-economic and political system that, according to some research and studies of relevant institutions, was characterized as unprepared and criminal transition, which contributed negatively to the entire state system. In the transition period the largest number of enterprises were privatized in a criminal way, initially went bankrupt or had been completely disconnected from the market. In that period, the rate of unemployment quickly increased until the first quarter of 2013. In the period 1995-2013 the percentages of unemployment have moved from 32% to 40% (Bornarova, 2012).

In the Statistical Office report, in the second quarter of 2013, the unemployment rate in the Republic of Macedonia was 28.8%. If we compare Macedonia's unemployment rate today with the Yugoslav period, we can see that the highest rate throughout Yugoslavia was 26.7%.

In the past period until now, Macedonia can't even reach this level of unemployment. This state of affairs is one of the indicators that show the unstable economical condition, which further deepens the poverty of the citizens of Macedonia. Generally speaking, most of the Roma population lives in chronic poverty. Many researches

confirm the same findings without giving an answer to what the nation's population faces the consequences of the country's bad economic performance.

All of these negative impacts, such as economic, political, and other negative state activities, are sufficient grounds for demands to come out of this situation and to emigrate, and very often, to seek asylum in countries, initially in the European Union and then also in other countries. Citizens from the middle class who leave the country are a proof of the unsuccessful application of policies and strategies to improve the economic situation. For that, the latest results of the unemployment rate published by the Bureau of Statistics cause suspicions that they will change things to good.

There is a question as to how we can significantly reduce the unemployment rate in Macedonia?

Migrations have an effect on the reduction of unemployment, or there is an increase in employment, although it is clear that in addition to employment in the state administration, there is no major change in the private sector in the private sector (Janeska, 2012)

ANALYSIS

Some indicators for migrations will be analyzed below, from which certain calculations and illustrations will follow. In some cases, migrations are the most familiar habit of Macedonian citizens, who have migrated from the country to more than one wave in the last 100 years.

As a result, there is no exact number of citizens displaced from Macedonia today. Various sources also have different numbers, for example; according to World Bank estimates (World Bank, 2011), the rate of emigration from Macedonia is 21.8%, which means that a large part of the population lives in emigration. On the other hand, if Eurostat data is taken into account, then the rate of emigration amounts to 26%, which is mainly accounted for as an accurate indicator of the diaspora from Macedonia.

According to Eurostat data, we can observe that migrations have a cumulative rising trend over time. Unlike other years, since 2005, a wave of emigration of citizens has been observed legally leaving the country. This number in 2005 was cumulatively 251,247 while in 2010 this number was smaller, 240,052 respectively.

If, on this account, we attach to illegal immigrants, then the overall number will increase even more. But since there is no accurate information on illegal immigrants, estimates will be based on this number since 2010.

STATE EXPENDITURES (LOSSES)

Based on the fact that the total number of migrants who have obtained citizenship or residence abroad is more than 10% of the total population, so based on that, we should also calculate the budget losses state.

About 50% of the total number of emigrants from Macedonia or 120,026 persons, representing active population, 10% elderly and 40% children, pupils and students. State Losses are:

1. The state budget incurs tax losses - income tax, insurance tax, value added tax, property tax and other taxes. Macedonia's budget consists mainly of revenues. In the category of general revenues are included: tax revenues and contributions, non-tax revenues, capital inflows and donations. Total budget revenues in 2012 were \$ 2.883 billion. If we divide this number with the total population of 2.030.000, then we conclude that Macedonia's budget per capita is 1.420 dollars. If this amount is multiplied by the total number of migrants ($\$ 1,420 * 240,052$ migrants), the state lost about \$ 341,205,180. This means that at \$ 2,883 billion, total revenues would be \$ 3.224 billion ($\$ 2.883 \text{ billion} + 341.205.180$)
2. The total population of Macedonia is 2.087.171. The total population in Macedonia and the total number of displaced persons is 2.327.223. This would have had an impact on the natural increase of the population, without additional costs for birth growth. There are also spending on the state budget opportunity which is spent on social transfers of families with the third child, in order to increase fertility. If the state had a natural increase, then the financial means instead of resorting to social transfers would have the potential to invest in investments that would have contributed to the creation of new jobs and growth economic activity, which would further have shown greater macroeconomic outcomes.
3. Gross domestic production in 2012 was \$ 9.6 billion. If we allocate this amount to the total population of 2.030,000 ($\$ 9.6 \text{ billion} / \$ 2,303,000$), earnings of \$ 4,729 are earned. With the total population of 2.327.223, then this number would have been around \$ 11.million ($\$ 4.729 * 2.327.223$ from the general population). Which means that the Gross Domestic Product lost about \$ 1.5 billion of 240,052 Macedonian migrants located in the Diaspora (ESRM, 2013)

STATE BENEFITS

In addition to opportune losses and expenses, the state also has benefits from migrants. Most of the benefits are from the aspect of lowering the expenses from the state budget, as the largest number of migrants is from social groups, namely the social assistance beneficiaries. The Roma mostly fall into this group, as about 95% of the

Roma population lives in peri urban areas under very difficult conditions for life. Also, the rate of unemployed Roma is the highest in the country.

According to the UNDP report, in 2005 the Roma unemployment rate was 79% compared to the national average of 37% (UNDP, 2006). The high unemployment rate also means the high rate of poverty. According to some reports, the poverty rate among the Roma population in 2008 was almost three times higher than that in the country by 88% compared to 30% in Macedonia (ESRM, 2014)

According to the Statistical Office, in 2012 over 50,000 people were beneficiaries of social assistance. The growing trend of emigration of the population, facilitates the state budget burden, with the act of leaving the country

Table 1. Asylum seekers according to age in the second trimester of 2011, shown in percentage

No.	Country	Total	Age 0-13	Age 14-17	Age 18-34	Age 35-64	Age >65
1.	Macedonia	1830	35,9	6,1	34,9	22,8	0,3
2.	Kosovo	2535	31,2	5	40,8	22,1	0,9

Taking into account the numbers from the table above for Macedonia in 2011 and the same amount being multiplied by 1,800 denars (monthly social assistance per person), then the amount earned shows how much the state saves on state budget spending on social assistance (around 650,000 Euros a year. For 20 years, this amount is €13 million.

We assume that all emigrants are with low education for whom at least the state has invested eight years for their education; the savings of 13 million Euros are almost irrelevant.

Unfortunately, the number of highly educated staff is too high, and on the other hand, their departure remains under the shadow of the criticisms of the state for displacement as a result of poverty. The hypocrisy that is even greater, EU member states have positive regulations for educated immigrants, while for the poor and uneducated there are many obstacles to prevent their circulation in the above-mentioned countries.

Finally, the care of public opinion is wrongly oriented towards a common citizen rather than dealing with the selection measures and the behavior of EU countries and their institutions that make constant pressure on the relevant institutions of the country. Radical groups appear as "defenders" of state interests in relation to the free visa regime, which brings additional negative points, for fragile democracy in Macedonia, and institutional weaknesses. This is a typical example of how the EU and its inappropriate measures are negatively affected by the rights of poor citizens (Selmani, 2006)

Finally, this whole situation generates systemic financial disturbances, for that, in addition to time and effort, a large part of the funds end in the hands of suspicious or corrupted structures, while the poor citizen is even poorer. EU member states and current candidate countries have not learned the lessons from the last two searches, nor do they show any wish for something to change in their behavior and assessment of the situation, but it is easier for them to seek political enthusiasm with its constituents, with the new visa regime mechanisms, will protect the interests of their citizens.

The decline in the unemployment rate

The Macedonian Employment Service has recently been allocated to unemployed persons in active and passive jobseekers. Active people account for employed persons and persons who are not employed in regular employment, but regularly seek work; while with passive population are meant unemployed persons who for a long time have not sought employment through this institution. If we take into account the migrated Macedonian citizens who have migrated from the country, they would have met the group of passive job seekers who have been abroad for a long time as migrants and have not had opportunity to apply for a job. (Dimitrov, 2012)

Deposit collection

It is one of the important benefits of having migrants abroad, is bringing their foreign currencies in the country. Such income is of special importance to the economy, as it is secured by foreign deposits, which does not oblige foreign investors. According to the experts' assessment of this field, Albanian migrants bring in Macedonia about 2 billion Euros of foreign currency income annually, which means about 50% of the country's budget.

CONCLUSION

The general analysis shows that Macedonia still faces the same problems. In order to reduce or improve the situation in Macedonia we will present some brief suggestions:

- Reducing political pressure during employment

- To increase the well-being and quality of life of citizens, the government should not decide on job positions, but to create the same harmony and treatment for all citizens of the country. As through the observance of rules and procedures, qualitative frameworks will be created that would have contributed to visible changes in the country.
- Increasing investment in youth education - investments in education are more reliant. However, the creation of educational programs, projects and scholarships are not enough for the educational system. It is necessary to enable the employment of new staff in order to train them with practical knowledge.
- Infrastructure projects and investments should be directed to rural areas, not just urban centers, because the marginalization of underdeveloped rural areas causes obstacles to the development and sustainability of the country as a whole.

Above all, corruption should be eliminated as "cancer" in transition societies, in this case Macedonia.

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