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## **ASSESSING POLICIES FOR ECONOMIC INCORPORATION OF REFUGEES IN SERBIA**

### *Abstract*

This study provides an overview of state strategies and policies that have been implemented with respect to refugee economic incorporation in Serbia. It shows that delays in the refugee incorporation may have in part resulted from the inability of the state to provide two types of aid – supporting and developmental assistance – in an optimal manner. While the former is still being provided, the latter was not launched more aggressively until 2002 even though the first wave of refugees to Serbia arrived in 1991.

*Key Words:* refugees, Serbia, state policy, integration, economic incorporation

### *Introduction*

Since 1991, when armed conflicts started on the territory of former Yugoslavia, a large number of refugees arrived to Serbia from Croatia and Bosnia and Herzegovina. I examine the effects of the state policy on the economic incorporation of these individuals by relying on the published documents and macro-level data from the governmental and non-governmental institutions, as well as the existing secondary sources. In order to account for the full variation of the degrees of incorporation, the scope of the research includes those who still hold the refugee status, as well as those who have already obtained Serbian citizenship.

The principal aim is to provide an overview of the policies that the state has already implemented since the first wave of refugees arrived to Serbia, in particular with respect to their incorporation. Incorporation is conceptualized as a three-part continuous process. One part is economic incorporation, which assesses to which extent the economic situation of refugees, such as their employment status, income, educational attainment, and the type of housing, approximates that of the local population. The second part is social incorporation, which takes into account the refugees' potential social exclusion, particularly if they live in geographically concentrated and/or segregated communities. The final part is the newcomers' political incorporation, which compares the level of electoral turnout and the involvement in other forms of political participation

with the participation levels of the local population. The focus of this paper given the limitations of space, however, is the economic incorporation.

Humanitarian aid may be categorized into supporting assistance (hereafter, SA) and developmental assistance (hereafter, DA). Both types of assistance are necessary in situations of mass displacements. However, the two forms of aid are ideally implemented sequentially, where a shorter period of SA is followed by a longer period of DA. SA includes short-term forms of humanitarian assistance, such as temporary housing, food and clothing provisions, payments of utilities, and temporary health insurance, among other forms of one-time donations provided by the state and the international organizations. DA includes assistance toward permanent solutions of socio-economic problems that refugees face, such as educational support, aid for construction of private homes, favorable loans for small businesses, or other types of programs that would enable individuals to become self-sufficient.

I start by reviewing the published statistics and the context of the refugee arrival to Serbia beginning in 1991. Then, several key documents are considered, which outline the national strategy and legal framework for responding to the mass inflow of refugees. Government activities and policies that are implemented are reviewed in the third section. In the final section, I assess the level of economic incorporation of refugees based on the available information.

### *Refugees in Serbia, 1991-2008*

The official number of persons with the status of refugee reached the highest level of 537,939 in 1996, when the first registration was conducted by the Commissariat for Refugees of the Republic of Serbia (the Commissariat, hereafter) and the United Nations High Commissioner for Refugees (UNHCR, hereafter).<sup>1</sup> In the first wave of refugees in 1991, there were 48,653 refugees that arrived to Serbia from the other republics of former Yugoslavia.<sup>2</sup> From this number, 73% arrived from Croatia.<sup>3</sup> Another wave of refugees, where 80% from 133,863 persons were from Bosnia and Herzegovina, arrived in 1992.<sup>4</sup> From 1993 through the Spring of 1995, there were smaller waves of refugees, of around 20-30,000 annually from both Croatia and Bosnia and Herzegovina. The next large wave of refugees arrived in 1995. From the total of 253,482 individuals that arrived from July 1, 1995 until December 12, 1995, there were 77% from Croatia.<sup>5</sup> Finally, the wave that arrived in 1996 included 43,021 individuals, where around 72% came from Bosnia and Herzegovina.<sup>6</sup>

According to the results of the latest registration that was carried out by the same institutions from November 27, 2004 to January 25, 2005, the number of individuals who

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<sup>1</sup> "Registration of Refugees, 1996." Belgrade: The Commissariat for Refugees of the Republic of Serbia and UNHCR. This number does not include 79,791 war-affected persons, who also fled to Serbia but already had Serbian citizenship at the time of their arrival.

<sup>2</sup> Ibid., p.20.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

still hold the status of refugees decreased to 104,246.<sup>7</sup> According to the UNHCR report from March 31, 2008, there are currently 97,166 persons with refugee status in Serbia.<sup>8</sup> The number of refugees who still hold the status decreased as individuals received Serbian citizenship, returned to their countries of origin, or emigrated to third countries. Given that exact numbers of people who chose one of those options do not exist, I will consider the estimates by the Commissariat and the UNHCR, as well as the last census that was conducted in 2002 to account for the number of people that arrived after 1991 and chose to integrate in Serbia.

The Commissariat estimates that the number of 537,939 was reduced by 234,500 as around 69,500 individuals returned to Croatia, 79,000 persons returned to Bosnia and Herzegovina, 46,000 individuals emigrated to third countries, while around 40,000 persons died.<sup>9</sup> Given the Commissariat's estimate that 104,246, or 19% from the 1996 registration number, still have the refugee status, then 194,193, or 56% of the total number of people who were registered in 1996 (i.e. 303,439 individuals) have chosen to integrate permanently in Serbia.

The UNHCR estimates that 73,500 persons returned to Croatia while 71,100 persons returned to Bosnia and Herzegovina.<sup>10</sup> Moreover, there were around 22,400 individuals who emigrated to third countries, 143,200 persons who received Serbian citizenship, and 97,100 persons who maintained their refugee status.<sup>11</sup> According to the UNHCR database, there were around 524,000 individuals with refugee status in 1996.<sup>12</sup>

<sup>7</sup> Izveštaj sa registracije izbeglica u Republici Srbiji 2005. godine [Refugee Registration Report in the Republic of Serbia in 2005]. 2007. Belgrade: The Commissariat for Refugees of the Republic of Serbia.

<sup>8</sup> UNHCR. 2008. "Population of Concern As of 31st March 2008." Belgrade: UNHCR.

<sup>9</sup> "Po prestanku oružanih sukoba i otpočinjanju procesa normalizacije u regionu, broj izbeglica u Republici Srbiji se smanjivao: na popisu 1996. godine koji je organizovao Komesarijat u saradnji sa Visokim komesarijatom Ujedinjenih nacija za izbeglice (UNHCR) popisano je 537,937 izbeglica i 79,791 ratom ugroženo lice...na registraciji izbeglih lica koja borave u Republici Srbiji, koja je sprovedena u periodu od 27. novembra 2004. do 25. januara 2005. godine pristupilo je ukupno 141,685 lica. Od ovog broja za 104,246 lica je potvrđen status izbeglice. Prema podacima i procenama Komesarijata, u zemlju porekla se iz Republike Srbije vratilo: oko 69,500 lica u Republiku Hrvatsku i oko 79,000 u Bosnu i Hercegovinu i ostale republike bivše SFRJ. U treće zemlje otišlo je oko 46,000 lica, a procenjuje se da je oko 40,000 lica umrlo. Komesarijat i dalje priznaje izbeglički status, kao i status raseljenog lica ugroženim osobama i novorođenoj deci."

<http://www.kirs.sr.gov.yu/articles/onama.php?lang=SER&PHPSESSID=eebdd3cdcea5d0627002b13ba8c0398b>

[As the armed conflicts ended and the processes for normalization in the region began, the number of refugees in the Republic of Serbia decreased: on the 1996 registration that was organized by the Commissariat in cooperation with the UNHCR, there were 537,937 refugees and 79,791 war-affected persons...on registration of refugees that reside in the Republic of Serbia, which was conducted in the period from November 27 to January 25, 2005, 141,685 persons responded. From that number, the status of refugee was confirmed for 104,246 persons. According to the estimates of the Commissariat, the following number of people returned to the country of origin: around 69,500 persons returned to the Republic of Croatia, around 79,000 to Bosnia and Herzegovina and other republics of the former Yugoslavia. There were around 46,000 people who emigrated to third countries, and it is estimated that around 40,000 people died.]

<sup>10</sup> UNHCR. 2008. "Population of Concern As of 31st March 2008." Belgrade: UNHCR.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

UNHCR reports 116,700 individuals who once had refugee status and for whom no further information is available.<sup>13</sup>

Given the limits of the existing information, I will rely on the last Census to obtain the number of individuals who were residents of Serbia in 2002, who arrived to Serbia from republics of former Yugoslavia (i.e. mainly from Croatia and Bosnia and Herzegovina) after 1991, and who may or may not currently hold refugee status. According to the census, there are 379,135 persons residing in Serbia in 2002 who meet these three requirements.<sup>14</sup> As this research is concerned with more general forms of incorporation that include economic, social and political incorporation, rather than solely legal incorporation through the loss of the refugee status and the acceptance of Serbian citizenship, the number of 379,135 from the 2002 Census will be used as an estimate of the size of the population constituting the scope of the study.

### *State Policy in Legal Documents*

The first legal document that pertained to the status, rights, and protections of refugees in the Republic of Serbia was the Law on Refugees from 1992.<sup>15</sup> According to this Law, the Government of Serbia (hereafter, the Government) took responsibility for caring for refugees until they meet the conditions for their return to the territory that they left or until they resolve their most basic economic problems.<sup>16</sup> The Law on Refugees defines "refugees" as "Serbs and citizens of other nationalities who, under the pressure of Croatian government or government in other republics, threats of genocide, as well as expulsion and discrimination due to their religious or ethnic identity or political beliefs, were forced to leave their residencies in those republics and flee to the territory of the Republic of Serbia (hereafter, refugees)."<sup>17</sup> This definition is more specific temporally and contextually than the United Nations (UN) definition of a "refugee."<sup>18</sup> The Law on Refugees gives the Commesariat the responsibility for technical and organizational issues with respect to refugees. Specifically, the Commissariat is responsible for validating the refugee status, providing aid to refugees, registering and documenting the number of

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<sup>13</sup> Ibid.

<sup>14</sup> Ladjević, Petar, and Vladimir Stanković. 2004. "Refugee Population in Serbia Based on the 2002 Census Data [Izbeglicki korpus u Srbiji prema podacima popisa stanovništva 2002]." Belgrade: National Statistical Office and Ministry for the Human Rights and Rights of Minorities of Serbia and Montenegro.

<sup>15</sup> 1992. Zakon o izbeglicama [Law on Refugees]. Službeni glasnik RS, 18/92.

<sup>16</sup> See Article 1. Ibid.

<sup>17</sup> Ibid. "Srbima i građanima drugih nacionalnosti koji su usled pritiska hrvatske vlasti ili vlasti u drugim republikama, pretnje genocidom, kao i progona i diskriminacije zbog njihove verske i nacionalne pripadnosti ili političkog uverenja, bili prinuđeni da napuste svoja prebivališta u tim republikama i izbegnu na teritoriju Republike Srbije (u daljem tekstu: izbeglice)" (Article 1).

<sup>18</sup> In the Convention and Protocol Relating to the Status of Refugees, refugees are defined in the following manner: "As a result of events occurring before 1 January 1951 and owing to well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country; or who, not having a nationality and being outside the country of his former habitual residence as a result of such events, is unable, or owing to such fear, is unwilling to return to it" (See UNHCR. 1967 [1951]. "Convention and Protocol Relating to the Status of Refugees").

refugees, coordinating the aid that is received from other domestic and international institutions and organizations, providing settlements for refugees in areas of territorial units, securing conditions for the return of refugees or their settlement in the areas determined by the Commissariat.<sup>19</sup> According to the Law on Refugees, the Government provides temporary housing, food, health care and other types of assistance.<sup>20</sup> Also, the refugees have the right for employment and education equally as the citizens of Serbia.<sup>21</sup> However, the rights to protection under the refugee status cease once a refugee returns to the original residence or finds another permanent residence, finds full-time employment, obtains property, or opens a private business.<sup>22</sup>

In addition to the Law on Refugees, the Government also passed a Regulation for Assisting Refugees (*Uredba o zbrinjavanju izbeglica*) in 1992, which defines the scope and types of assistance that are provided by the Commissariat, certain state institutions and special organizations, local governments, the Red Cross, as well as other humanitarian organizations.<sup>23</sup> Among the items outlined in this document are the temporary housing in collective centers for those who have no alternative housing options, other forms of financial assistance, and health insurance for all individuals with refugee status.

Both the Law on Refugees and the Regulation for Assisting Refugees from 1992 emphasize more short-term and temporary nature of the state assistance, which is referred to as supporting assistance (SA) in this article. This is appropriate given that the Government needed to find immediate solutions to the ongoing humanitarian crisis. However, it was not until ten years later in 2002, with the development of the document "National Strategy for Resolving the Problem of Refugees, Expellees, and Displaced" (hereafter, the National Strategy), that the government explicitly begins to address long-term forms of assistance, which are referred to as developmental assistance (DA) in this paper.<sup>24</sup>

The National Strategy recognizes two parallel long-term solutions for resolving outstanding problems of refugees from Croatia and Bosnia and Herzegovina, as well as internally displaced persons (IDPs) from Kosovo – return or integration. The assistance with the return entails securing basic conditions, such as personal safety, the return of property, and other rights.<sup>25</sup> The National Strategy lists the following items with respect to the return of refugees to Croatia: 1) intensify bilateral and trilateral cooperation with

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<sup>19</sup> Ibid. "Komesarijat obavlja poslove koji se odnose na: utvrđivanje statusa izbeglica; zbrinjavanje izbeglica; vođenje evidencije utvrđene ovim zakonom; usklađivanje pružanja pomoći izbeglicama od strane drugih organa i organizacija u zemlji i inostranstvu i staranje o ravnomernom i blagovremenom pružanju te pomoći; obezbeđivanje smeštaja odnosno razmeštaja izbeglica na područjima teritorijalnih jedinica; obezbeđivanje uslova za povratak izbeglica na područja koja su napustila ili druga područja koja Komesarijat odredi, odnosno njihovog trajnog zbrinjavanja na drugi način i obavlja druge poslove iz svog delokruga utvrđene ovim zakonom" (Article 6).

<sup>20</sup> Article 2. Ibid.

<sup>21</sup> Ibid.

<sup>22</sup> Article 17. Ibid.

<sup>23</sup> 1992. *Uredba o zbrinjavanju izbeglica [Regulation for Assisting Refugees]*. Službeni glasnik RS, 20/92, Article 1.

<sup>24</sup> "Nacionalna strategija za rešavanje pitanja izbeglih, prognanih i raseljenih lica [National Strategy for Resolving the Problem of Refugees, Expellees, and Displaced]." 2002. Government of the Republic of Serbia, Serbian Commissariat for Refugees, UNHCR, Ekonomski Institut.

<sup>25</sup> Ibid.

participation of the international community; 2) write a request to the Minister of Foreign Affairs to analyze the work of the Yugoslav side in the Yugoslav-Croat commission for implementation of the Agreement on Normalization; 3) write a request to the Croat side to implement the changes in the Protocol on Organized Return with emphasis on the resolution of the requests for the return of private property, tenancy rights, and reconstruction of the damaged property; 4) return the tenancy rights or the appropriate reimbursement for those; and 5) develop a concrete and specific system within the Protocol on Organized Return to ensure fair trial to the accused for war crimes under the international supervision. These are items listed regarding the return of refugees to Bosnia and Herzegovina: 1) create cooperation with the Government of Bosnia and Herzegovina regarding the process of promoting the Plan on Implementing Property Laws and inform the refugee population in Yugoslavia on the progress of this implementation; 2) organize mutual official visits of the government representatives of the two countries as measures of establishing trust between the refugees and the government in their country of origin, and 3) establish mechanisms for de-registration of refugees that returned to Bosnia and Herzegovina from Yugoslavia.<sup>26</sup>

On the other hand, solutions for local integration refer to assisting refugees to attain economic independence, as well as social and economic parity with the rest of the citizens. Three areas, in particular, were emphasized within the framework of local integration: 1) permanent housing solutions, 2) closing of collective centers, and 3) employment. Regarding the housing solutions, there are two directions that the National Strategy outlines – housing in private ownership and socially protected housing. The housing in private ownership entails the following: construction and completion of multi-family buildings in urban areas, suburbs, and smaller towns; self-construction of individual homes, duplex homes, or other buildings in villages and smaller towns; combination construction in two phases, where the first phase consists of heavy construction work and the second phase consists of the finishing work in the self-construction system; sale of abandoned farm houses and help with material for their adaptation in under-populated areas and smaller towns; assistance with commenced private construction; and mediation of the state in securing housing via contracts for appanage.<sup>27</sup> The housing in the system of social protection calls for the construction of state-owned apartments in less urbanized areas, adaptation of collective centers or other public objects that are not being used into nursing homes for temporary or permanent housing, and expansion of existing social institutions for the poorest individuals and the handicapped.<sup>28</sup> The closure of collective centers is another strategy for local integration. The beneficiaries would opt for one of the above-listed permanent housing solutions in line with their needs and capacities – housing in private ownership or socially-protected housing. Finally, with respect to employment, the National Strategy envisions the following programs: grant basic tools that are needed for work, offer interest-free loans or micro-loans with lower-than-market interest-rates for development of family business, offer other small business start-up loans with favorable loans, develop successful

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<sup>26</sup> Ibid.

<sup>27</sup> Ibid.

<sup>28</sup> Ibid.

companies in aim to create additional positions for refugees and IDPs, provide scholarships and venues for additional training and education.<sup>29</sup>

Another document that is related to the problems of refugees in the region is the Sarajevo Declaration (*Sarajevska deklaracija*) from January 31, 2005, which was signed by the representatives of Serbia, Bosnia and Herzegovina, and Croatia in the presence of the representatives from the UNHCR, the European Commission (EC), and the Organization for Security and Co-operation in Europe (OSCE). The three signatories agreed to facilitate the resolution of the problems of refugees and IDPs by the end of 2006, such as their right to return or integrate locally by attaining the equal rights that the other citizens of the three countries hold.

### *State Policy in Practice*

In this section, I discuss the actual activities of the state and non-state institutions that are aimed at improving the refugee short-term and long-term economic situation. The following section will assess to what extent these activities contributed to the improvement of the beneficiaries' conditions by comparing their employment levels, income, housing situation, and educational achievements to those of the rest of the population in Serbia.

There were 700 collective centers on the territory of Serbia and Montenegro in 1996.<sup>30</sup> Based on a study that assessed 499 collective centers that housed a total of 34,168 beneficiaries, from the total of 501 collective centers that had existed in Central Serbia and Vojvodina in 2000, it was concluded that most facilities were either tourist facilities (27%) or workers' dormitories (21%), and that they were not intended for living or accomodating families for longer periods, even though most had access to drinking water, electricity, and sewage systems.<sup>31</sup> The study concluded that "the basic strategic aim should be the closing down of collective centers, while at the same time finding a lasting solution for all present beneficiaries."<sup>32</sup> Some collective centers, such as those in Vrbas, Brus, Blac, Kučevo, Požega, Zabučje, and Užice were adapted into dormitories.<sup>33</sup> Other collective centers closed down since the study was done. On January 31, 2002, there were 388 collective centers that housed 17,415 refugees and 9,448 IDPs, totalling 26,863 persons.<sup>34</sup> As of October, 2008, according to the Commissariat, there are only 75 collective centers that house a total of 1,423 refugees and 4,738 IDPs.<sup>35</sup>

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<sup>29</sup> Ibid.

<sup>30</sup> Commissariat for Refugees, "Collective centers," <http://www.kirs.sr.gov.yu/articles/centri.php?lang=SER>.

<sup>31</sup> Penev, Goran. 2000. "Assessment of UNHCR-funded Collective Centers in Serbia Report." Belgrade: SDR Shelter Office, p.19.

<sup>32</sup> Ibid, p.21.

<sup>33</sup> See "Programi integracije" [Programs of Integration] on the site of the Commissariat: <http://www.kirs.sr.gov.yu/articles/navigate.php?type1=6&lang=SER&date=0&all=1&PHPSESSID=a0b0dcdb16e059a741c8938a2a89da32>

<sup>34</sup> Ibid.

<sup>35</sup> From this number, there are 17 collective centers in Kosovo that house 703 persons. See the Commissariat for Refugees, "Collective centers," <http://www.kirs.sr.gov.yu/articles/centri.php?lang=SER>.

The Government of Serbia financed and/or coordinated a number of projects for housing refugees in socially-protected housing. Specifically, there were 2,296 units that were constructed from 1997 until 2004 for 8,607 refugees and IDPs.<sup>36</sup> From this number, 636 units (for 1,261 persons) were constructed from the budget of the Commissariat, while the remainder was financed by the UNHCR, Swiss Agency for Development and Cooperation (SDC), Norwegian Refugee Council (NRC), county governments, and other donors.<sup>37</sup> In addition, 941 housing units for 2,878 persons were constructed within the program for socially-protected housing. In these units, refugees and IDPs comprise about 80% of the residents while the local poor comprise another 10-20% of the residents.<sup>38</sup> The financing for most of the projects that include both the refugee population and the local underprivileged population came from international donors, such as UNHCR, SDC, European Agency for Reconstruction (EAR), and others.

In addition to providing socially-protected housing, the Government also engaged in projects that aimed to secure private housing for refugees through a number of projects. In 2003, a pilot project for the purchase of farm households with loans over 5-13 years, one year grace period, and 8% interest rates started. Farm houses continued to be purchased in the following years with donations from SDC, EAR, UNHCR, Humanitarian Organization Divac (HOD), and INTERSOS. Through 2008, there were 408 houses that were purchased through these programs.<sup>39</sup> Long-term private housing assistance was also provided in form of construction materials that were secured by international donors since 2002. There were 2,942 beneficiaries who received construction materials through June 30, 2008.<sup>40</sup> Moreover, EAR and INTERSOS also financed construction of 20 prefabricated homes for the refugees.<sup>41</sup>

There are examples of local governments in Serbia that took initiative in these efforts to provide conditions for the long-term economic incorporation of refugees. For example, on December 21, 2006, The Fund for Aid to Refugees, Expelled and Displaced Persons was founded by the decision of the Assembly of the Autonomous Province of Vojvodina.<sup>42</sup> The Fund pursued activities aimed at either facilitating return to those who wish to go back to their states of origin or permanent housing to those who wish to stay in Serbia. The following activities illustrate what the Fund has accomplished in the first year of its existence. With respect to return, the Fund organized 8 free bus transportations to Croatia and gave 50 return packages to 34 families from Croatia, 12 from Bosnia and Herzegovina, and 4 from Kosovo.<sup>43</sup> These packages included household items, such as stoves and refrigerators, or farm machines. Regarding housing, 75 families received farm houses, 55 families received construction materials for the commencement of construction, and 80 families received construction materials for improvement of their houses. The Fund continues with these programs and it plans to offer free legal advice in 2008.

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<sup>36</sup> "Programi integracije," pp.1-2.

<sup>37</sup> Ibid.

<sup>38</sup> Ibid.

<sup>39</sup> Ibid, p.5.

<sup>40</sup> Ibid, p.6.

<sup>41</sup> Ibid.

<sup>42</sup> See website of the Fund: <http://www.fondajnfort.org.yu/>

<sup>43</sup> Ibid.



As shown, the policy in practice is fairly consistent with the initial policy that was outlined in the legal documents. This is evident, for instance, in the first document detailing the Government policy for resolving the refugee crisis, or the 1992 Law on Refugees, which outlined various types of assistance that would be provided. Most forms of assistance in the first ten years of the refugee crisis were of temporary nature, with emphasis on food and clothing provisions, housing and other forms of assistance within collective centers, which are categorized as supporting assistance (SA). The Government re-orientation toward more permanent solutions, or developmental assistance (DA), becomes evident after 2002, following the formulation of the National Strategy. Given a relatively short period since the change in the policy took place, its practical implementation, as illustrated, is still rather limited. The activities toward the long-term economic incorporation of refugees are focused on securing the housing for the refugees, while the policies to improve the employment situation of refugees are not overtly discussed in the Commissariat reports on the programs of integration. Regarding the housing, the priority is given to the refugees in collective centers, even though the programs also included refugees and IDPs in private housing and some local population that is in need of social assistance. Given that the listed activities, which are aimed at long-term integration, would benefit less than 20,000 (including groups other than refugees) and that there are still around 100,000 persons with refugee status in Serbia, we conclude that there is still a lot of work that needs to be done in order to meet the basic pre-conditions for the refugee economic incorporation, such as housing and employment.

### *Economic Incorporation*

In order to assess the level of economic incorporation of refugees, we should compare their level of employment, income, education level, and living situation to those of the domicile population. I will use statistics that are available from the Labor Force Survey in Serbia from 2007, the Health Survey of the Population of Serbia from 2006, data from the past registrations of refugees, and other relevant published research.

In the 2007 study on the socio-economic status of refugees and IDPs in Serbia, conducted by the *Novosadski Humanitarni Centar* (NSHC), it was concluded that unemployment rates are greater among the refugees than among the total population in Serbia, that education levels are generally lower among the refugees, and the average income is lower among the refugees.<sup>44</sup> More specifically, in the study, the unemployment level among refugees was 27.9% and in the 2006 national Labor Force Survey (*Anketa o radnoj snazi 2006*, or ARS<sup>45</sup>, hereafter), the unemployment rate was 20.8% among the total population in Serbia. In the 2007 ARS survey, the unemployment rate was 18.1%.<sup>46</sup> Regarding education levels, 4.7% refugees in the sample have university education, while 6.7% of the total population in Serbia has university

<sup>44</sup> Opačić, Goran. 2007. "Socioekonomski status izbeglih i raseljenih lica i njihova pozicija na tržištu rada [Socio-economic Status of Refugees and IDPs and Their Position in Labor Market]." Novi Sad: Novosadski Humanitarni Centar (NSHC).

<sup>45</sup> "Anketa o radnoj snazi, 2006 [Labor Force Survey, October 2006]." 2007. Belgrade: Republički zavod za Statistiku Republike Srbije [National Statistical Office of Serbia].

<sup>46</sup> "Anketa o radnoj snazi, 2007 [Labor Force Survey, October 2007]." 2008. Belgrade: Republički zavod za Statistiku Republike Srbije [National Statistical Office of Serbia], p.19.

education according to the 2006 ARS data.<sup>47</sup> In 2007, the total proportion of individuals with university education was 11.9%.<sup>48</sup> Finally, the average monthly income level of refugees in the study was 18,605 dinars (around 300 USD), while it was around 27,882 dinars (around 450 USD) for the total population.<sup>49</sup> Even comparing to the 2007 ARS data, when the average monthly income in Serbia was 23,634 dinars (around 380 USD), refugees had lower average monthly income than the total population.<sup>50</sup>

The living situation of refugees is also significantly worse than the average living situation in Serbia, according to this study. For instance, the average living area per person in Serbia is 33.4 m<sup>2</sup>, while it is 21.4 m<sup>2</sup> for refugees.<sup>51</sup> Also, among the refugees, in only 36% of the cases, one of the members of the household owns the residence of living, while in Serbia, one of the members of the households owns the residence in 87.7% of the cases.<sup>52</sup> Moreover, among the refugees, the landlord is the owner of the residence in 31% of the cases, while in Serbia, the landlord owns the residence in only 4.2% of the cases.<sup>53</sup>

The sample for the above-cited study included 1,561 respondents, where 781 consisted of refugees and 780 were IDPs.<sup>54</sup> The sample was gathered from 200 communities across Serbia and the interviews were conducted from June 12 to June 30 in 2007.<sup>55</sup> One of the possible problems of this study is that it did not include domicile population that would ensure that comparisons between the socio-economic levels of refugees and domicile population can be done in the same community and in the same time period. However, the authors overcame this shortcoming partially by comparing their data with other national surveys that were available at the time and were completed in 2006, or in the previous year. The problem with comparison with the data from the ARS is that this information also includes refugee population in calculating averages. This means that the study's conclusions regarding the differences between the socio-economic levels of refugees and locals may be understated and that the actual differences are even greater.

Another study on the socioeconomic status of refugees was done on the sample of the refugee population that sought help in the City of Novi Sad Social Services in 2003.<sup>56</sup> While this is not a representative random sample and it does not permit comparisons with local population or further generalizations beyond the sample in the study, it is nevertheless insightful to see that the findings of the NSHC study are largely confirmed. The sample contains only 138 persons with the status of refugee or IDP and 22 persons that did not have this status at the time but can be considered as *de facto* refugees based on their experiences and the continued needs for social assistance.<sup>57</sup> From this sample,

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<sup>47</sup> Opačić 2007, p. 9.

<sup>48</sup> ARS 2007, p.36.

<sup>49</sup> Opačić 2007, p.28.

<sup>50</sup> ARS 2007, p.102.

<sup>51</sup> Opačić 2007, p.10.

<sup>52</sup> Ibid, p.11.

<sup>53</sup> Ibid.

<sup>54</sup> Ibid, p.5.

<sup>55</sup> Ibid.

<sup>56</sup> Dunjić, Vera. 2003. "Analiza socijalnog statusa izbeglih i prognanih lica koja se obraćaju za pomoć odeljenju za izbeglice [Analysis of the Social Status of Refugees and Expellees who Saught Help from the Refugee Office]." Novi Sad: Municipal Government of Novi Sad.

<sup>57</sup> Ibid, p.3.

66% of the refugees are renting, 6% lives with family and friends, and 24% owns the residence in which they currently live (i.e. apartment or house).<sup>58</sup> With respect to their employment situation, 20% are employed full-time, 23% works either part-time or in a black market, and 29% are unemployed or housewives.<sup>59</sup> About 42% of the respondents do not bring any income to the household.<sup>60</sup>

Last, I turn to the information about the refugees' socio-economic status from the refugee registrations from 1996, 2001, and 2004. According to the 1996 refugee registration data, 55.2% of the total of 537,939 refugees were housed with relatives and friends,<sup>61</sup> 19.1% of refugees rented living space, while only 10.1% resided in collective centers in 1996.<sup>62</sup> In 2001, the number of people who were housed with relatives and friends decreased to 29.55% from the total of 377,131 individuals, while the number of people who rented increased to 43.6% from 377,131.<sup>63</sup> From this number, 17.8% reported having own house or apartment.<sup>64</sup> There were only 5.6% of individuals from 377,131 in 2001 in collective centers.<sup>65</sup> In the period from 1996 to 2001, the number of people who were staying with friends and family or collective centers decreased by somewhat more than 60%, while the number of people who were renting increased by around 60%.<sup>66</sup> In 2004, 28.6% of refugees from the total of 104,087, still lived with friends and family, 45% rented, 4.2% lived in collective centers, and 19% owned a place of residence.<sup>67</sup>

With respect to educational levels, 10.6% of individuals from the total of 431,319 that were older than 15 years of age have education above high school level.<sup>68</sup> In 2001, 9.5% of the total of 321,086 respondents reported having education above high-school level.<sup>69</sup> In 1996 and 2001, this question included professional education above the high-school level, not only university education. In 2004, the question separates other type of higher education from university education. From 93,190 individuals, 3.5% have higher education above the level of high school, and 2.3% have university education.<sup>70</sup>

Regarding employment, 68.3% from 431,319 are unemployed, while only 5% have permanent employment in 1996.<sup>71</sup> In 2001, from the total of 321,086 respondents,

<sup>58</sup> Ibid, p.4.

<sup>59</sup> Ibid, p.6

<sup>60</sup> Ibid.

<sup>61</sup> "Registration of Refugees, 1996," p.43.

<sup>62</sup> Ibid.

<sup>63</sup> "Registration of Refugees."2001. Belgrade: The Commissariat for Refugees of the Republic of Serbia and UNHCR, p.15.

<sup>64</sup> Ibid.

<sup>65</sup> Ibid.

<sup>66</sup>

	1996	1996	2001	2001	1996-2001
<b>Housing</b>		537,939		377,131	
friends& relatives	55.20%	296,942	29.55%	111,442	<b>-62.47%</b>
renting	19.10%	102,746	43.60%	164,429	<b>60.03%</b>
coll.center	10.10%	54,332	5.60%	21,119	<b>-61.13%</b>

<sup>67</sup> Izveštaj sa registracije izbeglica u Republici Srbiji 2005. godine, pp.12-13.

<sup>68</sup> "Registration of Refugees, 1996," p.45.

<sup>69</sup> "Registration of Refugees."2001, p.21.

<sup>70</sup> Ibid, p.18.

<sup>71</sup> "Registration of Refugees, 1996," p.46.

there 45.25% were still unemployed, while 20.3% managed to find permanent employment.<sup>72</sup> In 2004, from the total of 92,190 respondents, 5.8% are unemployed and 14.5% have regular full-time employment. The number of unemployed is decreasing over the years, as the registration of refugees from 2001 and 2004, as well as the NSHC study confirm.<sup>73</sup> Finally, in the 1996 registration of refugees, 60.3% of individuals from the total of 324,200 that responded to this question, opted for remaining in Serbia and pursuing local integration, rather than the return or emigration to third countries.<sup>74</sup> In 2001, 60.33% from 377,131 respondents opted for local integration.<sup>75</sup>

Based on the indicators of economic incorporation, such as employment levels, education, and housing, it may be concluded that while refugees' employment situation is improving over time, they are in general worse off economically than the domicile population.

### *Conclusion*

It was shown that the state policy in response to the arrival of refugees from Croatia and Bosnia and Herzegovina focused on short-term humanitarian assistance, or supporting assistance from 1991 until 2002. Long-term solutions to socio-economic problems of refugees, or developmental forms of assistance, such as housing and employment, were more systematically addressed after the formulation of the National Strategy in 2002. Thus, it is not surprising that the effects of these activities are still fairly limited, as evident in higher unemployment, lower salaries, and lower levels of education of refugees compared to those of domicile population. However, this finding should still be confirmed in a study that includes a direct comparison of these two groups within the same communities and in the same period of time.

While in this case both the short-term supporting and the long-term developmental assistance were provided by the state and non-state organizations, the supporting assistance was provided for a longer period than the developmental assistance. In order to accelerate the economic incorporation of newcomers, however, the two forms of aid are ideally implemented sequentially, where a shorter period of supporting assistance is followed by a longer period of developmental assistance. In a long run, any type of immigrants, which are refugees in this case, need a permanent housing solution, education, and employment in order to become self-reliant, rather than to depend on the programs of social assistance indefinitely. Finally, their favorable economic incorporation may also contribute positively to the greater degree of their social and political incorporation in local communities and the host society as a whole.

<sup>72</sup> "Registration of Refugees."2001, p.25.

<sup>73</sup>

	1996	1996	2001	2001	1996-2001	2004	2004	2001-2004
<b>Employment</b>		431,319		321,086			92,190	
unemployed	68.30%	294,591	45.25%	145,291	-50.68%	5.80%	5,347	-96.32%
perm.								
employ.	5.00%	21, 566	20.30%	65,180	202.24%	14.50%	13,368	-79.49%

<sup>74</sup> "Registration of Refugees, 1996," p.49.

<sup>75</sup> "Registration of Refugees."2001, p.35.