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Environmental Injustice in Pakistan: 
Impacts of Upstream Dams on Indus Delta and its Inhabitants

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Abstract

The aim of this study is to focus on the adverse impacts of upstream dams on Indus delta and its inhabitants. The large dams and barrages, besides their global economic significance, have become the focus of strong discussion on account of their frequently severe social and environmental impacts. These negative impacts do not impinge on all people but people who are poor powerless and belong to marginalized ethnic minorities. Since the inception of Pakistan, Punjabi a dominant ethnic group in Pakistan controls armed forces and key political institution and make all decision without considering the interests of Sindh. The construction of dams raises serious environmental justice concerns, with economic benefits for upper riparian Punjab and social and environmental costs for Sindh. The construction activities on Indus River were accomplished largely without getting consensus from Sindh violating the agreement between Sindh and Punjab. Excessive water diversion by Punjab has resulted in the economic, social and ecological problems in Sindh. Deltaic communities of Sindh who draw their livelihood directly from communal access to land, water, forests, coastal mangroves, and other ecosystems are being the hardest hit by the construction of large dams. Sindhi people, especially deltaic people are subjected to environmental injustice due to their subordinate status in Pakistan.

Keywords: Internal-colonialism, Environmental Injustice, Impacts of Dams, Indus Delta, Sindh.

1. Introduction

The greatest edifice of human ingenuity large dams are used as powerful symbols of modernization, national prestige, and of human supremacy over nature (McCullay, 2001). The most prominent purpose of building large dams is the Generation of hydropower. Other basic purposes of large dams include the seasonal or annual storage of water for human consumption, agrarian and industrial production and for the reduction of flood peaks. Besides their global economic significance, large dams have become the focus of strong discussion on account of their frequently severe social and environmental impacts. These negative impacts do not impinge on all people but people who are poor powerless and belong to marginalized ethnic minorities.

Patrick McCully (2001) argues that the domination of rivers clearly indicates the link between the control of nature and the control of people. Since the creation of Pakistan, Many large dams, barrages and canals are built in Pakistan. Sindh’s civil society organizations and politicians of all dispensation are in concurrence that large dams and barrages in Pakistan are built to give dominant ethnic group Punjabi the ability to direct water for their own benefits, depriving the Sindh and in particular the deltaic people of Sindh. Thus, Sindhis are subjected to environmental injustice.

2. Historical Background

Pakistan is not one country composed of only one Nation but is a conglomeration of socio-cultural different nationalities. The 'ethnic minorities' that basically comprise the smaller nations of Pakistan never supported the creation of Pakistan. But British imperialists decided to divide up India for strategic reasons and purposely set out to create a new state called Pakistan against the wishes of Sindh and other minority ethnic groups. The Pakistani state was created by putting together ethnic groups that had never before been united in the same polity before British. Sindhi, Baluch and Pashtuns resisted Punjabi invasions for centuries. After the construction of Pakistan, Sindhi, Baluch, and Pashtuns feel that they are trapped in a political set up which is run by dominant province Punjab since Punjab controls armed forces and key political institutions (Harrison, 2009). Historically Sindh remain a sovereign country. Since the creation of Pakistan, Sindhi lost their political autonomy which has eventually threatened their distinct culture and language (UNPO, 2012).
Sindh is also deprived of its due share of Indus waters, due to the construction of large dams, and barrages and canals located in and benefitting the Punjab where the political power centers of the military and state also reside (Rahman, 2009). The genesis of the water dispute historically lies between the British annexed states of Sindh and Punjab, much before they became provinces of Pakistan. It all started when British colonialist rewarded agriculture lands to the Punjabi soldiers and officers due to their loyal services to British masters in suppressing the indigenous rebellion movement against the British colonialists in 1857 (Rahman, 2009, Talpur, 2001). In order to irrigate these lands, British colonialists started massive water projects in Sindh without the consent of lower riparian Sindh whose rights were perceived to be already established under international and subcontinental laws, which safeguard the rights of the lower riparian. In spite of their obvious imperialist bias in favor of the Punjab, the British did not view the grave injustice being done to Sindh like a spectator. When Punjab planned to build new projects on Indus river system, Sindh objected that the projects has potential threats to its agriculture and economy. Both provinces were under colonial administration with some indigenous representation and each side negotiated robustly defending its rights. These negotiation documents contain the agreement that was reached finally in 1945 known as the Sindh-Punjab Water Agreement which granted 75% share of waters to Sindh and 25% to Punjab, as Punjab had access to four other rivers (Rahman, 2009).

The blatant violation of this accord started since the creation of Pakistan. Before the creation of Pakistan, there was only one barrage built on the river Indus. Since the creation of Pakistan, all of the 19 barrages, 43 canal systems, three major storage dams and 12 link canals that have been built in Pakistan after partition, have been in Punjab. The share of Sindh from Indus water has been drastically reduced. This has brought great benefits to the agriculture of Punjab at the expense of Sindh. In contrast to 94 million-acre feet of water that reached Indus delta before partition. Now the Indus River dries up hundreds of miles before reaching the delta and 1.2 million Sindhi farmers and fishermen have lost their livelihood and out-migrated since the partition. The construction activities on Indus River were accomplished largely without getting consensus from Sindh violating the agreement between Sindh and Punjab. All of these construction activities other than the two additional barrages in Sindh mostly benefits Punjab. Most of the land brought under cultivation due to barrages in Sindh was distributed among non-Sindhis (Memon, 2002).

Excessive water diversion by Punjab has resulted in the economic, social and ecological problems in Sindh. Sindh is being deprived of its rightful share and getting less share (IUCN, 2007). Sindhis feel that Punjab is robbing its water and denying of its historic rights to Indus water endorsed by Punjab itself in 1945 agreement. The crisis arising from shortage has compelled many political groups to protest as they claim that their rightful share of water is being stolen (Rinaudo, 2001). Thus, since the creation of Pakistan, Sindhi people are subjected to environmental Injustice. Environmental injustice takes place when some people or communities bear environmental burdens disproportionately, like those of hazardous waste dumps, or has unequal access to environmental good, like clean air, or has less opportunity to participate in environmental decision-making process (Shrader-Frechette, 2002).

The literature that addresses issues of environmental injustice indicate that race tends to be more important than class in most cases, although both are sometimes significant determinants of environmental injustice. However, In this case, Environmental injustice with deltaic communities in Pakistan can be explained with the help of “Internal Colonialism Theoretical” Perspective.

3. The Internal Colonialism Theoretical Model

Colonialism is a process in which more powerful nations exploit other nations and show their economic and sociopolitical dominancy over them. In contrast, internal colonialism is a condition in which both the dominant group and subordinate groups co-exist as natives of the same society (Adeola, 2000). All around the world, the minorities and indigenous communities pay the prices of social and environmental harm.

Historically Sindh remains a sovereign country. Since the creation of Pakistan, Sindhi lost their political autonomy which has eventually threatened their distinct culture and language (UNPO, 2012). The prevalence of internal colonialism has been noted in this study wherein a dominant ethnic group Punjabi in control of a government systematically exploits resources of Sindhi people. This is an environmental injustice with Sindhis resulting from their subordinate and colonial status in Pakistan. Thus, Sindhis are facing environmental injustice due to prevalence of internal-colonialism.

Punjabi being a dominant ethnic group abuses its absolute power to exploit the resources of periphery (Sindh) to develop the core (Punjab). Deltaic people who draw their livelihood directly from communal access to land, water, forests, coastal mangroves, and other ecosystems are being the hardest hit by the construction of large dams. The construction of dams raises serious environmental justice concerns, with economic benefits for upper riparian Punjab and social and environmental costs for Sindh. Most of the Sindhi people depend upon the water of Indus River. Shortage of
it not only create environmental problem but also social problems. Construction of dams in Punjab have made their fertile lands barren, and disrupted their family and social life.

4. Impacts of Upstream Dams on Indus Delta and Its Inhabitants

4.1 Impacts on Delta and its Ecosystem

Indus Delta which is located in Sindh is totally dependent upon water of Indus River. It covers a large part of the province of Sindh, occupying about 3 million hectares. It is about 240 km in length along the axis of the river and 220 km at its widest. The formation of Indus delta has become due to high Indus river discharge. However, Excessive water diversion at upstream has drastically reduced the quantity of water and silt from reaching the Indus Delta. Consequently, Indus delta is being rapidly transgressed (Memon, 2005).

The ecosystem of delta area is in under stress from the encroachment of sea and increasing salinity. Sea water has intruded in many areas along the coast pressurizing the livelihood of fishing and farming communities. According to WWF Pakistan Director Ghulam Akber (2009) 2 million acres of fertile delta have been eroded due to inadequate release of water in the Indus downstream of Kotri (The News, 2009).

When Indus River discharge into the sea, it sustains the mangrove forests. Mangroves are essential component of the coastal system. The World Bank (2005) reports that mangroves of Indus Delta were spread in 345,000 hectares, but now these mangroves cover only 160,000 to 200,000 hectares. Even the remaining area is being degraded. Mangroves have been decimated mainly by low Indus flows below Kotri, according to the Environmental Concerns Report (GoP Study II 2005) of the international group set up by the Government of Pakistan. In a detailed study of the Indus delta, Haq (1999) points out that the active delta has shrunk to less than one tenth of its original size (Khan, 2005).

4.2 Socio-economic impacts on Deltaic region

Before the construction of upstream dams, Lands of this region were fertile, rice and other crops were cultivated. People used to tender animals, everyone had 50 or 100 animals (livestock). Fish was in abundance. People were prosperous and lived happy life. However, the construction of upstream dams severely impacted the lives of deltaic people. The livelihoods of millions of fisher-folk, of agriculture and of livestock-rearing communities as well as the naturally rich ecosystem of the region has threatened with the degradation of Indus delta (Action Aid Pakistan, 2005). The joint Government of Sindh-World Bank report on socioeconomic conditions in the coastal districts of Badin and Thatta points out that in the past, people of coastal region used to generate income through multiple income sources. Fishing was a main source of livelihood along with crop and livestock farming. The decline in flow forced communities to shift their livelihood to fisheries (WB 2005). For many, fishing has become a livelihood of the last resort, but the yield, too, is decreasing (Ghazanfar, 2009).

4.3 Impact on Agriculture

The income generating crops, such as red rice crops, Orchards of banana, papaya and guava are almost destructed. Government of Sindh Conducted a survey which indicated that just within three districts of this region over 486,000 hectares land were either eroded or lost due to sea intrusion and quarter million people were dislocated. Recently, it is estimated that 567,000 hectares of the land lost to the sea (Memon, 2004). Loss of fertile lands has created economic down turn and forced people to migrate. Hundreds of villages in both Badin and Thatta districts have been migrated to other areas (Kazi, 2004).

4.4 Fish Depletion

The depletion of fish is on the increase. The catch of a number of fish species has drastically reduced. There is a considerable decline in Migratory fish species, such as Pallo and Barramundi (SAP, 2001). Pallo accounted for 70% of the total catch in the past. But now it barely constitutes 15 percent of the total catch.
4.5 Livestock

In the past, due to its fertility including vast tracts of green pastures, Katcha and mangrove forests, the Delta region of Sindh had remained ideal for livestock grazing. The Delta agriculture community had been rearing large numbers of livestock, including cattle, camels, goats, sheep, etc. As such, the Deltaic region was famous for its milk, butter oil or ghee and other associated products of livestock. With the decline in fresh water flow due to upstream dams, fertility of this area included grasses and pastures withered and lost. With the shortage of pastures and grasses, livestock become physically weak and were attacked by various diseases. The majority of the livestock died while the villagers, due to growing poverty, sold the remaining livestock (Memon, 2005).

Ensuing Poverty: The impact of resource degradation in Sindh and the Deltaic region has emerged in the form of poverty. The people of rural Sindh and especially the Indus Delta have been hit hard. Due to the scarcity of water and resulting economic downturn, people are finding it very hard to make the ends meet. Unemployment, poverty, crime rate, and other social problems are all on the rise. Over two thirds of population is under the poverty line. Poverty has harmed the cultural values. For instance, Traditional Sindhi hospitality is on a rapid decline. Economic pressures have engendered psychological problems. Suicide rates are on increase, especially among young and women (Memon, 2004).

4.6 Forced Migration

The decline in Indus flow at delta has resulted in sea intrusion and resource degradation. Both sea intrusion and resource degradation forced people to migrate to other areas of Sindh. It is estimated that 90,000 people have become displaced and 120 villages uprooted (Brohi, 2004).

4.7 Availability of Water for Drinking

The reduction in Indus River flows has created a crisis-like situation with the shortage of drinking water. The drinking water supplies have dwindled and degraded in quality. Thus local people are forced to drink brackish and contaminated water which has caused an increase of 200 percent of water borne diseases jut in the last few decades. The report of National Conservation Strategy (NCS) indicates that about 40% deaths occur due to water-borne diseases. Worse sufferers are the women, children and aged-people (Zaigham, 2006).

5. Conclusion

Since the creation of Pakistan, the dominant ethnic group Punjabi violating the Sindh-Punjab water accord signed by both parties in 1945 constructed many large dams and barrages on Indus River. Being a demographically and politically dominant, Punjabi makes all decision without taking account of the interests of Sindh. These dams, barrages and canals are located in and benefitting the Punjab. The construction of dams raises serious environmental justice concerns, with economic benefits for upper riparian Punjab and social and environmental costs for Sindh. Excessive water diversion by Punjab has resulted in the economic, social and ecological problems in Sindh. Deltaic people of Sindh who draw their livelihood directly from communal access to land, water, forests, coastal mangroves, and other ecosystems are being the hardest hit by water diversion at upstream. Diseases are prevalent due to unhygienic drinking water. Everyone is struggling for their survival and make their ends meet. Thousand acres of agriculture land has so far been devoured by sea and thousands of people have forcibly migrated to other cities. Sindhi people, especially deltaic people are subjected to environmental injustice. This is all due to their colonial and periphery status in Pakistan.

References

Commission of Pakistan.


Treatment of Young People with Dental, Jaw and Face Deformation as a Challenge for Their Psycho-Social Rehabilitation

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Abstract

Aim: To investigate how good is the dental-orthodontic treatment of the young people with face deformation, and it contributes in improving dental function and normal straight face profile. Materials and methods: Different young people with dental midline, jaw deviation and face deformation will be presented. The method used is fixed orthodontic appliance, technique of straight wire appliance. Results: The good results of the treatment clearly demonstrate how the previous used method improve the psycho-social rehabilitation of the young people. After that they showed their satisfaction and stated that they are very happy about the successful therapy which significantly have changed their lives. Conclusion: The research has shown that all the results of this treatment provoke a better further rehabilitation from the social and psychological aspect.

Keywords: esthetic, psychosocial problem, young people, treatment, orthodontics

1. Introduction

The healthy and normal life is very important for every human being especially it is crucial for the young people. Nowadays, the beauty and the smile are a very significant influence of the young people healthy social and private life. We are witnesses of how they are spending lots of money on make-up, cosmetics, plastic surgeries and many expensive products in order to make themselves even more beautiful. This helps them to be more self confident and gives them motivation. The beauty of the face according to the previous facts is more than important and we can say it is crucial for healthy and motivated youth. Treatment of young people with dental, jaw and face deformation is very challenging for their psycho-social rehabilitation and at the same time it is a very interesting field for a research to be done.

Fixed orthodontic appliance have been applied for treatment of various malocclusion. Using digital manipulation of hard and soft tissue smile components (attractiveness) were objectives for qualifying and comparing ideal norms for a good smile. The paradigm shift from occlusion towards soft tissues and smile esthetics emphasises dental structures and the surrounding soft tissue envelope. Also, establishing ideal function and esthetics may be mutually exclusive and require consideration as to what trade of this are acceptable in the pursuit of the normal smile objective.

2. Aim

The main aim of this case study is to investigate and demonstrate the effects and challenges of the orthodontic treatment of patients with dental facial anomalies reflected in their social and psychological life.

The case reports defines successfully treatment of some anomalies associated with dental jaws and face deviations.

3. Participants

In order to investigate the topic as a participants are included 20 patients, age ranged between 13 and 19 years old. The investigation is done in the University Dental Clinical Centre St. Pantelejmon, in Skopje. The patients were complaining on their faces deformations gained by dental crowding.

Frontal and lateral photo of some patients (female and male) were analyzed before and after orthodontic
treatment. Patients were recorded with diagnosed malocclusion in permanent dentition and no previous orthodontic treatment.

4. Material and Methods

Different young people with dental midline, jaw deviation and face deformation are presented. The method used is fixed orthodontic appliance, technique of straight wire appliance and associated with cursive elastics which were taken all over 24 hours a day. The fixed orthodontic appliance is treated for nearly 24 months with a regular monthly controls. Also it will be done an investigation by a leading interview.

5. Results

After the treatment period the participants were interviewed in order to find out their personal feelings and opinion related to this treatment.

The good results of the treatment clearly demonstrate how the previous used method improve the psycho-social rehabilitation of the young people. After that they showed their satisfaction and stated that they are very happy about the successful therapy which significantly have changed their lives.

After the treatment they feel more self confident, more motivated and more sociable. They emphasized that the physical appearance is really important factor which influence the behavior and the social life of the young people.

Here is one particular patient treated and the results before and after the treatment.

![Before the treatment](image1)

![After the treatment](image2)

6. Conclusion

The research has shown that all the results of this treatment provoke a better further rehabilitation from the social and psychological aspect. The patients admitted that they feel really happy after the treatment, also more self confident. They claimed that the treatment helped them to be more social, and not shy because of the physical appearance.

From all the previous, we can conclude that the treatment of young people with dental, jaw and face deformation enhanced their psycho-social rehabilitation, and also it has an incredible influence on their social behavior and social function.

References


Unequal Itineraries for Graduates: A Typology of Entrance into Labour Market

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Abstract

In the transition from higher education to the labour market, the critical correspondence between qualification and first job, as well as precariousness and/ or unemployment experiences has been a crucial topic of understanding of labour market as one of the main facets of social and socio-economic insecurity and risks in contemporary European societies. In this paper we intend to contribute to the debate on unpredictable itineraries of professional integration of graduates from Higher Education which reveals simultaneously and differently patterns of employability and professionalization segments. By mobilising some of the research outcomes of the projects lead by us, it is our purpose to cross contributions from the sociology of professions and employment in order to analyse the main social forms of entrance into labour markets. Based on the articulation of two axes, namely, social regulation and professional mobility, which are structured in a continuum in abstract terms, four "ideal-types" of social forms were defined: professional markets, internal markets, transitional markets and secondary markets (in neoclassic terms). In that sense, main exploratory analytic dimensions were mobilised on four levels: symbolic (recognition and the importance of academic title, identity and integration), cognitive (expertise and professional experience), social-political (dominant contractual status, market independency) and organizational (career/hierarchical position).

Keywords: Graduates, Labour market, Social regulation, Career mobility.

1. Introduction

It is common knowledge that the last decades have been deeply influenced by crucial changes in globalised labour market. These changes have led, to a greater or lesser extent and depending on the specific country, to the increased flexibility and precariousness of labour market, to the segmentation of the workforce and the development of "atypical" forms of employment as opposed to the dominant model in the wage-based post World War II period. Until then, the typical relationship was based on employment stability by contractual basis which underlies the collective agreement of work and compliance of criteria such as: i) the durability of the employment relationship, ii) the uniqueness of the employer and, belonging to an organized service; iii) working full-time with an equivalent wage (Foucarde, 1992). It defined therefore, the profile of what has come to be socially and legally designated as wage "typical" employment, setting the standard of employment (permanent, full-time and social protection). In this sense, they are considered "atypical" situations all of which do not check one or other or all of those criteria. Overall, these atypical forms of work can range from simple undeclared activities (in the form of "concealed employment" which, although not illegal in itself, is not declared to one or more administrative authorities who should be aware of it and that, in this way, is absent from regulation and taxation or reduction of social security benefits) forms of temporary, full time or part-time contracts (Célestin, 2000).

While it is true that the results of several researches seem to point to some different occupational transitions that include different working conditions and heterogeneous statutes - which reveal, on the one hand, the growth achieved in the search for graduates by business employers (Diana &Marques, 2014; Marques, 2010, 2007) - it is also true that employers tend to focus on recruitment arrangements and worker management close to a quantitative flexibilization by the increased mobilization of employment forms that go beyond the "typical norm". Therefore, it is possible to identify three major trends that affect graduates' professional transitions.

First of all, the recent transformation in educational and productive systems has changed the practices and references associated with the processes of "entry into adulthood" (Galland, 1997, 1996, 1984 ) or professional transition of youths, especially the graduates who tend to have nonlinear trajectories (e. g. training, employment, unemployment and inactivity) affecting the transformation of traditional representations of employment and occupation.
Secondly, we are witnessing a phenomena regarding the extension in the time of studies (initial training and lifelong learning) as well as intermediate and precarious positions until the achievement of a stable position in the labour market (Marques, 2006). The duration of these processes becomes itself a structuring factor of occupational transition, defined by the diversity of situations, statutes or conditions (e.g. fellow researcher, trainee, independent worker) that prevail in recurrent situations of vulnerability and precariousness in relation to employment.

Finally, these practices and references related to professional transition extend through non-linearity, resulting in a desynchronization of the various axes of professional emancipation, personal and family life.

These trends have led modern societies to make changes in the labour market processes or towards a transitional labour market (Schmid, 2000), in which the demarcation lines between work, leisure, education and care have been blurred, leading to increased mobility and flexibility, de-standardization of the course of life and to an overall focus on employability.

Taking into consideration this background, the research reported here explores main traits of transformation of the educational contexts and labour markets, in order to bring light to the social structural conditions in which young graduates are been enrolled in unpredictable professional itineraries. Therefore, we will start by presenting the main traits of transformation of the educational contexts. Next, on a second topic, we will perform a reflection on how those professional itineraries reveal simultaneously and differently patterns of employability and professionalization segments. Finally, a proposal to systematise the main social forms of access to employment/profession is presented, assuming two analytical axes in its conceptualisation: 1) social regulation and setting of professional jurisdictions; and 2) organisational and professional mobility. This is a typological essay, which identifies four “ideal types” of important labour markets for graduates: professional markets, internal markets, transitional markets and secondary markets (neoclassical sense).

2. Expansion of Higher Education: Shifts and Tensions

The expansion of higher education and the gradual increase of graduates have been followed by empirical evidence that points to the possibility of obtaining a qualified job linked to higher education levels (Diana & Marques, 2014; Tomlison, 2013, 2009; Smyher et al., 2001; Ianneli & Soro Bonmati, 2003; Machin & MacNally, 2007). However, access to the labour market does not present itself as being uniform and stable to most young adults.

Until now, public policies have pursued certain objectives aiming to influence the education system to enlarge and to improve the opportunities for professional regulated education, whether at secondary and post-secondary levels (with the reintroduction of technical and technological teaching in secondary school) and in higher education, so as to carry out the demands of employability and internationalization among others, envisaged by the Bologna Declaration. It is expected that it will be possible, then, to identify politically relevant scientific areas (and therefore eligible for accruing public funding), to increase student mobility within Europe, to set mutually recognizable diplomas as soon as a degree equivalence is ensured, and also to give more dynamism to scientific and academic networks in the European context.

However, there are different approaches to this problem, according to the countries involved (Tomlison, 2012, Teichler, 2007; Jobert, Marry & Tanguy, 1995; Hannan et al. 1999, Muller & Gangl, 2003), as most of them are currently confronted with quite similar problems and challenges concerning the more or less predictable effects of these changes in higher education. These transformations are attached primarily to the extent of time spent in the education system (initial and life-long training), which is linked to a relatively recent trend to the feminization of university ranks, in spite of a minor presence in engineering and technology. Besides, it is necessary to consider the consequences, a few of them already predictable while others still latent, related with school massification and with the diversification of the courses offered by the education system. As a matter of fact, while providing the entry of student publics that form a more and more heterogeneous universe regarding their social origins, school trajectories, vocations and professional careers, universities must consider not only their curricula and pedagogic practices, but also the professionalization, specialization and research paths involved in their activities.

The organization and structuring of the education system ranks, as well as the devices to gain access to the labour market, presuppose the access to university to relevant information regarding teaching itself and their students’ professional future. This will allow them to identify cognitive thinking, process evaluation, relationship factors, and other competencies considered nuclear for designing courses and their curricula. Such knowledge, necessary to all subjects, should give clear directions and take into consideration not only the changes occurring in traditional jobs, but also the mapping of new professions whose frontiers seem more and more imprecise and broadening.

Relationships between academic training and the labour market have been central in (political, educational and scientific) public debates in the last decades. The choice of the approaches privileged in these debates is largely
dependent on the political agenda of the most advanced economies (cf. Pedroso et al, 2005). Many of those approaches have been rapidly changing. Illustrative of this is the sequence of priorities ascribed to during the last decades (Teichler, 2007): i) to the contribution of higher education for economic growth; ii) to the dangers of “over-qualification” and of the disarticulation between supply and demand; iii) to the diversity of education and to job opportunities; iv) to the growing incidence of graduate unemployment and to the precariousness of their work and employment conditions; v) to the emphasis on training “key-qualifications”; vi) and finally, to the trend towards the globalization of the young graduates’ labour market.

3. Professional Transitions, Segmentation and Precariousness

As a social problem with diverse manifestations, the contexts and kinds of professional transitions currently analysed convene other explicative factors in terms of changes in the productive and employment systems. One of them concerns the difficulties of professional insertion that affect graduates, and not just those deprived of academic qualification. Moreover, the relative depreciation of initial training, linked to the “diploma inflation” effect and its correlative devaluation presupposes strategies of quick recycling of “disqualified” symbolic capitals, with particular incidence on the “social capitals” held by candidates to their first job. It is after all, well known that access to the “first job” depends more on the candidate’s personal and family network efficiency. Likewise, we should be aware of the trend for a decreasing correspondence between the diploma and the profile required by available jobs, which may explain to a large extent, the growing distortion of students’ representations and expectations of forthcoming complex and extended (time and space) trajectories.

In fact, regarding the current constraints of flexibility and globalization of the labour market, most companies expose social groups who have invested in their professional and academic training to growing precariousness. If these are used to present advantages over those who were deprived of such resources, in the current context of deep transformation of the productive and educational systems, employment relationships become much more volatile and non-prescriptive of the conduct of social actors. Certain references of a salary-based society have been weakened, such as those of stability and predictability of professional trajectories, at least to qualified workers with changes in employment situations and conditions, and heterogeneous statuses (e. g. fellow researcher, trainee, part-time, independent worker/task worker). It is known that uncertainty and the instability of the contractual relationship, despite the diverse modalities it may assume according to each country, affect almost an entire generation of men and women and young adults with or without diplomas.

Therefore, today, the focus behind this discussion is on knowing to what extent the professional transition of young graduates has been presenting (in)visibility contours in the labour market, and what its main challenges and (new) employment risks are. Attempts to answer this will enable us to better understand patterns of transition in the labour market, profiles and professionalization areas and demonstrations of skills and relational insights that reinforce the thesis of interchangeability of academic training in contemporary societies. Also, when completing the mapping of these (in)visibility boundaries of this process, it raises the issue of entrepreneurship and its implications towards new professional statutes and in reference to professional identity, particularly by the different leaders and social actors: responsible scholars, policy makers and all individual and collective actors involved in this area (Marques, 2013).

4. Social Regulation and Professional Mobility: A Typology of Entrance into Labour Market

4.1 Research design information

By mobilising some of the research outcomes of the projects lead by us, namely: “MeIntegra” (Integrate me), “Percursos de inserção dos licenciados” (Integration paths of graduates) and “O potencial de empreendedorismo” (The entrepreneurship potential), it is our purpose to cross contributions from the sociology of professions and employment in order to analyse the main social forms of entrance into labour markets.

The first project, “MelIntegra – Mercados e Estratégias de Inserção Profissional de Jovens Diplomados” (Integrate me - Markets and strategies of professional integration of young graduates), carried out between 2006-2007, involved several stages of research and followed three main thematic axes: 1) identification and characterisation of the strategies for professional integration; 2) identification of the practices of mobilisation of the skills by the employers in the framework
of a flexible management of labour; 3) understanding and explaining the structural organisational resistances/ opportunities for innovation and competitiveness1.

The project entitled “Percursos de inserção de licenciados: relações objetivas e subjetivas com o trabalho” (Integration paths of graduates: objective and subjective relations with work) aimed at analysing and interpreting the relations with work in the process of professional transition of graduates during the year 2010/20112.

Finally, the “O potencial de empreendedorismo na Universidade do Minho” (The entrepreneurship potential in the University of Minho) (2010-2012) project, carried out in the framework of the Laboratório MeIntegra spin-off and in the Research Centre for the Social Sciences (CICS/UM), had as main goal to study the potential entrepreneur among the young graduates in the University of Minho3.

4.2 Main research findings

One of the main dimensions concerns the condition of dependence or independence in the contractual relation of the graduates in a labour context. It is important to highlight that the wage earning and the experiences of unemployment transform the real conditions of exercising a profession. In that sense, Evetts (2012, 2010) and Kuhlmann (2012) are unanimous in the diagnosis of the changes in autonomy and independence as foundations of authority of the certified knowledge, the relations of trust and the professional ethos that the several professional groups face in the contemporary world.

Considering our research outcomes, we conclude that the majority of graduates are in a full time employment situation, i. e., as a wage earner (“MelIntegra”: 71%; “Percursos de inserção dos licenciados”: 89.3%; “O potencial de empreendedorismo”: 66.8%). Likewise, if the unemployment percentages are not very expressive at the time, considering our outcomes, the truth is that a growing importance of the phenomenon of “unemployment of insertion” or “standstill in training” of many graduates is verified. This means that the proliferation of the statuses of a research scholar holder, student or in professional training, among other, without giving a normative and regulatory framework of the labour relation, contributes to making the worsening of the situation of “non-effective professional integration” more visible. Thus, the relative weight of this reality presents the following values: “MelIntegra”: 8%; “Percursos de inserção dos licenciados”: 10.3%; “O potencial de empreendedorismo”: 10.8%.

In what concerns the exercise of a profession as self-employed (self-employed worker/entrepreneur), the records obtained in our research are the following ones: “MelIntegra”: 12%; “Percursos de inserção de diplomados: 10.4%”; “O potencial de empreendedorismo”: 12.4%. It is known that there are many risks associated with professional paths based on autonomous projects or entrepreneurial careers. These imply individualisation and externalisation of the production costs and all the consequences of contractual instability that come from there, as well as ruptures and imprecisions of borders of professional activity and dismantling of the axes of financial, family and affective emancipation (Marques, 2013).

In another analysis perspective, the enrolment of unpredictable and unequal itineraries facing the labour market passes through these embedding, more and more, generalised practices of visible quantitative flexibility in the use of types of employment, which are different from the “typical norm”, such as mentioned before. According to our results, the most common statuses pass through the existence of shorted-term contracts (fixed-term or of indefinite duration),

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1 To write this paper, we will use only the information collected through the questionnaire applied to the graduates of University of Minho located at north of Portugal, who have completed their graduate degrees, in the 2004/2005 academic year (N=464). For a more profound look of the main outcomes, cf. MelIntegra report at http://repositorium.sdum.uminho.pt/bitstream/1822/8633/1/MelIntegra%20-%20RepositoriUM.pdf.

2 In total, an extensive survey was applied to a sample of 1004 graduates from all the degree courses offered in the Universidade Nova de Lisboa (40.5%) and Universidade de Lisboa (59.5%), both from Portugal, and who have completed their graduate degrees in the 2004/2005 academic year. This project (PTDC/CS-SOC/098459/2008) have presented outcomes of more comprehensive studies that go beyond the purposes of the current paper. However, the fact that we are part of the research team, allows us, for analytical purposes, to study in depth and oppose empirical evidences collected in that research, in order to reinforce the development of the arguments explained in this article.

3 The online survey was applied to a universe of 1,419 graduates from the University of Minho, who completed the course since 2002 to 2008, from 43 courses that have been grouped into six tracks, according to the National Classification of Education and Training Areas (2008) such as: “Education”, “Arts and Humanities,” “Social Sciences, Business and Law”, “Science, Mathematics and Computer Science”, “Engineering, Manufacturing and Construction”, “Health and Social Protection.” The sample resulted in a 20% quota share, totaling 283 valid surveys.
temporary, traineeship and part-time contracts: “Melnegra”: 73%; “Percursos de inserção de diplomados”: 52.3%).

Besides these objective practices of labour and social precariousness, we should take into account the dimensions of subjectivity associated with the experiences and different representations by graduates. In the scope of the “Melnegra” project, it is visible the idea that the academic degree is one of the essential requirements to obtaining a position of success in society. There is the perception that the diploma no longer protects its holder from unemployment, in the same way that certified knowledge and expertise do not end there. The graduate is responsible for investing in further education and in the acquisition of other skills to determine his/her professional success. Likewise, entrepreneurship starts to be seen as a possible solution against unemployment, which reaches more and more the group of graduates. In fact, in the course of the interviews carried out for the “O Potencial de Empreendedorismo” project, the option for self-employment could be understood through the following testimony: “I could give many reasons to go forward, but none of them is the matter of employability. I really like it, ok (…) I am not able to teach, but I am able to do anything else, I have talent for that (…)”. (E2, male, 29 years old, Biology/Geology Teaching). Still reinforcing the importance of the diploma and its relativisation by the simultaneous demands of innovation and risk, note the following quote: “I decided to create a company of environmental engineering services due to my education and the knowledge that I have in this area (…) Usually, entrepreneurship appears when someone has knowledge on a certain area, probably no one creates a company in an area that he/she knows nothing about, otherwise it will fail, but that might not happen… but it has strong probabilities” (E8, male, 30 years old, Environmental Engineering). In opposition, the reason that prevails in the following professional options is necessity: “For example, I would like to open an ATL [after-school recreation centre] or a day care. To begin with, I really like children… and I think it’s harder to get a job (…), and I see, now that I am having a child, that it is harder to get, for example, a day care vacancy” (E3, female, 29 years old, Sociology); “My business sector is clothing, in other words, the creation of a clothing range (…). We will invest in this project because it does not demand a high investment (…). It is a small project, nothing new… We are going to try something and see if it works out (E7, female, 30 years old, Education)".

In fact, these testimonies reveal important segmentations of professional trajectories, considering both the scientific areas followed by the graduates and the gender. Several studies reinforce exactly the heterogeneity of the statuses and the segmentations assumed by the labour market in terms of gender, type of degree or school qualifications, age, among other (Marques & Alves, 2010; Gonçalves, 2009). This heterogeneity of statuses and professional segmentations has consequences in the perception of daily work, in the anticipation of careers and in the projection of the future.

4.3 A typology of entrance into labour market

Based on previous contributions, the flexibility of labour relations configures the existence of markets endowed with greater or lesser social regulation and/or mobility, which always expresses unequal positions in professional and organisational careers, as well as in the practices of human resources management and specific contexts of socialisation. In this sense, the holders of academic titles stand out, when, in the access to the profession, are confronted with deregulated markets, mainly those peripheral or secondary, although requiring technical and scientific professional performances. In this situation, we are assembling all forms of internships/traineeships, underemployment and contractualisation through “false green receipts”, which is based on the exteriorisation of the protection of social rights and guarantees in the individual and not in the organisation itself.

Likewise, we can also notice the importance of transitional markets along this segment of graduate labour, in part as a result of the tendency for flexibility and mobility of individuals. In fact, the labour markets are no longer predetermined paths, formatted and fixed beforehand, given the turmoil that affects the decisions of institutional leaders faced with external (e. g. technologies, business restructuring, demographic cycles) and internal (e. g. family exchanges, individual reorientations) circumstances. The constant exits and re-entries, based on a high inter organisational professional mobility at a (trans)national level, constitute traits of the normal functioning of the labour market. With a strong component of a normative/political character, the active policies of employment contribute directly to the shaping of this type of market, which is based on the assumption of targeting its effectiveness from the adjustment to the best individual solutions.

Therefore, the articulation of two axes, namely, social regulation and professional mobility have led us to put forward four “ideal-types” of social forms of entrance into labour market: professional markets, internal markets, transitional markets and secondary markets (in neoclassic terms). In their definition main analytic dimensions were mobilised on four levels: symbolic (recognition and the importance of academic title, identity and integration), cognitive...
(expertise and professional experience), social-political (dominant contractual status, market independency) and organizational (career/hierarchical position). This analytic proposal is to account for the diversity of social forms that enclose the logical and operational structures of those labour markets in which graduates are currently in circulation. For each of those social forms are presented characteristics that allow their definition and distinction, lacking, however, further work based on future in-depth research.

5. Final Remarks

The main trends of graduates’ professional transition trajectories found in international researches are confirmed taking into consideration our research findings. The transition of young graduates into the labour market is constrained by cultural, structural and institutional factors at different levels (national and international) and influenced by the education and labour markets of each country. It is also worth remarking that even more important from a cross-national perspective, are the higher educational systems, namely their direct linkage to the labour market or the flexibility of pathways. In fact, the confrontation with the labour market, with the uncertainty and instability of the contractual relationship, despite the different forms that it can take according to the countries, reaches almost an entire generation of qualified (or not) young men and women. The effects of the extension in time and space of this process are manifested in the course of life and in its fundamental stages, in the distinct ways of managing incorporated resources and provisions, expressing margins of freedom contained in a given moment of the personal and collective history, but also by delimiting the field of possibility, the options still available to them.

The paper has presented an exploratory typology of social forms of access to the labour markets in the contemporary world, in order to resist to the homogenising and/or radicalised approaches on the deprofessionalisation/disqualification trends of professional groups. Also, we intend to restore the complexity of the phenomena of labour markets. The conceptual deepening of these recompositions requires, in parallel, their validation with future empirical research. The translation of those analytical axes into research hypotheses will allow evaluating the analytical relevance with the substantive information about academic and professional paths and identity recomposition processes underway by higher education graduates.

References


Psychological Impact of Social Transition to Albanians after Year 1990

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Abstract

Many psychological transition theories argue that there is a very strong connection between life span events and social events were individual spent their life. Some of these social changes are considered also conditions for individual changes to happen or not in a healthy way. In this study we try to gain some evidence about the nature and impact that social change has to individual changes that comes to an individual life span. Population on focus are Albanians during time of their social transition after communism, so after year 1990. Methods and instruments used to gain the data on this retrospective research are self-report, standard questionnaires and also paper and journals reviews. Individuals are Albanian people 40 years old at least. Analyses are made by a descriptive statistic. Findings shows that there is a strong and significant correlation between social changes such as political, economical and others (ex. emigration, migration) and individual changes in Albanian people during this time. Negative social changes such as increased crime or bad services on health, go to more distress and dysfunction in individual life span and transition. The article suggests that a better understanding of this interference and impact will allow better politics and care in both individual and social level.

Keywords: individual, transition, social, psychological impact, well-being

1. Introduction

Transition theories\(^1\) and authors such as Hopson, Sugarmen, Schlossberg, etc suggests that transition is the primary cause of distress and threaters of personal psychological well-being. They argue that during their life span individuals survive many changes and events in their live in a personal and social level which can cause them from happiness to a great level of distress due to their impact on a person’s life and his inner processes. That means that personal\(^2\) and social transition go narrowly together and they both affect psychological or emotional well-being. Of course they admit that there are differences in the level of distress that transitional features and phases can cause to individuals, varying by their sources ( economical, health care, emotional security) and coping strategies (perception of risk, etc). This transition takes often a cycle from positive and negative events but as we can understand if events that occur are mostly negative and if this is combined by negative social factors such as those related will low level of economy, education, social and health, personal psychological well-being of a person is well threaded.

2. Method

Principal method used to gain the data is survey and main Instrument is a Self-Experiences Questionaire. People are asked for the kind of experience they have in their lives during transition time and their emotional impact. Data collected are compared with other data for social changes that occurred during this time. This data are gained from 2001 CENSUS (Population and Residence Registration Rapport) in Albania, on e research view perspective.

Simple for the questionaire is about 120 Albanian people, living in Albania during the time, not less than 40 years old. Data calculation and analyze is made by using SSPS and prescriptive statistic.

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\(^1\) Dai Williams, 1999

3. Discussion and Results

Albania, a post-communist country as is known, has a long social transition in all levels and dimensions. Data collected from the census 2001 give a realistic view of what happened during this time in Albania.

According to INSTAT report for Population and Residence Registration of year 2001, which is also a survey of living conditions and disparity, in Albania after year 1990 despite some positive changes during this transition period of time, there is also good evidence that shows sensitive disparities in the living level, especially in village zones. Levels of unemployment are really increased specially during crises period such as year 1993 where the level were 29.0%. In Year 2003 this level were 22.7%, the highest in the region and some cities goes to 40%. There are also a lot of differences in human development level from one area to another (city and village, city and city) were principal obstacle for reform development and improvement of social problems is political instability and uncertainty of Albanian people although this is very difficult to verify from this data.

Health care and sanity before year 1990 has been characterized by a high level of infant mortality and mother mortality. This is most evident in some cities than in others and seems to be related not much more with the level of poverty than with the inequalities in education, specially the women.

Peculiarity of this period of time is the sending of medical personal in deepest and fares zones of the country. During 1990 and after medical and health care inherited a very week infrastructure for medical care and service. Many of these services need recovery, tools, professional personnel and infrastructure.

In the period of time before years ‘90 in Albania 90% of school children finished the primary school forced cycle, 74% the second cycle (middle school) and 40% of them follow university (1972 report). Despite these global tendencies, there are many differences based on demography where north cities are statistically lower than the average percent in education, in comparison with cities of south Albania which are higher than average. These differences as cited in report has been created by the general lack or low level of urbanization, tradition influences, religion and age structure of mountains zones(north cities). Tendencies to miss illiteracy even high, miss the lack of quality in education by overpopulation of class rooms, lack of environments and school material, >ensure, limits, the principle of “supporting in your own force which provide isolation in Albania from the outside world and lack of personal freedom, causing so the missing of specialists and efficacy literature.

Rapid Changes that happened in Albania during and after the year 1990 with their political, economical and social nature caused deterioration especially at the beginning of these years. Some of these problematic include teaching & teacher quality, abandon of school, several of physical buildings conditions, warm, lighting, environments, lack of teachers with adequate education and profilisation which increased more disparities of educational conditions between villages and cities and that caused other consequences even in the future.

In relation with life, building and casemate conditions in Albania, they has been inappropriate before and after ‘90-ins. In 1970 there were build in Albania 185.000 apartments or 7.400 buildings in year two effort devastating previous conditions. These efforts did not fulfill shelter needs increased with population number growth. Services and facilities remain the same. At the end of ‘80 more than half of village population did not have drinking water and more several conditions to the warm. By the middle of ‘90 disparities for these conditions between village and city still existed. Cities were better but to the villages these conditions were still very inappropriate. All around Albania at the time were overpopulation in buildings were the mostly of these building has two rooms and a kitchen. More than two-thirds of these buildings were overpopulated even in year 2001 with an exception of principal cities such as Tirana and Durres. Poverty level evaluations made by World Bank and INSTAT (2003) are 3.047 lek for person in food level and 4.891 lek for full poverty level. This evidence show that more than 25.4% of Albanians live under the level of full poverty (780.000 of them). This number constitutes one quarter of Albanian population during the time and is similar to that of central Asia, even higher in comparison with other countries of Southeast Europe3

Primarily this level is referred to the level of full poverty, as for the food level there are 4.7% of them. (WB and INSTAT 2003).

Mostly of poverty population lives on the village (46% in mountainous area) due even to the migratory movements from these areas toward more urban areas.

Back to our research when people are asked for their personal experiences and the emotional impact that those events has had in their lives in post-communist Albania, their illustrate several events which by their content are well

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3 INSTAT, 2001
related with social, economical and political factors described above. Some of these events include: standing to jail, changes in eating and sleeping habits, changes on work (position, job, conditions, etc), loosing job, illness or severe accidents of a related or friend, severe changes in financial status, changes residence, illness or personal impairment, borrower, property problems, school abandon, big changes in life conditions, big changes in social activities, lack of contact with family (emigrants), adjustment difficulties (by migration), daily frustration, raised crime in their area of their living. People are asked for different years from year 1985 to year 2013. Evidences shows that some of this experience are not much different in occurrence tendency from 1985 and after 1990 (the big revolution), such as problems with financial status, daily frustration (mostly argued by their fear to speak and think in a free way and the doubts from the surroundings, the spiunazh).

The other experiences are typical after year 1990. It is important to underline that these experienced are matched even for their emotional impact of individuals experiencing them. According to the data collected the evidences before year 1990 shows a more stability in negative emotional level when the more chosen alternative is -2 (middle negative emotional impact) and more wide spread occurrence of this experience. Unlike this during and after year 1990 there is a widespread of more negative and positive experiences which differ in their intensity from -3 (extremely negative emotional impact) to +2 (middle positive emotional impact). It is also noted that this intensity level is not as linear as before this year but is much more changeable from a person to another (people choosing this may be smaller but the intensity of emotional impact chosen is higher). So the evidence shows a split on population related to the negative and positive experience and the emotional impact that they have proved about. Because the instrument also measure economical level these data shows that those people having more bad and negative personal experiences have or had a low economical level (after year 1990). This instrument is applied to subjects that already have 40 years old or more and and data shows dhe second prescription of emotional impact level above is more evident from age 40 to 48 than to olders one. Asked for their live transition experience they agree that it has been more difficulty in challenging them during the years 1991, 1992, 1993, 1997, 1998, 2006, 2007, and now. According to data, statistics on security 4, there is a strong correlation between increased criminality to this years and the difficulties that people had in their personal transitional experiences such as marriage, children and family, find a job, etc.

We suggests that a better understanding would be held if people are asked in a autobiographical view which can be provided in others researches.

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Audience-Oriented Forms of Performance in the 21st Century

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Abstract

The use of space in the mainstream performing arts is based on the division of the acting and performing spaces with an imaginary wall. The sharp division of the space by this invisible conventional border, also called the fourth wall, originated from the fundamentally distinct role definitions assigned to the audience and the actors. On the other hand, especially since mid-twentieth century, due to the fast improvement in mass media technologies audiencing has widely shifted from the public space to the private space. Because of this shift the staging forms appropriate to the traditional space order became unresponsive to the needs of new acting and audiencing, and caused a search for alternative ways. In this respect, especially since the 1960's there have been many experiments examining both the acting and the audiencing activity from every aspect. These experiments invited the audience again into the public space, in search of new ways in which the audience could take an active role in a dynamic audience field. In these forms of performance, passive audience positions are completely abandoned and the role of the audience is reconstructed as an active element of the work itself. Since the beginning of the 21st century, there is a new trend in the Western performing arts, which is based on a participatory, interactive and immersive performance approach. Especially in the immersive performance approach, the audience is invited to a multi-sensory experience. To the extent that they actively participate in the experience, they gain the freedom of creating different audiencing forms and even reconstructing the plot. In these kinds of forms, the audience is invited to almost a realistic experience in spaces constructed to create this realistic feeling. Providing a holistic perception and participation, this experience goes beyond the conventional audiencing forms based on the audio and visual senses, by addressing and stimulating the olfactory, gustatory, and tactile senses. It also allows the audience to participate in the movements of the performers as well as follow them in the almost realistically constructed performance spaces. As today's audience is accustomed to being active players on the internet and creating worlds at their fingertips on virtual games, new narratives that bring together the audience and the performing arts are thus constructed.

Keywords: audience, performing arts, performing space, immersive practices

It is apparent that in performance-based arts, mainly theatre and dance, the conventional forms of expression and narratives are increasingly receiving less interest by the audience. In this, it is certain that new media produced through changes in technology are certainly of primary importance. Internet, with its features of the nonlinear structure of World Wide Web offering hyperlink possibilities, giving opportunities to be participatory and interactive, channelling to making comment contribution, is marked as a revolutionary medium of today. The character of this “deep media” that the internet creates is defined as immersive. (Rose, 2011: 2-3) Before these developments were reflected in the performing arts, there were clear cut definitions that determined some important features of performance as theatrical space and audiencing. The space in the mainstream performing art examples gives a clear placement for the performers and the audience. Theatre as problematized by McAuley “. . . consists of human beings in a defined space watched by other human beings, and it is this reality that constitutes the basic apparatus of theatre” (McAuley, 1999: 245). The theatrical reality here lies on the fact that there is a need for space where the audience and the performers meet in the live event, and in this space the already defined roles and their placements are assigned. This reality creates an imagined but also clear and unquestionable cut of the theatrical space, where the theatrical experience is shared by both parties, the performers and the audience in their definite placement of the space. This experience is possible on the previously negotiated casting of their roles; performers are there to act on the slightly elevated, lit platform, the stage; and the audience is seated across the stage in the dark auditorium watching and hearing the actions of the performers. Performers are acting in order to be seen, audience is silenced both vocally and physically in order to be able to see and hear everything on stage. In all mainstream theatre or opera house building around the world, we can see the audience sitting in the dark hall in the auditorium, facing one direction gazing the framed fictional world revealing itself in front of their eyes, in this fixed and atrophied position. This space mostly named as the proscenium stage “creates a theatre of illusion” with the tendency “to preserve the strong distinction between life and art…” Foster (1986: 60)
resembled the hard working laborers of the country with their strong limbs and almost naked bodies.

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developed the concept of alienation, as opposed to the identification acting techniques used in the Western theatre. His
theatre can be seen as an attempt to make the invisible border apparent by criticising and problematizing it. In Brecht’s

The Western mainstream theatrical experience, from the Venetian Opera House to New York's Broadway, is gauged to
enforce that separation. This method of viewing performance is further reinforced by our experiences of cinema. The huge
screen acts as an opaque proscenium, where applause, derision or complete indifference is unable to affect the
performance. Again the audience sits in a darkened space watching larger-than-life faces on the lighted screen. (Popat,
2010: 2)

The position of the audience looking at the event on the stage is problematized by Ranciere as the opposite of
knowing. The audience does not know the conditions producing the appearance they are looking at. Ranciere also casts
the looking of the spectator opposite from acting "[h]e who looks at the spectacle remains motionless in his seat, lacking
any power of intervention. Being a spectator means being passive. The spectator is separated from the capacity of
knowing just as he is separated from the possibility of acting. " (Jacques Rancière, 2007) In the mainstream theatre
understanding, be it in the proscenium stages or in the smaller theatres, or even in the blackbox theatre spaces, there is
this bodily passivity of the audience expected for the performance’s sake. The actions long rehearsed by the performers
are awaiting this silent crowd in the auditorium to sit and be quiet to come alive. There is so much effort spent on the part
of the performers before the premiere, the days and nights of exhaustion, desperation, and boredom of the endless
repetitions, corrections and adjustments of an performative work of art to be created. On the night of the premiere the
dancers, actors, performers in general are waiting behind the wings with excitement and nervousness to step on stage
and perform without mistake, with expectations of high performance, they want to be good, they want the work to be
liked. The part of the audience is clear; sit quiet and enjoy, hopefully like the performance. Although passive in its first
appreciation, the role of the audience is very important. The performance created is for the audience to see, hear and
appreciate.

On entering the majority of theatres in the Western world, one expects to see the proscenium arch ornately framing the
stage and blatantly dividing the performance space from the viewing area. Performer and audience member are situated
on either side of this getaway between the lighted virtuality of the performer and the darkened, suspended reality of the
viewer. (Popat, 2010: 1)

Bertolt Brecht was an important figure in trespassing this invisible border between the actors and spectators, and
emanicipating the audience from its passive position. Influenced by the forms used in the Chinese theatre, Brecht
developed the concept of alienation, as opposed to the identification acting techniques used in the Western theatre. His
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thoughts and reconcile the events on the stage. In his theatre the audience is alienated from the events on the stage,
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The concepts developed by Brecht were also used in the tanztheater of Pina Bausch, who first introduced a
radically different approach to dance in the 70s' Germany to an audience accustomed to classical ballet performances.
The choreographies of Bausch first problematized the notions of beauty in dance by putting on display the tired, sweaty
body of the dancers, revealing the physical truth of the dancers which has long been concealed from the audience's
gaze. The dancers were no longer hiding the physical effort behind a smile, while executing difficult movements as it was
and still is expected in ballet. They were not subjects of fairy tales, creating illusions on stage to be admired; they
resembled the hard working laborers of the country with their strong limbs and almost naked bodies.
With her established name in the field, Bausch also made her dancers talk to the audience, acknowledging their existence in the darkened auditorium. The trespassing of the invisible border was done by the performers, facing the audience and addressing them directly, performing for them, making clear that the performances were created for the audience. They were breaking the illusionary wall by questioning the established roles of the dancers and performers. In the tanztheater of Pina Bausch the audience is invited to a place where they are aware of their existence and also acknowledge their traditional role of passively gazing the action on stage from their seat in the dark hall, open to be impressed.

The twentieth century saw many theatre experiments where not only the role of the audience but also the main tools of the Western representation discourse present in the classical idea of theatre were questioned: the plot, the character, the space, etc. were problematized. Nevertheless, space as the physical framework for holding the theatrical experience was one of mostly problematized aspects in the past thirty years as stated by McAuley:

“...there has been a significant trend over the past thirty years for performance practitioners to abandon the non-place of the stage and the controlled relationship between stage and auditorium of the traditional theatre building, and to locate their performances in the other sites within the social space of the community. ... there has been a significant increase in this kind of performance over the same period that critics and theorists in many other disciplines were developing new understandings of the spatialised nature of human culture. Theatre practitioners were, thus, already making a major contribution to what I have called the 'placial turn' which is perhaps to be expected from an art form that has for centuries been playing so profoundly with its own spatiality. " (McAuley, 2006: 17).

Experimenting with different spaces in the performing arts increased with the second half of the 20th century searching for new ways to connect the body of the performers with the space the performance is held and also with the role of the audience. Not only the trespassing of the invisible wall between the audience and performers was realized and widely practiced, but also the walls of the theatres were metaphorically demolished. The frame of the proscenium arch was considered as a limiting boundary for new expectations of the world outside. The streets, buildings, town squares, museums, docks, factories, etc. were the new spaces opened to be explored and experienced for the new democratic movements within the performing arts, be it theatre or dance.

McAuley, in his introduction to the book Unstable Ground Performance and the Politics of Space, discusses the needs and the consequences of moving the performances outside the defined spaces in the sites “marked by their own histories of occupation,” where the artists and spectators not only experience these spaces in new ways but also are “obliged to engage in new ways with the political issues that seem to be an inevitable consequence of being in place. ” (McAuley, 2006: 17)

“The reality of place ineluctably brings with it issues of ownership and these in turn involve issues of power, rights (of exclusion and inclusion), and multiple often conflictual histories of occupation and exploitation. Places raise questions about memory and about group and individual identity: who we are intimately bound up with where we are, and where we come from. Performing in place brings to the fore the nature of inhabitation: what it means to live in/with a place, and what it means to be inhabited by a place. ” (McAuley, 2006: 17)

Choreographer William Forsythe expanded the limits of space and the dance discipline by introducing the concept of dance installations to the field of choreography. His expanding the language of ballet, moving the walls that strictly define its technique, is his distinguished signature in the dance world. Merging dance with art, bringing dance into the spaces defined for objects of art, like museums and art galleries are his innovations in the dance world. One of his “choreographic objects” titled “Nowhere and Everywhere at the Same Time No. 2,” was presented in 2014 at the Circus Street Market as part of the Brighton Festival, an annual arts festival in England, where, in an old municipal market space filled with hundreds of suspended pendulums that swing in timed sequences, visitors are invited “to move through the space they are forced to duck, dodge, and dart through the rows of swinging weights resulting in an impromptu dance. Forsythe is known for his unique blend of choreography and artwork where the viewer often becomes a participant in his interactive installations. “ (http://www. thisiscoossal. com) Forsythe merges dance and choreography with art, and brings them out of their theatrical spaces into spaces that are defined for arts, like museums and galleries. He also brings them to places that do not necessarily represent artistic practices, like storehouses and markets. His project Human Writes, created for the 50th anniversary of the Universal Declaration of Human Rights, was presented in the 17th International Istanbul Theatre Festival in a storehouse. In this project, the space was not only removed from the traditional division for acting and viewing but also the audience was invited to participate in the act of the performers. The audience was invited to become active participants of the hopeless effort of the dancers in their writing of the human rights declaration on the
ties where the collective meaning making can be practiced and the problems can be solved in the common ground.

The suggestions for the staging forms in the performing arts, in other words the spacing propositions brought for meeting the performance with the audience are directly problematizing the role of the audience in the ontological structure of the performance. The audience is freed of his voyeur (Guy Debord, 1983) position and becomes the active protagonist in the meaning making of the piece. There are numerous ways and forms of practicing the audience involvement in the performing arts. In the performances using the term immersive the audience involvement is practiced in various ways. As indicated by Josephine Machon in her book *Immersive Theaters, Intimacy and Immediacy in Contemporary Performance* (2013), the traditional and immersive practices present a completely different range of experience for their audiences; a short summary of her extensive comparison is given here as follows: In traditional theatre, the audience is expected to enter the space from the street via the main door, while in the immersive theatres the audience may have an extended and intriguing journey to get to the location. Through this journey, the audience is aware that they are taken out of their comfort zone. After entering the performance space, the traditional audience in the traditional auditorium may chat with friends, check their phone or read the program, while waiting for the show to start, as opposed to the audience in the immersive theatre who are separated from their friends. They may enter the space where the performance has already begun, they may even be partnered with a stranger and asked to rely on that person during their experience. They do not know exactly what to expect. In traditional theatre, after the lights are dimmed and the curtain is raised or the lights on the stage are lit, the audience becomes quite; another world reveals itself to them. However, the audience of the immersive theatre is already surrounded by a different world; they are out of their comfort zone, highly aware of the details of the space they are in, their senses heightened. While performers are performing in their world in front of the audience in the traditional theatrical setting, the performance is completed with no specific reference to the audience. In the immersive theatre, the audience may be asked to play a role, wear a masque and be anonymous but visible and physical. The audience is in a different world with its own rules, where they are active and engaged in the actions; following performers, passing through streets, into the rooms, wandering around details of the created environments, feeling almost responsible of the action happening around them, surrounded by this world. At the end of the performance, in traditional theatre, the lights of the auditorium turns on the curtain call bow and the audience applaud; however, there is no bow or an occasion to applaud in the immersive theatres—the world left behind may feel as if it still continues (Machon, 2013: 54-55).

In the immersive theatre, the audience enter the realm of “viveur” as stated by Claire Bishop, extending the “voyeur” theory of Guy Debord (Bishop in Machon, 2013: 72). The audience is brought into the heart of the experience, contrary to the one in the traditional theatre, where they are cast out of the frame of action. The audience is gaining a new subjective position, where they are no longer the outside observers, but are in the play directly, experiencing the action and the space. “... You are part of it, rather than looking on fundamentally distinct. " (Trueman in Machon, 2013: 72)

“Juxtaposed with participation being extorted in this way, however, is the fact that immersive theatre audiences are not bound to observe from any one site, such as a theatre auditorium. Rather, should they be willing and able to take advantage of the kinds of movement demanded of them, audiences may reap the benefit of multiple viewing perspectives in what may well be several viewing positions. In this respect, it is clear that immersive theatre finds its precursors in promenade and sitespecific/-generic/-sympathetic theatre. “ (Alston, 2013: 4)

In audience-oriented works, whether they be defined participatory, interactive or immersive, the audience is cast in the center of the action. Instead of the traditional observer, the audience in these kinds of performances gains an active role, where they are the trigger of the action, where in some cases there is no action unless the audience causes one; this is especially the case in interactive performances.

This new theatre proposition was put forth by a London based theatre company Punchdrunk founded by Felix Barrett in 1999. With this new term “immersive”, they freed the audience from their atrophied position bound to their seats, and assigned to them a more active and physical new position. Punchdrunk invites the audience to a multi-sensory experience. The company director Felix Barrett gives an illuminating description of his understanding for what immersive applies for in their work:

“It’s the empowerment of the audience in the sense that they’re put at the center of the action; they are the pivot from which everything else spins. It’s the creation of parallel theatrical universes within which audiences forget that they’re an audience, and thus their status within the work shifts.” (Barret in Machon 2013: 159)
The company occupies large industrial spaces such as warehouses, art centres and abandoned buildings to build a real like environments inside them, a hotel as McKittrick hotel in the production Sleep No More or like Temple Studios in The Drowned Man. The company often uses the entire space for staging its performances where the space is transformed in every little detail to create the world of the performance in which world the audience is invited to explore by wandering around its halls, rooms and corridors. As defined by Papaioannou “the mises en scène of Punchdrunk can be understood as ephemeral landscapes that are produced by the co-existence of performers and spectators within a performative space; that is, a space that functions as a huge ‘living’ installation, or as an assemblage of tiny ones.” (Papaioannou, 2014: 163)

Bishop draws our attention to the continuities between the motivations behind the participatory works of 60s and today, where she sets forth the three main concerns: creating an active subject, authorship and restoration of community (Bishop, 2006: 12). She defines the active subject as “one who will be empowered by the experience of physical or symbolic participation... able to determine [his] own social and political reality.” as for authorship she reminds us that “...ceding some or all authorial control is conventionally regarded as more egalitarian and democratic than the creation of a work by a single artist...” while “[c]ollaborative creativity is therefore understood both to emerge from, and to produce, a more positive and non-hierarchical social model.” She also explains the issue of community that is “[o]ne of the main impetuses behind participatory art has therefore been a restoration of the social bond through a collective elaboration of meaning (Bishop, 2006: 12).

As today’s audience is accustomed to being active players on the internet and creating worlds at their fingertips on virtual games, new narratives that bring together the audience and the performing arts are constructed. These new forms of performance not only bring the audience and performers into the new perspective, but they also remind us of the importance of rebinding the ties that create the community and the “public” of the public sphere. New ways of participation in the public sphere created through these kinds of performances are open for a no longer passive audience invited to collaborate and actively participate in the meaning making of the performance, and be active in the creation of the narrative by making personal and deliberate choices. Immersive theatre became a tool for conceptualising new forms of performative presence that break the rules of linear narrative, passively perceived through sight and hearing of an inactive audience. This theatre suggests new subjectivities and definitions for the roles of performers and audience through their submergence into the new theatrical environment created.

References


The Role of Cross-Border Healthcare, Part of the Europe 2020 Strategy, in the Context of the Standardization of the Legislation at European Level

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Abstract

Because the right of EU citizens to be treated abroad was recognized by the Court of Justice of the European Union in several specific cases, starting with decisions dating back more than a decade, these decisions becoming part of the European acquis, this Article reviews the way in which the judgments of the Court of Justice of the European Union were refined within Directive 2011/24/EU. In the field of cross-border medical services, a certain overlap is somehow reached between the law of the Union and the national law, so that European law in many cases is essentially limited to indicating a binding objective, i.e. the achievement of the free movement of citizens patients and their equal treatment, regardless of nationality, in relation to national authorities, while preserving the competence of the member states. Against this overlap and given that the European Commission has established the role of health as part of the 2020 strategy, the article aims to analyse how Romania obliged to submit to the regulatory framework imposed by primary and secondary legislation, manages to ensure the sustainability of the current model of the healthcare system, in order to increase its efficiency and effectiveness.

Keywords: European Union, patients’ rights, cross-border healthcare, the case law of the Court of Justice of the European Union, the standardization of European law, European health strategy

1. Introduction

Article 35 of the Charter of Fundamental Rights of the European Union [1] provides that: „Everyone has the right of access to preventive health care and the right to benefit from medical treatment under the conditions established by national laws and practices. A high level of human health protection shall be ensured in the definition and implementation of all Union policies and activities. “

In exercising the powers which have been conferred in the interpretation of EU law, the Court of Justice of the European Union has developed over time a rich case law which has been refined with each application for a preliminary judgment submitted to the Court by the courts of the Member States. Thanks to the very rich case law in this area, the right of EU citizens to use free of constraints cross-border healthcare, which is generally known by the term "patient mobility", could be clearly outlined.

The Court has paved the way for the implementation of the right recognized at Article 35 of the Charter of Fundamental Rights of the European Union for every person to have access to preventive healthcare and to benefit from medical treatment. Through the case law of the Court, restrictions could be eliminated in the form of national regulations, which stood in the way of creating an internal market in healthcare delivery.

In our opinion, from the constant case law of the Court has have arisen certain important principles for the conditions in which, in accordance with the provisions on the freedom to provide services, patients are entitled to receiving medical care in other Member States and to the reimbursement of these treatment by the health insurance system to which they belong.

The principles developed in that case law were considered components of the acquis of the EU, which the European legislator has taken into account in the development of Directive 2011/24/EU of the European Parliament and of the Council of 9 March 2011 on the application of patients’ rights in cross-border healthcare [2].
2. Theory

As part of the wider framework of services of general interest to the Union, health systems are a central component of social protection, and contribute both to social cohesion and social justice and to the sustainable development of the European Union.

As stated in the Council Conclusions on Common values and principles in European Union Health Systems, “health is a value in itself” [3], also being a prerequisite for the economic prosperity of the Union. Human health affects economic performance in terms of productivity, employment, human capital and public spending.

In this regard, the 2013 report on growth and cohesion [4] recognizes the role of healthcare in promoting social inclusion and combating poverty. To achieve the strategic objectives of the Union, providing access to high quality health care and the more efficient use of public resources, the document recommends reforming the health systems in order to ensure their profitability and sustainability, and its performance assessment.


Investing in health helps the Union to overcome the challenges identified in the EU Health Strategy [6], which were worsened by the economic crisis: an aging population, increasing chronic disease, a greater demand for health and the high cost of technological progress.

Establishing the role of health as part of the 2020 strategy, the Commission has shown that the relatively large share of healthcare expenses in the total public expenditure, combined with the need for fiscal consolidation across the EU, requires more efficiency and effectiveness to ensure the sustainability of current models of health system [7].

In order to remove the restrictions on the freedoms of European citizens, the cross-border healthcare directive creates a standard of protection at EU level within the harmonization of national policies in the field and targets the provision of healthcare services, thus ensuring patient mobility and the freedom of provision of health services. The directive regulates the provision of health services, irrespective of the organization, financing and delivery of these services.

3. Results and Discussions

As healthcare was excluded from the Directive 2006/123/EC [8] on services in the internal market, it has become imperative, in the European legal context, that these aspects be addressed through a legal instrument through which the principles established by the Court of Justice, on a case by case basis, be applied generally and effectively.

The right of EU citizens to get treated abroad was recognized by the Court of Justice of the European Union in several specific cases, starting with decisions dating back more than a decade, these decisions becoming part of the European acquis. However, individual decisions of the Court have not been assimilated coherently by national legislations, practically existing many situations in which patients were forced to solve problems of access to treatment abroad on their own by taking the entire legal route to the Court of Justice. Unfortunately, often the Court’s decision came only after the patient’s death, although a saving treatment would have been possible in a Member State other than that of residence.

Given the fact that at European level, planned and emergency treatment costs abroad represent only about 1% of public expenditure for healthcare [9], the simplification of the access procedure to cross-border medical services has become a moral imperative.

The problem of the legislative gap between Member States has become more visible with the adoption of the Treaty of Lisbon [10]. Treaty requires common standards at the level of social and medical assistance (Articles 34 and 35) and explicitly encourages, in particular, “cooperation between the Member States to improve the complementarity of their health services in cross-border areas.” (article 152). Complementary to the rights of citizens under the Treaty, has emerged the need for a European law that clarifies the responsibilities of Member States towards the patients.

The road towards the harmonization of medical services in Europe, opened by the introduction of the European Health Insurance Card, ought to continue with a pan-European development of patients’ rights. From the earliest days of European integration and to date, the European institutions have actively promoted intra-European movement. The initiative to introduce a European Health Insurance Card to replace the prior necessary documents to access medical treatment during a temporary stay in another country falls within the same general phenomenon.

Since around the values expressed by the case law of the Court of Justice of the European Union there have been a number of uncertainties, which made them difficult to apply in practice, this development of patients’ rights did not occur
ab initio, requiring the intervention of the European legislator to clarify the situation through a directive to support the provision of cross-border healthcare, both for the benefit of patients and of the national health service.

- In the field of cross-border medical services, a certain overlap is somehow reached between the law of the Union and the national law, so that European law in many cases is essentially limited to indicating a binding objective, i.e. the achievement of the free movement of citizens patients and their equal treatment, regardless of nationality, in relation to national authorities, while preserving the competence of the member states.

Against this overlap member states are obliged to submit to the regulatory framework imposed by primary and secondary legislation, to the extent that they are not allowed to violate EU law when exercising their powers.

Important institution of the European Union, the Court of Justice is the one that assesses the scope of the EU legal framework established by Article 49 EC for the exercise of the competences of the Member States. It is also incumbent on the Court, assigned by the founding treaties, that by the interpretation given to a provision of European law, to clarify and specify its meaning and scope, such as to be understood and applied from the time of its entry into force.

The main principles proclaimed by Directive 2011/24/EU law have their legal source in a long series of cases in which the Court identified the limits imposed by the EU legislation on the restrictions in Member States of the right of patients to use medical services across national borders within the European internal market.

Thus, patients citizens are free to choose the Member State of the European Union and the preferred institution for medical treatment, social insurance offices in the State of residence assuming treatment costs in the same proportion as in at national level.

The European regulatory framework, aiming a new scheme of monitoring the services provided, was created precisely to enhance the quality and safety of healthcare services. The free movement of patients, without the legal force of European regulation, would have produced a competition between the health systems of the Member States in order to attract more patients. There is the risk that the free access to cross-border medical services may produce a drop in the price of medical services throughout the European Union to the detriment of the quality of health services.

The new cross-border healthcare system favours rare disease patients, whose treatment requires costly investments in research. The existence on the European internal market of health services of specialized hospitals on these diseases prevents the waste of resources due to the parallel investment in equipment and research and also provides for closer cooperation between Member States in terms of health.

The Directive clarifies the rights of citizens to access safe and good quality treatment across the EU and its reimbursement. Europeans prefer to receive healthcare close to home: no one wants to travel further than they should when they are ill. However, sometimes people have to go abroad, because experience or the medical care they need is not available within the national borders. Or simply because the nearest hospital is across the border.

However, from the application of the provisions of the Directive are exempted certain health care services such as, for example, long-term services, whose purpose is to support people who need help with daily routine tasks.

For OECD, long-term care is "a political issue of confluence, which brings together a range of services for people who are dependent on help in basic activities of daily living over an extended period of time". National definitions on long-term care vary within the European Union, and reflect the differences in the length of stay, range of beneficiaries and the often unclear boundary between health (health care) services and non-medical (social) services. Some countries prefer, for example, to focus on early rehabilitation outpatient treatment, while others focus more on providing care in hospitals or similar institutions. Long-term care can include rehabilitation, basic medical treatment, home health care, social care, housing and services such as transportation, food, occupational assistance and help in managing daily activities [11].

In the field of cross-border medical services, a certain overlap is somehow reached between the law of the Union and the national law, so that European law in many cases is essentially limited to indicating a binding objective, i.e. the achievement of the free movement of citizens patients and their equal treatment, regardless of nationality, in relation to national authorities, while preserving the competence of the member states. Directive 2011/24/EU preserves the competences of the Member States, which are obliged to submit to the regulatory framework imposed by primary law and secondary legislation, to the extent that Member States must not violate EU law when exercising their powers.

As argued in the Watts judgment, Member States are obliged to adapt their national healthcare and social security systems [12]. Moreover, the Court emphasized since its previous decisions that Member States must comply with EU law, in particular with the provisions on the freedom to provide services [13].

Those provisions prohibit Member States from introducing or maintaining unjustified restrictions on the freedom to provide of medical care services [14].

In addition, the Court case law expressly emphasized that the mandatory adaptations of national social security systems aiming to achieve the fundamental freedoms guaranteed by the Treaty should not be considered by Member
States as interference in their sovereign competence in the field of public health [15].

We believe that should not remain unmentioned the fact that the European Union can exert considerable influence on the health systems of Member States, for example, by measures designed to achieve fundamental freedoms [16].

The Directive is without prejudice to the laws, regulations and administrative provisions of the Member States relating to the organization and financing of healthcare in situations not related to cross-border healthcare. In particular, nothing in this Directive obliges a Member State to reimburse the costs of healthcare provided by healthcare providers established on its territory if those providers are not part of the social security system or national health system of that State Member State.

From the interpretation of the text, in conjunction with Article 3, paragraph 1 letters (a) - (c) of Directive 2005/36/EC, follows that it does not matter whether the work performed by a qualified person (as is the sanitary field, such as the analysed case) has a temporary or occasional basis. As the promotion of the provision of services must be ensured in the context of the strict compliance with public health and safety and the protection of the consumer, Member States have special provisions in the national legislation for professions regulated at sector level with implications in terms of health.

Given the different systems established on the one hand, for the provision of temporary and occasional cross-border services and, on the other hand, for establishment, it is necessary to specify criteria for distinguishing between these two concepts in the case of the movement of the service provider on the territory of the host Member State.

The fundamental right to privacy with regard to the processing of personal data is protected in conformity with Member States’ national measures for implementing Union provisions on the protection of personal data, in particular Directives 95/46/EC [17] and 2002/58/EC [18].

For a better understanding of this issue, we shall discuss the laws of Romania concerning the processing of personal data and on the free movement of such data, Law no. 677 of 2001 [19], to analyse how these rules apply to public health in general and, in particular, on cross-border healthcare.

Thus, the processing of personal data related to racial or ethnic origin, political, religious, philosophical or similar nature opinions, the union membership, as well as personal data concerning health or sex life is prohibited. This provision shall not apply where the subject has given their express consent to such processing.

Regarding the prior express consent we believe that, regarding healthcare, the mere presentation of the patient to a health service provider, amounts to a tacit consent, so we cannot discuss express consent. It is inevitable that the supplier request personal data, even for an appointment for diagnosis, (name, address, telephone number, affection suspected or confirmed by someone else etc. ).

The National Law, Law no. 677/2001, provides for special rules on the processing of personal data concerning health. According to this regulation, healthcare professionals, medical care institutions and their staff may process personal data on health status, without the authorization of the supervisory authority, only if the processing is necessary to protect the life, physical integrity or health of the concerned person.

To detail how personal data concerning health can be processed by service providers, the law provides that this operation can be performed only by a health professional or under its supervision, subject to professional secrecy.

We believe that the competent national authorities in public health should regulate more differentiated all aspects of the patient's right to confidentiality, to reduce the risks of disclosing personal data on the health of citizens. In our opinion and in the absence of these legislative differentiations, information that normally would not be provided to the public appears in the mass media.

4. Conclusions

Within health systems throughout the European Union there are a number of common principles of operation [20], which have been affirmed by the case law of the Court of Justice of the European Union. These principles must be applied uniformly in national health systems, both to strengthen the confidence of patients in cross-border healthcare, a prerequisite for achieving patient mobility, and to ensure a high level of health protection.

Referring to the decisions of national authorities on market mechanisms and the pressure of competition to manage health systems, the Council was of the view that decisions about the health care package which citizens are entitled to and the respective mechanisms used to finance and provide healthcare, must be placed in the national context of the Member States.

Under the Treaty on the Functioning of the European Union [21], at the basis of all European policies lies the aim to ensure a high level of human health protection, a major goal of the whole Union. This goal is also considered when the
European legislator adopts acts under other Treaty provisions.

Most of the provisions of Directive 2011/24/EU aim to improve the functioning of the internal market and free movement of goods, persons and services in healthcare. Given this, the legal basis for the adoption of Directive 2011/24/EU is found in Article 114 TFEU. Union legislation is based on this legal basis even when public health protection is a decisive factor in the choices made, Article 114 TFEU explicitly stating that in this regard, a high level of human health protection must be ensured, taking account in particular of any new development based on scientific data.

From the case law of the Court of Justice of the European Union unequivocally results that people normally resident in a Member State operating a national health service, are entitled to receiving hospital treatment in another Member State at the expense of the national health service.

Member States may condition this right by the requirement that the person concerned should have obtained prior authorization, only if such authorization is based on objective, non-discriminatory and transparent criteria within a procedure system. In addition, applications for the authorization of treatment abroad must be analysed objectively and impartially, within a reasonable time, and the national health authority's refusal to grant such authorization can be challenged in court or out of court. The absence of such criteria and the lack of easily accessible and transparent procedures cannot deprive a person of this right. Also, if the conditions for authorization (form E112) are designed to safeguard the financial stability of the national health system, considerations of a purely budgetary or economic nature cannot justify a refusal to grant such authorization.

To determine whether the treatment is available without undue delay might be considered the waiting time and the priority to treatment granted by the national health authority, only on condition that they are based on concrete indications relating to the patient's condition at the time of evaluation, as well as its medical history and the prognosis for the patient seeking treatment.

Under European law, the affiliate Member State is obliged to fund the hospital treatment carried out in another Member State and the reimbursement of this treatment is based on national legislation. In the absence of tariffs or rates for calculating the amount of reimbursement, the reimbursement must be calculated at the actual cost of the treatment. Travel and accommodation costs related to hospital treatment received in another Member State are reimbursable only where this is provided for by national law for treatment on national territory.

Regarding the obligation of a Member State to reimburse the cost of hospital treatment provided in another Member State of the European Union, Article 49 EC does not allow to take into account budgetary reasons, unless it is demonstrated that compliance with this obligation on a more general scale would threaten the financial balance of the respective national health system. Moreover, in accordance with Article 22 (2) of Regulation EEC No. 1408/71 [22], budgetary considerations cannot be taken into account in decisions refusing prior authorization for treatment abroad.

References

Judgment of the Court (Grand Chamber) of 16 May 2006. The Queen, on the application of Yvonne Watts v Bedford Primary Care Trust and Secretary of State for Health. Reference for a preliminary ruling: Court of Appeal (England & Wales) (Civil Division) - United Kingdom.
Kingdom. Social security - National health system funded by the State - Medical expenses incurred in another Member State -


In this respect, see Judgment of 19 April 2007, Stamatelaki (C-444/05, Rep. , p. I-3185, paragraph 23) and Judgment of 5 October 2010, Elchinov (C-173/09, Rep. , p. I-8889, paragraph 40).

This idea is clearly expressed in Judgment Commission/Luxembourg (C-490/09, Rec. , 2011, p. I-247, paragraph 32).


Law no. 677/2001 on the protection of persons with regard to the processing of personal data and the free movement of such data, published in the Official Monitor of Romania, Part I, no. of 12 December 2001, with the subsequent modifications and completions.


Abstract

This paper elaborates the topic of time management and environmental choice in studies by students of public and private institutions of higher education in Kosovo. Most students find themselves in front of the biggest challenge that is adapting to student life and achieving success during the studies. To succeed in this field is necessary to manage time effectively. This is especially important for students who often work or deal with other issues such as care for children, family and other responsibilities. Once they find the time to study, they need to provide a place that fills their needs. To do that, they have to make sure if studying place fits with their style and studying preferences. The purpose of this topic is to present how students in Kosovo manage their time during studies in front of many activities for reaching success during the studies and finding environment that fits their style of studies. The paper consists by two part, theoretical part that explains theoretical aspect of time managing and environmental choice during studies and relies in secondary and tertiary data using deduction method, whereas in part two uses induction method and relies in data collected in ground by survey. During the research work, we used quantitative method where was drafted a survey, and were surveyed by 3100 students from 6 public universities and 3100 students from 20 private universities in Kosovo, in a total from 6200 students. Survey was drafted in that way where answers in our questions help to elaborate basic ideas or the hypothesis of this paper, and through their results to come to verification or denial hypothesis. The derived data are presented in graphical and tabular form. Findings of the paper are that the most of the students even manage activities within the limited time they have no knowledge about the process of time management but they do this activity as a routine duty and the environmental choice they do coincidentally. Time management is a necessary process to do activities on time and reducing pressure from not achieving results in due time. Also environmental choice affects the maximum results during studies.

Keywords: Management, time, students, environment, universities

1. Introduction

People nowadays are faced with a lot of challenges and problems that are created by a dynamic world with a lot of activities and limited time. Even students as part of this world confront these problems, where their activities are numerous and dynamic, on the other hand, for implementation of activities time and deadlines are limited, and they face multiple pressures, caused by limitations of many sources and the necessity of activities conducting that require immediate solution. Being in these conditions, they definitely should be focused on techniques and ways to manage time, and implementation of works and achieving the goals that are set for certain deadlines. When they will have found the time, their orientation should be done in terms of choosing a study environment that satisfies their preferences in order to feel good, to be more concentrated, vigilant and productive.

Through this work we intend to present the students’ attitudes for time management and the selection of study environment. The aim of research paper is: reflection of the way how Kosovo students manage time, this limited source
in front of many activities, when it is known that the achievement of equilibrium between activities and time is an
important factor for success. Also in what environment they prefer more to study.

The paper consists of two parts: theoretical and empirical, whereas methods used in the paper are deductive and
inductive. In the theoretical part of the paper that relies on secondary and tertiary data obtained from relevant literature
and internet, are used deductive methods. In the second empirical part of the paper which is based on primary data
collected in the field through the survey, is used inductive method. To get answers of research questions: How Kosovo
students manage time and what environment they choose to study, is used quantitative method, who were surveyed
6200 students from higher education institutions, 3100 students of Public Universities and 3100 students of 20 Private
Colleges of Kosovo.

The survey is designed in that way, where answers of questions help to elaborate the basic ideas or hypotheses of
the paper and through their results we come to the confirmation or denial of hypotheses. The derived data are presented
in graphical and tabular. The samples from which data are taken are managers and workers, who are selected at
random. Analytical and comparative methods are applied during our research.

As the main findings of the paper are that the majority of students in higher education institutions in Kosovo have
good knowledge about time management and that this knowledge are trying to implement in practice, they also make an
effort to chose study environment that fits their preferences. Time management is a necessary process for
implementation of activities on the time, and reducing the pressures for not achieving the results in due time also creating
a strategy to allocate time to perform successfully. Students are recommended to be careful with these two elements,
because time management and study environment choice, affect at their results during studies and if they use them in a
good way, it is definitely that the result will be high.

1.1 The hypothesis of the paper

H1: Majority of students in higher education institutions in Kosovo clarify their schedule and adhere to it, so they do not
tolerate dragging of their work because they have clear that their good time management affects to avoid stress and
helps to create a strategy to achieve the desired results within the time limit.

H2: Majority of students in higher education institutions in Kosovo try to understand their duties and make efforts to
achieve them at the right time, so they try to manage their time efficiently, for the reason to avoid situations with pressure
and stressful situations.

H3: Majority of students in higher education institutions in Kosovo try to be maximum motivated and make efforts to
create a study environment that is free of disruption like phone calls, numerous conversations and consultations, frequent
visits etc. So they try to say no to those things that take their time.

H4: Majority of students in higher education institutions in Kosovo try to remove overloading and they plan and split
the time for emergencies and unexpected cases, by doing this they try to remove possible barriers to achieve results.

H5: Majority of students in higher education institutions in Kosovo at first they start with difficult works, so during
their work they apply Pareto’s rule 80:20 that means spending 20% of time to realize 80% of activities.

H6: Majority of students in higher education institutions in Kosovo assign priorities and try to accomplish them so
they assign which activities are more important to them and they start to execute them.

H7: Majority of students in higher education institutions in Kosovo choose the best time to study, most of them
prefer to study during the day because they can have more attention and can be more vigilant at studying.

H8: Majority of students in higher education institutions in Kosovo fix up the light at the environment where they
study and they prefer more to study at lighted places than dark ones.

H9: Majority of students in higher education institutions in Kosovo fix up the temperature light at the environment
where they study and they prefer places that are less warmed because it helps on being more vigilance.

H10: Majority of students in higher education institutions in Kosovo fix up the problem of noise at the environment
where they study and they prefer quiet places because they can be more concentrated and feel better.

H11: Majority of students in higher education institutions in Kosovo use more to study alone than in small or large
groups because they are more productive.

H12: Majority of students in higher education institutions in Kosovo during study they prefer more to be sit than
lying or moving(walking).
2. What Does Education Mean?

Education and professional training aims to equip with knowledge, skilful practice, skills and competencies that are requested from special professions or in work trade (Kutllovci, 2004, 122). Education is a set of knowledge and habits that are given to the system, according to a program that is at schools and different courses to teach and educate new generations and masses of workers. Education and development is based or focused on the construction of new knowledge and expertise for them to be able to take challenges and new responsibilities (Zeqiri, 2006, 283).

Schools and universities are educational institutions where new generations are taught in organized way. Every educational institution has its own directors, staff and pupils or students that on their work depends the quality and outcome of that educational institution. In general there are two educational ways (Havolli, 2005, 106):

* Formal Education (concrete job training, technology knowledge, career development, education for the changes that will happen in the future)
* Informal Education (seminars, trainings, workshops, lectures for specific topics).

Education and development has these potential effects: individual effects, group effects, organizations effects and final effects (Kutllovci, 2004, 126-127).

Principles of education and professional training in Kosovo are: comprehensiveness, access, transfer and progress, learning of theatrical and professional practice, present and future economic needs, support of carrier development as integrated part of learning during the life. Whereas levels of education in public and private institutions in Kosovo are:

- Preschool, primary school, lower secondary, medium and higher education.

Higher education can be obtained at Universities and High Professional Education Institutions; this can be done in public or private ways. In these Educational Institutions are offered Bachelor, Master and Ph.D.(doctorate) studies, students can choose if they want to do regular or correspondent studies. Higher Education system in Kosovo operates through public universities and private institutions of higher education (colleges, institutions of higher professional schools). Only accredited institutions can offer study programs that can be qualified with diploma.

There are eight (8) accredited public higher educational institutions : University of Prishtina, Peja, Prizreni, Mitrovica, Gjilani, Gjakova, Kosovo Academy for Public Safety, University of Islamic Studies. Whereas Accredited private institutions are twenty five : College fame, Dardania, Globus, ISPE, AAB, Dukagjini, Iliira, Viktory, Universum, Universi, Juridika, UBT, Biznesi, Pjetër Budi,Gjilani, ESLG, Tempulli, Humanistika, Riinvest, Evropian I kosoves, AUK Internacional Prizeren, QEP Heimerer, Akademia Evulucion and SHLP Design Factory.

According to the self assessment approved by the Board of Kosovo Accreditation Agency in 2013, number of students in public higher education institutions is 78252, whereas in private higher education institutions is 35966. Below you will see how students of these higher educational institutions manage the time and chose environment for studying.

3. Time Management and Choice of Environment for Studying by Students

Time is a necessary and irreplaceable source to perform duties, it is our most valuable asset, if we lose it than it cannot be back or saved (Tracy, 2014, fq.3). So time is the longest because it presents a continuity measurement, it is shorter because none of us can finish all life duties, time is faster for people that are happy and slower for those who suffer (Zeqiri, 2006, fq.199). Time is objective entirety that can be measured, but our view is subjective (Todorov, Kanev, Angelova, etj, 2003, fq.23). Whereas management shows orientation process of human activities on achievement of set goals, respectively the possibility of interconnected of five functions: planning, organizing, staff, management and control. (Ramosaj, 2007, fq.21). Time management is a discipline orientated at economic and rational use of time as a valuable

1 http://rapitful.blogspot.com/2013/03/cka-eshte-arsimi.html
4 http://www.masht-gov.net/advCms/documents/Ligji_I_ARSIMIT_Ne_KOMUNA2008_03_L068_al_ars_e_kom.pdf
5 https://www.rks-gov.net/sq-AL/Oytetaret/Edukimi/Pages/ArsimitLarte.aspx
6 www.akreditimi-ks.org/new/..../536-aka-rrv-2014
9 www.akreditimi-ks.org/new/..../536-aka-rrv-2014
Majority of students find themselves in front of challenge of adaptation to student life and achievement of success on studying, this is important for students who take care about their relatives or other responsibilities and it requires effective management of time. Time management in practice means to do changes in order to discover new opportunities in work and life, and with change we understand will of renounce from those things that prevents us to realize our activities on time. (Todorov, Kanev, Angelova, et al., 2003, page.23) During planning of time students should take in consider who is more important to them: family and friends, school, hobbies and other activities, and they should rank them by priorities. Time planning enables the best time use, elimination of undesired events, minimizing stress and escape from the obligations (Zeqiri, 2006, fq.201). Successful time management requires good planning and compilation of lists, mainly for great or small objective, they should be organized by rank of priorities (Tracy, 2014, fq.3).

Time management should be done for two major reasons: 1. Because of the lack of knowledge how to manage time, it is the main source of stress and it develops a feeling that we should do more for a short time. 2 Time management enables creation of appropriate strategies to find time to finish all activities successfully, to have a better performance on our work (Zeqiri, 2006, fq.201). Engagement in lectures, the need for learning, preparations and other activities require good arrangement of time. Good arrangement of time requires: sets goals, planning, taking decisions, implementation and control (Todorov, Kanev, Angelova, etj, 2003, fq.23). Efficient management of time depends on these important issues: identification of priorities, work order, avoidance of fatigue, the need to avoid time spending with others (Koxhaj, 2006, fq.59). Main principles of managing time are: define goals/objectives, rank all activities, define priorities, make a list of successful things, avoid delaying works for later on, and learn how to say no (Zeqiri, 2006, fq.202).

Even if students have time of the world that wouldn’t be enough without good time managing, time management can be achieved in some ways: a) Preparation of daily results that should be achieved, b) Making a list of works that are worthy to be done, by grouping them in three categories A,B,C, c) Setting the priority works, d) Elimination of duties from group, e) delegation works, f) work with only one duty, g) Improving self skills of communication with collaborators (Harold, 1985, fq. 38-39). There are many factors that encumber good arrangement of time: telephone, visitors, discussions, deadlines, documentation, communications, leadership, waiver, vague goals, self discipline, environment etc (Todorov, Kanev, Angelova, etj, 2003, fq.25-27).

Once they have find time to study, students should chose appropriate environment that fulfill their needs. With environment we understand everything around us and that every activity and man’s life is connected with it. Environment should fit to their preferences and needs for studying. Every student should choose the right environment for living if it is possible because living is the main reason for social stability, health and quality of human welfare development. A study environment that fulfills students needs for studying, should take in consider factors like study time during the day, light, temperature, noise, way of learning, the way of staying and movement etc.

4. Results of the Research - Analysis of Data

To reach appropriate conclusions, and to fully express statements about problem solution of principal-agent in businesses of the Municipality of Prishtina, was drafted a questionnaire which is focused at business owners and it presents their statement about problem of principal-agent.

Methodology that is used is quantitative method; questionnaire is made in the way to elaborate the base ideas or hypotheses of this work. During the study of 6200 students of Higher Education in Kosovo were surveyed, 3100 students of 6 Public Universities and 3100 students of 20 private Colleges in Kosovo. Through their results we conclude or see the assertion of hypotheses. Issued data are presented in graphic way. The sample data are taken from actual students, who are selected at random.

Now let’s see achieved results

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10 [http://ammk-rks.net/repository/docs/broshura_new.pdf](http://ammk-rks.net/repository/docs/broshura_new.pdf)
11 [https://www.rks-gov.net/sq-AL/Qytetaret/PronaDheBanimi/Pages/Banimi.aspx](https://www.rks-gov.net/sq-AL/Qytetaret/PronaDheBanimi/Pages/Banimi.aspx)
Time Management

1. Do you clarify and refrain to your schedule because good management of time affect to avoid stress and it helps on creation of a strategy to achieve desired results?

At above figure 1. you can see that majority of students of higher educational institutions or 82% (5073) of them clarify schedule and try to refrain because they think it affects to avoid stress and it helps on creation of a strategy for time management, those students who answered like this are 52% or 2642 surveyed that were from public institutions whereas 47.92% or 2431 surveyed were from private institutions. It can be seen a preponderance of public institutions regarding this attitude. Other half of students who declare for not clarifying schedule is 18% (1127 surveyed), from this part 40.63% or 458 surveyed are from public education institutions whereas 59.37% or 669 surveyed are from private education institutions. This figure results verify our first hypothesis.

2. Do you make sure that you understand the task and do you try to do it on time in way to avoid pressure and stressful situa?

At above figure 2 you can see that majority of students of higher educational institutions or 82% (5073) of them make sure that they have understood the task in way to avoid stress, those students who answered like this are 52% or 2642 surveyed were from public institutions whereas 47.92% or 2431 surveyed were from private institutions. It can be seen a preponderance of public institutions regarding this attitude. Other half of students who declare for not paying attention to the task are 18% (1127 surveyed), from this part 40.63% or 458 surveyed are from public education institutions whereas 59.37% or 669 surveyed are from private education institutions. This figure results verify our second hypothesis.

3. Are you motivated in maximum to implement schedule and do you avoid interruptions?

At above figure 3 you can see that majority of students of higher educational institutions or 82% (5073) of them avoid interruptions so they are maximal motivated, those students who answered like this are 52% or 2642 they were from public institutions whereas 47.92% or 2431 surveyed were from private institutions. It can be seen a preponderance of public institutions regarding this attitude. Other half of students who declare for not avoiding interruptions are 18% (1127
surveyed), from this part 40.63% or 458 surveyed are from public education institutions whereas 59.37% or 669 surveyed are from private education institutions. This figure results verify our third hypothesis.

4. Do you remove overloading by planning emergencies or unexpected cases?

At above figure 4 you can see that majority of students of higher educational institutions or 82% (5066) of them plan emergencies and remove overloading, those students who answered like this are 52.07% or 2638 they were from public institutions whereas 47.93% or 2428 surveyed were from private institutions. It can be seen a preponderance of public institutions regarding this attitude. Other half of students who declare for not avoiding interruptions are 18% (1134 surveyed), from this part 40.74% or 462 surveyed are from public education institutions whereas 59.26% or 672 surveyed are from private education institutions. This figure results verify our fourth hypothesis.

5. Do you start with difficult work first so do you apply Pareto’s rule?

At above figure 5 you can see that majority of students of higher educational institutions or 81% (5033) of them use Pareto’s rule, those students who answered like this are 52.08% or 2621 they were from public institutions whereas 47.92% or 2412 surveyed were from private institutions. It can be seen a preponderance of public institutions regarding this attitude. Other half of students who declare for not using Pareto’s rule are 19% (1167 surveyed), from this part 41.04% or 479 surveyed are from public education institutions whereas 58.95% or 688 surveyed are from private education institutions. This figure results verify our fifth hypothesis.

6. Do you assign priorities and do you achieve them?

At above figure 6 you can see that majority of students of higher educational institutions or 82% (5073) of them assign priorities and achieve them, those students who answered like this are 52.08% or 2642 they were from public institutions
whereas 47.92% or 2431 surveyed were from private institutions. It can be seen a preponderance of public institutions regarding this attitude. Other half of students who declare for not assigning priorities and not achieving them are 18% (1127 surveyed) from this part. 40.63% or 458 surveyed are from public education institutions whereas 59.37% or 669 surveyed are from private education institutions. This figure results verify our sixth hypothesis.

Choose of environment for studying

7. Do you choose study time during the day, and do you prefer to study at day or at night, when are you more attentive and vigilant?

At above figure 7 you can see that majority of students of higher educational institutions or 53% (3286) of them choose the time and prefer to study during the day, 51.03% (1677) of them study at public institutions whereas 48.97% (1609) of them study at private institutions, it is seen a preponderance of public institutions regarding to choose of time for studying during the day. Whereas 31% (1951) surveyed students choose to study during the night, 49.41% (964) of them study at public institutions whereas 50.59% (987) of them study at private institutions, it is seen a preponderance of private institutions regarding to choose of time for studying during the night. In total students who choose time for studying during the day or night are 84% (5237). From this part 50.43% (2641) of them study at public institutions whereas 49.57% (2596) of them study at private institutions, it is seen a preponderance of public institutions regarding to choose of time for studying. Other half of students 16% (963) declare that they don’t pay attention to choose time for studying and from this part 52.33% (504) of them study at private institutions whereas 47.66% (459) of them study at public institutions, it is seen a preponderance of private institutions regarding to not choosing time for studying. This figure results verify our seventh hypothesis.

8. Do you fix up the light at the environment where you study and do you prefer more to study at lighted places or dark places?

At above figure 8, you can see that majority of students of higher educational institutions or 80% (4972) of them fix up the light and they prefer to study at lighted places, 50.34% (2503) of them study at public institutions whereas 49.66% (2469) of them study at private institutions, it is seen a preponderance of public institutions regarding to regulation of light and studying at lighted places. Whereas 4% (265) surveyed students prefer to study at dark places, 52.07% (138) of them study at public institutions whereas 47.93% (127) of them study at private institutions, it is seen a preponderance of public institutions regarding to study at dark places. In total students that fix up the lighting to study at light or dark places are 84% (5237). From this part 50.43% (2641) of them study at public institutions whereas 49.57% (2596) of them study at private institutions, it is seen a preponderance of public institutions regarding to regulation of light. Other half of students 16% (963) declare that they don’t pay attention to fix up the light, and from this part 52.33% (504) of them study at private institutions whereas 47.66% (459) of them study at public institutions, it is seen a preponderance of private
institutions regarding regulation of light. This figure results verify our eight hypotheses.

9. Do you fix up the temperature at the environment where you study and do you prefer warm places or cold places and where are you more attentive and vigilant?

At above figure .9. you can see that majority of students of higher educational institutions or 84% (5228) of them fix up the temperature and they prefer to study at warm places, 47.89% (2504) of them study at public institutions whereas 52.11% (2724) of them study at private institutions, it is seen a preponderance of private institutions regarding to regulation of temperature and studying at warm places. Whereas 10% (614) surveyed students prefer to study at cold places, 65.30% (401) of them study at public institutions whereas 34.70% (213) of them study at private institutions, it is seen a preponderance of public institutions regarding to study at cold places. In total students that fix up the temperature to study at warm or cold places are 94% (5842). From this part 49.71% (2905) of them study at public institutions whereas 50.29% (2937) of them study at private institutions, it is seen a preponderance of private institutions regarding to regulation of temperature. Other half of students 16% (963) declare that they don’t pay attention to fix up the temperature, and from this part 54.56% (195) of them study at public institutions whereas 45.44% (163) of them study at private institutions, it is seen a preponderance of public institutions regarding regulation of temperature. This figure results verify our ninth hypothesis.

10. Do you fix up the problems of noise at the environment where you study and do you prefer quite places or it doesn’t matter?

At above figure .10. you can see that majority of students of higher educational institutions or 95% (5921) of them fix up the problem of noise and they prefer to study at quiet places, 49.21% (2914) of them study at public institutions whereas 50.79% (3007) of them study at private institutions, it is seen a preponderance of private institutions regarding to regulation of noise and studying at quiet places. Other half of students 5% (279) declare that they don’t pay attention to noise problem, and from this part 66.66% (186) of them study at public institutions whereas 33.34% (163) of them study at private institutions, it is seen a preponderance of public institutions regarding to not regulation of noise problem. This figure results verify our tenth hypothesis.

11. Which is your way of study: alone, small groups or large groups?
At above figure .11. you can see that majority of students of higher educational institutions or 73% (4529) of them prefer to study alone ,53.5% (2423) of them study at public institutions whereas 46.5% (2106) of them study at private institutions , it is seen a preponderance of public institutions regarding to study alone . Other half of students 27% (1671) declare that they prefer to study at small groups, and from this part 40.51 % (667) of them study at public institutions whereas 59.49% (994) of them study at private institutions ,it is seen a preponderance of private institutions regarding to study at small groups. This figure results verify our eleventh hypothesis.

12. Which are your movements during the study ,do you prefer to be sit , lying or moving (walking)?

At above figure .12. you can see that majority of students of higher educational institutions or 65% (4017) of them prefer to study sit, 50.83% (2042) of them study at public institutions whereas 49.17% (1975) of them study at private institutions it is seen a preponderance of public institutions regarding to study sit . Other half of students 35% (2183) declare that they prefer to study lying, and from this part 48.47% (1058) of them study at public institutions whereas 51.53% (1125) of them study at private institutions ,it is seen a preponderance of private institutions regarding to study lying. It should be mentioned that none of them prefer to study while walking.  This figure results verify our twelfth hypothesis.

5. Conclusions and Recommendations

5.1 Conclusions

Majority of students in higher education institutions in Kosovo clarify their schedule and adhere to it, so they do not tolerate dragging of their work because they know that their good time management affects to avoid stress and helps to create a strategy to achieve the desired results within the time limit.

Majority of students in higher education institutions in Kosovo try to understand their duties and make efforts to achieve them at the right time, so they try to manage their time efficiently, to avoid situations with pressure and stressful situations.

Majority of students in higher education institutions in Kosovo try to be maximum motivated and make efforts to create a study environment that is free of disruption like phone calls, numerous conversations and consultations , frequent visits. So they try to say stop to those activities that take their time.

Majority of students in higher education institutions in Kosovo try to remove overloading and they plan and split the time for emergencies and unexpected cases by doing this they try to remove possible barriers to achieve results.

Majority of students in higher education institutions in Kosovo at first they start with difficult works, so during their work they apply Pareto’s rule 80:20 that means spending 20% of time to achieve 80% of activities.

Majority of students in higher education institutions in Kosovo chose the best time for studying, most of them prefer to study during the day because they can have more attention and can be more vigilant at studying.

Majority of students in higher education institutions in Kosovo fix up the light at the environment where they study and they prefer more to study at lighted places than dark ones.

Majority of students in higher education institutions in Kosovo fix up the problem of noise at the environment where they study and they prefer quiet places because they can be more concentrated and feel better.

Majority of students in higher education institutions in Kosovo use more to study alone than in small or large groups because they are more productive.
Majority of students in higher education institutions in Kosovo during study they prefer more to be sit than lying or moving (walking).

5.2 Recommendations

Majority of students in higher education institutions in Kosovo are recommended to continue in having an attitude about clarifying schedule and adhere to it, and those students who neglected this fact should start applying this during their study activities.

Majority of students in higher education institutions in Kosovo are recommended to continue in having an attitude about understanding their tasks and achieve them at the right time, whereas those students who think differently should take immediate measures to understand tasks and to achieve them on time because it helps to remove stressful situations.

Majority of students in higher education institutions in Kosovo are recommended to continue to be maximum motivated and to remove interruptions whereas those students who didn’t do this they should immediately start to remove different interruptions because they steal time and prevent to perform tasks on time.

Majority of students in higher education institutions in Kosovo are recommended that during planning to continue to divide time for emergencies and unexpected cases and those who didn’t do this, they should do it immediately because this removes overloading and possible interruptions to achieve results.

Majority of students in higher education institutions in Kosovo are recommended that during their planned activities, first to start with difficult works to use Prato’s rule, and those who didn’t do this, they should start applying it because it affects with 20% of time to achieve 80% of activities.

Majority of students in higher education institutions in Kosovo are recommended to continue clarifying priorities and to achieve them and those who didn’t do this they should do it because it helps to increase care for important activates.

Majority of students in higher education institutions in Kosovo are recommended that during their planned activities, first to start with difficult works to use Prato’s rule, and those who didn’t do this, they should start applying it because it affects with 20% of time to achieve 80% of activities.

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Majority of students in higher education institutions in Kosovo are recommended that during planning to continue to divide time for emergencies and unexpected cases and those who didn’t do this, they should do it immediately because this removes overloading and possible interruptions to achieve results.

Majority of students in higher education institutions in Kosovo are recommended to choose the best time for studying at day or night doesn’t matter what matters is to be fit with their studying preferences, so when they are more vigilant they will increase results at maximum.

Majority of students in higher education institutions in Kosovo are recommended to fix up the light at the environment where they study in a way that meets their needs for effective work and that affect to them to feel good.

Majority of students in higher education institutions in Kosovo are recommended to fix up the temperature at the environment where they study, in a way that meets their needs for effective and vigilance work that helps them to feel good and to achieve the desired results.

Majority of students in higher education institutions in Kosovo are recommended to fix up the noise problem and to choose places where they can be more concentrated also they should choose in what position they will study: sitting, lying or moving, the one that helps them to be more successful.

Majority of students in higher education institutions in Kosovo are recommended to choose the learning mode that fits to them, working alone or working in group doesn’t matter what matters is to finish duties on time and achieve results.

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The Procedure of Distribution of 20% from the Sale of Socially Owned Enterprises

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Abstract

Distribution process of 20% from the sale of Socially Owned Enterprises (SOE) is one of the most sensitive processes of Kosovo’s society. This process has begun in 2003 and continues today. The largest number of protests that occurred in Kosovo are due to disappointment in the slow process of distribution of 20% from the sale of SOEs. The aim of the work presented in this paper is to analyse the distribution of the 20% from the sale of SOEs, changes to this process and the impact on former employees of privatized SOEs. In order to understand these aspects, the available data were analysed qualitatively and quantitatively. In addition, I have used several methods of analysis, including empirical and normative methods, and analysis of legal provisions. Results of the data analysis show that changes in the legal framework have not affected the shape and dynamics of the distribution process. However, a pragmatic solution that was applied by Privatization Agency of Kosovo (PAK), a solution that is not provided within legal provisions, has made it possible to accelerate this process. This solution consists of the following formula: the 20% from the sale of the SOE is calculated in two parts; the first part is related to the number of SOE workers without claims, and the second part is related to the number of SOE workers with claims submitted in Special Chamber of Supreme Court (SCSC). The first part is distributed to SOE workers, while the second part, is distributed after the final decision of the SCSC. However, despite this solution, when the decisions of the SCSC on matters of Privatisation Agency of Kosovo are analysed, it results that there are still further possibilities for this process to be accelerated and to be simplified even more.

Keywords: Privatisation Agency of Kosovo, 20%, Socially Owned Enterprise, SOE, Special Chamber of the Supreme Court

1. Introduction

Period of post-conflict of 1999 had changed the political landscape of Kosovo. These political changes had a knock-on effect on and the legislative and economical spheres. Considering that before year 1999, Kosovo did not have a free market-based economy and many of the holdings were socially owned, necessitated approval of legal infrastructure that allowed transformation of holdings from the social ownership to private ownership.

Kosovo’s privatization process is the last to occur in the region. It began in 2002, at a time when the final political status of Kosovo was still under negotiation. Therefore, under these circumstances the privatisation process is seen as atypical. However, as soon as the privatisation process began, so began the dissatisfaction of the workers of socially owned enterprises. By the year 2003, a law was enacted that recognised the rights of these workers to a share of 20% from the sale price of the enterprise.

This aim of this paper is to analyse the distribution process of the 20% share, based on Privatisation Agency of Kosovo (PAK)’s authority on this process. While the Kosovo’s privatisation process has been studied before (Gashi, 2013; Tondini 2003; Farcnik, 2007), the process of distribution of 20% on the other hand, has not been studied.

Considering that the distribution of 20% is a sensitive process, particularly in relation to the workers of the socially owned enterprises, PAK has applied a formula on distribution of means, in order to accelerate this process. The current procedure in vigour is divided in 11 stages. However, an analysis of the decisions of the Special Chamber of Supreme Court (SCSC), reveals that this process can be further accelerated and simplified, favouring both the workers of SOE and also PAK.

2. The Legal Framework for the Distribution of the 20% Share from the Sale of Soe

The legal framework for the commencement of the privatisation process has been established in 2002. In June of 2002, UNMIK Regulation 2002/12 was enacted, which allowed establishment of Kosovo Trust Agency (KTA). KTA was established under the Fourth Pillar of United Nations Interim Administration Mission in Kosovo (UNMIK), whose objective
was economic development of Kosovo. Amongst other tasks, KTA was authorised to administer and sell SOEs. The above-mentioned law stipulated that the income generated from the sale of the shares of SOEs should benefit the creditors and the owners, under the condition that the income is trusted to the KTA. However, this raises the question: who are in fact creditors and who are the owners? What about the workers of the SOEs, are they considered to be creditors or are they considered owners? This provision was not specified by the Regulation.

The UNMIK Regulation 2003/13 that entered in force on the 9th of May 2003, provisioned a special status for the SOE workers and recognised their right to 20% from the sale of the SOE. The remaining 80% of the sale price is to be used to compensate the requests of the creditors, based on the Law No. 04/-L-035. In order to gain the right to 20% the workers are asked to fulfil two conditions:

1) To be registered as a worker of the SOE during the privatisation process; and
2) To be on the payroll of the SOE for more than 3 years (in accordance to the article 10 of the UNMIK Regulation regarding transformation of the rights on the use of socially owned property)

As an exception, the other workers that do not fulfil the two conditions above, may also apply for a share of 20% provided that Special Chamber of the Supreme Court recognises their right to participation on the 20% (Refer to UNMIK Regulation no.2002/13 on the establishment of Special Chamber of Supreme Court on Kosovo Trust Agency Related Matters amended by Regulations No. 2008/4 and No. 2008/19, repealed by Law on the Special Chamber of the Supreme Court of Kosovo on Privatization Agency Related Matters)

3. Beginning of the Procedure for the Distribution of the 20%

The procedure for the distribution of 20% begins after public sale of the SOE. The signing of the contract for the sale of SOE concludes the sale process and opens the way for the commencement of the distribution process of the 20%. Socially Owned Enterprise together with the Federation of Independent Unions of Kosovo (FIUK) are responsible for the compilation of the list of the workers that are entitled to the 20%. Within the current practices, the Socially Owned Enterprise is represented by the council of workers. If the council of workers does not exist, the management of the Socially Owned Enterprise together with the FIUK compile the list of eligible workers. In cases when there were no workers part of the Socially Owned Enterprise, PAK has provided public notices and gathered necessary information in order to find the workers that were part of the Socially Owned Enterprise. In cases when it was impossible to find any of the workers then the list of eligible workers was compiled by the FIUK. Completed lists were provided to PAK for further review.

3.1 Specifics on the Review of the Workers Lists and Distribution of 20% at Pak

On the basis of PAK regarding the distribution of 20%, the process comprises the following eleven stages:

1) review of the workers' lists provided by the management of Socially Owned Enterprise and FIUK
2) publication of preliminary lists in the newspapers
3) acceptance of any complaints regarding the preliminary lists until the date specified by PAK
4) review of eventual complaints against published preliminary lists
5) compilation of the final lists
6) approval of the final lists by the Board of Directors of PAK
7) publication of final lists on the newspapers as stipulated by the law (Article 10.3, law 2003/13 regarding article 10.6 (a))

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1 UNMIK Regulation 2003/13, as amended by Regulation 2004/45 is the only UNMIK Regulation on privatization, which is not repealed and amended by the law of the Assembly. Regarding the issue of repealing the UNMIK Regulation through the laws of the assembly of Kosovo, there was a collision of thoughts. UNMIK Legal Opinion (UNMIK / REG / 2008 / 4- clarification, 12 January 2009) clarifies that the assembly laws can not abolish UNMIK regulations, as does the law of PAK 03 / L-067, which repeals the KTA Regulation No. 2002 / 12. Thus, the Law of the Assembly (in this case the Law on Privatization Agency- PAK, successor of Kosovo Trust Agency- KTA) serves only as an internal regulation. However, the decision of the Constitutional Court, ref. AG 109/2011, in the case KI 25/10, Privatization Agency of Kosovo against the decision of the Special Chamber of the Supreme Court, ASC-09-089, paragraphs, 53-57, considers such an attitude is violation of law in Kosovo, Kosovo Constitution and Ahtisaari's Comprehensive Plan and ignoring the existence of Kosovo as a state. For more details see: Gashi, H, 2011. "The legal conflict over privatization of SOEs: Changing the Law on the Special Chamber of the Supreme Court, PAK Law and relevant laws" GAP. Available at: http://www.institutigap.org/documents/7627_AKP.pdf
8) acceptance of any complaints against the final lists from the Special Chamber of Supreme Court (SCSC) and provisioning of a response
9) representation of Socially Owned Enterprise under administration of PAK regarding the final lists, until a decision has been reached by the SCSC.
10) distribution of the 20%, depending on the number of complaints received regarding the final lists of workers, according to the PAK's formula
11) implementation of second instance decision of SCSC regarding distribution of the 20%, after receiving it from PAK

Some of the above stages cannot be precisely estimated time-wise. This is because the length of some of these stages is dependent on other, external factors. However, in general the following table provides an estimate of time span of different stages.

Table 1. Estimated timespan of different stages of distribution of 20%

<table>
<thead>
<tr>
<th>Stage number</th>
<th>Estimated time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Unspecified</td>
</tr>
<tr>
<td>2</td>
<td>One working day, and 2 days (during the weekend)</td>
</tr>
<tr>
<td>3</td>
<td>20 days</td>
</tr>
<tr>
<td>4</td>
<td>20 days</td>
</tr>
<tr>
<td>5</td>
<td>Unspecified</td>
</tr>
<tr>
<td>6</td>
<td>The next meeting of the Board of Directors of PAK (held once a month)</td>
</tr>
<tr>
<td>7</td>
<td>Two working days (during the weekend)</td>
</tr>
<tr>
<td>8</td>
<td>5 days after receiving the complaint by the SCSC (time to appeal is 20 days)</td>
</tr>
<tr>
<td>9</td>
<td>Dependent on the priorities of SCSC</td>
</tr>
<tr>
<td>10</td>
<td>Unspecified</td>
</tr>
<tr>
<td>11</td>
<td>Dependent on the priorities of SCSC</td>
</tr>
</tbody>
</table>

3.2 Application of Formula for Early Distribution of 20% by Pak

There were 15,657,120 Euro distributed during the mandate of KTA, while PAK has distributed 98,749,869 Euro. From this process benefitted around 44,000 workers of SOEs. The distribution process was delayed because the distribution did not occur prior to a decision by SCSC. Considering the sensitivity of this issue and the pressure from the workers of SOE, PAK found itself in a situation that required a solution. In response PAK specified a formula for the early distribution of 20%. According to this formula, in cases when a decision by SCSC has not been taken regarding the lists of workers, PAK asks SCSC for the number of possible complaints against the lists of workers. As such, the early distribution of 20% is given only to workers that are on the final lists and there are no complaints against them.

3.3 Analysis of Court Practices Based on the Decisions of SCSC Regarding Procedural Aspects of Distribution of 20%

As can be seen from the table above, the privatisation process undergoes through a large number of stages. However, the question remains whether all the stages are necessary? An analysis of SCSC decisions regarding this issue reveals that this process could be shortened and simplified.

In the past, the KTA has not reviewed the lists and workers were in position to file complaints directly to the SCSC (see Termosistemi vs. AKM-së, SCEL 04-0001). Later, KTA, now PAK, takes an active role related to compilation of preliminary lists, which prolongs the process of distribution of 20%.

In its decision SCSC has dedicated a special chapter the issue of whether to file an appeal in the preliminary lists. The court found that there is no limit to the possibility of submitting a claim to the SCSC, that is filing the appeal prior to the PAK. Further, it is noted that no reference is found in relation to the provisional lists. It was emphasized that it is not necessary to exhaust administrative means before addressing the court. The court comes to the conclusion that there is no need to file an appeal against the preliminary list (Drithnaja vs. AKP, SCEL-11-0063).

This means that the PAK does not need to develop the process of distribution of 20% in 11 phases. What would be the point of the existence of the notion and procedures relating to the preliminary lists, as the court does not see fit the existence of complaints regarding the preliminary lists? Perhaps the PAK should think back to its passive role regarding the stages of preliminary lists, in favour of simplicity, economy and accelerating the procedure. Institutions of the Republic
of Kosovo are already committed to completion of the privatization process within the 2-3 year timeframe, which requires simplification, acceleration and efficiency of internal procedures of PAK (see http://www.rtklive.com/?id=3&r=20030). Reducing the phases associated with the preliminary lists would shorten the process of distribution of 20% to the first 5 stages. The role of the PAK could begin with the approval of lists of employees by the Board of Directors and their publication. In this way the PAK budget dedicated to the publication of the preliminary lists could be spared.

4. Conclusion

Analysis of the decisions of the Special Chamber of the Supreme Court and the history of legal regulation of the process of distribution of 20% from the sale of SOEs, reveals the possibility of shortening the procedure, its timeline and its simplification. All this would be performed within an internal reorganization of the process of distribution of 20% within the PAK and harmonization of the current legislation accordingly. This reorganization will benefit workers of SOEs both in terms of time and money. PAK would benefit from the budgetary aspect, saving costs incurred in connection with several stages of this process. In this way, the acceleration of procedures for the allocation of 20% will serve as social stabilizer. This would impact on the acceleration of the privatization process in general. Performing faster privatization process will unblock privatization funds, which will be passed on to the Kosovo budget and be used for economic development, which is crucial for the future of the country.

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Challenges of Public Enterprises in Kosovo on Corporate Governance

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Abstract

Corporate governance has historically changed depending on the level of development of society, the economy and businesses. In terms of governance theoretical notion has undergone changes but today increasingly it is being understood as policies and monitoring implementation is done by the members of the governing body. In Kosovo with the entry into force of the Law on Companies No. 02 / L-123 in 2007 were established legal frameworks, for registration and operation of commercial companies in order to meet the practices and requirements of the European Union. Whereas with the Law on Public Enterprises no. 03 / L-087 it is set the legal framework for corporate governance of enterprises in accordance with internationally recognized principles of corporate governance of public enterprises. The problem of corporate governance in developed countries is widely researched but this problem in the case of public enterprise in Kosovo is less studied. Therefore, objective study includes the analysis of factors that affect the quality governance of public enterprises in Kosovo. The functioning of the board of directors as decision making factor in public enterprises is associated with various problems such as inexperience in policy making, political interference, and conflicts of interest. The paper aims to prove the hypothesis that corporate governance will improve the quality of governance. The paper is based on primary data published by the Policy and Monitoring Unit of Public Enterprises, and Public Enterprises. The paper also exposes some of the challenges that public enterprises face during the implementation of corporate governance. Thus, we will provide recommendations for improving corporate governance in public enterprises.

Keywords: public enterprises, corporate governance, services, challenges, board of directors

1. Introduction

The first international code of good corporate governance approved by governments was published in 1999 by the OECD-Principles of Corporate Governance. The main focuses of these Principles are publicly traded companies which are intended to assist governments in improving the legal, institutional and regulatory framework that supports corporate governance. This code provides practical guidance and suggestions for stock exchanges, corporations, investors and other parties that have relevant role in the process of developing corporate governance. Corporate governance institutions are different from one country to another, and experience with both developed and emerging economies has shown that there is no single framework which is appropriate for all markets. Thus, the Principles are not imperative, but instead they are in the form of recommendations where each country can respond to what it fits to its own traditions and market conditions. These principles have been widely adopted as a benchmark for good practice in corporate governance since 1999. Furthermore, these principles are used as one of 12 key standards by the Financial Stability Forum in order to ensure international financial stability and by the World Bank with the aim of improving corporate governance in emerging markets.

Since the Principles were published, a number of corporate scandals have undermined the confidence of investors in financial markets and company boards. Governments of the OECD in 2002, called for a review of the Principles in order to discuss these developments. On April 22 2004 a number of series and new recommendations were added to modify the principles which were approved by the OECD governments. The revised material is a result of a consultation process involving here OECD members and representatives from the OECD, non-OECD areas including professional and businesses bodies, trade unions, civil society organizations and international standard-setting bodies. The goal of these actors is to help policy makers in both developed and emerging markets to improve corporate governance in their jurisdictions, as a primary step in rebuilding public trust in companies and financial markets.

The reviewed Principles call for a more important role of shareholders in a number of important areas, including here executive remuneration and the appointment of board members. They invite enterprises to make sure that they have the necessary mechanisms to address possible conflicts of interest; there is a space for recognizing and safeguard the
rights of stakeholders, a framework where the internal complaints can be heard and adequate protection for individual whistleblowers. They point out the responsibilities of auditors to shareholders and the need for institutional investors acting in a fiduciary capacity such as pension funds and collective investment schemes to be transparent and open about how the ownership rights will be exercised. Thus, they invite enterprises boards to be truly accountable to shareholders and to take ultimate responsibility for their firms in this way implementing high standard of corporate behavior and ethics.

Considering the recent development in the sector of cooperates and capital markets, the principles of cooperative governance actually are being applied continually in order to secure high quality services. From November 12, 2014 up to January 04, 2015, OECD has sent an invitation for the public commenting and the review of the draft text for the principles of cooperative governance. It is estimated that all the work related to the review will be completed by the end of 2015.

The process of the review of the principles of cooperative governance includes also the consultation with the business sector, professional groups in the international level, investors, economic chambers, non-governmental organizations, different shareholders and institutions responsible for the application of the international standards.

2. Corporate Governance

One of the goals of the principles of the cooperative governance is to help the Governments and regulators as instruments for the policy making in their efforts to evaluate and improve the legal framework, regulator and institutional cooperative governance. Thus, another goal of these principles is to contribute on the efficiency of the economic growth, sustainable growth, and financial sustainability.

2.1 Models of the Cooperate Governance

In difference countries there are applied difference models of corporate governance. Manly there are known two major models:
   - Anglo-American model and
   - German model

   In OECD countries it is applied one of the models mentioned above.

   Anglo-American model of the corporative governance or one level model is different from the German model because in its structure there is only one Board of Directors, as the main decision making body, which is also responsible to report to the shareholders. Management is responsible for the applicability of the policies and decisions of the Board of Directors.

   Board of Directors has the competences for the selection of the management and other officials. In public enterprises in Kosovo it is applied Anglo-American model, the Board of Directors have the competences to select the Executive Director, Internal Auditor, Financial Officer, Treasury Officer, and Secretary of the enterprise. After the selection, the Executive Director based on the functions of the job position is also the member of the Board of Directors.

   German Model has two levels of the corporative governance. Besides the Board of Directors it this model also has another board, the Supervisory Board. This board has the competences to revise the work and decision of the Board of Directors.

   It is relevant to point out that these principles are aimed to be applied also in the countries which are not a member of the OECD with the purpose of increasing the level of corporative governance, accountability, and transparency for the public.

2.2 Corporative governance and circumstances in Kosovo

Even though it is argued that the models of corporative governance are have similarities there still differences between them. Countries might have differences on their history, culture, and legal framework. Thus, considering the time and circumstances when corporative governance began to be applied in Kosovo, there have been significant differences to other countries. We will point out some of them as following:
   - It didn't exist a legal framework for the implementation of the corporative governance unless the approval of the Law for the Trade Companies Nr.02/L-123 in 2007, and after that with the Law for Public Enterprises Nr. 03/L-087 in 2008.
   - The structure and the system of the organization of the enterprises before the process of transformation into
public enterprises were in the form of social enterprises.
- From 1999 up to 2008 these enterprises have been administrated by the Kosovo Trust Agency, where the Supervisory Board appointed by the KTA was the main decision making body responsible for the management and policy making in these enterprises.
- Some of the enterprises have been the only operator on the certain sector (KEK-power supply, PTK-telecom) and they didn’t have to face competition bringing them in the monopolistic situation.

∗ Lack of experience in the corporate governance including here the Board of Directors, and Auditing Comities.

2.3 Challenges of implementation

Up to the establishment of the public enterprises there was no opportunity for the applicability of the corporate governance. It is obvious that it was challenging for all the participants involved in the process of the implementation of corporate governance. It is relevant to emphasize that domestic staff didn’t have the necessary experience in cooperative governance, whereas the international staff was in the process of finishing their mission in Kosovo.

Even the process of establishment of Board of Directors, establishment and functionality of Unit for Policy and Monitoring of public enterprises, Ethics Code for cooperative governance, and applicability in practice of Law for public Enterprises was characterized with different difficulties.

These difficulties are present even after the implementation of the corporate governance. Thus, the goal of this research study is to improve the functionality and to improve the quality of the corporate governance.

3. Challenges of Public Enterprises on Corporative Governance

Some of the challenges that public enterprisers are facing which can increasing the level of corporative governance is to increase professional level of the Board of Directors, empowerment and increased level of monitoring of the Unit for the Policy and Monitoring, and transparency.

3.1 Board of Directors

From the selection of the members in the Board of Directors in 2008 up to now, the same persons are holding the positions they were named at the beginning. It is relevant to point out that only KEK and PTK in 2014 have changed the members of the Boards of Director. Also based on the decision of the Prime Minister of Kosovo after the expiration of the contract of all the members of Board of Director the contract was extended unless the next decision. There were two vacancy announcements for the member of Board of Directors in public enterprises but the vacancy was cancelled without explanation. The last vacancy posted during this year 2015, is the third for these position, which hopefully will end successfully.

Even though there are procedural problems in the selection process for the Board of Directors, it is more relevant the selection of the professionally qualified candidates as it is specified with the Law for Public Enterprises. Qualified candidates would give their relevant contribution in the process of the decision making in public enterprises. One of the mistakes which we wish will not be repeated will be the selection of the candidates that are hired in other institutions and are considered by Anti-corruption Agency as a conflict of interest. Conflict of the interest has been the main reason why enterprises such as “Ibër-Lepenci” and KRU “Prishtina”, have had many resignations by the members in the Board of Directors. The work of the Board of Directors was very limited and didn’t have positive trend due to this problems.

Another important problem which public enterprises in Kosovo are facing nowadays is the selection of the candidates based on the political preferences or the employment of the candidates which were involved in the activity of the political parties.

3.2 Role of the Unit for Policy and Monitoring of Public Enterprises

The Unit for the Policy and Monitoring of Public Enterprises operates in the level of the department in the Ministry of the Economic Development of the Government of the Republic of Kosovo. This unit works as special department which deals with the issues of the public enterprises and it supports the Ministry and Government in the process of supervising public enterprises.

This unit is also involved in the preparation and proposal of the procedures for the supervision of the public
enterprises and monitoring the applicability of them in accordance with the Law for Public Enterprises. The active supervision of public enterprises requires high professional capacity and experience than the Unit really have. Up to now, the Unit didn’t perform his function in the aspect of prevention but it has served more as corrective and consultative institution in regards to the applicable laws. Furthermore, the Unit couldn’t offer a dynamic plan which would be implemented by the public enterprises and then to monitor the implementation process. We believe that an increased monitoring capacity and increased professional capacity would have direct effect in the process of facing the challenges in regards to the corporate governance.

3.3 Reporting and Transparency level

As we can observe from the review and approval of the reports from the Parliament of Kosovo it is shown that some reports are reviewed on delay (ex. Report of Performance of Public Enterprises during 2011 it was reviewed in Parliament of Kosovo on 29 March, whereas it was approved by the Parliament of Kosovo on April 04, 2013). This kind of delays have influenced the process of informing the Government even though they are the main shareholder in public enterprises, and every decision in is not in accordance with the actual situation in public enterprises. Decisions and transparency might not be as much effective as they should because of the changes in the situation. From what we have mentioned above, we can easily conclude that the reporting process from public enterprises to the Unit for Policy and Monitoring and Parliament should improve. This improvement can be achieved by applying laws that emphasize the deadline for the reporting period. It is important to stress out that there was confusion for the reporting period between the Code of Ethics, Corporate Governance for Public Enterprises and Law for Public Enterprises. This Code has been republished in July again and we hope that the misapprehensions from the previous publication have been eliminated.

4. Conclusion

We can conclude that Corporate Governance in Public Enterprises have improved a lot since the establishment in public enterprises in Kosovo. Continually there were improvements in the functionality of Corporate Governance in Public Enterprises. However, there are still challenges in the process of implementation. We believe that successful overcoming of these challenges would bring success in the process of decision making in public enterprises but also it will increase the quality of public services.

Some of the recommendations that would help on the improvement of the corporate governance include: selection of the members of the Board of Directors based on the deadline, setting out the mandates for the member of the Boards of Directors, the process of Member selection should be based on the academic and processional achievements but also experience, and empowerment of the Unit for the Policy and Monitoring of Public Enterprises.

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Enhancing Youth Employability as a Result of Creating Linkages between Vocational Education Sector and Private Agricultural Sector in Kosovo

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Abstract

The agribusiness and Agriculture sector is the main field of economy in Kosovo and it is sector that contributes to social viability, employment and economic development. While in Kosovo on the basis of statistics from the results of the Kosovo labor force survey 2014, shows that Kosovo stands in the worst labor market situation in comparison to the Western Balkan countries and the 27 European Union member countries. The unemployment rate in Kosovo is 30%, from these percentage 55.9% of the unemployed were young people (aged 15-24 years) and the share of female population is higher 68.4%. The labor force participation rate in Kosovo is 40.5 % while the participation rate in Western Balkan countries ranges between 60 to 68% and it is 71.8% in European Union countries. Part of these differences is due to the fact that Kosovo has such a young population and many of these young people are still in education (and therefore classified as inactive). A concern is that over time the potential for the inactive population to grow remains high as each year approximately 36,000 young people will enter the working age population (i.e., 14 year olds will become 15 year olds) while only approximately 10,000 will leave the working age population (i.e., 64 year olds becoming 65 year olds). Very strikingly, the labor force participation rate of women is significantly lower in Kosovo than its neighbors1. This study intends to serve as a key tool for identifying the gaps between vocational education sector and private agricultural sector in Kosovo, which impact directly to the unemployment rate. The research addressed identified gaps of the VET schools and Private sector, their needs, areas of focus, specific needed activities in order to create the favorable conditions to link these two important sectors and enhance youth employability.

Keywords: VET schools, agribusiness sector, youth employment,

1. Introduction

In order to have better understanding of gaps and needs of Agribusiness sector and VET schools, we conducted the assessment with private sector companies and three main VET schools in Kosovo. Considering the agriculture and agribusiness fields as main potentials of rapid youth employment, the Kosovo government with the support and cooperation different donor agencies and organization experienced and active in this sector aims to enhance and support this potential among youth of 17-20 ages who graduate in vocational secondary agriculture schools, enhancing of the youth employability should work on improving theoretical, practical needed skills and linking with private sector. Through these efforts they should upgrade the level of qualitative professional skills among youth in order to enhance their opportunities for employment during attending or after completion of secondary vocational education. On the other side it seems to be a low interest of Kosovo society, particularly of youth to work in agriculture, even though this society has a long tradition working in agriculture and Kosovo has an appropriate terrain / land and climate of growing agriculture products. So far, in Kosovo we miss tracer information about youth who have already completed the secondary vocational education in agriculture. Where and how they may have continued their further career, through continuation of University studies or through employment / self-employment in the agribusiness industry (or others), even the second issue is not as sustainable as the unemployment level among youth in Kosovo is very high. Unemployment and its impact

1 Kosovo Agency of Statistics
on young people are serious issues that affect the development and wellbeing of Kosovo youth. In a region where there is high youth unemployment, young people must be recognized as a resource for progressive economic development; therefore, the Government should create mechanisms to ensure that young people are involved in the economic development strategies, and that youth issues are considered as a priority.

2. Objectives of this Research

The objectives of this assessment are to:

- Develop a clear understanding of needs and the state of targeted VET schools and private agribusiness sector;
- Identify gaps and opportunities that can be addressed by Kosovo institutions and different donors active in this sector;
- Develop specific approach and intervention methodologies and activities.

3. Materials and Methods

The Questionnaire was conducted throughout Kosovo; first we developed selection criteria/methodology through including main subsectors, three levels of businesses and all value chain actors. Whereas businesses that were interviewed were selected based on these criteria:

- Small, medium and large agribusinesses
- Agribusinesses with potential growth for enhancing youth employability.
- Agribusinesses which were based in the same region as Agricultural VET Schools.
- Businesses that are registered (legal)
- Businesses they have products in the regional and international market

Interviews were carried out face-to-face with high level of management: owners, directors, coordinators etc. In terms of business activity all value chain actors were involved such as: producers, processors, traders, service providers etc. The sample was classified into municipalities' and regional level, based on the presence of the representative agribusinesses; the sample was different from one to other municipalities and from one to another region and level of businesses. The assessment was based on quantitative analysis and qualitative analysis. The 100 questionnaires were conducted with the agribusiness companies, 234 with VET students from the three schools and qualitative data with three school directors of VET schools from Pristina, Peja and Ferizaji.

4. Results of Research

4.1 Results obtained on the ground

![Figure 1: % Assessment of business subsectors: producers, processors, traders, service providers](image)

Figure 1: % Assessment of business subsectors: producers, processors, traders, service providers.

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The majority of the respondents, about 67.0% answered that they belong to the producers sector, while 18% of respondents were from the processing sector, 14% of respondents were from agribusiness traders companies that deal with export-import, around 1% service providers. It means that the survey was conducted with biggest producers, and big processors, having higher development potential.

Figure 1: % of company subsectors

Regarding the question “What is the average age of the employees”, majority of them 72.6% of interviewed companies stated that average age is 25-34 years old, while 20% stated that average age is 35-44%, 4.2% of interviewed companies has workers in the average age 15-24 and 3.2% of respondents stated that have workers in their companies in average age more than 45 year.

Figure 2: % of different types of employee contract

Figure 3: what types of work contract have the Employees

Regarding the figure 3 it is mean that 77.1% of employees have the regular contract, 13.5% of employees without working contract and 9.4% of employees have the seasonal contract.

According the question “How do you announce vacancies for your employees, especially when they have freshly graduated from school? From the total number of companies 25.6% stated that they employ fresh graduate through family connections, while 20.9% through the Employment office, 16.3% advertisement in newspaper and 11% of stated they announce

Figure 4: % of different announcement of vacancies

Figure 5: % of company’s opinion regarding use of different instruments for hiring of fresh graduates
Regarding the question about the means that companies use for hiring the fresh graduates 40% of companies stated that they use test at their company, 35% using interviews and 16% looking to the Curriculum vitae and very low % about 6% consider the recommendations. It is meaning that most appropriate tool for youth employment is tests at their company and interviews. Regarding the figure 6 the most of companies around 78.7% stated that they satisfied with the youth work (fresh graduates) and 21.3 % give the negative opinion regarding satisfaction with youth work.

![Figure 6](image.png)  
Figure 6: % of satisfaction with youth work

It is interesting that the private sector around 56.8% preferred young employees to come from VET schools, while 30.7 from public universities, 11.4 from professional certification institutions and very low % from private universities around 1.1%. So agribusiness companies are optimistic about students that came from Agribusiness VET schools. Findings indicate that about 79.2 percent of companies stated that they are interested to employ young people from VET Schools while 20.8 percent they aren’t interesting. In conclusion the agribusiness companies seem to be very interesting in employing the youth from VET schools.

![Figure 7](image.png)  
Figure 7: % preferences of companies for Institutions where youth Employees come from?

According to the figure in left side 79.2 percent companies are interest in employing the youth form VET schools. Results presented in Figure 9 reveal that for almost 76.6 percent had the internships while 23.4 percent didn’t had internships before. Since in the figure bellow is presented the joint activity between Companies and VET schools, most of the joint activities were the exchange visits 73 percent, participation in job fairs 20 percent while other activities as open school days and participation of student in joint promotion of companies’ products are in very low level.

4.2 People from VET Schools

Table 1 outlines the % of companies interest in particular profile. It seems the interviewed companies are more interesting for wood technology (100 %), Horticulture profile (62.0%), food technology (57.8%), plant protection (10.8%), crop and vegetable production (10.8%) while the other profile are less required from the agribusiness companies. It is mean that we have to target the students from these profiles and link with the companies in order to address their needs and contribute to youth employability and employment.
Table 1: % of inters of companies for Agribusiness profiles according to sectors and subsectors

<table>
<thead>
<tr>
<th>Nr.</th>
<th>VET Agribusiness profile</th>
<th>Yes (%)</th>
<th>No (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Farmer profile</td>
<td>9.5</td>
<td>85.5</td>
</tr>
<tr>
<td>2</td>
<td>Horticulture</td>
<td>62.0</td>
<td>38.0</td>
</tr>
<tr>
<td>3</td>
<td>Crop and vegetable growing</td>
<td>10.8</td>
<td>89.2</td>
</tr>
<tr>
<td>4</td>
<td>Food technology</td>
<td>57.8</td>
<td>42.2</td>
</tr>
<tr>
<td>5</td>
<td>Veterinary</td>
<td>2.4</td>
<td>97.6</td>
</tr>
<tr>
<td>6</td>
<td>Forestry</td>
<td>4.0</td>
<td>96.0</td>
</tr>
<tr>
<td>7</td>
<td>Livestock</td>
<td>3.6</td>
<td>96.4</td>
</tr>
<tr>
<td>8</td>
<td>Plant protection</td>
<td>10.8</td>
<td>89.2</td>
</tr>
<tr>
<td>9</td>
<td>Tree - viticulture</td>
<td>6.0</td>
<td>94.0</td>
</tr>
<tr>
<td>10</td>
<td>Wood technology</td>
<td>100</td>
<td>0</td>
</tr>
</tbody>
</table>

Table 2 outlines the % of importance of different working skills of VET students for agribusiness companies. It seems the very important skills for interviewed companies are these skills: skill to do “Quality of work, attention to details” (90.8 %), Team working (84.5 %, Knowledge for using equipment (75.6 %), experience in similar positions (61.2 %), Communication Skills (59.8 %), interpersonal skills(53.7%) and important skills are Formal education(64.3%), Foreign language skills (57%), Training and certification (54.8%).

Table 2: % of importance of different working skills of VET students for agribusiness companies

<table>
<thead>
<tr>
<th>Nr</th>
<th>How important is the work experience in similar positions</th>
<th>Not Important</th>
<th>Important</th>
<th>Very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>3.5</td>
<td>35.3</td>
<td>61.2</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>8.3</td>
<td>64.3</td>
<td>27.4</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>20.2</td>
<td>54.8</td>
<td>25.0</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>3.7</td>
<td>19.5</td>
<td>75.6</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>14.0</td>
<td>57.0</td>
<td>29.0</td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>8.0</td>
<td>32.2</td>
<td>59.8</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>7.3</td>
<td>39.0</td>
<td>53.7</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>9.2</td>
<td>0.0</td>
<td>90.8</td>
</tr>
<tr>
<td>9</td>
<td></td>
<td>15.5</td>
<td>0.0</td>
<td>84.5</td>
</tr>
</tbody>
</table>

Regarding the question 10" Did you have any joint activity with the VET schools", 73% of companies interviewed stated that one of activities which was most frequented is exchange visits between two sectors, 20% job fairs, 5% of companies stated that they engaged student for promotion of their companies product, while very low percent 2% in open school days. It is meaning that one of most appropriated activities between these two sectors is exchange visits and job fairs.

Figure 10: % of joint activities between companies and VET schools

Regarding the question in the figure 11 “Are you willing to accept internships in your business in order to develop
practical knowledge “most of companies 73.9 percent gave the positive answer while 26.1 percent stated no.

![Figure 11: % Companies willing to accept internships in their companies](image)

The most of companies in the past supported the internships activity with providing to the students the additional contribution like: food, transport, half wage, and paid training course. In line with responses related to the different contributions of companies for internships most of the companies 67.1 percent stated that they provided food for students, 33.0 provided the half wage, 31.8 provide the transport and 21.2 percent of companies stated that they have paid training courses.

**Table 3: % Different contributions of companies’ for internships**

<table>
<thead>
<tr>
<th>Nr.</th>
<th>Contributions of companies for internships</th>
<th>Yes (%)</th>
<th>No (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Providing food</td>
<td>67.1</td>
<td>32.9</td>
</tr>
<tr>
<td>2</td>
<td>Providing the transport</td>
<td>31.8</td>
<td>68.2</td>
</tr>
<tr>
<td>3</td>
<td>Half wage</td>
<td>33.0</td>
<td>67.0</td>
</tr>
<tr>
<td>4</td>
<td>Paid training course</td>
<td>21.2</td>
<td>78.8</td>
</tr>
</tbody>
</table>

In the Figure bellow regarding the question about “Do the companies plan to expand their businesses”, most of them 93.7 percent declare yes and low percent 6.3 percent declare no.

![Figure 12: % companies that plan to expand their businesses](image)

**Figure 12: % companies that plan to expand their businesses**

In additional regarding the question about the plans of companies in future 93 present of companies plan to expand their businesses while 63% increase productivity, 50% increase number of employees and low number of companies stated 44.4 percent are interest to expand new product.

**Table 4: Plans of companies in future**

<table>
<thead>
<tr>
<th>Nr.</th>
<th>Yes (%)</th>
<th>No (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Do you plan to expand your business?</td>
<td>93.7</td>
</tr>
<tr>
<td>2</td>
<td>Do you plan to increase number of employees</td>
<td>50.0</td>
</tr>
<tr>
<td>3</td>
<td>Do you plan to expand your business increase productivity</td>
<td>63.0</td>
</tr>
<tr>
<td>4</td>
<td>Do you plan to expand your business with the new product</td>
<td>44.4</td>
</tr>
</tbody>
</table>
With regard to question which is presented in the figure 13 we receive very interesting answer that 50 percent of companies declare that they plan to increase number of employees and 50 percent no. It is mean that we are satisfied with the businesses declarations regarding the potential readiness to increase number of employees.

Figure 13: % companies that they plan to increase the number of employees in near future

4.3 Assessment of VET student of agribusiness schools

The assessment was also conducted with the 234 VET students in three Agribusiness VET schools: Abdyl Frasheri in Prishtina, Zenel Hajdini in Ferizaj municipality and Ali Hadri in Peja municipality. 234 students were interviewed face to face in order to identify their gaps and opportunities regarding employability and employment. The interviews were distributed in the three schools based on number of VET student that schools possess and the profiles that businesses are interest. The 43.5% of student interviewed were from school “Zenel Hajdini”, 36.0 % from VET school “Avdyl Frasheri” and 20.5% from VET school “Ali Hadri”.

Figure 14: % of students interviewed in the three  
Figure 15: % of different profiles of students interviewed VET schools

The different profiles of student were interviewed during the assessment, the one of most frequented was the food processing profile which in this assessment presents 58.3%, 12.3% of veterinary profile, 10.2% vegetable production profiles, 6.4 % Arboriculture profile. The request of KCC to conduct the interviews with the profiles which were most requested from the private sector.

According to the question for VET schools which is showed in the figure 17 below 50.2% of students belong to the 12th classes and 49.8 % belong to the 13th classes, which mean that almost 50:50 of different classes represented their opinion about skills, gaps and needs.
According to the figure 18 above we see that even it was thought that majority of students were enforced from family or they were not able to enroll in other schools, based on the percent presented above most of them liked this field and it was their decision 40.6%, they see that this field is profitable 27.2%, agriculture is their carrier 14.6% and 12.6% were not able to be registered and enroll other schools.

According to the information presented in the table above it is mean that 59.8% of VET students which participated in the assessment were male while 40.2% female. Even was thought that most of student from the agribusiness VET schools are male it doesn’t mean in our case the food technology profile increased rapidly the % of female participated in the assessment. Most of the VET students in this assessment came from rural areas 52.6% which mean potential for dealing practically with this field is possible.

**Table 5:** % of basic information of VET student which were interviewed

<table>
<thead>
<tr>
<th>Gender</th>
<th>%</th>
<th>Residential location</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>M</td>
<td>59.8%</td>
<td>Urban</td>
<td>47.4%</td>
</tr>
<tr>
<td>F</td>
<td>40.2%</td>
<td>Rural</td>
<td>52.6%</td>
</tr>
</tbody>
</table>

Looking to the answers of students in the table above majority of them stated that they plan to continue the agriculture faculty 85.3% which is in opposite of other answerers that they are interest to be increase their capacities and know how to find the jobs.

**Table 6:** % of student’s opinions about market demand for their qualifications

<table>
<thead>
<tr>
<th>How do you develop your career in agriculture sector</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>I will be employed in agribusiness as technical</td>
<td>10.9%</td>
</tr>
<tr>
<td>I will become a farmer</td>
<td>3.8%</td>
</tr>
<tr>
<td>I will continue studies at the faculty of agriculture</td>
<td>85.3%</td>
</tr>
</tbody>
</table>

In the table below we can see that more than half of student 50.2% stated that they do not have information about labor market demand for their qualifications, 36.1% they stated yes there is demand and 13.7% stated no there is no demand for their qualifications.

**Table 7:** % of different options of VET students regarding the labor market demand for their qualifications

<table>
<thead>
<tr>
<th>Do you think there is demand in the labor market to hire people with qualifications obtained only by agricultural secondary education</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>36.10%</td>
</tr>
<tr>
<td>No</td>
<td>13.7%</td>
</tr>
<tr>
<td>I don’t know</td>
<td>50.2%</td>
</tr>
</tbody>
</table>
Based on students' statements, the one of most required profile is food technology (80.8%), next is arboriculture (10.8%) and horticulture. This means that the number of students is oriented based on their thoughts and opinions in these profiles.

![Graph](image1.png)  
**Figure 18:** % of statements of students regarding the VET students  
**Figure 19:** % of opinions of VET students' profiles regarding reasons for demand for employment of

According to the students' statement, there are few reasons which impact direct youth employment based on student opinions. One of the most cited is the answer "there is no requirement for employment in the agricultural sector (36.9%)," followed by the answer that "there are no large farms in Kosovo" around 33.8%. 23.4% of students think that large farms are usually family business while small scale 5.9% is that everyone is involved in Agriculture.

According to the question "Which is most preferred method for job search for young people from VET students" based on students' opinion, the participation in job fairs is the one of most preferred methods around 33.2% followed by 31.9% of the announcements of job vacancies through media, printed media, TV and radio, 16.6% municipal employment office and through the internet 12.2%. KCC come to the conclusion that organizing the planned activities such as job fairs and cooperation with municipal employment office is in the right track but enforcement with cooperation with media will be addressed in future.

![Graph](image2.png)  
**Figure 20:** % of preferred methods for job search youth to base on students option  
**Figure 21:** % of different obstacles that discourage to look for jobs

According to additional question regarding the main obstacles that discourage students to look for job, there are few obstacles according to their statements 36.6% there are no job available, 19.0% missing information about available jobs, 15.9% there are no direct link and information, 9.9% there is also nepotism which is one of obstacles.
According to the question “Are there efforts by schools to develop the relationship with the private sector for the continuation of the practice of Agribusiness school students? If yes, what activities, based on students statements there are the initiatives but almost all the activities are in low scale. Internship is one of activity which is most enforced (36.4%), practical training by 27.2% while visits to companies 24.1% and others are in very low scale.

5. Discussion

It is estimated that over 50% of Kosovo population is under the age of 30. This fact requires for immediate actions to be taken regarding the education and integration of young generations. A direct consequence of lack of investments in the youth is that a country is wasting young potentials for its development. Youth Strategy in Kosovo adopts an integrated approach for social, economic and political participation of youth in society. In particular, youth need formal and informal education, in line with the needs of labor market, they need youth-friendly health-care services, more security, employment, recreational activities and for participating in decision-making.

Although youth employment remains high on the government’s agenda, the policy-making process remains characterized by lack of coherence and coordination between ministries and between central and local government. Hence, the most disadvantaged areas of Kosovo have difficulties in translating the objectives of the youth employment policy into programmes that address the multiple disadvantages faced by young people. The provision of well-targeted active employment measures to young unemployed registered at the Public Employment Service (PES) also depends on the enhanced administrative capacity of public employment services. Furthermore, while creating full employment for Kosovo’s young people in the short to medium term will not be possible, a number of measures (requiring external assistance to establish and support, at least initially) could go some way towards easing the unemployment tension. Some of these measures are oriented towards raising the level of qualifications of young people and better matching between VET and labour market needs such as: developing tertiary non-university education (which currently appears as a gaping omission in the country’s learning framework) or introducing youth-specific and targeted vocational training provision clearly correlated to existing skills gaps.

6. Conclusion

Findings from assessment of private sector

Based on the results of quantitative analysis it could be easy to come to the following findings that Agribusinesses that were interviewed belong to small, medium and large businesses. The interviewed businesses belong to these subsectors: big food processing (fruit, vegetable, potato, meet, milk etc), livestock farms, traders (wholesalers, retailers and hypermarket chain), farmers with a large growing area that are large producers of fruits, vegetables and sale them as
well. These subsectors were selected for interview bearing in mind the fact that they are subsectors with an increased development and promise generation of vacancies. These are subsectors that impact the macroeconomic development of Kosovo. Their geographical position is in the regions near the VET schools, which is one of the reasons that they are selected and that it is very easy to connect VET schools and companies. Therefore, in terms of the agricultural business that were interviewed, despite many difficulties, the data are encouraging, because more than 80% of them are interested to develop (increase) business, develop new products, increase productivity, and increase the number of employees (especially small and medium businesses)

1. The most average age of the employees around 72.6 % are 25-34 years old. It is mean that agribusiness companies don’t have lot employees from the young generation.
2. In the other side the most of companies around 78.7% stated that they satisfied with the youth work (fresh graduates)
3. It is interesting that the private sector around 56.8% preferred young employees to come from public VET schools, 30.7 from public universities, 11.4 from professional certification institutions and very low % from private universities around 1.1%. So agribusiness companies are optimistic about students that came from Agribusiness VET schools.
4. In conclusion the agribusiness companies seems to be very interesting in employing the youth from VET schools and interesting profiles are wood technology (100 %), Horticulture profile (62.0%), food technology (57.8%), plant protection (10.8%), crop and vegetable production (10.8%) while the other profile are less required from the agribusiness companies.
5. Required skills from the companies: skills to do “Quality of work, attention to details” (90.8 %), Team working (84.5 %), Knowledge for using equipment (75.6 %), experience in similar positions (61.2 %), Communication Skills (59.8 %), interpersonal skills (53.7%) and important skills are Formal education (64.3%), Foreign language skills (57%), Training and certification (54.8%)
6. Almost majority of companies plan to expand businesses, increase productivity and most important think increase number of employees.

7. Findings from Assessment of VET Students

The interviews were distributed in the three schools based on number of VET student that schools possess and the profiles that businesses are interest. The 43.5% of student interviewed were from school “Zenei Hajdini”, 36.0 % from VET school “Avdj Frasheri” and 20.5% from VET school “Ali Hadni”. The different profiles of student were interviewed during the assessment, the one of most frequented was the food processing profile which in this assessment presents 58.3%, 12.3% of veterinary profile, 10.2% vegetable production profiles, 6.4 % Arboriculture profile. Most of the VET students in this assessment came from rural areas 52.6% which mean potential for dealing practically with this field is possible.

1. According to the figure above we see that even it was thought that majority of students were enforced from family or they were not able to enroll in other schools, based on the percent presented above most of them liked this field and it was their decision 40.6%, they see that this field is profitable 27.2%, agriculture is their career 14.6% and 12.6% were not able to be registered and enroll other schools.
2. Half of students 50.2 % stated that they do not have information about labor market demand for their qualifications, 36.1 % they stated yes there is demand and 13.7% stated no there is no demand for their qualifications. From % of student which stated that there is demand and one of most required profile is the food technology 80.8%, next is the arboriculture 10.8 and horticulture. Which mean that also the number of students is oriented based on their thoughts and opinions in these profiles.
3. According to the students statement there are few reasons which impacts direct youth employment based on student opinions. One of the most cited is the answer “there is no requirement for employment in the agricultural sector (36.9%), followed by the answer that “there are no large farms in Kosovo” around 33.8 %, 23.4% of students think that large farms are usually family business while small scale 5.9 % is that everyone is involved in Agriculture.
4. According to the question “Which is most preferred method for job search for young people from VET students” based on students opinion the participation on job fair is the one of most preferred methods around 33.2% followed by 31.9% is the announcements of job vacancies through media, printed media, TV and radio, 16.6% municipal employment office and through the internet 12.2 % .
5. According to additional question regarding the main obstacles that discourage students to look for job, there are few obstacles according to their statements 36.6 % there are no job available, 19.0% missing information about available jobs, 15.9% there are no direct link and information, 9.9% there is also a nepotism which is one of obstacles.

6. According to the question “Are there efforts by schools to develop the relationship with the private sector for the continuation of the practice of Agribusiness school students? If yes, what activities, based on students statements there are the incentives but almost all the activities are in low scale.

7. The most required activity to be supported for increasing capacities are: searching for jobs for graduate, participation in job fair, career guidance for students, visit to the company’s and support and ensuring of places for internship in private sector.

8. Recommendations

Based on findings from the both assessment and in order to address gaps and needs of Agribusiness sector and VET schools aimed to enhance youth employability and employment the institutions should follow up these recommendations:

1. Work very close with private sector in order to increase awareness regarding the Capacities of VET student from VET schools and organize as much as possible joint activities.
2. Identify agribusiness companies which expressed interest to work and have joint activity with the mentions VET schools;
3. Based on the finding and close cooperation with the education sector prepare the list of students which belong to the required profiles from the companies and work close with them to increase required capacities;
4. Organize the trainings and workshops with identified list of VET students in order to increase their capacities;
5. The trainings should be focused on these required topics in order to increase skills Training on CV writing, interviewing, and job search skills in each of the three regions, conduct training for the project proposal writing, business plan writing;
6. Strengthen the relations with other stakeholders engaged in this field without omitted public sector such us: Ministry of labor and social welfare, Ministry of education, sciences and technology and regional employment offices;
7. Organize the regional job fairs;
8. Produce the promotion materials in order to increase the awareness and opportunities of all institutions and private sector companies about unused power and capacities of VET students;
9. Establish tracking system that will monitor on quarterly bases number of students employed (inter, part or full time) after the project is completed.

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Negotiating the Digital Line: A Qualitative Inquiry into the Use of Communication Technologies in Professional Child and Youth Care Practice

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Abstract

While social and communication technologies are changing the world at warp speed, little is known about how Child and Youth Care (CYC) practitioners are using these technologies in their work with children, youth, and families. This article reports findings from a qualitative study that explored potential boundary and ethical implications related to the integration of communication technologies by CYC practitioners in their professional relationships with children, youth, and families. The study also sought to examine what form of communication technologies is being used most commonly and the nature of agency policies, standards, and procedures that address the use of this technology by CYC practitioners with clients.

Keywords: boundaries, child and youth care, communication technology, ethics

1. Introduction

In this increasingly technology-driven world, the societal context in which Child and Youth Care (CYC) practitioners work is in a constant state of flux. As communication technologies are making the world an increasingly diverse and connected place, it is also changing fundamentally the way people communicate and relate to one another. Though social networking sites like Facebook and Twitter didn’t even exist ten years ago, the social impact these technological innovations have had on the world has been extraordinary. Consider for example the use of social media in the 2011 Egyptian revolution, the Arab Spring, Iran’s Green Movement, and its use as a vehicle for communication for those interested in social justice issues such as LGBT rights, anti-poverty movements, and democratic reform. On a practical level, communication technologies have also altered the way we interact professionally with children, youth, and families in our roles as CYC practitioners.

While there is no denying that we live in a new world, where social networking, cell phones, emails, texts, blogs, and Twitter, among other forms of technology, have become the dominant form of social communication, important ethical questions about the integration of these technologies into professional CYC practice have not been thoughtfully explored or discussed. The CYC practitioner-client relationship is supposed to be a therapeutic relationship based on trust, respect, and safety. To engage in “texting” or “friending” a client can certainly blur or even cross professional boundaries in ways that can lead to breaches in privacy, confidentiality, and to a host of other boundary violations.

The influence of technology over every aspect of our lives is, without question, an unstoppable force. However, the onus is on CYC practitioners to recognize the potential ethical issues related to the use of communication technologies with respect to maintaining appropriate professional boundaries and ethical practice (CYCAA, 2014). A CYC practitioner’s relationship with their clients, albeit in a digital age, needs to be professional at all times. In acknowledging the potential risks inked to using communication technologies with clients, it is important to first define the concept of professional boundaries.

1.1 Professional Boundaries Defined

The term boundary denotes the concepts of limits, lines, or borders (Fewster, 2004). On a personal level, boundaries are guidelines, rules, or limits that we create to identify for ourselves what constitute reasonable, safe, and permissible ways
to behave with others and how we will choose to react when someone steps outside those limits. Establishing clear boundaries is essential to maintaining a healthy, balanced lifestyle. Professional boundaries, in particular, differentiate what is therapeutic from what is not (Stuart, 2012). They form the foundation of trusting professional-client relationships. CYC practitioners, like other helping professionals, occupy a unique power relationship with their clients. This results from the CYC practitioner’s position of authority and the access they have to the client’s personal history, and the knowledge they have of the client’s vulnerability and life circumstances. The power in the relationship also derives from the authority the CYC practitioner can exercise over the client with respect to benefits the client may or may not receive or the consequences that might be imposed on the individual.

In particular, CYC practitioners’ use of a relational-centred approach to practice (Bellefeuille & Jamieson, 2012) can present additional struggles for practitioners when it comes to defining appropriate professional boundaries. Because a relational-centred approach requires “being-with” and “being in the moment” with others, this approach demands a high degree of ingenuity, creativity, and openness on the part of the CYC worker. Child and Youth Care is different from other helping professions in that it focuses primarily on life-space work—that is, the spaces in which the lives of children, youth, families, and communities unfold. Life-space intervention allows for greater freedom in bringing one’s authentic self to the professional-client relationship. As Garfat and Fulcher (2011) explain, “there is no other form of intervention which is so immediate, so grounded in the present experiencing or, one might say, so everyday” (p. 8).

This challenge to define professional boundaries is further complicated by the introduction of communication technologies into the mix. Practicing from a life-space perspective in this age of technology can lead to some significant ethical challenges. Social media, cell phones, and other forms of technology represent much more than tools for communication. They change how people relate and interact, how relationships are formed, and how people complain, celebrate, discover, and create. As a result, CYC practitioners must be cognizant of the potential ethical and boundary issues associated with the use of these technologies in their work with children, youth, and families. For example, where should a CYC practitioner draw the line when it comes to communication technologies? Is it ever okay to accept a client’s friending request? Is looking at a client’s profile or blog an invasion of privacy? Can posting on social media sites make the CYC worker vulnerable to the unintended use of their own private information?

1.2 CYC Code of Ethics

A professional code of ethics sets out a collection of standards of behaviours that professionals are expected to uphold in their professional practice. The Alberta CYC code of ethics (CYCAA, 2014), for example, requires that CYC practitioners “take responsibility for ensuring that their relationships with their clients are therapeutic.” Yet, despite our growing understanding that the use of the Internet, social media, and other forms of communication technologies blurs the line between what we think of as private and public, the potential ethical implications of the use of these technologies for professional CYC practice have not been thoroughly investigated. Hence, the aim of this exploratory study was to examine the use of social media and communication technologies by CYC practitioners and to invite a timely conversation about ethical challenges and opportunities that arise in various practice settings when CYC practitioners use social media, both as individuals and as a collective.

2. Research Design

The study was grounded in an interpretive world view and social construction paradigm that looks for “culturally derived and historically situated interpretations of the social life-world” (Crotty, 2003, p. 67). Given the interpretive nature of this study, a qualitative, exploratory research design was used as the method of inquiry. The specific questions included the following:

1. How do CYC practitioners use social media, cell phone texting, and other forms of communication technologies with their clients and colleagues?
2. What are the perceived and observed potential or actual ethical issues associated with use of social media, cell phone texting, and other forms of communication technologies by CYC practitioners with their clients and colleagues?
3. Are there policies and procedures put in place by agencies in order to help guide ethical practice and inform practitioners of appropriate boundaries in regards to the use of communication technologies with colleagues and clients?
2.1 Research Participants

A non-probability, purposive sampling strategy was used to recruit 30 participants for the study. Participants who met the following characteristics were recruited: Individual had to be at least 18 years of age and work in the CYC field as a practitioner.

2.2 Data Collection and Analysis

Data collection strategies included open-ended and close-ended questions administered by questionnaires, face-to-face interviews, and various communication technologies including email, online chats, and social media. Data analysis, which was conducted during and after data collection, involved the identification of dominant themes and the clustering of themes into categories (Merriam, 1988). Closed-ended data was analyzed using descriptive statistics and depicted in frequency distribution tables.

3. Findings

RQ 1. How do CYC practitioners use social media, text messaging, and other forms of communication technology with their clients and colleagues and what are they using?

CYC practitioners on a daily basis to communicate with both clients and co-workers are using communication technology. The most popular forms of online communication were emails, text messaging, and Facebook (see Table 1 below). Of the 30 participants, 26 (86%) reported actively using text messaging, 21 (70%) used emails, and 15 (50%) participants reported using Facebook to communicate with their clients. To communicate with co-workers, 28 (93%) participants used text messaging, 22 (73%) used email, and 7 (23%) used Facebook.

Table 1. Types of Communication Technology used by CYC Practitioners (N=30) with Clients and co-workers

<table>
<thead>
<tr>
<th></th>
<th>Text Messaging</th>
<th>Emails</th>
<th>Facebook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clients</td>
<td>n=26</td>
<td>n=21</td>
<td>n=15</td>
</tr>
<tr>
<td>Co-workers</td>
<td>n=28</td>
<td>n=22</td>
<td>n=7</td>
</tr>
</tbody>
</table>

The majority of the participants reported using text messaging and email to keep in touch with their clients, send out reminders for appointments and upcoming meetings, and for the simplicity and ease in reaching clients.

“I use text messages with clients to communicate about issues as well as appointments." (Participant A)

“We use text messaging to quickly communicate amongst each other. Text messaging allows us to easily update co-workers in the moment if a situation arises with a particular client." (Participant E)

It was also general practice to use text messaging, email, and Facebook as the primary means of communication, without having to meet in person. The general rationale expressed by participants for using electronic forms of communication with clients is that they have become acceptable to and expected by their clients.

“To maintain easy contact with clients." (Participant F)

“I have on occasion placed private messages to family and youth on their Facebook accounts." (Participant B)

“I have used Facebook during investigations to find family, find information out about a current situation and to locate teens.” (Participant D)

RQ 2. What are the perceived and observed potential or actual ethical issues associated with use of social media, cell phone texting, and other forms of communication technology with clients and colleagues.

The dominant theme among participants was that while they recognized the potential risk issues associated with confidentiality, they did not express any ethical concern over the manner in which they used electronic forms of communication.

“I have not encountered any ethical dilemmas, it is not mandatory that any staff give their cell phone number to any of the kids, it is by their own choice.” (Participant G)
standards of professional practice are not about to change. CYC practitioners are professionals and, as such, are the use of electronic communication. Clearly communication technologies are not going away but, by the same token, time to step back and examine—from an ethical point of view—the underlying purposes for and potential implications of As communication technology becomes a more regular means of connecting between CYC practitioners and clients, it is

4.

were required to secure a copy of all communications with their clients but this policy was not in written form. judgement when using communication technology with clients. A small number of participants (n=6) indicated that they said that their place of employment had no formal policies or procedures in place about how to work with communication technology. A number of participants stated that the only documented agency policy was that they exercise their own technology. A small number of participants (n=6) indicated that they were required to secure a copy of all communications with their clients but this policy was not in written form.

A few of the participants also expressed that they felt comfortable using text messaging and Facebook when discussing sensitive issues such as (a) clients who are experiencing thoughts of suicide and self-harm, (b) clients experiencing difficult times (e.g., on a home visit), (c) updating staff about current situations in which youth are involved, (d) creating and following up with youth about safety plans, (e) contacting colleagues and other professionals regarding support and advice, or other work related matters, and (f) ensuring treatment plans are being implemented and followed by staff.

RQ 3. Are there policies and procedures put in place by agencies in order to help guide ethical practice and inform practitioners of appropriate boundaries in regards to the use of communication technology with individuals.

For the majority of the research participants, social networking policies were non-existent in their place of employment. Nineteen (63%) of the participants indicated that they did not know of any policies and procedures or they said that their place of employment had no formal policies or procedures in place about how to work with communication technology. A number of participants stated that the only documented agency policy was that they exercise their own judgement when using communication technology with clients. A small number of participants (n=6) indicated that they were required to secure a copy of all communications with their clients but this policy was not in written form.

4. Discussion

As communication technology becomes a more regular means of connecting between CYC practitioners and clients, it is time to step back and examine—from an ethical point of view—the underlying purposes for and potential implications of the use of electronic communication. Clearly communication technologies are not going away but, by the same token, standards of professional practice are not about to change. CYC practitioners are professionals and, as such, are expected to model a high standard of ethical behaviour. CYC practitioners also occupy a position of trust with clients and must be held accountable for their “cyberconduct.” In light of the fact that nothing is truly private when you communicate online and that nothing is ever fully erased, there is a very real potential that unintended consequences may surface in the future. The results of this study are interesting. Interacting with clients on social networking sites and online has become “normal” practice. Yet, none of the 30 study participants felt there was any risk associated with the manner in which they used communication technology with clients and co-workers. This finding raises two very important and timely questions for the profession of CYC.

The first question arises from the demonstrated lack of awareness or concern over the potentially public nature of communication technologies by CYC practitioners in relation to their use with co-workers and clients. Although communication technologies provide new ways to interact and communicate, what are the ethical impacts of these technologies on client privacy, confidentiality, professional boundaries, and the reputation of CYC practitioners and the organizations that they work for? The use of communication technologies in CYC practice has received very little attention in professional CYC literature and has yet to be fully understood and thoroughly studied. It is reasonable to assume that the ongoing emergence of communication technologies will continue to influence the way CYC is practiced. Therefore, the need to develop professional communication technologies guidelines and policies to ensure that CYC practitioners are not only aware but also understand the ethical implications inherent to their use is essential.

Second, although this preliminary study only involved 30 participants, the results as they relate to the philosophical core of relational-centred practice are worrisome. Relational-centred practice is founded on the core assumption that “the self is formed and lived out in relationship” (Bellefeuille, Hedlin, McGrath, 2012, p. 133). From this stance, emotional well-being is predicated on having satisfying personal relationships with others. From this perspective, relational-centred practice proposes that a central human necessity is the establishment of authentic and mutual connection in the professional-client relationship. What is worrisome is the extent to which CYC practitioners are connecting with clients online rather than in face-to-face interaction. What are the implications of an increasing reliance on communication technologies as a way to interact with clients and co-workers on our ability to practice from an interpersonal relational-centred perspective? Further research is clearly needed to gain greater insight into the impact that communication technologies are having on the quality of the therapeutic relationships between CYC practitioners and their clients.

In conclusion, striking a healthy balance between communicating professionally with clients through the use of
communication technologies and maintaining professional ethical standards is challenging and will require further study.

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References

The Relationship between International Law and Domestic Law under the Constitution of the Republic of Kosovo

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Abstract

The relationship between international law and domestic law is object of different theories among which the most relevant are: the Monist Theory, Monist Inverse Theory, Dualist Theory, and Harmonization Theory. Indeed, these theories and all the other theories, aim nothing more or less than the explanation of the interdependent and hierarchical relationship between the international law and domestic law. Indeed, the study and the analysis of relationship between the rules of international law and rules of domestic law has a particular importance, because the determination of solutions and dilemmas in regards to this multiple and multidimensional relationship inter alia defines the statues of the state in the arena of the international relation, and impacts directly to its status as an equal member of international community. In fact, the ensemble of rules which we define today as International Law cannot be understood separated from the states domestic law. In reality, these two categories of legal rules are essentially interrelated in a hierarchical manner. Borders and content of the states domestic law systems, today very often are defined in almost natural manner by the rules of the International Law, which gradually have ensured a sustainable prevalence upon the rules of Domestic Law. Regardless of differences from a state to another, even in the case of the Republic of Kosovo, in essence the relationship between International Law and Domestic Law, consists inter alia in four main issues such as: 1. The relationship between rules of International Customary Law and the Domestic Law; 2. The relationship between the rules of International Treaties and the Domestic Law; 3. The relationship between the rules adopted by international organization in which Kosovo would be a member and the rules of Domestic Law; and 4. The relationship between the rules of International law and the Constitution of the Republic of Kosovo itself. This paper aims exactly the analysis of these four issues from a comparative perspective with other states such as: the Republic of Albania, Germany, Netherlands, Italy and the United States of America.

Keywords: Theories of international law, International Law vs. Domestic Law, Kosovo, Supremacy of International Law, International Customary Law, hierarchy of legal norms

1. Introduction

The study and the analysis of the relationship between the rules of international law and rules of domestic law has a particular importance, because the determination of solutions and dilemmas in regards to this multiple and multidimensional relationship inter alia defines the statues of the state in the arena of the international relation, and impacts directly to the status of the state as equal member of international community. In case of the Republic of Kosovo, the acceptance and the implementation of the International Law in prevalence vis-à-vis Domestic Law, is a necessity and prequisite inter alia for the internationalization of the new born state of Kosovo, which cannot be an equal member of the international community if does not accept and apply the international law, thanks to which the international community itself exist and function. Today, more than ever, a significant of International Law rules implies direct effects to states and individuals without needing any intervention of rules of the Domestic Law. In the groups of such rules belong especially the rules of the International Human Rights Law, which in one hand guarantee rights to individuals and on the other hand, imply obligations to state. In case of Kosovo, its constitution has directly called upon and has integrated in its text some of the most important acts of International Human Rights Law such as: The Universal Declaration of Human Rights; (2) The European Convention for the Protection of Human Rights and Fundamental Freedoms and its protocols thereto; (3) International Covenant on Civil and Political Rights and its protocols thereto; (4) Council of Europe Framework Convention for the Protection of National Minorities; (5) The Convention on the Elimination of all forms of Racial Discrimination; (6) The Convention on the Elimination of all forms of Discrimination against women; (7) Convention on the Rights of the Child; (8) Convention against Torture and Other Cruel, Inhumane or Degrading Treatment or Punishment. These important sources of the International Human Rights Law, not only are constituent part of the Constitution, but
serve also as a criterion and evaluation parameter for the all the rest of norms of the Constitution and other acts enacted pursuant to the Constitution. Furthermore, the particular nature of the state organization of Kosovo and the implemented state model, impacts directly to the relationship between the International Law and Domestic Law transforming it into a sui generis case not only from the perspective of particular legal framework regime, but also from a practical point of view. Moreover, the status of Kosovo as an independent state, but not yet a member of the key international intergovernmental organization such as: UN, CoE, OSCE etc, vis-à-vis unilateral acceptance of the most relevant sources of international law has a particular importance for a more essential study of this relationship.

2. The Relationship between Rules of International Customary Law (or General International Law) and Rules of Domestic Law

The Constitution of the Republic of Kosovo (hereinafter the Constitution) does not contain a precise formulation concerning the relationship between rule of International Customary Law and rules of Domestic Law differently from the case of the Federal Republic of Germany, or the Republic of Italy, where it is clearly foreseen the prevalence of rules of International Customary Law vs. rules of Domestic Law. Specifically, the German Constitution in the Article 25 foresees that: Article 25 (Public international law and federal law) “The general rules of public international law form part of the Federal law. They take precedence over the laws and directly create rights and duties for the inhabitants of the Federal territory”, while the 1st paragraph of the Article 10 of the Italian Constitution foresees that: “The Italian legal system conforms to the generally recognized principles of international law”. Meantime in case of Kosovo, specifically the Constitution in the Article 16 defines that: “The Republic of Kosovo shall respect International Law”. As it is clearly visible, this is a very general formulation, which clearly indicates that its content is an influence of the formulation of the Article 5 of the Constitution of the Republic of Albania where it is defined that: “The Republic of Albania applies International Law that is binding upon it”. Certainly it is clear that a general formulation such as in the case of Albania has been accepted raises discussion upon unclear issues such as if this formulation applies sole for international treaties which are ratified by the People’s Assembly in accordance to the article 18 and 65 of the Constitution, or if this article defines that Kosovo respects also other rules of International Law deriving from other sources such as: Customs, General principles, opinio juris etc. In follow, the Constitution provides inter alia in the Article 53 that: “Human rights and fundamental freedoms guaranteed by this Constitution shall be interpreted consistent with the court decisions of the European Court of Human Rights”. In other words, it is clear that the Article 53 accepts directly as a binding source of the International Law [part of which is also the European Convention for the Protection of Human Rights and Fundamental Freedoms (Hereinafter ECHR)] also the judgments of the European Court of Human Rights (Hereinafter ECtHR), which do not derive directly from treaties. On the other hand, the exact meaning of the Article 16/3 can be understood sole in wider context, as long as it is well known that states are obliged to respect and to accept rules of International Law that are binding upon them, but which do not derive necessarily from treaties and for which no expression of any consent to be bound by a treaty is required. In this category of rules, belong first the rules of International Law which are classified as jus cogens or peremptory norms of international general law and consist of norms accepted and recognized by the entire international community of states as a norm from which no derogation is permitted and which can be modified only by a subsequent norm of general international law having the same character. This definition is made in the Article 53 of the Vienna Convention on the Law of Treaties which foresees that: “A treaty is void if, at the time of its conclusion, it conflicts with a peremptory norm of general international law. For the purposes of the present Convention, a peremptory norm of general international law is a norm accepted and recognized by the international community of States as a whole as a norm from which no derogation is permitted and which can be modified only by a subsequent norm of general international law having the same character”. From this point of view, we have the right to raise the question: how can we accept the idea that these norms are not binding to a state, when the validity of the norms of international treaties signed and ratified by a state is precisely defined by these norms? Thus, this Article can be interpreted just in such manner which would guarantee the recognition and supremacy of the Jus Cogens norms, because the latter enjoy the status of the supreme norms in relationship with the states Domestic Law of international community members. Such idea is supported also by professor Xhezahir Zaganjori who further clarifies that, taking into account the main sources of international law, I would think that within the notion of “the binding International Law”, to a state, would belong not only the norms which derive

1 See Article 64 of the Vienna Convention on the Law of Treaties.
from treaties, but also general norms of international law as well as the general principle of the international law. In regards to this issue, it should be emphasized the fact that jus cogens norms can be also part of treaties’ content. Such statement has been made also in the interpretation of the German Constitutional Court which has emphasized that: in the group of general norms of international law shall be understood before all, norms with normative character that are into force, but not the norms that derive from treaties that define the rules for the settlement of specific cases, meantime according to this court, exceptionally in this group can belong also norms deriving from international agreements with the condition that such norms shall be interpreted or included in the system of norms of the International Law (BVefG 15, 32ff). Similar formulation is also made in the Article 38 of the Vienna Convention on the Law of Treaties titled “Rules in a treaty becoming binding on third States through international custom”, in which is further foreseen that “Nothing in articles 34 to 37 precludes a rule set forth in a treaty from becoming binding upon a third State as a customary rule of international law, recognized as such”. Moreover, according to the opinion of judge Christopher Weeramantry, stated in his dissenting opinion in the case “Nicaragua vs. USA”, by referring to the Advisory opinion of the Court on the “Nuclear weapons” he thinks that: “A generally accepted test for the recognition of the rules of International Customary Law is that such rule should be as widely and generally accepted as its very difficult to presume that a civilized state does not recognize such rule”. According to him, this statement is supported also by the practice of the majority of the states and by opinio juris. The expression way of consent to be bound by a norm of International Customary Law by ratifying or not an international treaty, has been accepted also International Court of Justice (Hereinafter ICJ) in the “Asylum case”, where the court has emphasized that Peru is not obliged to apply a norm which can be part of the International Customary Law, because Peru has not ratified a convention in which this norm was included. Consequently, Peru has been considered as a Persistent objector. Furthermore, the Article 38 of the ICJ Statute indirectly defines an international custom as evidence of a general practice accepted as law. This interpretation of the Article 16/ 3 of the Constitution is correct if we take into account the fact that the clause US Constitution is several times less clear that what this article foresees, while the context in which this article has been written and interpreted is completely in favor of the International Law. Similarly, also formulations of other world’s constitutions which are interpreted in favor of the International law use more or less the same language. Thus, it would have been absurd for us to interpret today Article 16/3 in a stricter manner than the current interpretation of the Section 8 of the Article 1, of the US Constitution adopted in the year 1787, which indeed contains a formulation several time less favorable than this article concerning the acceptance and the respect of norms of International Customary Law. Concretely, this Article of US Constitution foresees that the Congress shall have the power to define and punish piracies and felonies committed on the high seas, and offences against the law of nations, which at that time was composed almost exclusively by international customs. As stated in the first chapter, regardless of this vague formulation, the US courts and the US Supreme Court practice, beside the fact that are considered as the most conservative courts, again have accepted that such formulation of the Article 1 of the Constitution renders the International Customary Law part of the law of the land. Finally, we can state that the Article 16/3 accepts as binding all the norms of international law that are legally binding, including the norms of the International Customary Law as well as general principles of the International Law, because the Article 19/2 foresees that: “Ratified international agreements and legally binding norms of international law have superiority over the laws of the Republic of Kosovo.” This certainly means that in the category of legally binding norms belong also the norms of International Customary Law and the general principles of International Law.

3. The Relationship between the Norms of International Treaties and the Norms of Domestic Law

Today, the International Law is considered by many scholars as the “common language” of national courts. Indeed, as it was stressed out above, today in our globalized world in the presence of a significant international economic

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5 Ibid.
dependency, traditional distinction among domestic and foreign issues has lost a lot its 19th century clearance. Today, international treaties play a key role in the coordination and the establishment of international organization, which has raised an inevitable need for a constitutional response from the perspective of their respective members states legal system, by being inevitably more opened towards International Law. Despite from monist or dualist approaches, in a way or in another, norms of the International Law have become part of the Domestic Law. At each time when the norms of the International Law became part of the State Domestic Law, raises the issue on what will be the role of domestic courts and other law enforcement state bodies to build up the rule of law in the international relations. Certainly, state attitudes differ from a state to another and distinctions consist in theoretical and practical relationships that are created between the norms of the International Law and the norms of the State Domestic Law.

Concerning this matter, the Constitution foresees in its Article 19/2 that ratified international agreements and legally binding norms of international law have superiority over the laws of the Republic of Kosovo. In follow in the paragraph 1 of this Article is foreseen that: “International agreements ratified by the Republic of Kosovo become part of the internal legal system after their publication in the Official Gazette of the Republic of Kosovo. They are directly applied except for cases when they are not self-applicable and the application requires the promulgation of a law.” In this case, the Constitution has defined that treaties shall be directly applicable if they are considered to be self-executable. What means that such thing shall be foreseen by the international treaty itself, but has left no space to declare case by case prior to the expression of the consent to be bound by that treaty, that such treaty shall be considered self-executable or not, just like the USA always does. This clearly leads us to the conclusion that in this Article, the Constitution has foreseen the prevalence of treaties vis-à-vis laws of the Republic of Kosovo. However, this Article does not define what will be the status of treaties (or agreements) that are not subject to ratification as a mean to express the consent to be bound by, in accordance to the Vienna Convention on the Law of Treaties. Contrary from the perspective of the domestic law, this issue is very clear and resolved from the perspective of International Law, because according to it, concretely the Article 27 the Vienna Convention on the Law of Treaties foresees that, “A party may not invoke the provisions of its internal law as justification for its failure to perform a treaty. This rule is without prejudice to article 46” which foresees that: “A State may not invoke that its consent to be bound by a treaty has been expressed in violation of a provision of its internal law regarding competence to conclude treaties as invalidating its consent unless that violation was manifest and concerned a rule of its internal law of fundamental importance.” This Article further clarifies that: “A violation is manifest if it would be objectively evident to any State conducting itself in the matter in accordance with normal practice and in good faith”. Thus, the obligation to respect international treaties which are not subject to ratification is legal not only from the perspective of International Law, but is also logical and in favor of protection of international legality and respects the generally accepted fundamental principle pacta sunt servanda. At the end, as argued by representatives of the Monist Theory, an act of International Law shall prevail upon Domestic Law per virtu, because inter alia such act is not a product of a single legislator, but a product of several legislators acting as one. Consequently, the status of such act shall prevail upon the domestic law. Even more, parties to international treaty are free to choose the mean through which they desire to express their consent to be bound by a treaty. Article 11 of the Vienna Convention on the Law of Treaties foresees that: “The consent of a State to be bound by a treaty may be expressed by signature, exchange of instruments constituting a treaty, ratification, acceptance, approval or accession, or by any other means if so agreed”. Therefore, this Article not only does not limit the expression of consent to ratification, but in contrary allows any other mean if so agreed beside ratification, acceptance, approval and accession. Thus, concerning the effects and the supremacy of a treaty vis-à-vis Domestic Law, the mean agreed for the expression of the consent doesn’t have any importance.

4. The Relationship between the Norms Adopted by International Organizations in which the Republic of Kosovo May be a Member State and the Norms of the Domestic Law

The Article 17 defines that the Republic of Kosovo concludes international agreements and becomes a member of international organizations. Further, in the paragraph 3 of the Article 2, is foreseen that: “The Republic of Kosovo, in order

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8 Ibid.
to maintain peace and to protect national interests, may participate in systems of international security. While in the Article 20 is foreseen that: “The Republic of Kosovo may on the basis of ratified international agreements delegate state powers for specific matters to international organizations. If a membership agreement ratified by the Republic of Kosovo for its participation in an international organization explicitly contemplates the direct applicability of the norms of that organization, then the law ratifying the international agreement must be adopted by two thirds (2/3) vote of all deputies of the Assembly, and those norms have superiority over the laws of the Republic of Kosovo.”

Therefore, it is clear that norms adopted by international organization where the Republic of Kosovo will be a member, shall be legally binding and self-executable, subject to requirement that the law which will ratify the membership treaty shall be adopted with the votes of the 2/3 of the People’s Assembly members. If such requirement is fulfilled, than such norms shall prevail upon domestic laws. Certainly, this proves that Kosovo has applied a very contemporary approach in regards to sovereignty and its transfer to international organization. However, from the point of view of this articles, we may still raise the question up to what extend can be transferred the sovereignty? To answer to this question we may refer to the case law of the German Constitutional Court concerning the case on Maastricht Treaty, to the case law of the French Constitutional Council, as well as to the case law the Constitutional Court of the Republic of Albania while examining the constitutionality of the Statute of the International Criminal Court. These courts have stated that “…the transfer of sovereignty powers shall be limited up to that extend where the constitutional identity of the state will be in question”11 (Judgment of 18 October 1993 of the German Federal Constitutional Court on Maastricht Treaty), or “…the transfer of sovereignty powers shall be limited up to that extend where such transfer will undermine the fundamental exercise of national sovereignty ” 12. (Decision of the French Constitutional Council of 1985). To conclude, according to these case laws, the transfer of sovereign powers to international organization shall not question the constitutional identity of the Republic of Kosovo and shall not be to such extend as to undermine the fundamental exercise of the national sovereignty.

5. The Relationship between the Norms of International Law and the Constitution of the Republic of Kosovo Itself

First we should emphasize that the incompatibility of a ratified treaty with the Constitution would be something very unusual for constitutions which do foresee a pre-examination of the constitutionality of an international treaty by the respective constitutional court prior to its ratification by the legislator. In case of Kosovo none of its articles, including the Article 113 of the Constitutions and neither the Law No.03/L-121 on the Constitutional Court of Kosovo, do not provide jurisdiction for the Constitutional Court of Kosovo to examine the constitutionality of an international treaty, prior to its ratification. Even more, neither the Article 31 of the Law on the Constitutional Court and nor the Article 113 of the Constitution do not provide jurisdiction for the Constitutional Court of Kosovo to examine the constitutionality of any treaty neither prior nor post ratification. The sole reference that might be used just to initiate a post ratification examination of the constitutionality, is the general jurisdiction defined in the Article 113/2/1 which provides to the Constitutional Court the power to examine the constitutionality of laws. In such case, the object of constitutionality examination shall be not the treaty itself, but the law by which this treaty is ratified; regardless of this fact, the grounds for such examination would be the treaty and not the law of ratification. The lack of jurisdiction for a pre-ratification examination is a very serious problem in the Constitution of the Republic of Kosovo and certainly under these circumstances, the possibility to ratify treaties which wouldn’t be compatible with the Constitution is much higher than in other countries such as the Republic of Albania, where the Constitutional Court has jurisdiction to examine the constitutionality of a treaty, prior to its ratification. For this reason, under these circumstances, there is an enormous probability that in the future, Kosovo courts shall face the issue of non-compatibility of a treaty with the Constitution. Certainly, the solution for this issue would be the use of two parameters already used by the German Constitutional Court and the French Constitutional Council concerning the extension of sovereign powers transfer. Another way for the examination of the constitutionality of international treaties would be the use as a examination and acceptance parameters of the main 8 (eight) international treaties directly integrated in the Constitution by its Article 22, just as the Article 17 of the Constitution of the Republic of Albania does.

with the ECHR. Moreover, while it is true that the Article 16 of the Constitution defines that: “The Constitution is the highest legal act of the Republic of Kosovo. Laws and other legal acts shall be in accordance with this Constitution”, just like articles 4 and 116 of the Constitution of the Republic of Albania do, certainly this does not mean that the Constitution has a absolute supremacy over the norms of International Law. Indeed, the Constitution has accepted the norms of International Treaties foreseen in the Article 22 as its constituent part as well as a supreme evaluation parameter for the norms of the domestic law. Additionally, the Article 53 extends this unilateral acceptance of International Law norms by including in this group of norms, also the case law of the ECHR. In fact, just like in case of the Republic of Albania, the Article 16 of the Constitution of Kosovo has been formulated in a similar way with the Article 94 of the Dutch Constitution in relation with the Article 106 and other articles. Thus, from this perspective, we may conclude that articles 22 and 53 as well as article 20, 19, 17 and 2 of the Kosovo Constitution de jure and de facto limit any strict application of the Article 16. Precisely for this reason, in compliance with article 22 and 53, the Constitution of the Republic of Kosovo shall not be the highest legal act, because the highest legal act in the Republic of Kosovo are the 8 (eight) international treaties listed in the Article 22 as long as the application of these treaties shall not violate the above-mentioned principle concerning the extend of sovereign powers transfer. On the other hand, the opposite approach would defend the idea that the general principle embodied in the Article 16 of the Constitution is not undermined by the articles 22 and 53, because these legal acts do not prevail over the Constitution, as long as they are considered part of it. However, the second approach cannot overturn the first approach as long as the ECHR and all other international treaties listed in the Article 22 are exclusive acts of International Law and do not derive from the unilateral will of the Kosovo People, product of which is the Constitution. This reasoning is also compatible with the Article 27 of the Vienna Convention on the Law of Treaties as well as with the general principle of the International Law, especially with the generally accepted norms of International Law. Article 27 of this convention defines that: “A party may not invoke the provisions of its internal law as justification for its failure to perform a treaty”. Indeed, the prior-mentioned parameter is valid and can be used also as a mean to resolve the issue of relationship between the norms of International Law and the Constitution of the Republic of Kosovo itself. In follow of the prior used logic, from the perspective of the articles 26, 27 and 31 of the Vienna Convention on the Law of Treaties, norms of the International Law shall prevail also over the Constitution itself as long as they do not threat the constitutional identity of the country and do not undermine the fundamental exercise of national sovereignty. Although such conclusion would not be easy acceptable by states in general and by the Albanian Doctrine, except for the eight international treaties listed in the Article 22 that are accepted and considered as constituent part of the Constitution, but at the same time they serve also as parameter for the examination of constitutionality of other norms of Domestic Law, including other norms of Constitution itself. This privileged status of legal acts listed in the Article 22, in fact transforms them into the Supreme Law in the Republic of Kosovo, which consequently defines the extend and the limits of application of other norms of International Law. The acceptance of the International Law supremacy over the Constitution itself is also accepted by the article 91-94 of the Dutch Constitution and is de facto and de jure accepted also by the current opinio juris.

6. Conclusions

Referring to the above-mentioned discussion and analysis, we may conclude that the Constitution of the Republic of Kosovo has indirectly accepted the supremacy of International Law vs. Domestic Law, including the Constitution itself. In addition, the latter in the Article 22 has integrated into itself eight of the most important treaties of the International Human Rights Law inter alia by not only considering them as its constituent part, but also as validity evaluation parameters for other norms of the Constitution as well as other norms of Domestic Law. Moreover, these treaties serve also as parameters to define the extension and limits of other International Law norms’ acceptance. On the other hand, the Constitution does not contain a proper legal regulation concerning its compatibility with the Vienna Convention on the Law of Treaties in relation to the validity and the status of international treaties which according to this Convention are not subject to ratification, but the consent to be bounded by, is express through other means. However, general definitions made in the Constitution in regards to International Law, make legally binding also other norms of International Law that do not derive from international treaties, but derive from International Customary Law as well as general principles of International Law and ensure their supremacy over the domestic law, both from a de facto and de jure perspective. Moreover, we should emphasize the fact that the lack of jurisdiction of the Kosovo Constitutional Court to examine the constitutionality of international treaties prior to their ratification as well as the lack of a clear jurisdiction to make such examination in post ratification period, not only increases the changes to ratify treaties that are not compatible with the Constitution, but make very difficult the job of courts in general and more specifically of the Constitutional Court to come
up with solutions for such cases. Therefore, in absence of clear and complete definitions on the means to express the consent to be bound by a treaty in compliance with the Vienna Convention on the Law of Treaties, and in absence of Constitutional Court jurisdiction to examine the constitutionality of international treaties prior and in post ratification period, based on the paragraph 10 of the Article 113 of the Constitution, would be strongly recommended the adoption of a specific constitutional law that would define precise and specific rules concerning the signature, accession, approval etc of international treaties as well as would complete the lacking jurisdiction of the Constitutional Court.

Finally we may also conclude that the clauses of the Kosovo Constitution concerning the membership in the international organization as well as the transfer of sovereign powers to international organizations including international bodies on common security, are complete and provide a very contemporary legal regime, which allows the state of Kosovo to be a full and active member of the international community without the need of introducing any constitutional amendment.

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Asylum case.
Case “Nicaragua v. USA”.
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Socio-Economic Conditions and Challenges of the Modern Living of the Old People in Terms of Contemporary Social Care in Republic of Macedonia

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Abstract

For many people the pensioning is a new condition as well as new challenge fulfilled with many news and uncertainty. The fact that the work lifetime is finished, involves him in a totally unknown and new situation, a challenge which leads to cancelling of all that have fulfilled their lives till then. The person at that age must face up with the truth that his work abilities are getting weaker and it is the right time to retire and leave the workplace to the younger generation. Oftentimes the challenges in the old people life are with negative connotation, followed with feeling of confusion, consternation, inferiority, decreased self-confidence and high sentimentality in relations with the other people. Also, the conditions of pensioning are followed with new problems which must be overcome. The main aim of this research paper is to investigate the conditions and challenges in the modern living of the old people in terms of contemporary social care in Republic of Macedonia. In the investigation of the social care of the old people, we treated the organized and spontaneous forms, acts and activities which reflect the quality of living of the old people. In the investigation are included 600 participants above 60 years old with stratified example in appropriate relation by age and gender, place of living (Skopje, Kumanovo, Kicevo and Strumica) and ethnicity, and at the same time the example is designed based on the institutions where the investigation is completed. The findings on the status and challenges of the aging are based on the strive for the realization of progressive approaches, legislation, programs and strategies to improve the lives of the old people. The main aim of this research is gaining knowledge and challenges in contemporary life of the old people, especially in terms of social care to create conditions, guidelines and bases for an organized approach.

1. Introduction

The old people represent a big and according to many things special category of the population. For many people the period of aging begins with the pensioning. It is a significant change in their lives, because it comes rapidly to a stop of the everyday life and work which has lasted for years and more for decades. During this period the life and work of the old people had a particular order of happening, they get up in a particular time, go to work at a particular time and they organized regular activities in the environment. For all that time they communicated with known group of people, related to the workplace. In that environment the person had built own position, reputation and relations with the colleagues with whom he become related with on some way. He shares the common problems with them; he shares the good and the bad, built common interests, conscious that he is an important part of the working environment, indeed he contributes with his work not only for his personal but also for the social good. With the pensioning, respectively the third age starting, the person must quit many things which had fulfill his everyday life, he must separate forever from that environment, leave it forever.

For many people the pensioning is a new condition as well as new challenge fulfilled with many news and uncertainty. The fact that the work lifetime is finished, involves him in a totally unknown and new situation, a challenge which leads to cancelling of all that have fulfilled their lives till then.

The person at that age must face up with the truth that his work abilities are getting weaker and it is the right time to retire and leave the workplace to the younger generation. Oftentimes the challenges in the old people life are with negative connotation, followed with feeling of confusion, consternation, inferiority, decreased self-confidence and high sentimentality in relations with the other people.
Also, the conditions of pensioning are followed with new problems which must be overcome. Those problems come from different recourses, firstly from the psychological adaptation in the new role in the family as well as in the society, the need of better dedication to the health problems, the need of knowing appropriate law regulations which regulate his right as a pensioner, the need of introducing the system of social protection of the old people and etc.

In our research paper we decided to investigate the conditions and challenges in the modern living of the old people from an aspect of contemporary social care in Republic of Macedonia. In the investigation of the social care of the old people we treated the organized and spontaneous forms, acts and activities which reflect the quality of living of the old people. In that relation they are dependent of the place of living of the old people, the service accessibility and the institutions for social care and protection (clubs, centers, advisories, nursing and retirement homes), the life education and the information technology, legal regulations and etc.

In the investigation are included 600 participants above 60 years old with stratified example in appropriate relation by age and gender, place of living (Skopje, Kumanovo, Kicevo and Strumica) and ethnicity, and at the same time the example is designed based on the institutions where the investigation is completed as: in the premises of the registry ambulances (280 participants, respectively 47%), clubs and daily centers (155 participants respectively 26%), retirement homes (60 participants respectively 10% of the sample) and nursing homes, state and private (105 participants respectively 18%). In the research are inquired 600 old people older than 60 from the both genders.

2. Socio-economic Conditions

The socio-economic conditions of the old people are very important indicators in this research. From many indicators characteristic for the old people we decided to investigate three of them which are part of three basic components in terms of place of living, the existence and the services. In the frameworks of these criteria are investigated the following indicators: who the old person lives with, cutting the family budget distribution and the services.

The socio-economic conditions are objective indicator of the quality of living of the old people, not only in terms of the current condition, but also there are built the challenges as basic parts of the appropriate forms and content demand.

2.1 Who the old people live with

Investigating the condition who the old people live with there are proposed five indicators: alone, with the husband/wife, alone with the children, with the husband/wife and the children and others (brother, sister, nephew). The data of this research are presented in table no. 1.1 Old people by age and gender and who they live with. From the presented data it is clear the biggest percent of the old people, around 35%, live alone, out of who the males and females are nearly with the same representation in percents. The females from 70-79 years are representing 10%, which shows us that an important percent of the females live alone so we guess that they face up serious problems form different aspects. Also, nearly similar percent of the old people live with the partner or alone with the children (around 23% and 20%). With the partner and children live a small percentage of the old people. These environments are characteristic for the younger age of the old people which emphasizes the fact that the old people of early aging are very helpful in the family by finishing important functions in the family life realization.

The table shows that the highest percent of the old people live in families. This confirms our hypothesis that despite the decreased role in the family the old people still decide to live in the family.

The lowest percent of the old people live in family with close relatives which show that the biggest number (around 60%) decides to live in a community despite the individual living. Despite the crisis in the modern family, the family was and always will be basic cell of the social living of the person, due to that of the old people too.

Table no. 1.1: The old people by age and gender and who they live with

<table>
<thead>
<tr>
<th>Old people by age and gender</th>
<th>60-79</th>
<th>70-79</th>
<th>over 80</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>M F</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Alone</td>
<td>25</td>
<td>30</td>
<td>40</td>
<td>25</td>
</tr>
<tr>
<td>4,16% 5%</td>
<td>6,66% 9,83%</td>
<td>4,16% 5%</td>
<td>15% 19,83%</td>
<td>34,83%</td>
</tr>
<tr>
<td>With the partner</td>
<td>41</td>
<td>30</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>86</td>
<td>50</td>
<td>136</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The data visible in Table 1. 1 Old people by age and gender and who the old people live with despite the table presentation are open to more detailed statistic analysis in order to objectively confirm the theory of the hypothesis.

Statistic indicators of the sample

<table>
<thead>
<tr>
<th>Symbols</th>
<th>x²</th>
<th>C</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Values</td>
<td>107,607</td>
<td>0,389</td>
<td>600</td>
</tr>
</tbody>
</table>

Statistic indicators of the theoretical values which helped the examination

<table>
<thead>
<tr>
<th>Symbols</th>
<th>Df</th>
<th>P%</th>
<th>theoretical x²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Theoretical values</td>
<td>8</td>
<td>5</td>
<td>15,31</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>1</td>
<td>20,09</td>
</tr>
</tbody>
</table>

The dimension of x² and the contingency intensity show that there is an important statistic relation between the old people and the proposed forms of who they live with.

It is an interesting finding that came up from our research that the biggest number of the old people during the period of preparation for the aging were thinking of living alone or with the partner, but when they are facing up with the reality which comes with the age they accept that living alone or the loneliness is the most likely form of quality living. Regardless the quality of living of the old people in the family, they are easily adapting to this form of living.

2.2 Cutting and distribution of the total incomes

While distributing the total incomes the old people own very often they are obliged to stretch the total income from 1st to 1st, at the same time giving efforts to do that. They, with the relatively modest pensions, are faced up every day with the increased life costs and almost all of them are obliged to be very careful in total incomes distributing, especially in terms of giving up from the basic life needs.

Regarding the previous mentioned we consider as very important to present a table for cutting during the total income distribution respectively the pension they have. Also we considered as very important to emphasize that the old people who live in families (and they are happy about this), often use their pension to pay the overheads, and very often they are not allowed to manage alone the rest of the sum because their children do that instead. Related to this we considered as very important to investigate what are the things they skimp on respectively they give up when spending money for existence. In this direction we considered as useful to emphasize, once again, that cutting the total income distribution does not mean no paying the overheads and the other expenses, but firstly to concentrate on saving, respectively separating minimal finances for satisfying the basic life needs. The results of the research are presented in Table no. 1. 7 the old people by age and gender and what are the things they cut when distributing the total incomes.

In the table, the attitudes of the old people are divided in three adult categories, because we considered that the adulthood has a huge influence on the capabilities of the old people in managing their own total incomes. Also we considered as very important to analyze and investigate the basic indicators when distributing the total incomes and we decided for the overheads, food, medicines, clothes and furniture, culture and communication.

Table no. 1. 2: The old people by age and gender and what are the things they cut when distributing the total incomes.
By hypothesis that from the spending, often subject of saving, respectively cutting, when distributing the total family incomes, a significant percent of the old people, 78.87%, declared that they maximally saved in the overheads, example they prepare food two or three times a week, use cheaper electricity, are modest in spending water, and other expenses where possible.

Related to the food a high percent of the old people declared that they save on food, use cheap products, some of them with expanded deadline, and to buy few minutes before the shops are closing because they expect cheaper prices (52.92%).

The old people also save on medicines despite the fact that their health is at risk respectively they get chronicle illness and it is necessary to get the medicine. Despite the conscious health policy which allows relatively cheap and available medicines for most often illnesses of the old people, however 22.82% declared that the cut in buying medicines respectively they are not able to buy them. In table no. 1. 2 The old people by age and gender and what are the things they cut when distributing the total incomes, it is very clear that the highest percent of cutting of the total pensioning income is related to the impossibility to buy clothes and furniture, 92.72%, and also for cultural organizations and communication so this percentage is 86.86%. This indicator is relatively high from one side, and because of inability of the third category to participate, but also the indicators from the second category are important.

This percentage is not highly represented relating to the public transport, because it was organized to have it four times a week. The research shows that a big percent of the old people save on the public transport during the days they must pay. In this direction, analyzing the whole data in the table and the diagram, we can conclude that the old people are continuously cutting the total income of the pension, so they save on many necessary and important things that make the life of the old people more secure and fulfilled with pleasure and satisfaction.

2.3 Services

The modern way of living decreases the scope of the traditional relation with the old people by the family, against the legal obligations and duties. More and more, the modern living conditions impose the need of including the state in many forms of the social care. Respecting the need of the old people to live in their own home (as long as possible), we considered as important to investigate the types of services which are realized in the old people’s homes in terms of their availability and accepting by the users. The data of this need investigation is presented in Table 1. 3 Age and gender of the old people and the types of services. Basic indicators of the services for the old people are: addition to cash compensation for assistance and care of another person, help at home (Red Cross, etc.), private service engagement, service delivery of food and transportation. The results gained and the answers of the old people are presented in table with numbers and percents, and also in diagram for more clear view of the proposed indicators. In the table we can see that the biggest percent of the old people (100%), from Skopje use the public transport as a service. In that direction it is very important to emphasize that this step of the country is accepted with a great pleasure by the old people, not only to use the free time, but also to complete some personal everyday needs, duties and etc.

This pleasure the old people express not only in mutual discussions, but can be seen from their smiling faces when riding the bus. In terms of other services we can notice that financial compensation for care of another person with 22. 22% and private service engagement with 16. 16% in a relatively small percentage are represented in the lives of the old
However it is important to emphasize that despite the large need of the old people for help at home is very poor realized mostly by short projects of the civic associations. A possible reason for the difficulty of the implementation of this service lies in the poor information and preparation of the old people to accept this form, because basically they are often suspicious and reluctant to accept a stranger into your home, even for their direct benefit. A serious problem of the old people in the second, and even more in the third age group is the need for grocery shopping and preparation of daily meals.

Table no. 1.3. Age and gender of the old people and types of services

<table>
<thead>
<tr>
<th>Types of services</th>
<th>60-69</th>
<th>70-79</th>
<th>over 80</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M</td>
<td>F</td>
<td>M</td>
<td>F</td>
</tr>
<tr>
<td>Add. to cash comp. for assist. and care of another person</td>
<td>5</td>
<td>10</td>
<td>15</td>
<td>25</td>
</tr>
<tr>
<td>Help at home</td>
<td>2</td>
<td>3</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>Private service engagement</td>
<td>0</td>
<td>3</td>
<td>23</td>
<td>28</td>
</tr>
<tr>
<td>Service delivery of food</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Transportation</td>
<td>104</td>
<td>110</td>
<td>105</td>
<td>80</td>
</tr>
</tbody>
</table>

So far, in our country does not find useful and immediate, massive, reliable delivery of groceries and eating in the homes of the old people.

Although several supermarkets realized preparation and sale of ready meals (which is a positive step), we find that from one side it is still expensive for the low pensions of the old people and on the other side the facilities to purchase such products are distant from the place of living, and it makes it more difficult for the old people to access them.

Statistic indicators of the sample

<table>
<thead>
<tr>
<th>Symbols</th>
<th>x²</th>
<th>C</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Values</td>
<td>10,128</td>
<td>0.248</td>
<td>165</td>
</tr>
</tbody>
</table>

Statistic indicators of the theoretical values used for the investigation

<table>
<thead>
<tr>
<th>Symbols</th>
<th>Df</th>
<th>P%</th>
<th>theoretical x²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Theoretical values</td>
<td>4</td>
<td>5</td>
<td>9.49</td>
</tr>
<tr>
<td>Theoretical values</td>
<td>4</td>
<td>1</td>
<td>13.28</td>
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The x² size and intensity of the contingency show that there is a significant statistical relation between the old people and the types of services offered.

Within these stores are included the delivery services to home consumers, but the scarcity of food and the percentage required for delivering food to prevent the old people use this form of service. In terms of this presentation we can conclude that despite the high demand for these services are not enough realized in the life of the old people and require serious efforts from the government and NGOs for directly strengthening the old people in the realization of this form.

3. Conclusion

The findings on the status and challenges of the aging are based on the strive for the realization of progressive approaches, legislation, programs and strategies to improve the lives of the old people.

The main aim of this research is gaining knowledge and challenges in contemporary life of the old people,
especially in terms of social care to create conditions, guidelines and bases for an organized approach.

In the context of all of this is made the central hypothesis of socioeconomic conditions of the modern living of the old people affect the policy of social care.

Testing this hypothesis is based on the analysis of the three main indicators in three main components and includes the basis of the conditions of the modern living of the old people.

The research confirms the importance of the basic hypothesis, respectively that the socioeconomic situation in living elderly affecting social care of the old people.

The highest percentage of the old people living in family groups, which confirms the theory that despite modern changes the old people are determined to live in the family.

It is very interesting that the research, in which the old people during the period of preparing for the aging imagine living alone (respectively with the partner), however when they enter the aging, the independent living (or loneliness) is least wanted form of quality living. Existential condition- in this term, the research also showed that the situation of the old people is characterized by keeping modest life. A significant percentage (78.8%) of the old people cut overhead, preparing cooked meals two to three times a week, using cheap electricity, take care spending water other costs within their capabilities. The old people also cut into buying medicines, keeping in mind that this cost occupies a large part of the family budget.

The benefits of the city and intercity transport (bus, train) significantly facilitate the condition of life, but on the other hand using taxi services for emergencies is rarely available, because it is expensive.

The services implemented in the home of the old person such as: helping the old person, private service engagement, service delivery of food, public health nursing, are services that facilitate the home living. However, the research also showed that they are present in relatively small percentage. Possible reasons for the difficulties in the implementation of services can be enumerated in the insufficient organization of social care, lack of information for direct work with the old people, the government and NGOs for accepting, because basically they treat with distrust and suspicion the unknown person in their home.

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Electrical Equipment and Electronic and their Impact of Waste in the Republic of Kosovo

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Abstract

Managing waste electrical and electronic equipment is a challenge both for Kosovo and for all developed countries in the world. Waste electrical and electronic equipment (MPEE), or 'e-waste', are a growing challenge for governments around the world. It is clear that we must change the way that designed, manufactured, used and managed electronic equipment after their exit from use, if we wish to continue to harvest the benefits that brings technological development, while at the same time not hurt people and the planet. In some states have not yet defined legal instruments, and also continue to see how e-waste going from rich countries, which have the capacity to handle it safely and appropriately. Kosovo so far no special legal regulation which would be included this type of waste, but as part of the process for adoption of EU legislation, the Ministry of Planning should prepare the Law on Waste Management of electrical and electronic equipment. While consumption of computers and electronic equipment is growing slowly in all parts of the world, it is not in balance with the associated increase in infrastructure for safe management of such waste electrical and electronic equipment. There are some problems that are caused by the use of increasingly large electronic devices and which pose a risk to human health, and also represent the ecological disaster. In Kosovo have different types of electrical and electronic waste such in this paper will be presented some data which will show how to manage respectively handle e-waste electrical and electronic equipment such.

Keywords: electrical and electronic equipment, waste management and ecology

1. Introduction

E-waste is a generic term, used to describe electronic equipment old, obsolete or disposed, which contains electrical components. This includes a large part of the waste electrical and electronic equipment, and not just those related to the electrical grid, but also working with battery products, gain energy from wind or solar power other. These include many items, ranging from household white goods such as refrigerators and tester, up devices such as laptops and smart phones, extensive use items such as televisions and MP3 PlayerNet, to tools such as borer electric and sewing machines.

Waste electrical and electronic equipment (MPEE), or 'e-waste', are a growing challenge for governments around the world. Environment Programmed United Nations estimates that some 50 million tons of e-waste generated each year around the world. Given current trends in the design and manufacture of electronic devices, which give impetus to more frequent cycles of replacement of these waste generation will not be reduced for a certain time. It is clear that we must change the way that designed, manufactured, used and managed electronic equipment after their exit from use, if we wish to continue to harvest the benefits that brings technological development, while at the same time not hurt people and the planet.

In this regard, steps have been taken in terms of policies, such as the European Union's Directive MPEE (WEEE Directive), which regulates the regime of e-waste management, with emphasis on the responsibility of producers to cover management costs after the obsolescence of electronic products. However, some states have not yet defined legal instruments, and also continue to see how e-waste going from rich countries, which have the capacity to handle it safely and appropriately, in some countries, do not have to fix this issue. Kosovo so far no special legal regulation which would be included this type of waste, but as part of the process for adoption of EU legislation, Ministry of Environment and Spatial Planning Law must be prepared to manage electrical and electronic waste electrical and electronic equipment in Kosovo. The document should be prepared starting point for all that should follow after the Law on management of electrical and electronic equipment and waste electrical and electronic equipment, as well as the obligations and challenges that will be its result. Qualitative research method is used where the first hand sources, such as interviews and legal documents, as well as secondary sources such as analysis of the perception of citizens of the Republic of Kosovo for e-waste and e-waste quantities in households.
2. Electronic Equipment Modern Short Path towards Seniority

Electronic devices have special features that manufacture and their use make influential source of ecological and social, and therefore they represent waste problematic and challenging. Some of the ways in which bad design and other practices make modern electronic devices obsolete very quickly and they are:

- **Hardware problems**: according to one report, 24% of laptops will break down in the first three years as a result of hardware problems.
- **Software upgrades**: New software can increase the volume of e-waste due to non-compatibility with older computers. For example, many computers do not have enough memory or processor speed to work with Windows Vested new.
- **Shifts of the best phones**: Companies often offer customers the best phones, for free or for very cheap price, encouraging frequent replacement of functional mobile phones.

In this regard, steps have been taken in terms of policies, such as the European Union’s Directive MPEE (WEEE Directive), which regulates the regime of e-waste management, with emphasis on the responsibility of producers to cover management costs after the obsolescence of electronic products.

2.1 The design of the evil and aggressive marketing by the companies that produce electrical and electronic equipment.

Modern electronic devices quickly become obsolete and discarded. Innovations, such as mini-devices, resulting in equipment increasingly smaller and more functional, which are increasingly difficult to dismantle or to split into parts that are recyclable. In fact, many products are cheaper to replace than to fix, even if there who do it. Also, in addition to technological development, which renders obsolete equipment, as well as aggressive marketing of electronic companies doing that work equipment, to become obsolete after just one or two years of use. This results in rapid cycle’s replacement artificially. When I would not want these devices are facing a big problem of waste that occurs in Kosovo.

2.2 Electrical and electronic equipment contain many toxic substances.

Over 1,000 materials used to produce our electronic devices and their components - semiconductor chips, circuits, drives (disk drives), and so on. Many of them are toxic, among which PVC, heavy metals (such as lead, mercury, arsenic and cadmium), Hexavalent Chromium, plastics and gases, which are harmful to human health if not properly managed. Disposal to landfill is one of the most common methods of e-waste disposal, despite the fact that due to the toxic contents of electronic devices, e-waste is very dangerous.

2.3 Some of the risks to your screen television

In your TV are toxic substances that can cause serious pollution, if your old TV sends to landfill. Old televisions with cathodes tube (CRT), containing from two to four kilograms of lead, which can release toxic chemicals when disposed in landfills, by contaminated groundwater.

New LCD TVs are starting to dominate the market, mercury containing lamps to illuminate their screen. Every LCD television uses only a few milligrams mercury. However, this metal is so toxic that even just one gram of mercury, and carried through the air each year to a lake of 80 meters, is enough to keep contaminated lake water at that level, the fish of the lake not be safe to eat.

EU accepted the toxic nature of the materials used in electronics and tries to respond to this situation through the Directive on the restriction of hazardous materials (DKMR), which bans and controlled use of certain materials in electronics, to all products sold in the European Union. If manufacturers would agree to make safer design with which to eliminate toxic materials, will be diminished risks after emerging from the use of our electronic devices.

Electronic devices contain precious materials and rare. Besides that contain many harmful and toxic substances, electronic devices also contain substances that are very valuable. Much of precious substances found in printed circuits board (printed circuit boards). The computers can be found iron, aluminum, copper, lead, nickel, tin, gold, silver, platinum and palladium. Metals and other precious materials exist in other electronic components, such as copper wire, aluminum and iron and household equipment. Quantities of 14 minerals that are used in modern electronics are critical level, while it is expected that the demand for these materials to triple by 2030. Many materials that are of great importance for the production of ICT equipment, are extremely rare, which makes them valuable. Rare materials, such as gallium indium...
and begin to play an important role due to their implementation of new technologies (for example, flat screens and touch screens, as well as photovoltaic solar energy). In addition, some of the materials used in electronics come very unreliable sources, places where crimes against humanity are made to extract them. With the disposal of old equipment in landfills or recycling no qualitative not use again materials that can be drawn from them despite the fact that some of them are really rare and due to criminality in society.

Even in Kosovo will deal with this very serious problem and the communities and environment in Kosovo would have been the victim of toxic and bad design and inadequate management e-waste. Reuse and recycling e-waste is difficult, because it contains components dangerous and unstable. A large number of electronic devices that do not need them anymore, end (illegally) in the landfill, the waste incineration ovens, along with other municipal waste, or removed in any other way inappropriate. Given the dangerous nature of certain materials in electrical and electronic equipment, mismanagement of e-waste means that people and the environment pay the price for toxic and bad design manufacturers.

Minimizing the impact of electronic devices and the real - technology spending wastes include social and environmental impacts throughout its life cycle. Current trends in production and consumption of electronic equipment, together with the lack of options for safe management of e-waste in many countries suggest that, as communities and the environment pay the price for toxic and inefficient design. The current situation in Kosovo is unfair and unsustainable simultaneously.

To prevent e-waste crisis and to protect the environment and human health in the chain of electronic products have all parties to take action.

Manufacturers should:
- Make cleaner products
- Make a more lasting products
- Let’s take back their products for reuse and recycling safe

Government of Kosovo should:
- To prohibit the import and export of e-waste
- Prohibit dumping of e-waste in landfills - promote reuse of hardware and make it mandatory recycling e-waste.
- Bring law and producer responsibility to promote design.
- To supervise actors and punish offenses

Consumers should:
- Buy less, and buy ecologically.
- To return their goods back to the manufacturer for reuse and safe recycling.

Any approach to minimize the negative impact of electronics and e-waste, requires that manufacturers take primary responsibility for their products throughout the lifecycle. However, this does not mean that others should not play any role. For example, the government of the Republic of Kosovo should ensure the right policies and laws which will encourage design and ensure respect for the rights. Also, to minimize the negative impact of electronic equipment and waste is, should be treated the issue of skills for consumption and disposal of equipment by consumers, which means that customers have key roles.

Categories of products MPEE Directive are:
- Large household appliances
- Small household appliances
- Equipment for IT and telecommunications
- Equipment for entertainment electronics
- Equipment for lighting
- Electrical and electronic tools
- Games, facilities for leisure and sport
- Medical Apparatus
- Instruments for inspection
- The machines

For wastes that do not come from families, manufacturers have individual responsibility for MPEE new, but the old MPEE have responsibility only when offering new products during product exchange old with new. Other major obligations include access for users to information necessary for Antes how to avoid e-waste properly and manufacturers to mark their products and provide information for re-use and safe handling of their products. Also, countries have an
obligation to do checks and monitoring the situation, to make appropriate implementation, including appropriate penalties for possible violations of law Directive.

3. Limitation of Hazardous Substances

The European Parliament adopted the Directive on the restriction of hazardous substances (DKMR) in 2003, but it entered into force in July 2006. DKMR considered as a supplement Directive MPEE, because the limited production phase, although there impact on products that are obsolete. It aims to restrict the use of certain hazardous substances in electrical and electronic equipment. In this way, the protection of human health and ecological assisted is restoration and waste removal. With this Directive, the Member States are required to adopt the national legal framework, which will limit the use of four heavy metals (lead, cadmium, mercury and chromium hexavalent) and two groups of refractory materials with bromine (GDP and PBDE) the production of new electronic devices (although there are exceptions for certain uses of these substances until replacements are found). The Directive has a global impact because it treats the products imported into the EU, not just those that are produced within its borders.

3.1 Products that use energy

These products have intended to improve the environmental performance of products throughout their lifecycle, through systematic integration of environmental aspects into product design phase. As a framework directive, it has no direct provision for the necessary requirements for certain products, but only defines the conditions and criteria for determining the conditions for each product separately.

- Products candidates for measures to be implemented are those that:
  - Have a considerable impact on the environment.
  - Circulation in the EU.
  - Clear potential and significant environmental improvements.

Measures for implementation may be different forms, including the necessary regulation, voluntary industry initiatives etc. Until now adopted a number of measures for implementation, including those for computers and monitors, TV sets, refrigerators and refrigeration appliances, and home lighting. In 2009 it was decided that ordinary bulbs are contrary to the Directive and started their gradual removal from use, in the context of the Directive.

3.2 How would Kosovo faces e-waste management law for electrical and electronic equipment and waste electrical and electronic equipment.

Kosovo with this law regulates the requirements for environmental protection that must meet legal and physical persons who produce and bring to market the Republic of Kosovo electrical and electronic equipment and who treat waste electrical and electronic equipment, and other entities that participate in the production and marketing of electrical and electronic equipment, limiting the use of certain hazardous substances in the manufacture of electrical and electronic equipment, method of collection, handling, processing and waste disposal electrical and electronic equipment, as well as other issues relating to the management of waste electrical equipment and electronics.

The goals of this draft law should have been:

- Reducing the negative impact of waste electrical and electronic equipment on the environment and human health at the lowest level possible;
- advancement of standards for environmental protection by producers, traders and end users throughout the life cycle of products, especially during the treatment, processing and disposal of waste electrical and electronic equipment;
- obstructing the creation and disposal of waste electrical and electronic equipment;
- achieve high levels of reuse, recycling and other types of waste processing electrical and electronic equipment, as well as reducing the disposal of waste electrical and electronic equipment in landfills;
- creating conditions for the establishment and development of the market for reuse, recycling and other types of processing waste electrical and electronic equipment, and
- Ensuring equal position in the market for natural and legal persons domestic and foreign, as well as avoidance and removal of trade barriers that can distort the market of electrical and electronic equipment.
4. Analysis and Recommendations

Proposal Preparation and Management Law electrical and electronic equipment and waste electrical and electronic equipment and its entry into parliamentary procedure mean a lot for Kosovo. Draft law should be harmonized with the European directives and the proposed text is clear aim of proposing to contribute to preserving the environment in the Republic of Kosovo.

4.1 Draft Law adaptation according to EU directives

Draft law includes key needs for waste management of electrical and electronic, but, however, consider that in some articles must be some necessary changes, which will facilitate the interpretation and application of the law in the future.

4.2 Goals of the collection.

In the territory of the Republic of Kosovo, until December 31, 2020, must be collected at least 4 kilograms of household waste per capita per year. Revision of Directive 2002/96/EC showed MPEE fixed targets such collection does not address the problem in the best way. A large part of the Member States has failed to meet its target, while for some other countries, it definitely was not a challenge. Therefore, the proposal for revision of the directive is that the collection targets to be a certain percentage of equipment put on the market, and that 65% of the average amount of electrical and electronic equipment put on the market during the past two years. Research shows that families, as well as companies, have large amounts of equipment to throw, so that this target can be met quickly.

4.3 Percentage of household not already used, but kept at home

This graph shows the percentages of household not already used to being kept in the houses of Kosovo. These devices represent potential e-waste can be found soon cast along with other municipal waste. All these devices are stored in the house a long time and enabling their disposal, will probably reach the target set by law, but coming years could be coming to a reduction of the amount of e-waste collected.

5. The Simple Way to Remove Household Waste

Currently, the draft law envisages to have a collection center 30 000 inhabitants and citizens have the opportunity to leave free waste electrical and electronic equipment from which traders buys new equipment.

Some data indicate that a citizen of prefer the system that is proposed by this law, but a part considers that there should be some solution / center to left as Gift waste electrical and electronic equipment, close to home them.
5.1 Activities of the Government of Kosovo

Government can play an important role in policy development and regulation of habits, in order to promote good practices related to electronic equipment and e-waste. Therefore, the Kosovo government should implement the following recommendations:

- Should not be allowed to e-waste:
  - Get in - or out.
  - The essentials are restrictions on import and export of e-waste, in order to protect communities and the environment in countries without safe infrastructure for e-waste.
  - Waste exported represent lost valuable resource for the recycling industry in the country of import, while imported waste can overflow waste management systems of importing countries. Also, is-waste export suffocates innovation that is needed to address the problem from the beginning, during the design and production.
  - Do not let e-waste going to landfill.
  - E-waste dumped in landfills, or in any other location, not only deadly, but it also presents an opportunity to release.
  - Toxic materials in e-waste can contaminate soil, water and air, but when electronic devices are not reused or recycled, lost valuable resources. Instead, they should be handed legitimate waste operators.
  - If that is functional, the device must be re-used, and if it is not functional, it must be recycled safely. Adopt a legal framework for responsibility of the manufacturer, design encouraged.

To enable electronic equipment manufacturers pass from toxic and inefficient design in that it is safe for people and the planet, the Kosovo government should:

- Planning to introduce a ban on substances that initially manufacturers to reduce, with no time even to eliminate toxic substances in electronics.
- Transfer the individual responsibility for managing the products after the obsolescence of their manufacturers.
- To implement ambitious goals for collection and retrieval, in order not to allow e-waste end up in landfills and motivate manufacturers to develop appropriate and effective infrastructure for collection, disassembly, reuse and recycling.
- To implement serious and applicable standards for treatment and processing.

Since an end to harmful practices for waste treatment (for example, dumping in landfills, burning in oven and exports), and to encourage continuous improvement of e-waste management, all operators of collecting and treatment waste must be licensed and have passed inspection by the relevant national agency for the environment.

6. Conclusion

Managing waste electrical and electronic equipment poses a challenge for developed countries. The adoption of the Law on electrical and electronic equipment and waste electrical and electronic equipment, Kosovo begins long war with the hazardous waste, which representing one of the most dangerous destroyers of the environment in modern society. Harmonization of Kosovo legislation with European legislation and the approach to the European Union is an additional motive for behavior and implementation of this law. Metamorphosis will continue to follow the law and implement activities that will assist in its implementation in Kosovo.

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Chance to Experience Non-Traditional Work Involvement

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Abstract

When it comes to performance of duties, professional activity in flexible forms of employment, regardless of attachment to an organisation, perceived welfare of an employee, job satisfaction and efficiency of one's own professional activities work engagement plays a vital role. This means that regardless the organization, variability in employment, jobs and posts, an individual employed in flexible forms of employment may experience, precisely as permanent staff and employees employed in traditional forms of employments, all the components of job involvement such as vigour, absorption and dedication. To test this hypothesis the author carried out a survey on a group employees employed in nine flexible forms of employment. This paper presents the most important conclusions of the survey and a theoretical review of the analysed variable.

Keywords: work engagement, flexible forms of employment

1. Introduction. On Work Engagement

When it comes to ways of measuring work commitment in the latest Polish literature, the phenomenon was described by Szabowska - Walaszczyk, Zawadzka, Wojtaś (2011). The authors analysed n= 199 employees of organizations of different sizes, from three sectors, using the already mentioned UWES- PL scale. Original questionnaire Utrecht Work Engagement Scale consists of three scales: vigour, dedication and absorption. Answers are placed on seven-grade scale, the Polish version has 17 items on it. In the Polish version the factor analysis is followed by statements of high correlation, so one can treat them as a single factor - work involvement - without a distinction between three factors, as it is the case in the original version. The soundness of the Polish version according to Cronbach’s alpha is 0. 94, and according to the original version the ratio is 0.93. Positive correlations in the research have been obtained between involvement and age and post. No importance of the remaining socio-demographic variables such as sex, seniority, education, city size and organization size have been confirmed (pp. 62- 64).

2. Presentation of the Author's Research

Work involvement variable, diagnosed according to Utrecht Work Engagement Scale - UWES by Schaufeli and Bakker. UWES is based on the already mentioned dimensions of work involvement - vigour, dedication and absorption.

The average score on UWES in the analysed group of flexible employees was 64.16 with the variable scope ranging from 1 to 102. The median was 65, which means that half of the analysed scores below 65 points. Skewness and curtosis only slightly differ from zero, therefore it can be concluded that the distribution does not exhibit a significant asymmetry from the normal distribution. Involvement in work with emphasis on forms of employment of the analysed flexible employees was analysed. Unfortunately it was impossible to apply variance analysis, since assumptions concerning normality of distribution in the subgroups and homogeneity of variance in the subgroups were not met. Therefore the non-parametric Kruskal- Wallis test was applied. Analysis of the relationship by the Kruskal -Wallis test has shown, that a form of employment significantly differentiates the test results on the scale of work involvement: Chi-square (df 8) = 47.248; p< 0.001). The median in all the sub-groups are located is between 5 and 6, they are therefore the average results for the whole population N=2070 (nine forms of employment: telework, replacement work, temporary work, seasonal work, work under civil and legal agreements, part-time work contracts, specific time work contracts, contracts for the employed in social economy and the self-employed) and nine specific flexible forms of employment. By far the highest median on the scale of work involvement was obtained by the self-employed (70.0). Whereas the lowest median was observed in the following groups: employed under specific task contract (61.0), working under substitute work contracts (61.5) and...
telereaders (62.0). Such a distribution of results can be justified by specific conditions of employment in a given group. Among the self-employed high work involvement translates directly into obtaining orders and, consequently, financial gratification. In the case of low results in work commitment among persons working under civil-and-legal contracts, substitute work contracts, teleworkers, the type of a contract itself may be disheartening for work involvement.

Moreover, the results of the specific sub-scales of the work involvement scale have been analysed. The average score on the sub-scale of vigour in the analysed group of flexible employees was 22.94 with the variable scope ranging from 0 to 36. The median was 23, which means that half of the analysed scores below 23 points. Skewness is negative, which indicates that the distribution left-sided - slightly too many high results. Kurtosis is positive, slightly above zero - slightly more values are concentrated around the average value. Vigour of the flexible forms of employment of employees has been analysed. Unfortunately it was impossible to apply variance analysis, since assumptions concerning normality of distribution in the subgroups and homogeneity of variance in the subgroups were not met. Therefore the non-parametric Kruskal-Wallis test was applied. Analysis of the relationship by the Kruskal-Wallis test has shown, that a form of employment significantly differentiates the test results on the scale of vigour: Chi-square (df 8) = 37.519; p < 0.001. Values of the median in all the analysed groups fall within stens 5 and 6, which means that the values are average. Relatively the lowest results in comparison with other groups have been obtained by employees working under specific task contracts, teleworkers and temporary workers. Whereas the highest results have been obtained by the self-employed. Distribution of the results in this sub-scale of involvement is high and low in the similar groups of flexible employees.

The average score on the sub-scale of vigour in the analysed group of flexible employees was 19.43 with the variable scope ranging from 0 to 30. The median was 20, which means that half of the analysed scores below 20 points. Skewness is negative, which indicates that the distribution is left-sided - slightly too many high results. The curtosis is positive, close to zero, which means that there is no significant asymmetry of the distribution. Analysis of dependency of results on the scale of dedication on the form of employment of the analysed flexible employees have been carried out according to the Kruskal-Wallis test, since the assumptions of variance analysis were not met. Analysis of the relationship by the Kruskal-Wallis test has shown, that a form of employment significantly differentiates the test results on the scale of dedication: Chi-square (df 8) = 38.669; p < 0.001. Values of the median in all the analysed groups fall within stens 5 and 6, which means that the values are average. Relatively the highest results, when compared to the other groups, have been obtained by the self-employed - similarly to the scale of involvement in general and the sub-scale of vigour. In the remaining groups the results are similar to the median in the entire analysed sample.

The average score on the sub-scale of absorption in the analysed group of flexible employees was 21.89 with the variable scope ranging from 0 to 36. The median was 22, which means that half of the analysed scores below 22 points. Skewness and curtosis only slightly differ from zero, therefore it can be concluded that the distribution does not exhibit a significant asymmetry from the normal distribution. Analysis of dependency of results on the scale of absorption on the form of employment of the analysed flexible employees have been carried out according to the Kruskal-Wallis test, since the assumptions of variance analysis were not met. Analysis of the relationship by the Kruskal-Wallis test has shown, that a form of employment significantly differentiates the test results on the scale of absorption: Chi-square (df 8) = 52.712; p < 0.001. Values of the median in all the analysed groups fall within stens 5 and 6, which means that the values are average. Relatively the highest results, when compared to the other groups, have been obtained by the self-employed - similarly to the scale of vigour and dedication and in general in the scale of involvement. The lowest results have been obtained by the respondents working under specific work contracts. In the remaining groups the results are similar to the median in the entire analysed sample.

Moreover, work involvement variable was significant with respect to sex, age, occupation, sector and seniority. No relation has been identified with respect to a sector, number of employers so far, duration of a present work contract, place of residence, marital status and a number of children.

According to the obtained results, sex differentiates significantly the results of the respondents on the scale of work involvement, which is confirmed by the results of U-Mann-Whitney test: U = 415738; p < 0.001. Women achieve higher results on the scale of work involvement (M = 67.72; SD = 18.802) than men (M = 61.42; SD = 19.106). Variance analysis has shown that there is a significant dependency between age and work involvement: F (2, 1995) = 23.722; p<0.001. The older the respondent, the higher result on the work involvement. In the age group 18-30 years the average is 60.91%; in the age group 31-40 years = 63.19, and in the age group 41-65 years = 68.34. There is a statistically significant dependency between work involvement and education, which is confirmed by the results of the Kruskal-Wallis test: Chi-square (df 2) = 51.465; p < 0.001. The highest results are scored by the respondents holding a university degree: the median = 68. Slightly lower results are obtained by persons with primary education (the median = 63), and...
the lowest results are obtained by the respondents with secondary education (the median = 60). Also occupation significantly differentiates the results of the respondents on the scale of work involvement, which is confirmed by the results of the Kruskal-Wallis test: Chi-square (df 4) = 22.420; p< 0.001. The respondents on higher positions generate higher results than the employees on lower career level. The median values in each of the said groups are as follows: managers, CEOs, business owners = 68; experts and freelancers = 66; technicians and officials = 66; trade employees and services = 63; workers = 62. The results of the Kruskal-Wallis test exhibit a statistically significant dependency between a sector and a result on the scale of work involvement: Chi-square (df 4) = 22.170; p< 0.001. The highest scores are obtained by employees of such sectors as: heavy industry (the median = 67), public administration (the median = 66) and other sectors (the median = 70). Whereas in the remaining sectors the results were lower: services (the median = 63), trade (the median = 61). Also seniority has a significant meaning for the results of the respondents on the work involvement, the results of the Kruskal-Wallis test: Chi-square (df 2) = 12.118; p< 0.01. The longer the seniority, the higher results on the work involvement scale: in the group of employees with seniority between 0 - 5 years the median = 64, in the group of employees with seniority between 6-10 years the median = 65, in the group of employees with seniority between 11-15 years the median = 68.

While comparing specific subscales of vigour, dedication and absorption with socio-demographic factors, the following correlations have been identified. Vigour depends on sex, age, education and occupation. No significant dependency has been identified between vigour and sector, industry, seniority, number of employers, duration of a present work contract, place of residence, marital status and a number of children.

Sex also differentiates significantly the results of the test on the scale of vigour - which is confirmed by U-Mann-Whitney test: U = 448652; p < 0.001. Women achieve higher scores (M = 23.86; SD = 6.765) than men (M = 22.23; SD = 7.117). Age differentiates significantly the results of the respondents on the scale of job satisfaction, the results of Kruskal-Wallis test: Chi-square (df 2) = 27.974; p< 0.001. The oldest employees (41-65 years) receive the highest scores (median = 25). The respondents of the younger age groups obtained slightly lower results: in the group of 31-40 years the median = 23, in the age group of 18 - 30 years, the median = 22. There is a statistically significant dependency between vigour and education, which is confirmed by the results of the Kruskal-Wallis test: Chi-square (df 2) = 32.994; p< 0.001. The highest results are scored by the respondents holding a university degree: the median = 24. Slightly lower results are obtained by persons with primary education (the median = 23), and the lowest results are obtained by the respondents with secondary education (the median = 22). Occupation also differentiates significantly the results of the test on the scale of vigour - the result of Kruskal-Wallis test: Chi-square (df 4) = 23.740; p< 0.001. The poorest results are obtained by trade workers (the median = 22) and the highest results are obtained by specialists and freelancers (the median = 24). In the remaining groups the median was 23.

The subscale of dedication correlates in a statistically significant way with sex, age, education, occupation, but has no significant relation with such socio-demographic factors as: sector, industry, seniority, number of employers, duration of a present work contract, place of residence, marital status and a number of children.

Sex also differentiates significantly the results of the test on the scale of dedication - which is confirmed by U-Mann-Whitney test: U = 437188; p < 0.001. Women achieve higher scores (M= 20.44; SD = 6.346) than men (M = 18.65; SD = 6.465). Age differentiates significantly the results of the respondents on the scale of dedication, the results of Kruskal-Wallis test: Chi-square (df 2) = 35.448; p< 0.001. The oldest employees (41-65 years) receive the highest scores (median = 21). The respondents from the younger age groups obtain slightly lower results, in the both younger groups the median was 19. There is a statistically significant dependency between dedication and education, which is confirmed by the results of the Kruskal-Wallis test: Chi-square (df 2) = 29.615; p< 0.001. The highest results are obtained by the respondents holding a university degree and with primary education (the median in the both groups = 20). Slightly lower results are obtained by persons with secondary education (the median = 19). Occupation also differentiates significantly the results of the test on the scale of dedication - the result of Kruskal-Wallis test: Chi-square (df 4) = 27.974; p< 0.001. The lowest results are obtained by workers and trade workers (in the both groups the median = 19). Slightly results are obtained by persons on higher posts - in the remaining groups the median = 20.

Absorption correlates with age, sex, education, occupation, seniority, place of residence. No relation has been identified between this sub-scale and a sector, industry, number of employers, duration of a work contract, marital status and a number of children.

Sex also differentiates significantly the results of the test on the scale of absorption - which is confirmed by U-Mann-Whitney test: U= 4000272; p < 0.001. Women have higher results (M = 23.49; SD = 6.924) than men (M = 20.66; SD = 7.181). Age differentiates significantly the results of the respondents on the scale of absorption, the results of Kruskal-Wallis test: Chi-square (df 2) = 66.435; p< 0.001. The oldest employees (41-65 years) receive the highest
scores (median = 24). The respondents of the younger age groups obtained lower results: in the group of 31-40 years the median = 21, in the age group of 18 -30 years, the median = 20. There is a statistically significant dependency between absorption and education, which is confirmed by the results of the Kruskal-Wallis test: Chi-square (df 2) = 74.199; p< 0.001). The highest results are obtained by the respondents holding a university degree (the median = 23) and with primary education (the median = 22). Slightly lower results are obtained by persons with secondary education (the median = 20). Occupation also differentiates significantly the results of the test on the scale of absorption - the result of Kruskal-Wallis test: Chi-square (df 4) = 18.846; p< 0.001). The lowest results are obtained by workers (the median = 21). Slightly lower results are obtained by persons working in trade and services (the median = 22) as well as specialists and freelancers (the median = 22). The highest results are obtained by technicians and civil service officers (the median = 23) and directors, CEOs, owners of companies (the median = 24). Also seniority has a significant statistical influence on the results of the absorption scale, the results of the Kruskal-Wallis test: Chi-square (df 2) = 21.926; p< 0.001). In the group of the respondents with seniority between 0 - 5 years the median is 21. The same applies to the group of the respondents with seniority of 6-10 years. The highest results are scored by the respondents with the longest seniority: the median = 23. Also place of residence has a significant influence on the results on the scale of absorption, the results of the Kruskal-Wallis test: Chi-square (df 2) = 39.083; p< 0.001). Inhabitants of villages and small towns generate lower results (the median = 21 in the both groups) than inhabitants of big cities (the median = 23).

3. Conclusions

It should be emphasised that flexible forms of employment are a good form of work at a certain stage of human life, which had been described by Nollen (1996) in the characteristics of an average temporary employee and can also be seen in the Author's research. Natural drive for stabilisation in principle stands in opposition to temporary forms of making a living. Irrespectively of this fact, each employee has a chance to experience work involvement.

References

Some Aspects of the Juvenile Delinquency in Albania

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Abstract

The phenomenon of the juvenile delinquency in the Republic of Albania, likewise the other countries of the world, has been persisting and evolving induced by a variety of factors featuring both the individuals and the society, in the objective circumstances of which minors create their own personalities. Minors are human beings in a growing and developing process characterized by certain crossroads leading them to the age of maturity. The respective society circumstances and its many problems have an obvious effect into the delicate process of minors’ growth and development. It is for this reason that understanding everything regarding the “minor” problem requires both technical cognition and human skills. The behavioral negative aspects drawing people’s attention can generally be observed more in youth rather than in the adult ages. Moreover, it would be better considering the present-day juvenile delinquency as the tomorrow’s adult criminality. The aim of this study is to consider juvenile delinquency as a concept, theoretically, summarized and as a phenomenon having its own specific causes, alongside understanding the infant delinquent’s figure and personality. By means of the statistical data, it is possible to reveal the most consumed penal acts committed by minors in the Republic of Albania. This work will be introduced according to the following structure: Understanding juvenile delinquency and its distinctions from other similar concepts; The profile of juvenile delinquents; Volume and types of the penal acts committed by minors in Albania; Juvenile delinquency in terms of gender; Recommendations concerning the juvenile delinquency problems in the Albanian state.

Keywords: Juvenile delinquency, minors, delinquents, age, criminal profile, criminal factors, delinquency structures.

1. Introduction

There is no doubt that criminality is one of the most obvious social phenomena exacerbating the actual society as well as one of the most treated criminological problems by since the XIX century and on. The problems relating the individuals’ negative conducts attracting the attention of the society can, generally, be better observed in minors rather than in major adults. Moreover, it is important to treat the present-day minors’ criminality as a potential criminality of the major adults in the future.

Minors’ criminality is a worldwide phenomenon, persisting both in big and industrialized cities and in the less developed areas, in rich and high-class families and in the poorest ones; therefore, it is a phenomenon featuring all the social strata, devoid of exception1.

In this point of view, in the Republic of Albania as well, the phenomenon of juvenile delinquency has been persisting in the same ways as in the other countries of the world, induced by a variety of factors linked both with the individual as well as with the society and with the objective circumstances in which minors are grown and brought up and in which build up their personalities. The aim of this study is to deal with the following issues:

• Understanding juvenile delinquency and its distinctions from other similar concepts;
• The profile of juvenile delinquents;
• Volume and types of the penal acts committed by minors in Albania;
• Juvenile delinquency in terms of gender;
• Recommendations concerning the juvenile delinquency problems in the Albanian state.

2. Understanding Juvenile Delinquency and Its Distinctions from Other Similar Concepts

It is somewhat difficult to define what juvenile delinquency means per se. In some countries juvenile delinquency is qualified as a such basing on the definitions made by the Penal Code regarding law infringements/violations committed by minors, whereas in other countries juvenile delinquency is addressed by a series of criminal offenses foreseen in their basic laws. It is for this reason that statistical data provided by some countries regarding juvenile delinquency, are inflated, whereas in some other countries data are not reflected exactly, but a limited number of deviant conducts. Prior to dealing with juvenile delinquency, it is mandatory to clarify the concepts “delinquency” and “juvenile”.

At first place, delinquency or criminality in general, was considered as a specific phenomenon of deviation or inconsistency. In this point of view and according to the perception: “criminality is the attitude resulting from the individuals’ failure to adapt to the rules of the society they live in” – a definition which says much and nothing at the same time. This is because there is no clue if it refers to the rules as a whole or to a part of them and if people, majors or minors, have to adapt to rules of a certain society.

Because of the influences by the classical school of the psycho-biological Penal Law and positivism, the juvenile delinquency has usually been considered as a totally individual issue; actually, the greatest part of the criminologists assert that criminality is a phenomenon featuring any kind of society and reflecting their main characteristics so that, to understand criminality as a phenomenon it is necessary to realize the main bases of each social class, both its functional and non-functional bases.

Amendments made in the field of legal punishment, especially in the field of trafficking crimes, in the economic domain and in the field of offences to environment, result to favor the thesis asserting the cultural dependence of the criminal offences, as maintained by Hegel in 1821. Nevertheless, to whatever extent this hypothesis is true, it is necessary to be concretized since it does not explain why and to what direction the concept of the criminal offences change in a certain epoch and moreover, it does not explain the reasons behind the variety of forms the deplorable acts are displayed within the same cultural circle. However, according to Kaiser, it should be kept in mind that the conduct being subjected to social punishment in a certain country may not be considered as a criminal offence in other countries. Considering these ideas Herrero defines criminality as a social phenomenon consisting of the entirety of infringements directed against the base rules of coexistence and occurring in a certain time and place. Another author, López Rey, considers criminality as an individual and social-political phenomenon featuring the society as a whole and whose prevention, control and treatment requires the need for community collaboration and an adequate sentencing system.

Once we have considered “criminality” as a concept “juvenile” needs also to be perceived, namely, what ‘juvenile delinquency’ stands for? The concept will not be seen in a wider meaning but in terms of penal sciences, perceiving it as crimes committed by individuals who have not reached major age. It should be born in mind that, in various states, in its penal meaning, major age does not often coincide with civil and political meaning of it as such. According to Herrero, juvenile delinquency is more a social-historical concept. In this line of reasoning Garrido Genovés defines juvenile delinquency as a cultural figure since its definition and the legal treatment depends on various factors, in different states, reflecting an entirety of psychological and legal concepts. Technically, the juvenile delinquent is an individual not yet in major age, in terms of the judicial-penal meaning and who commits an action which is punishable by the law.

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According to Göppinger, in the criminology sciences, the concept juvenile should have a wider meaning, including age groups from 14 – 21 years of age, who should further be divided in minors and semi-majors14. In some countries of the Western Europe where there have been studies of the juvenile delinquency, scholars make distinctions between minors and a special category, the so-called “young adults”. The term stands for individuals ranging from 18 - 21 years of age and in several cases even from 23 - 25 years of age15. According to this reasoning it can be said that a juvenile delinquent 16 is the individual who has not yet reached a major age, as foreseen by the penal law and who commits an act which is punishable by the law.

The General Assembly of the United Nations has provided its own definition for the juvenile delinquent in one of its acts: “A juvenile delinquent is a child or young person who is alleged to have committed or who has been found to have committed an offence.”17.

The Penal Code of the Republic of Albania, (1995), bounds the minimum age of criminal responsibility at 14 years of age for crimes and at 16 years of age for penal infringements. This determination complies with Article 1 of the Convention on the Rights of the Child asserting: “For the purposes of the present Convention, a child means every human being below the age of eighteen years unless under the law applicable to the child, majority is attained earlier”.

According to the Albanian Penal Code, concerning crimes, the intellectual ability and the necessary volition for minors to be responsible is achieved at the 14 years of age. This infers that minors have reached the proper mental maturity to distinguish the illegitimate and socially hazardous character of their actions and inactions. Determination of this age limit is based on the rationale that in the actual conditions of our society’s development, a minor of this age possesses the proper knowledge to understand what is or is not a crime. A minimum age limit of 16 years of age has been determined for penal infringements, reasoning that the content of an infringement is more abstract and difficult to be comprehended by minors, so they should have a higher level of noses and living experiences to be responsible18. Persons who have not yet reached 14 years old cannot be subject to penal responsibility but they can be subject to education measures. The juvenile's age to rich mental maturity, sufficient to comprehend the gravity of the offense and to understand the implications of his conduct in the society is not often the same for different minors. By since 14 years of age, which make up the lowest age limit of minority, the minors’ mental abilities evolve vehemently until reaching 18 years of age, which is considered the age when minors’ intellectual development to comprehend the gravity of criminal offences has been completed. So, above this age limit, the criminological treatment of the penal offences and of the persons who have committed them, shows that the study of the juvenile delinquency should not be limited solely to cognizing juvenile criminal offences committed, the means used to perform them or their consequences, but even to determine the features of the persons who have committed them, the scale of their abilities as well as their personality19. That is why legislation envisages limited penal responsibilities for minors. Finally, and by bearing in mind the aforementioned assertions, the juvenile delinquency in Albania can be defined as a social phenomenon incorporating the entirety of criminal offences committed by 14 – to 18 year-old individuals.

Perception of the juvenile criminality should be distinguishable from the other similar concepts, or the ones having common bases, suchlike the notion of the social conflict by means of which, according to Coser, is inferred the struggle for status, power and equal means, with parties aiming to liquidate, harm or eliminate their adversaries20. These concepts can bring confusion in treating the problems whose root causes are social avoidance or exclusion and anonymity.

Cohen and Mertone have defined avoidance as a behavior or an attitude ceding the agreed norms established by a certain group to be applied by individuals who are transferred into active subjects of offences. Therefore, the avoidance is a result of the very ceding the individuals render to the previously established system of rules.21.

16This term, delinquent, seems to be closer to reality as compared to the term "criminal". This is for the fact that, actually, the Albanian legislation terms as criminals those individuals who commit crimes. Meanwhile, there are minors who also commit penal infringements, so it would have been unjust if they were referred to as criminals, by using a general term for all kinds of offenders. The term “delinquent” has a general character and provides a better description of the situation
17Beijing Rules, Paragraph 2. 2, bullet c.
Social exclusion can be defined as a psychosocial state of an individual facing insufficiency of life-sustaining resources, lacking a decent social status totally or partially as well as living in conditions that are far from the dominant level of the community life. Social exclusion cannot be confounded with criminal situations even though it often leads to the latter. \(^{22}\)

Anomie, which in terms of etymology means ‘lawless’, is, in reality a specific case of deviation, where the deviant conducts originate from contexts where law does not prevail, especially in the periods of social and political transformations having no meaning of what social and legal norms are to be followed. The situation of individuals that Park qualifies as marginalized and which persist between two or more cultures differing from each other and, by alternatively applying the rules of the one or the other, can be included in anomie, as well, as in the cases of ethnic minorities, (Roma, etc.) \(^{23}\) 

3. **Profile of Juvenile Delinquent**

There have been many efforts, in the judicial doctrine, to describe juvenile delinquents’ type that would have served as a starting point for the application of efficient preventive programmes, such as education. According to scholars, there are a lot of individuals and living factors featuring juvenile delinquents that lead to the conclusion that they are flawed people and one of the flaws is the fact that they commit criminal offences. Among these factors, inclusive but not exhaustive, the following can be mentioned\(^{24}\):

- Impulsiveness;
- Desire to show off;
- Lagging behind in school;
- Taking drugs;
- Law self-esteem;
- Troubled families;
- Low social class;
- Lack of affection (family warmth);
- Aggressivity;
- Lack of social conducts;
- Lack of emotional equilibrium;
- Incongruity;
- Frustration.

Basing on the specific features of personality or features of psychosocial nature, Herrero Herrero\(^{25}\) divides juvenile delinquents in three typological categories:

The first category includes juvenile delinquents suffering from pathological disorders especially from:

a) Juvenile delinquents due to psychopathies. This classification has the existence of one of the psychopathy forms as a reference point. With the term ‘forms of psychopathy’, according to Hare, will be meant the inability of the individuals bearing this illness to feel or show affection (warmth) for their kin, a problem which they use in their own advantage. These individuals have the ability to express false sincerity, making his victims believe they are innocent or they have repented deeply - all this to disguise continuing to manipulate or lie.

Because of this state, minors are unable to adapt to a certain ambiance, since because of disorders in his personality it is difficult for them to subject to the application of rules so they act against accepted norms.

The psychopath minor is prone to accomplish anti-social actions, due to the orientation of his/her relevant psychopathies, making these actions display coldness and cruelty in terms of subjectivity.

b) Juvenile delinquents due to neurosis. Neurosis consists into a grave psychic unwellness displaying conduct disorders. It may have different origins suchlike, failures in life, frustrations, being abandoned or having lost kin, etc. In the criminological points of view, people sick with neurosis try to hide the feeling of anxiety they experience, they commit crimes in order to be subject to punishment that in return will release them from the feeling of guilt weighing on them. This definition is applicable for minors suffering from neurosis, who, however, are much less numerous than adults.

c) Juvenile delinquents due to the distorted perceptions of the reality. This includes minors who, due to their persisting psychobiological conditions, confound fantasy with the play in such a high grade that they begin to live outside the factual reality. This abnormal condition might push them to perpetrate anti-social actions.

In the second category are included minors with anomalies of non-pathological character.

a) Juvenile delinquents with anti-social disorders in their personality. This includes minors who are hyperactive, in state of irritation, often lack the feeling of guilt, lag behind in school and are less communicative or not communicative at all. One of the main causes of these disorders are the total lack of mother or her distorted figure, while not underestimating consequences from unfulfilled paternal role which, according to certain studies, growing fatherless bring forth problems which might push children to criminality. In many cases, this includes minors living on the streets, in permanent situations of abandonment, bearing feelings of anger and resentment towards the society. All these conditions have a common denominator; lack of affection, warmth and parental care. Finally, these youngsters are driven to crimes.

b) Juvenile delinquents who respond by leaving home. These minors are maltreated in their families so they abandon them. In psychological terms, these minors are weak and instead of responding to the aggression against them, they choose going away from their families - a timeless and unidentifiable departure. This is the reason why they await to be recruited by the organized crime mobs that incite them to commit certain penal offences.

In a third category, Herrero Herrero includes minors who display almost normal or close-to-normal features of their personality. They are affected by problematic situations that do not obfuscate their consciousness, their ability to make decisions and their emotional field profoundly. This category represents the greatest part of the juvenile delinquents among whom can be mentioned the following:

a) Minors committing simple acts of vandalism, etc, due to their born psychological perturbations persisting before and during their adolescence, due to the development of their body changes.

b) Minors committing small thefts or cheating to increase their values at the face of friends who show admiration for them.

c) Minors committing crimes against property or sexual inviolability simply for pleasure since it is possible for them to resist temptations.

d) Minors committing crimes to satisfy their material greed.

It should be born in mind that classification of juvenile delinquents basing on the type of mental illnesses they are suffering from does not mean that crimes are result of the inner biological problems they suffer from. Often they commit crimes while being under the effect of the instant psychotic disorders, (hallucinations, delirious ideas, illusions, etc). The overall opinion is that, one person, including minors, commits illegal deeds motivated by different reasons. Often these reasons belong to the social nature. In analyzing criminogenic factors, I think, one should consider to intertwine both the psychic and social elements.

In these terms, West, reveals that one of the many factors leading to well understanding of the delinquents' features might be the low social class they belong to, schooling deficiencies, poverty, an unreliable family ambiance, problematic neighborhoods or numerous families. To this regard, he accented that low-social-class families lived in poor communities, had a great number of children and suffered from poverty and lack of education. In other words, such factors merge and in collaboration, create a criminal situation.

On the other side, other scholars do not support the idea that criminal conducts prevail in the poor strata of the society. They explain the great number of sentenced minors with the fact that poor classes are more exposed to penal prosecution and sentencing as compared to the middle and rich classes for the same infringements, since both the latter
would be tried in a more favorable form. In this sense, Short and Nye, in a study undertaken in 1959 revealed that North American high schools youth belonging to high social classes displayed the same bad behaviors as the others. In addition, Akers, in a study realized in 1964 with over 1000 high school students in Ohio, asserted that there was no essential connection among causes of criminality and the social-economic categories. Personally, I support the conclusions of the second current of scholars.

Regarding Albania, it results that minors committing penal offences descend from families of a lower economic and cultural level. A part of them, descend from families originating from remote regions that have been located to urban areas, divorced families, etc. Regarding the educational level, the Statistical Year-Book of the Ministry of Justice of 2013 offers the following data:

<table>
<thead>
<tr>
<th>Minors involved in crimes</th>
<th>No. of the sentenced minors</th>
<th>With no education</th>
<th>With education</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>589</td>
<td>28</td>
<td>580</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Minors involved in penal infringements</th>
<th>No. of the sentenced minors</th>
<th>With no education</th>
<th>With education</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>91</td>
<td>4</td>
<td>89</td>
</tr>
</tbody>
</table>

4. **Volume and the Types of the Penal Offences Committed by the Juvenile Delinquents**

Description of the minors’ delinquent behaviors for the period we are speaking about is, undoubtedly, a crucial point of this writing since it helps us understand the Albanian juvenile delinquents’ habits and actions in depth.

In order to analyze the Juvenile delinquency in Albania, we have been referred to the Statistical Year-Book of the Ministry of Justice of 2013, according to which, statistical data regarding juvenile delinquency, compared to 2007, 2008, 2009, 2010, 2011 and 2012, reflect a considerable increase of the phenomenon.

It is to be emphasized that in 2013, 87% of minors are sentenced for crimes. However, in 2013, as compared to 2012, the number of sentenced minors has decreased by 237 minors. Bearing in mind the rapport of the total number of sentenced minors (680) and the number of minors sentenced for crimes (589), in 2013, compared to rapport of the total number of sentenced minors (883) with the number of the minors sentenced for crimes, (826) in 2012, it results that the number of minors sentenced for crimes has decreased, (from 94% in 2012 to 87% in 2013). Considering penal infringements, compared to the same year, it results that the number of sentenced minors has been increasing. Compared to the sentenced individuals in a country scale, (8,577) the sentenced minors constitute only 8% of them.

A table presentation of the data about minors involved in committing penal crimes in Albania during 2013 would reveal the following:

<table>
<thead>
<tr>
<th>Type of penal offence</th>
<th>Article of Penal Code</th>
<th>No of minors involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crimes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Premeditated homicide</td>
<td>76</td>
<td>3</td>
</tr>
<tr>
<td>Homicides committed in other specific circumstances</td>
<td>79/e</td>
<td>1</td>
</tr>
<tr>
<td>Manslaughter</td>
<td>85</td>
<td>1</td>
</tr>
<tr>
<td>Serious intentional injury</td>
<td>88</td>
<td>11</td>
</tr>
<tr>
<td>Serious wounding under the conditions of hard psychic distress</td>
<td>88/a</td>
<td>2</td>
</tr>
<tr>
<td>Sexual or homosexual relations/ intercourse with minors/children</td>
<td>100/1</td>
<td>3</td>
</tr>
<tr>
<td>Serious immoral acts</td>
<td>108</td>
<td>2</td>
</tr>
<tr>
<td>Unlawful detention</td>
<td>110/2</td>
<td>1</td>
</tr>
<tr>
<td>Prostitution</td>
<td>113</td>
<td>1</td>
</tr>
</tbody>
</table>

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27West, D.J.: "La delincuencia ......", works. cited on p. 56.
It results that the greatest number of penal offences consists of both minute and bigger thefts. They comprise a special form of "micro-criminality" in which prevails the desire to appropriate personal belongings of the others or to harm other people or their property. The minors’ efforts to show off and, at the same time, a pathological need to commit extreme and dangerous acts is very obvious and significant in these cases. This typology might include all the young people who are in conflict with both their parents and the society, the ones not respecting moral norms and values and who oppose

<table>
<thead>
<tr>
<th>Penal Infringements</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic violence</td>
<td>2</td>
</tr>
<tr>
<td>Theft</td>
<td>142</td>
</tr>
<tr>
<td>Theft</td>
<td>319</td>
</tr>
<tr>
<td>Theft</td>
<td>1</td>
</tr>
<tr>
<td>Robbery</td>
<td>16</td>
</tr>
<tr>
<td>Robbery with the use of weapons</td>
<td>5</td>
</tr>
<tr>
<td>Deception/Fraud</td>
<td>3</td>
</tr>
<tr>
<td>Destroying property</td>
<td>5</td>
</tr>
<tr>
<td>Destroying property by fire</td>
<td>1</td>
</tr>
<tr>
<td>Destroying power network</td>
<td>1</td>
</tr>
<tr>
<td>Falsification of Documents</td>
<td>2</td>
</tr>
<tr>
<td>Falsification of Identity Documents, Passports or Visas</td>
<td>5</td>
</tr>
<tr>
<td>Documents disappearing and stealing</td>
<td>3</td>
</tr>
<tr>
<td>Interference in the computer transmissions</td>
<td>2</td>
</tr>
<tr>
<td>Opposing the official of the public order police</td>
<td>2</td>
</tr>
<tr>
<td>Assault [to an official] on duty</td>
<td>1</td>
</tr>
<tr>
<td>Illegal manufacturing and keeping military weapons and ammunition</td>
<td>12</td>
</tr>
<tr>
<td>Illegal manufacturing and keeping military weapons and ammunition</td>
<td>2</td>
</tr>
<tr>
<td>Illegally manufacturing and keeping weapons with blades</td>
<td>24</td>
</tr>
<tr>
<td>Manufacturing and selling narcotics</td>
<td>12</td>
</tr>
<tr>
<td>Cultivating narcotic plants</td>
<td>2</td>
</tr>
<tr>
<td>Laundering of proceeds of criminal offence or criminal activity</td>
<td>1</td>
</tr>
<tr>
<td>The appropriation of money or goods which derive from the criminal offence or criminal activity</td>
<td>2</td>
</tr>
<tr>
<td>Violation of road traffic regulations</td>
<td>3</td>
</tr>
<tr>
<td>Breach of flight rules</td>
<td>1</td>
</tr>
<tr>
<td>Failure to report a crime</td>
<td>5</td>
</tr>
<tr>
<td>Obstruction of justice</td>
<td>1</td>
</tr>
<tr>
<td>False report</td>
<td>7</td>
</tr>
<tr>
<td>Escape of the convicted from the place of detention</td>
<td>1</td>
</tr>
<tr>
<td>Coercing or prohibition to cohabit or to enter into or dissolve a marriage</td>
<td>4</td>
</tr>
<tr>
<td>Obstructing religious ceremonies</td>
<td>2</td>
</tr>
<tr>
<td>Unlawfully cutting forests</td>
<td>4</td>
</tr>
<tr>
<td>Opposing an official on state duty or public service</td>
<td>2</td>
</tr>
<tr>
<td>Opposing the official of the public order police</td>
<td>1</td>
</tr>
<tr>
<td>Leaving the scene of an accident</td>
<td>3</td>
</tr>
<tr>
<td>Breach of public peace</td>
<td>1</td>
</tr>
<tr>
<td>Wrongful intentional use of telephone calls</td>
<td>4</td>
</tr>
<tr>
<td>Illegal manufacturing and keeping ammunition</td>
<td>1</td>
</tr>
<tr>
<td>Illegally manufacturing and keeping hunting and sporting rifles</td>
<td>3</td>
</tr>
<tr>
<td>The appropriation of money or goods which derive from the criminal offence or criminal activity</td>
<td>1</td>
</tr>
<tr>
<td>Illegal production of industrial and food items/commodities</td>
<td>41</td>
</tr>
<tr>
<td>Irregular driving of vehicles</td>
<td>5</td>
</tr>
<tr>
<td>False declarations before the judicial police officer</td>
<td>2</td>
</tr>
<tr>
<td>Others</td>
<td>1</td>
</tr>
</tbody>
</table>
any kind of rules. Since there is no example to be followed, young people build their personality by choosing to imitate unreal models (mostly seen in films or magazines). Prevailing of the penal offences against property makes one think that there is a connection between the increase of the juvenile delinquency and the unrestrained greed to appropriate consumer goods. On the other side, a society based totally on consumption urges youth with the need for possessing whatever the society offers as main material goods.

5. Juvenile Delinquency in Terms of Gender

Male delinquents are distinguished to be more numerous than females. Female juvenile delinquency commenced to become object of study by the end of ‘60s, a time that coincided with movements for the freedom of women and was considered a great achievement to this regard. The following can be mentioned among the main theories about female criminality:

- Classical, biological, psychoanalytical and psychiatric theories:
- The intermediate theories with individualist outlook and social tendencies; Thomas, Pollack, Cowie.
- The social character theories, with functional features, (the theory of the role and the theory of the equal opportunities) and critical features (the theory of social control and the theory of economic dependence).

Classical theories try to explain female criminality basing on the individual features, by the biological content, (the bio-anthropological anomalies, sexual development etc.), psychoanalytical or psychiatric ones. Prevailing in these theories is the idea equalizing female criminality with the biological or psychical disorders.

In present days, these theories have no scientific base, although they have roots in certain societies as well as in some criminological studies, suchlike those of Smart, in which the criminal female is introduced as an individual with mental disease.

Development of criminology and the disregard of biological and individual factors (determinism) opened ways for the social character theories that constitute the basis of modern theories over female criminality.

The greatest support to the science of criminology, regarding the study of the female criminality, has been given by social theories with functional features as well as critical criminology.

Functional theories (mainly the theories of roles and those of equal opportunities) have mainly been committed to explicating on the increase into the female criminality as well as the new variations in committing penal offences. Critical criminology (especially the theories of the social control and the theory of economic dependence), have been committed to study the effect of social control, be it formal or informal, on the females’ criminal conducts. If needed to compare the male and female criminality, the comparison per se cannot be made without considering distinctions persisting between the two sexes.

1. At first place, the problematic conduct of girls is shown, in general, with the same features characterizing boys of the same age.
2. Attitudes of both sexes are to the degree that can be defined as violation of rules, but not always criminal, e.g. consuming alcohol, playing truant in school classes, etc.
3. Boys, usually are prone to be organized in certain groups in which they are incited to bad conducts, whereas girls, at least in our reality, have not yet managed to do such things.
4. It has resulted, from the study of the Court decisions, that the number of males tried and sentenced is prevailing.
5. Some of the reasons why females are less prone to behave in problematic ways have to do with the psychosocial factors and the family control. Usually the girls’ way of life reflects feelings of protection and rule effectuation. They are subject of strict control by their families both about how they are doing at school and about their free time, which explains the small number of juvenile females committing penal offences.

6. Recommendations Concerning the Juvenile Delinquency Problems

Juvenile delinquency is a phenomenon persisting in any societies and needs to be paid a special attention. The society’s response to that phenomenon is crucial to know the minors’ personality and to intervene in order to prevent minors from getting involved into crimes.

In Albania, until recently, the solutions to these problems have not been based on the principles of “an efficient penal system” but on the principles of a “tougher and more repressive system”. Treatment of delinquent juveniles in this way has come due to the lack of a separate legal system for minors in the penal legislation and due to the mis-comprehension of the juvenile delinquents figure.

Generally, the attitudes perceived until later, regarding the response to juvenile delinquents, are typically those of a “traditional” justice.

Measures foreseen by this type of system consist of:

- Increasing the number of police force.
- Coarsening penal sentencing.
- Increasing the number of the prisoners.

Regarding the issues to respond to juvenile delinquency, at first hand, is the radical response equalizing “the system of effective sentencing” with the “system of heavy and penalizing convictions”. Alongside the just asserted “radical” response, have also been proposed, continuously, more moderates responses that can be classified as “traditional”. These support the thought to coarsen sentencing system, within constitutional provisions, with measures that should be used in a continuous way to fight criminality such as the increase in the number of the police force, strengthening and coarsening convictions, and increasing the number of prisoners. The citizens also require the previously mentioned responses; however, they do not constitute the most effective means, neither to lower criminality indicators nor to resolve conflicts provoked by the criminal acts.

Contrary to the “radical” and “conservative” responses, there are a wide range of recommendations and directives, worked out by professional sectors that are directly linked with the treatment of minors in risk.34 Part of them is criminologists, lawyers, psychologists, sociologists, social workers, etc, which aim to resolve the conflicts incited by juvenile delinquency, mitigate any kinds of problems as well as treat and direct minors. All these should be realized within the constitutional order and by respecting human rights.

These recommendations have been compiled based on the directives provided by the United Nations and which have been summarized in the following international acts35:

- United Nations Minimum Rules for the Administration of Juvenile Justice. (Beijing’s Rules)

Interventions to be undertaken both by communities and by the state should be alternated in order to determine the strategy for a common action. Interventions to be undertaken, basing on recommendations by international acts effective in this domain are:

a) Prevention instead of penalization. The best way to prevent juvenile delinquency is to disallow the nascence of new delinquents. In order to achieve that, many reliable programs of social, economic and educational assistance and employment should be applied.

b) Diminishing the use of traditional, common justice. Other measures and different ways should be applied for resolving problems the juvenile delinquency brings forth, before the intervention of the Court. The decrease into the use of the common justice system requires the diminution of state interventions, by increasing the intervention of the other social groups for resolving conflicts, suchlike family, the school, community, etc. Maximum decrease of stationing juveniles into the penitentiary institutions and allowing it solely in exclusive cases.

c) Elasticity in determining penal sentencing and other measures. By means of effective measures which can be

alternated and determined in consistency with the minor’s specific circumstances, the respective conditions, the improvements and the progress regarding the execution of the measures, there can be achieved a better individualization of the imposed measure, so that it suits to the significance of the case and the minor’s needs.

d) All the rights entitled to adults by the law should also be applicable to the juvenile offenders.

e) Increase of professionalism and specialization of the police forces in the domains related to juveniles, alongside judges, prosecutors and lawyers. Improvement to the technical aspects of these professions will bring a greater effectiveness in the integration of the juvenile delinquency.

Deeper understanding and effectuation of these recommendations, by searching more alternatives that would be acceptable by parties in conflicts incited by juvenile delinquency, instead of punishing and sentencing juveniles, would bring effective responses to this problem which has reached to this scale of aggravation, requiring the motivation of all sectors involved in penal policies to establish proper responses and solutions to this phenomenon.

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http://www.drejtesia.gov.al
Integrated Marketing Communications and International Advertising in Kosovo

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Abstract

Integrated Marketing Communications are composed of ads, sales promotion, personal sale, direct sale and public relations. The main challenges in Integrated Marketing Communications are the recognition of communication means of mixed marketing, the advantages of International Advertising, the methods of determining promotional budgets, the steps in developing an effective communication of marketing. Integrated Marketing Communications are means with which the firms try to remind the consumers about their products and services. A very important challenge is the measurement of marketing's results and the analysis about what percent of these costs are reversed or have exceeded beyond the margin of spending. The firms have to invest more in Integrated Marketing Communications, where the importance of investments is seen from two points of view: the growth of profit and their role towards the public. International advertisements have a great impact in introducing the products and services in international markets. The costs of international ads have changed depending on the periods of economic development: the periods of global developments are associated with the increase of advertisements costs, while the periods of global recessions are associated with the decrease of these costs. In this paper it is explained how the importance of marketing's integrated communications affects the growth of sales and the connection with the public and the role of international ads in promoting new products in international markets. The first part of the paper is composed of reviewing the adequate literature and the second part has to do with the part of the study about Integrated Marketing Communications and international advertisements. Primarily data was realized through questionnaires, through direct contact with marketing managers, general managers, owners and directors of companies that have sufficient knowledge about their companies.

Keywords: Integrated Marketing Communications, International Advertising, International markets

1. The Review of Literature

1.1 Integrated Marketing Communications

Integrated Marketing Communications (IMC) are composed of advertisements, sale promotions, personal sale, direct sale and public relations (Cateora & Gilly & Graham, 2011). Integrated communications of marketing (IMC) are being practiced all over the world at a very high range. IMC is connected with some positive results of the brand, client’s satisfaction, brand loyalty, brand’s positive image, the growth of sales and cost reduction (Saeed & Naeem & Bilal & Naz, 2013). Integrated Marketing Communications is a powerful measure that has an impact in the effectiveness of the development and implementation of marketing’s communication (Shakeel-Ul-Rehman & Ibrahim, 2011). IMC programs have to be in accordance with company’s policies, and have to be part of the management and all other aspects of company’s communication, informing the company about corporation’s brands which have to be in accordance with all the brands of the company’s markets (Percy, 2008). Integrated Marketing Communications is a process of communication with customers about the brand’s capital through different measures of communication. Except the used communication methods, the main rule is that the message flows have to be in the same directions and have the same objectives (Suwantara & Taechamaneesatit, 2012). The integrated communications of marketing include the identification of the targeted audience and the design of a promotional program which has to be well-coordinated in order to receive
the desired response from the audience. Often, marketing’s communications focus on in immediately receiving the information, in the image or in the preference goals of the targeted market. Today, marketing specialists are moving towards naming the communications as time management in the relations with clients (Kotler & Armstrong, 2011). Anyway, maybe the clearer definition for the Integrated Marketing Communications is given by the American Association of Advertising Agencies (1993): The integrated communication of marketing is a concept of planning the marketing communication that recognizes an added value of a comprehensive and strategic plan that evaluates the roles of a variety of communication disciplines and combines them to ensure clarity, consistency and a maximal communication impact through an ongoing and discrete integration of messages (Baker, 2003).

### 1.2 Sales Promotions in International Markets

Sales promotions are marketing activities that stimulate consumer purchases and improve retail sales. Samples, coupons, gifts, promotional products, competitions, lotteries, the sponsorship of special events such as concerts, olympiads, fairs and points of purchase are measures to promote sales (Cateora & Gilly & Graham, 2011). Sales promotion are defined as marketing activities that are usually specific for a period of time, that encourage a direct response from the consumers or market mediators, through the offer of additional benefits (Baker, 2003). Sales promotion are a direct incentive that offers additional values for the product, distributors, consumers and the main objective is to achieve an immediate sale. First, promotional sales include a variety of incentives that provides additional incentive to buy. This incentive is usually the main factor in a promoting program; it can be a coupon or a reduction of the product’s cost, the opportunity to enter a competition or lottery, reimbursement or discount in the products price (Belch & Belch, 2003).
Figure 2: Types of sales promotion activities

In general, more than the half of marketing communication costs goes to the promotion of trade. A trade promotion is a program of discounts that aims the growth of retail sales (Percy, 2008).

2. International Advertising

The growth of International Advertising costs has slowed, especially during the global recession of 2008-2009. An important study has showed that advertisement costs are generally cyclic (Cateora & Gilly & Graham, 2011).

Table 1: Top 20 Global Advertisers ($ millions)*

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
<th>Advertiser</th>
<th>Headquarters</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>1</td>
<td>Procter &amp; Gamble Co.</td>
<td>Cincinnati</td>
<td>$9,731</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>2</td>
<td>Unilever</td>
<td>London/Rotterdam</td>
<td>5,717</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
<td>3</td>
<td>L’Oreal</td>
<td>Clichy, France</td>
<td>4,040</td>
</tr>
<tr>
<td>4</td>
<td>4</td>
<td>4</td>
<td>General Motors</td>
<td>Detroit</td>
<td>3,674</td>
</tr>
<tr>
<td>5</td>
<td>5</td>
<td>5</td>
<td>Toyota Motor Corp.</td>
<td>Toyota City, Japan</td>
<td>3,203</td>
</tr>
<tr>
<td>6</td>
<td>8</td>
<td>8</td>
<td>Coca-Cola Co.</td>
<td>Atlanta, GA</td>
<td>2,673</td>
</tr>
<tr>
<td>7</td>
<td>7</td>
<td>7</td>
<td>Johnson &amp; Johnson</td>
<td>Neé Brunseick, NJ</td>
<td>2,601</td>
</tr>
<tr>
<td>8</td>
<td>6</td>
<td>6</td>
<td>Ford Motor Co.</td>
<td>Detroit</td>
<td>2,448</td>
</tr>
<tr>
<td>9</td>
<td>11</td>
<td>11</td>
<td>Reckitt Benckiser</td>
<td>Slough, Berkshire, UK</td>
<td>2,369</td>
</tr>
<tr>
<td>10</td>
<td>9</td>
<td>9</td>
<td>Nestle</td>
<td>Vevey, Switzerland</td>
<td>2,314</td>
</tr>
<tr>
<td>11</td>
<td>12</td>
<td>12</td>
<td>Volksvagen</td>
<td>Esslsburg, Germany</td>
<td>2,309</td>
</tr>
<tr>
<td>12</td>
<td>10</td>
<td>10</td>
<td>Honda Motor Co.</td>
<td>Tokyo</td>
<td>2,220</td>
</tr>
<tr>
<td>13</td>
<td>15</td>
<td>15</td>
<td>Mars Inc.</td>
<td>McLean, VA</td>
<td>1,998</td>
</tr>
<tr>
<td>14</td>
<td>19</td>
<td>19</td>
<td>McDonald’s Corp.</td>
<td>Oakbrook, IL</td>
<td>1,968</td>
</tr>
<tr>
<td>15</td>
<td>14</td>
<td>14</td>
<td>Sony Corp.</td>
<td>Tokyo</td>
<td>1,851</td>
</tr>
<tr>
<td>16</td>
<td>17</td>
<td>17</td>
<td>GlaxoSmithKline</td>
<td>Brentford, Middlesex</td>
<td>1,831</td>
</tr>
<tr>
<td>17</td>
<td>20</td>
<td>20</td>
<td>Deutsche Telekom.</td>
<td>Bonn, Germany</td>
<td>1,812</td>
</tr>
<tr>
<td>18</td>
<td>18</td>
<td>18</td>
<td>Kraft Foods</td>
<td>Northfield, IL</td>
<td>1,792</td>
</tr>
<tr>
<td>19</td>
<td>16</td>
<td>16</td>
<td>Nissan Motor Co.</td>
<td>Tokyo</td>
<td>1,716</td>
</tr>
<tr>
<td>20</td>
<td>21</td>
<td>21</td>
<td>Walt Disney Co.</td>
<td>Burbank, CA</td>
<td>1,586</td>
</tr>
</tbody>
</table>

* Figures are U.S. dollars in millions and are AdvertisingAge estimates.

Source: (Cateora & Gilly & Graham, 2011).
Table 2: Top 100 Advertisers’ Global Spending by Category ($ millions)

<table>
<thead>
<tr>
<th>Category</th>
<th>2008</th>
<th>Percent Change from 2007</th>
<th>Advertiser Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>$25,613</td>
<td>0.1%</td>
<td>18</td>
</tr>
<tr>
<td>Personal care</td>
<td>25,480</td>
<td>3.4</td>
<td>11</td>
</tr>
<tr>
<td>Food</td>
<td>11,914</td>
<td>4.9</td>
<td>9</td>
</tr>
<tr>
<td>Drugs</td>
<td>10,323</td>
<td>1.8</td>
<td>11</td>
</tr>
<tr>
<td>Entertainment &amp; Media</td>
<td>9,508</td>
<td>-1.8</td>
<td>7</td>
</tr>
<tr>
<td>Retail</td>
<td>5,968</td>
<td>17.8</td>
<td>8</td>
</tr>
<tr>
<td>Restaurants</td>
<td>4,269</td>
<td>9.6</td>
<td>4</td>
</tr>
<tr>
<td>Soft drinks</td>
<td>4,064</td>
<td>5.3</td>
<td>2</td>
</tr>
<tr>
<td>Telephone</td>
<td>3,974</td>
<td>2.7</td>
<td>4</td>
</tr>
<tr>
<td>Cleaners</td>
<td>3,829</td>
<td>10.7</td>
<td>3</td>
</tr>
<tr>
<td>Beer, wine, &amp; liquor</td>
<td>2,681</td>
<td>2.1</td>
<td>5</td>
</tr>
<tr>
<td>Financial</td>
<td>2,595</td>
<td>-9.0</td>
<td>6</td>
</tr>
<tr>
<td>Electronics &amp; imaging</td>
<td>2,100</td>
<td>8.9</td>
<td>3</td>
</tr>
<tr>
<td>Technology</td>
<td>2,035</td>
<td>-11.5</td>
<td>4</td>
</tr>
<tr>
<td>Electronics</td>
<td>1,846</td>
<td>20.7</td>
<td>2</td>
</tr>
<tr>
<td>Toys</td>
<td>1,607</td>
<td>12.8</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: Cituar: (Cateora & Gilly & Graham, 2011).

Table 1 and 2 illustrate the world’s largest advertisers by expenditure and product’s categories. Even though car companies dominate the lists, Procter & Gamble was a world champion of costs. From all the elements of mix marketing, the decisions that include advertisements are the ones that affect more often the cultural differences of different markets. We have to adjust to the client’s culture, their style, value system, attitudes, beliefs and perceptions, because the function of advertisements is to interpret or translate the product values in the aspect of the consumer needs and desires. The agreement for a more unique international advertising campaign of markets is a challenge that is getting in front of international marketing. The framework and concept of international advertisements are essentially the same in every country (Cateora & Gilly & Graham, 2011). Standardized advertisements have raised the financial and strategic performance of the firms, provided that the internal and external environment is favorable for standardization. There are three general categories of factors that affect the level of advertising standardization that a company hires, and they are: external factors of the environment, strategic factors and the factors that are related to the internal organizational characteristics (Okazaki & Taylor & Zou, 2006). The standardization of international advertisements is a marketing strategy adopted by many companies nowadays. Its main priority is related to the reduction of cost and the development of image for an organization and its products in a global range. Unfortunately, this strategy hasn’t considered some other important factors for the effectiveness of advertising, such as cultural sensitivity and physical barriers, which are related with the legal and technical regulation of advertisements, even though the adaption of international advertisements can fill these gaps (Ruževičius & Ruževičiūtė, 2011).

3. Research Results

Figure 3: Do you have knowledge about the Integrated Marketing Communications (IMC)

Source: Calculating the authors based on the results of research
The increasing practice of Integrated Marketing Communications all over the world is increasing the role of IMC. Based on the results, 86% said that they are informed about the concept of integrated communications of marketing and only 14% said that they don’t know about them. So, based on the research results we can see that most of businesses are familiarized with the concept of IMC.

![Figure 4: Do you believe that the Integrated Marketing Communications bring benefits](image)

**Figure 4:** Do you believe that the Integrated Marketing Communications bring benefits  
**Source:** Calculating the authors based on the results of research

Most of the respondents think that the Do you believe that the Integrated Marketing Communications bring benefits, 68% think that they bring a lot of benefits, 23% think that they don’t bring benefits at all and 9% think that the integrated communications of marketing bring a little benefits.

![Figure 5: Do you share your budget for the Integrated Marketing Communications](image)

**Figure 5:** Do you share your budget for the Integrated Marketing Communications  
**Source:** Calculating the authors based on the results of research

From the results we can see a favorable situation because most of the businesses share their funds for the Integrated Marketing Communications, and this allows the businesses to get closer to the consumers and the consumers to be more informed about the company’s products, and based on this to realize more sales. From the respondents, 84% said that they share their budget for the Integrated Marketing Communications and only 16% said that they don’t share their budget for Integrated Marketing Communications, hoping that in the future they will.

![Figure 6: Do you think that international advertisements affect in increasing sales](image)

**Figure 6:** Do you think that international advertisements affect in increasing sales  
**Source:** Calculating the authors based on the results of research
International advertisements have a great impact in consumer’s beliefs about the products and services, and also have a positive impact in increasing the sales; therefore many global companies share most of their profit for advertisements. We can see that most of the respondents think that advertisements have a positive impact in increasing sales. 82% of the respondents think that international advertisements affect in sales growth, 14% think that international advertisements have a little impact and only 4% of the respondents think that they have no impact at all.

**Figure 7:** Do you have an international competitor in your market which sells and advertises its own products that are similar with yours

**Source:** Calculating the authors based on the results of research

Based on the results we can see that many international competitors operate and advertise their products in our country. 64% of the respondents said that they have international competitors in their market, while 36% of them said that they don’t have international competitors which advertise and sell their products.

**Figure 8:** Based on your opinion, the standardization of international advertisements has an impact on increasing

**Source:** Calculating the authors based on the results of research

Based on the results we can see that 46% of the respondents think that the standardization of international advertisements has an impact in increasing the company’s financial and strategic performance, 23.1% think that the standardization affects the relation with the consumers, 19.1% of the respondents think that the standardization of international advertisements reduces the advertisement costs and 11% think that it conveys messages faster.

**Figure 9:** What was the effect of international advertisements

**Source:** Calculating the authors based on the results of research
Advertisements have an important impact in increasing businesses performance, in the relation with consumers, improving the brand’s image. From the research results, 22.4% said that international advertisements were generally liked by the targeted markets, 36.6% said that consumers have a positive reaction towards their advertisements, 16.9% of the respondents said that their advertisements improve the client’s image about their brand and 24.1% said that their advertisements are a pushing factor for the clients to purchase their brands.

4. Conclusions and Recommendations

The Integrated Marketing Communications are measures through which we connect with our clients, bringing them closer to our brands, having more information about our brands, and based on this realizing more profit. It is very hard to know exactly how big the advertisement market is and what percentage goes to newspapers, radios or TV. But this is not the only challenge. Another important challenge is the measurement of the results of Integrated Marketing Communications and the analysis of how much of these costs have been returned or have overcome the costs margin. International advertisement costs are cyclical and are depended on the global economic development. From the research results we can see that most of the respondents are familiar with the concept and importance of Integrated Marketing Communications. We can also notice that most of the businesses share their budget for these communications, which is a very positive factor for the companies that are aiming to increase their performance. The standardization of international advertisements affects in increasing the financial and strategic performance of companies. The advertisements had impact on the relations with the clients, who purchased our brand, the image of which was highly increased. So, as an end, the Integrated Marketing Communications and international advertisements are a safe base in increasing company’s performance.

References

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Differential Roles between Owner and Manager in Financial Practice that Contributes to Business Success: an Analysis on Malaysian Small Business

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Abstract

The purpose of this research is to assess the moderating effect of business owner and manager in financial practice towards business success in Malaysian small business. To meet the research objectives, this study employed survey method where the unit of analysis is the individual respondent consisting business owners and managers. A sample of 302 data was considered as the final sample size for the current study. Using Structural Equation Modelling (SEM), moderating effects were observed to test the hypotheses. The results indicate that, the owners and managers do have different moderating roles in financial practice to guide the business success in Malaysian small business. Thus, this research conveys an understanding to the entrepreneurs regarding the difference of ownership and managerial role to achieve the business success swiftly. Finally, the current study brings some implications to the policy makers and regulators as well.

Keywords: Business Owner, Business manager, Moderating role, Financial practice, Business success, Malaysian small business

1. Introduction

The Malaysian small businesses are presently having a good business and their overall performance somehow be said as expected (Khairudin, 2007; Moha Asri and Manan, 2010). Statistically, it is estimated that the share of employment by small business will increase close to 60 percent in the near future (SMEs Annual Report, 2012). Actually, the strong employment growth of small business began in 2007 at 8.3 percent, when the value added growth of small business was at its peak (SMEs Annual Report, 2012). Literatures and statistical records (Lim, 1986; Moha Asri, 1999; Salleh and Ndubisi, 2006; Alias, 2007; Moha Asri and Manan, 2010; Yusoff and Yaacob, 2010) show that the government of Malaysia did play many important roles in the past to promote small business, yet Malaysian small business can improve more than what they are performing these days. However, it might be progressed further if the role of key people involved with these businesses would be understood properly. Add to this, few elements such as entrepreneurial demographic profile, their ability and skills, characteristic traits as well as their designation are the important concerns that have an influence on proper financial practice for a small business (Adeyemo, 2009), which employ business success ultimately.

Rudmann (2008) interpreted the term entrepreneurial skills as entrepreneurial qualities and/or values. Furthermore, the term ‘skills, ‘expertise, ‘acumen’ and ‘competency’ are all interrelated and are sometimes used interchangeably in the literature (Smith and Morse, 2005). Basically, these all make the entrepreneurial characteristic traits that mechanically come into contact with the financial means for the small business. Previously, Bird (1995) suggested that entrepreneurial skills like ownership skills and managerial skills can be as underlying characteristics such as generic and specific knowledge, motives, traits, self-images and social roles which result of growth and business success. A little later, Wickham (1998) added that the entrepreneurial skill means knowledge translates into the action. Most recently, Akande (2011) came up with a new understanding where the entrepreneurial skill is a quality or characteristic which needs to be possessed by entrepreneurs in starting and managing the business successfully. However, these skills can be found differently if the entrepreneurial role and authority are imposed differently (Adeyemo, 2009; Santos and Bode, 2012). At the same way, Malaysian small business may witness these different roles in terms of business owners and managers.
Logically, a business owner does have more authority and freedom over business manager in operating a business. This research, therefore, investigate whether business owner and manager play different roles in financial practice towards business success in Malaysia. Moreover, this research investigates a completely different type of small business success from a different dimension, where the designation such as a business owner and manager play an important role. In this relation, this study embarks on the following objectives:

(i) To assess the impact of designation (owner) on Financial Practice towards Business Success.
(ii) To realize the impact of designation (manager) on Financial Practice towards Business Success.
(iii) To enhance the new understandings and recommend some potential implications for the business success of small business in Malaysia.

2. Literature Review

Small business includes all businesses and enterprises except large enterprises (Moha Asri, 1999; Moha Asri and Manan, 2010; Rosman and Mohd Rosli, 2011), because most of the businesses worldwide can be categorized as small businesses through judgmental reasoning (APEC, 2003). However, this definition also is also imposed in Malaysian perspective (Rosman and Mohd Rosli, 2011). Historically, there was no standard definition of small business used in Malaysia before the formation of the National SME Development Council (NSDC) in June 2004. Therefore, different agencies did characterize and define small business based on their own criteria, focusing on number of full-time employees and annual sales turnover mostly. According to a new definition approved recently on 11 July 2013, an enterprise with sales turnover of less than RM30 million and/or full-time employee of less than 200 in the manufacturing sector is considered small and medium size business (SME Corporation Malaysia, 2013).

In most industrially developed and developing economies, a growing number of small businesses need to access a wide range of sources of finance for their business success (Hussain et al., 2006). For that, financial knowledge and subsequent behaviour may bring the proper financial practice that employs business success for the small business (Xiang et al., 2011). It is widely recognized in academic literature that small businesses basically struggle with access to finance (Mason and Kwok, 2010; Hughes, 2009; Guijarro, Garcia and Aukens, 2009; Bruns and Fletcher, 2008; Mason and Harrison, 2004) whereby financial practice can be indicated as the main player of the whole phenomena. Actually, access to finance helps and proper financial practice creates the business growth and prosperity for the small business (Stam and Garnsey, 2008; Butler and Comaggia, 2009). However, Malaysia as like other developing countries, small business usually faces significant barriers to finance. This happens mainly because of an individual’s knowledge, actions and behaviour regarding financial practices (Guiso and Minetti, 2010; Xiang et al., 2011).

For entrepreneurial knowledge and behaviour that constitute an organization’s financial practice (Bellucci, et al., 2010; Dietrich, 2010; Hamelin, 2011; Xiang et al., 2011), the demographic profile of an entrepreneur is equally considered as a crucial factor that may lead their execution aptitude towards a specific action. Regarding this, Adeyemo (2009) stated that, skill is a quality of performance that is not only depended on individual natural ability but also must be developed through training, practice and experience. Although skill depends on learning and that learning brings more knowledge, it also includes the concepts of efficiency and economy in performance and/or success in the small business context.

The entrepreneurial affiliation and designation such as business owner and manager are the key components that should be considered while the primary concern is financial practice, and these should be taken into the account in exercising financial practice for business success. Effectively, components like entrepreneurial quality, ability, capacity, skills and overall characteristic traits derive from certain entrepreneurial features, while those typical features are the education, age, work experience and motivation (Guzman-Cuevas et al., 2009; Santos and Bode, 2012). As stated by Cooper (1985), work experience constitutes a learning process through entrepreneurial skills. This work experience can be gained from the authority and autonomy being exercised in the business enterprise either as owner or manager. These entrepreneurial skills are the basic skills necessary to enable entrepreneur to start, develop, finance and succeed in their enterprise (Adeyemo, 2009). However, Andersson and Tell (2009) focused on the firm’s growth in respect with managerial traits and characteristics, managerial intentions, aspirations or motivation, as well as managerial behaviour or roles. Their conceptual model is principally based on earlier research on how owners and managers influence growth in small firms, where the direct relationship of managerial characteristic traits of business growth and success are observed.

Abu Mansor et al. (1999) explained managerial skills as the skill that is used to measure the manager’s level of competency and effectiveness. According to Botha et al (2006), managerial skill involves skill in decision making, planning and strategy, human relation, finance, marketing, accounting, general management and negotiation. Likewise,
Kadir and Rosli (2011) stated that, managerial skills consist of the three critical areas of skills, such as management, financial and marketing. This managerial skill is needed and also observed to the owners of the businesses as well. Therefore, when the measurement of financial practice is concerned for the business success, then the small business may scratch on management and ownership skills such as decision making ability, proper financial knowledge execution, appropriate financial behaviour and overall entrepreneurial character traits for the business success. Moreover, the difference in ownership and managerial roles still post a genuine concern in academia, which can be expressed through moderating effect. Derived from literature support and related evidences, this concern puts a conceptual framework which is exhibited in Figure 1.

Figure 1: Conceptual Framework

To meet the research objectives and based on the conceptual framework presented above, two hypotheses are constructed as follows:

H1: There is a moderating effect of designation (owner) on financial practice towards business success.

H2: There is a moderating effect of designation (manager) on financial practice towards business success.

3. Research Methodology

The research method of this study is survey method. The survey method is the most appropriate method for the data collection as this method helps to predict the nature of the total population from which the sample are selected (Fowler, 1988; Sapsford, 1999). Survey research method often leads to achieve the accuracy and relatively cost-efficient data for the research (Sekaran, 2000; Kothari, 2004). This method can be developed in less time and able to collect data from a large number of respondents (Neuman, 2007). Besides, the unit of analysis in this study is the individual respondent, such as business owners and managers involved in Malaysian small business. The sampling frame in this study contains the small businesses that are obtained from the SME Corp Malaysia. Since about majority of all the companies are based in Selangor and the greater Kuala Lumpur region, the capital city of Malaysia, thus it also reflected in the current study as well. Hence, the overwhelming majority of the companies had chosen from the Kuala Lumpur region for the current research, though some of the divisions of these companies are scattered in various parts of Malaysia.

This research used a 5-point Likert scale for constructing the questionnaire by putting preferences to the items considered in the past studies. Moreover, a 5-point Likert scale asks respondents to provide a relative assessment of various statements in the questionnaire on a continuum ranging from ‘strongly disagree’ to ‘strongly agree’ that are very commonly used for collecting primary data in empirical research (Ward et al., 1998).

To meet the research aim, this study employed the simple random sampling technique to carry out the survey. A simple random sampling is a subset of respondents (a sample) chosen from a larger set (a population). Each respondent is chosen randomly and exclusively with probability, wherein each of the respondent does have a similar possibility of being chosen at any phase throughout the sampling process (Malhotra, 2007; Sekaran and Bougie, 2009). For this purpose, the small businesses are chosen from the sampling frame representing the population are grouped into three broad categories derived from their business operation. These are as follows:

i. The businesses were selected did fulfil the criteria of small business and employ a regular basis operational activity.
ii. The respondents who took part in this study comprised two categories including business owners and managers only.

iii. The respondents of being managers, they were working as the full-time employees in the respective enterprises, and who were familiar with the financial practice and other finance related activities.

Moreover, questionnaires were only distributed to the respondents having met the above criteria. As this research employs Structural Equation Modelling (SEM), therefore, the question of sample size adequacy remained as a prime concern in the application of SEM software program. A sample of 302 data was considered as the final sample size for the current study.

As mentioned, this research employs Structural Equation Modelling (SEM) for statistical analysis of data, which is developed for analysing the interrelationships among multiple variables in a model (Zainudin, 2012). Besides, SEM techniques have been significant to confirm theoretical models for using a quantitative approach. Therefore, evaluating these circumstances, this study considers SEM as a suitable tool for analysing quantitative data in research progression.

4. Findings

This section starts with demographic information of the respondents. The demographic information comprises the gender, age, race, level of education and respondents’ designation in the respective company. This part, in fact, provides a detailed scrutiny of demographic information. Table 1 portrays the respondents’ demographic information as a whole.

Table 1: Demographic Information on the Research Participants

<table>
<thead>
<tr>
<th>Demographic Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>178</td>
<td>58.9</td>
</tr>
<tr>
<td>Female</td>
<td>124</td>
<td>41.1</td>
</tr>
<tr>
<td>Total</td>
<td>302</td>
<td>100.0</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;20</td>
<td>21</td>
<td>7.0</td>
</tr>
<tr>
<td>20-29</td>
<td>162</td>
<td>53.6</td>
</tr>
<tr>
<td>30-39</td>
<td>79</td>
<td>26.2</td>
</tr>
<tr>
<td>40-49</td>
<td>21</td>
<td>7.0</td>
</tr>
<tr>
<td>≥50</td>
<td>19</td>
<td>6.3</td>
</tr>
<tr>
<td>Total</td>
<td>302</td>
<td>100.0</td>
</tr>
<tr>
<td>Race</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malay</td>
<td>177</td>
<td>58.6</td>
</tr>
<tr>
<td>Indian</td>
<td>43</td>
<td>14.2</td>
</tr>
<tr>
<td>Chinese</td>
<td>82</td>
<td>27.2</td>
</tr>
<tr>
<td>Total</td>
<td>302</td>
<td>100.0</td>
</tr>
<tr>
<td>Level of Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary School</td>
<td>29</td>
<td>9.6</td>
</tr>
<tr>
<td>Secondary School</td>
<td>58</td>
<td>19.2</td>
</tr>
<tr>
<td>Diploma</td>
<td>113</td>
<td>37.4</td>
</tr>
<tr>
<td>Bachelor</td>
<td>78</td>
<td>25.8</td>
</tr>
<tr>
<td>Masters Degree</td>
<td>24</td>
<td>7.9</td>
</tr>
<tr>
<td>Total</td>
<td>302</td>
<td>100.0</td>
</tr>
<tr>
<td>Designation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owner</td>
<td>129</td>
<td>42.7</td>
</tr>
<tr>
<td>Manager</td>
<td>173</td>
<td>57.3</td>
</tr>
<tr>
<td>Total</td>
<td>302</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Above Table 1 shows that, both male and female are in good numbers participating in the study. Among 302 respondents, it is observed that, 178 are male where 124 are female, which means the percentages of male and female respondents are 58.9 percent and 41.1 percent respectively. Additionally, Table 1 also shows that the age range of 20-29
years is 53.6 percent with the highest frequency of 162 and 30-39 years’ age range covers 26.2 percent of total respondents having a second highest frequency of 79 out of 302. Besides, the age range of 40-49 years consists of 7.0 percent with 21 frequency as well as 50 years and above, which is coded as ‘≥50’ includes only 6.3 percent or 19 respondents out of 302 respondents. With the age diversity among respondents, there are diverse races like Malay, Indian and Chinese are also engaged with small businesses, where the engagement of Malay, Indian and Chinese are 58.6 percent, 14.2 percent and 27.2 percent respectively. Table 1 also indicates that 177 respondents (58.6 percent) are found Malay originated business owner or manager, while 43 respondents (14.2 percent) are Indian and another 82 respondents (27.2 percent) are Chinese. Hence, Chinese is having a better enterprise compared to Indian after Malay entrepreneurs.

Out of 302 respondents, 29 respondents (9.6 percent) passed primary school, 58 respondents (19.2 percent) completed secondary school, 113 respondents (37.4 percent) hold diploma, 78 respondents (25.8 percent) have a bachelor degree and only 24 respondents (7.9 percent) were with masters’ degree with regard to educational qualification, where a total of 129 respondents (42.7 percent) are noticed as business owner, whereas 173 respondents (57.3 percent) are found as business manager among those 302 respondents.

Beside the demographic information, the company information draws an outline of a company or enterprise, which is basically a background of a venture. In this particular study, the company information indicates three major things covering types of business, length of operation and the number of employees. Table 2 presents the general information regarding the companies surveyed in the study.

Table 2: General Information of the Companies Surveyed

<table>
<thead>
<tr>
<th>General Information</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Types of Business</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>78</td>
<td>25.8</td>
</tr>
<tr>
<td>Service</td>
<td>224</td>
<td>74.2</td>
</tr>
<tr>
<td>Total</td>
<td>302</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Length of Operation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>≤2 Years</td>
<td>216</td>
<td>71.5</td>
</tr>
<tr>
<td>&gt;2 Years</td>
<td>86</td>
<td>28.5</td>
</tr>
<tr>
<td>Total</td>
<td>302</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Number of Employees</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>≤5</td>
<td>191</td>
<td>63.2</td>
</tr>
<tr>
<td>&gt;5</td>
<td>111</td>
<td>36.8</td>
</tr>
<tr>
<td>Total</td>
<td>302</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Refer to the Table 2, the percentages of manufacturing and service industries are 25.8 percent and 74.2 percent respectively, where 78 enterprises are involved with manufacturing activities and 224 enterprises are engaged with service sectors, and there are 216 enterprises or 71.5 percent of businesses are operating their business less than two years, along with 86 enterprises or 28.5 percent of businesses are comparatively matured, having their business more than two years according to the respondents’ statements. Table 2 also expresses the number of employees by definite numbers where 191 enterprises are found to have ‘5 employees and less’, which is equivalent to 63.2 percent. On the other hand, rest of 111 enterprises (36.8 percent) are observed in the group of ‘more than 5 employees’ category.

After analysing the demographic and company information, the basic analysis (main model) was run via Structural Equation Modelling (SEM). In SEM, it is important to decipher whether, besides the main model, any other alternative or competing models cause of the moderating effects highlighting different speculative relationships among the latent constructs, offers better explanations of the phenomenon under study. The singular purpose is to compare these competing models derived by modifying the relationships either through segregating the groups or omission of paths (Hair et al., 2010). For this, the difference in Chi Square (ChiSq or $\chi^2$) test between two competing models is used to calculate improvements over competing models; significant results for the Chi Square (ChiSq or $\chi^2$) difference test indicate that the model with smaller Chi Square (ChiSq or $\chi^2$) has a statistically better fit (Milfont and Fischer, 2010). This is done, where the Chi Square (ChiSq or $\chi^2$) fit statistic is compared by difference in Chi Square (ChiSq or $\chi^2$) statistic such that $\Delta \chi^2_{(df1 - df2)}$.
\( \chi^2(d_1) - \chi^2(d_2) \), which is distributed as a chi-square distribution with \( df = d_1 - d_2 \) (Mueller and Hancock, 2007, p. 501).

However, one of the objectives of this research is to discover whether there is any significant difference between the different designation such as enterprise owners and managers of the small business in understanding the relationship of financial practice and business success. To observe the moderating impact, SEM pursues a specific way to process the analysis. Initially, split of data is necessary into separate gatherings and spared into groups and this has to be saved in the different group name. At that point, two different models are produced utilizing two different data sets, where it needs to label with different names and there if there is no significant differences found between the models, it should go to the next stage of invariance analysis. After that, with getting the Chi Square (ChiSq or \( \chi^2 \)) value for both the constrained and unconstrained models with respect to the Degrees of Freedom (df), the analysis computes whether the difference between the Chi Square (\( \Delta \chi^2 \)) and Degrees of Freedom is significant. If the difference seems significant, then it is clear that there is a difference between the two groups. On the other hand, if it is not significant, then those two models are identical and the nature of the respondent does not work as moderator in the model.

These phenomena, however, have been primarily tested by the following Figure 2 (a) and Figure 2 (b), which portray the unique response of the two groups of respondents in terms of their designation in the small business in Malaysia, namely enterprise owners and managers.

**Figure 2 (a):** Unique Response of Owners on the Hypothesized Model

**Figure 2 (b):** Unique Response of Managers on the Hypothesized Model

Since both of these Figure 2 (a) and Figure 2 (b) show the same Chi Square (ChiSq or \( \chi^2 \)), Degrees of Freedom (df),
Normed Chi Square (ChiSq/df), CFI and RMSEA values, thus, no clear sign of having a moderating effect is observed. For this reason, it requires a move to the next stage of invariance analysis (Zainudin, 2012), allowing for both constrained and unconstrained models to figure it out whether the change of Chi Square (ChiSq or $\chi^2$) and the Degrees of Freedom (df) is significant between these two groups. According to Zainudin (2012), if the Chi Square (ChiSq or $\chi^2$) value changes between constrained and unconstrained models by more than 3.84 for 1 Degrees of Freedom (df), then the moderation occurs in that particular path. In this research, however, a parameter constraint is put on the selected path (Financial Practice→Business Success) to be equal to 1 as suggested by Zainudin (2012). Therefore, the Figure 3 (a) and Figure 3 (b) demonstrate the output for the constrained model and unconstrained model respectively for the enterprise owners.

Figure 3 (a): Owners’ Output for the Constrained Model

Figure 3 (b): Owners’ Output for the Unconstrained Model

After this step of constrained model and unconstrained model analyses as shown in Figure 3 (a) and Figure 3 (b), now the different Chi Square (ChiSq or $\chi^2$), Degrees of Freedom (df), Normed Chi Square (ChiSq/df), CFI and RMSEA values are found. As a rule of thumb set by Zainudin (2012), the moderation happens in a particular path if the Chi Square (ChiSq or $\chi^2$) value changes above than 3.84 for 1 Degrees of Freedom (df) from the constrained model to the unconstrained model. However, following Table 3 shows the moderation test for enterprise owners’ group data.
Table 3: Moderation Test for Enterprise Owner

<table>
<thead>
<tr>
<th></th>
<th>Constrained Model</th>
<th>Unconstrained Model</th>
<th>Chi Square Difference (Δχ²)</th>
<th>Result in Moderation</th>
<th>Result on Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi Square (ChiSq or χ²)</td>
<td>1091.380</td>
<td>1053.802</td>
<td>37.578</td>
<td>Significant</td>
<td>Supported</td>
</tr>
<tr>
<td>Degrees of Freedom (df)</td>
<td>578</td>
<td>577</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Normed Chi Square (ChiSq/df)</td>
<td>1.888</td>
<td>1.826</td>
<td>0.054</td>
<td>0.052</td>
<td></td>
</tr>
<tr>
<td>CFI</td>
<td>0.850</td>
<td>0.861</td>
<td>0.850</td>
<td>0.861</td>
<td></td>
</tr>
<tr>
<td>RMSEA</td>
<td>0.054</td>
<td>0.052</td>
<td>0.054</td>
<td>0.052</td>
<td></td>
</tr>
</tbody>
</table>

The Hypothesis Statement: H1: There is a moderating effect of designation (owner) on financial practice towards business success.

The above Table 3 indicates that the moderation test is significant since the difference in Chi Square (Δχ²) value between the constrained and unconstrained model is greater than 3.84. Actually, the difference in Chi Square (ChiSq) value is 37.578 (1091.380 – 1053.802), while the difference in Degrees of Freedom is 578 – 577 = 1. Therefore, the hypothesized statement is supported. This is actually supported by Adeyemo (2009), who mentioned that the enterprise owners’ profile, ability and skills, are the influential aspects that have a control on financial practice. In effect, components like entrepreneurial quality, ability, capacity, skills and overall characteristic traits are derived from certain owners’ demographic features (Guzman-Cuevas et al., 2009; Santos and Bode, 2012). So, the result found from the Malaysian data is actually supporting the past literatures conducted in various businesses, while this research is evaluating small business in Malaysia.

On the other hand, as like constrained model and unconstrained model for the enterprise owners plotted in Figure 3 (a) and Figure 3 (b), the managers’ constrained model and unconstrained model need to be tested subsequently since no clear indication was noted for a moderation effect from Figure 2 (a) and Figure 2 (b), seeing that the Chi Square (ChiSq or χ²), Degrees of Freedom (df), Normed Chi Square (ChiSq/df), CFI and RMSEA values were same between the groups. As a result, it calls for a further progress to the next stage of invariance analysis (Zainudin, 2012), addressing the both constrained and unconstrained models to observe whether the change of Chi Square (ChiSq or χ²) and the Degrees of Freedom (df) is significant. Therefore, a parameter constraint is put on the selected path (Financial Practice→Business Success) in the same way done before, where the parameter was fixed equal to 1 as suggested by Zainudin (2012). However, the Figure 4 (a) and Figure 4 (b) display the output for the constrained model and an unconstrained model for the enterprise manager respectively.

Figure 4 (a): Managers’ Output for the Constrained Model
Just like previous analysis based on enterprise owner’s, this step of constrained model and unconstrained model analyses also shows the different values for the Chi Square (ChiSq or $\chi^2$), Degrees of Freedom (df), Normed Chi Square (ChiSq/df), CFI and RMSEA as shown in Figure 4 (a) and Figure 4 (b). However, following Table 6.15 shows the moderation test for enterprise managers’ group data.

Table 4: Moderation Test for Enterprise Manager

<table>
<thead>
<tr>
<th></th>
<th>Constrained Model</th>
<th>Unconstrained Model</th>
<th>Chi Square Difference $(\Delta \chi^2) = (\chi^2_{(df1)} - \chi^2_{(df2)})$</th>
<th>Result in Moderation</th>
<th>Result on Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi Square (ChiSq or $\chi^2$)</td>
<td>1091.380</td>
<td>1053.802</td>
<td>37.578</td>
<td>Significant</td>
<td>Supported</td>
</tr>
<tr>
<td>Degrees of Freedom (df)</td>
<td>578</td>
<td>577</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Normed Chi Square (ChiSq/df)</td>
<td>1.888</td>
<td>1.826</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CFI</td>
<td>0.850</td>
<td>0.861</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RMSEA</td>
<td>0.054</td>
<td>0.052</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Hypothesis Statement: $H2$: There is a moderating effect of designation (manager) on financial practice towards business success. Supported

One thing should be noted, although Table 3 and Table 4 exhibit similar results as well as given four figures such as Figure 3 (a), Figure 3 (b), Figure 4 (a) and Figure 4 (b) look like comparable, however, these all are unique since their path coefficients are different. From those path coefficients, actually the influences of the constructs can comprehend accordingly.

Observing the values from Table 4 above, it can be said that the moderation test is significant since the difference in Chi Square ($\Delta \chi^2$) value between the constrained and unconstrained model is greater than 3.84 (Zainudin, 2012). Specifically, the difference in Chi-Square (ChiSq) value is 37.578 (1091.380 – 1053.802), while the difference in Degrees of Freedom is 578 – 577 = 1. Therefore, the hypothesized statement is supported. Actually, some effective components like managerial quality, aptitude, capability, skills and overall characteristic traits derive from certain managerial demographic features (Abu Mansor et al., 1999; Bailey and Mitchell, 2007), those have an ultimate influence of having business success for the enterprise (Akande, 2011; Santos and Bode, 2012).

With these, therefore, it has been proved that there is a moderating effect of designation (owner and manager) on financial practice towards business success. In fact, previous scholarly works (Bellucci, et al., 2010; Dietrich, 2010; Hamelin, 2011; Haque, Rahman and Azam, 2011; Xiang et al., 2011) also support these findings that the owners and managers’ diversified financial knowledge constitute an enterprise’s financial practice wherein the demographic factors of...
the enterprise owners and managers’ are uniformly considered as a crucial factor that may lead their business to be successful. In addition to this, owners and managers’ skills are sort of ‘quality of performance’, which is not only depends on individual natural ability but also must be developed through training, practice and experience (Moha Asri, 1998; Adeyemo, 2009; Azam, Haque, Sarwar and Anwar, 2014). Although skill depends on learning and that learning brings more knowledge, it also includes the concepts of efficiency and economy in performance and/or success in the SMEs context.

5. Discussion and Conclusions

This study attempts to assess the moderating effect to test whether business owner and manager play different roles in financial practice towards business success in Malaysian small business. As mentioned earlier, the entrepreneurial quality, ability, capacity, skills and overall characteristic traits are derived from certain owners’ demographic features (Adeyemo, 2009; Guzman-Cuevas et al., 2009; Santos and Bode, 2012), where a useful planned decision is thought as a centre of a firm’s success (Olson et al., 2007). Usually, enterprise owners and managers are not found on the same boat since their decision making capacity does vary as well as the authority of leadership usually kept for the owners. However, the managers of an enterprise are considered as a substitute leader sometime, assuming to have better and more comprehensive decision maker (Lampikoski and Emden, 1999; Farrell et al., 2005), but according to findings, this phenomenon does not normally work in Malaysia. The result found from the Malaysian data is actually supporting many of the past literatures (Berry and Perren, 2001; Farrell et al., 2005; Gabrielsson, 2007; Olson et al., 2007; McCabe and Nowak, 2008; Boxer et al., 2013) in small businesses. Therefore, the hypothesized statements are supported, saying that the owners and managers’ different moderating roles compose an enterprise’s financial practice to guide the business success in the long run (Gabrielsson, 2007; Bellucci, et al., 2010; Dietrich, 2010; Hamelin, 2011; Boxer et al., 2013), which is true for Malaysia as well. However, this research used a valid and reliable instrument to measure the moderating effect to test whether business owner and manager play different roles in financial practice towards business success in Malaysian small business. Therefore, this study significantly contributed in the methodological development in the Malaysian small business. Conversely, on the practical execution level of financial matters, this study mainly focuses on individuals (owners and managers) those who directly and indirectly handle the financial substances. As mentioned earlier, the respondents of this research were the enterprise owners and managers to get the internal, financial and operational information. This will definitely increase the efficiency which would be the ultimate step for business win for any business, as to small business in Malaysia.

References


The Empirical Review of Several Hypotheses of the Emotional Maturation of Teenage Students at the Secondary School "28 November" in Prishtina with the Assistance of Chi-Squared Test

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Abstract

This paper presents the empirical analysis of several hypotheses of the emotional maturation of teenage students with no parametric statistical method such as chi-squared test. The following hypotheses have been analyzed using this method: - There is a positive influence as regards the emotional maturation and achievement of success by students while studying; - The emotional maturation of adult students depends on their age; - The emotional maturation of adult students depends on their gender. - The emotional maturation and the success of the adolescent students depend on the age and gender of the adolescent respondents who have been researched. This empirical analysis covered a sample of 200 students, out of them, 100 students belonged to the 10th class while 100 students belonged to the 13th class at the Technical Secondary School "28 November" in Prishtina. Out of these students, half of them were males and half of them were females.

Keywords: Emotional, maturation, students

1. The analysis of the veracity of the hypotheses by chi-squared test ($\chi^2$)

Using this statistical method, which is called non-parametric statistics, we manipulate with qualitative facts as follows: Yes-No; Young, Old; Healthy, Sick etc. and we do not manipulate with quantitative measured facts such as the number of obtained points, kilograms etc. If the value of chi-square is zero, this means that there is no difference between the empirical and theoretical frequencies. If the chi-square is closer to zero then there are more probabilities to accept the hypothesis and the opposite, if the chi-square is away from zero then there are more probabilities to reject the hypothesis because there is a big difference between the empirical and theoretical frequencies.

We will use this statistical method to analyze the veracity of several hypotheses of the emotional maturation. One of key hypotheses of the emotional maturation is:

"The emotional maturity is an indicator that adolescent students have achieved good success at school"

In relation to this hypothesis, we have taken group samples of answers for all 200 students (100 students of the 10th class and 100 students of the 13th class) at the Technical Secondary School "28 November" in Prishtina. The questionnaire and its analysis have been made in June 2011. From these samples have been taken empiric frequencies and as regards the veracity of the hypothesis it resulted that: $f_{empirc}=f=82$, were in support of this hypothesis, it means a positive answer (YES) for the abovementioned hypothesis, 61 were not in support of the hypothesis, it means a negative answer (NO) while 57 students were in support of the option of the questionnaire (I DON'T KNOW) related to this hypothesis. The theoretical frequency $f_t$ for the sample covering 200 students, taking into consideration that we have three options to be selected, is $f_{theoretical}=f_t=200:3=66$. From the second and third row we find the difference between the second column and third column and we put the achieved result in a special column $(f_e-f_t)$. Then this value is squared and the same one is put in a special row $(f_e-f_t)^2$. The obtained value is divided by the empiric frequency and the values of the obtained ratio $(f_e-f_t)^2/f_t$ are put in a special row.

In order to implement chi-squared test ($\chi^2$) we prepare the table of frequencies.
Table 1

<table>
<thead>
<tr>
<th></th>
<th>$f_o$</th>
<th>$f_i$</th>
<th>$f_o-f_i$</th>
<th>$(f_o-f_i)^2$</th>
<th>$(f_o-f_i)^2/f_i$</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>82</td>
<td>66</td>
<td>16</td>
<td>256</td>
<td>3.87</td>
</tr>
<tr>
<td>NO</td>
<td>61</td>
<td>66</td>
<td>-5</td>
<td>25</td>
<td>0.378</td>
</tr>
<tr>
<td>I DON'T KNOW</td>
<td>57</td>
<td>66</td>
<td>-9</td>
<td>81</td>
<td>1.227</td>
</tr>
</tbody>
</table>

In order to find the value of ($\chi^2$), we add the results obtained in the last row as follows:

$$\chi^2 = 3.87+0.378+1.227 = 5.475$$

The questionnaire which was used to analyze the veracity of the key hypothesis and presented sub-hypotheses, has three options (YES, NO and I DON'T KNOW). This means that we should know two quantities in order to determine the third quantity. Thus, our problem has two freeing scales with a probability level under 5% , what it means that for the accuracy of 95%, on the table it is read the value of chi-square $\chi^2=5.991$ while for the level of importance, under 1 %, of the probability level, the value is $\chi^2=9.210$.

Since the fixed value of our chi-square $\chi^2=5.475$ is smaller than the standard value of $\chi^2$ which for the freeing scale 2 is $\chi^2=5.991$, it comes out that the presented hypothesis has been verified. This hypothesis is verified, also, for the level of importance 1 % =0.01 since for the freeing scale 2 the standard value of $\chi^2$ is 9.210 which is bigger than our chi-square 5.475.

2. The Analysis of the Veracity of the Sub-Hypotheses by Chi-Squared Test ($\chi^2$)

The analysis of sub-hypothesis H1: The emotional maturation depends on the age of adolescent students

Table 2

<table>
<thead>
<tr>
<th></th>
<th>$f_o$</th>
<th>$f_i$</th>
<th>$f_o-f_i$</th>
<th>$(f_o-f_i)^2$</th>
<th>$(f_o-f_i)^2/f_i$</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>60</td>
<td>66</td>
<td>-6</td>
<td>36</td>
<td>0.54</td>
</tr>
<tr>
<td>NO</td>
<td>65</td>
<td>66</td>
<td>-1</td>
<td>1</td>
<td>0.015</td>
</tr>
<tr>
<td>I DON'T KNOW</td>
<td>75</td>
<td>66</td>
<td>9</td>
<td>81</td>
<td>0.27</td>
</tr>
</tbody>
</table>

In order to find the value of ($\chi^2$), we add the results obtained in the last row as follows:

$$\chi^2 = 0.54+0.015+0.27=0.827.$$  

Since the value of $\chi^2=0.827$ , it means that it is smaller than the standard value of $\chi^2$ which for the freeing scale 2 is $\chi^2=5.991$, it comes out that the presented sub-hypothesis has been verified. This sub-hypothesis is verified, also, for the level of importance 1 % =0.01 since for the freeing scale 2 the standard value of $\chi^2$ is 9.210.

The analysis of sub-hypothesis H2: The emotional maturation depends on the gender of adolescent students

Table 3

<table>
<thead>
<tr>
<th></th>
<th>$f_o$</th>
<th>$f_i$</th>
<th>$f_o-f_i$</th>
<th>$(f_o-f_i)^2$</th>
<th>$(f_o-f_i)^2/f_i$</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>75</td>
<td>66</td>
<td>9</td>
<td>81</td>
<td>1.27</td>
</tr>
<tr>
<td>NO</td>
<td>90</td>
<td>66</td>
<td>24</td>
<td>376</td>
<td>5.69</td>
</tr>
<tr>
<td>I DON'T KNOW</td>
<td>35</td>
<td>66</td>
<td>31</td>
<td>961</td>
<td>14.5</td>
</tr>
</tbody>
</table>

In order to find the value of ($\chi^2$), we add the results obtained in the last row as follows: $\chi^2 = 1.27+5.69+14.5=21.46$

Since the value of $\chi^2=21.46$ , it means that it is bigger than the standard value of $\chi^2$ which for the freeing scale 2 is $\chi^2=5.991$, it comes out that the presented sub-hypothesis hasn't been verified. This sub-hypothesis is rejected, also, for the level of importance 0.99 % since for the freeing scale 2 the standard value of $\chi^2$ is 9.210. This hypothesis is rejected since the received answers from this representative group do have differences of statistical importance compared with those we have expected.

The analysis of sub-hypothesis H3: There is a positive impact as regards emotional maturation and achievement of success at school
In order to find the value of \( \chi^2 \), we add the results obtained in the last row as follows:
\[
\chi^2 = 0.37 + 0.24 + 0.13 = 0.74.
\]

Since the value of \( \chi^2 = 0.74 \) is smaller than the standard value of \( \chi^2 \) which for the freeing scale 2 is \( \chi^2 = 5.991 \), it comes out that the presented sub-hypothesis has been verified. This sub-hypothesis is verified, also, for the level of importance 1 % = 0.01 since for the freeing scale 2 the standard value of \( \chi^2 \) is 9.210.

Hypothesis H4: The emotional maturation and the success of the adolescent students depend on the age and gender of the adolescent respondents who have been researched

\[
\chi^2 = 0.96 + 0.136 + 0.74 = 1.836.
\]

Since the value of \( \chi^2 = 1.836 \) is smaller than the standard value of \( \chi^2 \) which for the freeing scale 2 is \( \chi^2 = 5.991 \), it comes out that the presented sub-hypothesis has been verified. This sub-hypothesis is verified, also, for the level of importance 1 % = 0.01 since for the freeing scale 2 the standard value of \( \chi^2 \) is 9.210.

**Summary**

Based on these empiric researches that covered a sample of 200 pupils (100 students belonged to the 10th class and 100 students belonged to the 13th class), half of them were males and half of them were females, we can ascertain that the key hypothesis has been verified: „The emotional maturity is an indicator that adolescent students have achieved good success at school”. By chi-squared test, also, have been verified sub-hypotheses (auxiliary hypothesis) approved for empiric review of the emotional maturation of adolescent students at the Technical Secondary School „28 November” in Pristina. The results from this empiric research into the same sample do not verify sub-hypothesis H2: „The emotional maturation depends on the gender of adolescent students”. Thus, this hypothesis is rejected since there is a big difference between theoretical and empiric frequencies.

**References**

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The Effect of Training Program on Physical Characteristics and Social Development of Boys

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Abstract

Sport is important for physical and social development of children. Through sports, recognition of the environment and communication with his/her environment takes place more easily for children. The aim of this research was to examine the effects of regular physical activity on physical and social developments of boys at 11 ages. The population of the study consisted of 11-years-old children. The sample group consisted of 10 children who want to participate in training and signed permission documents by their parents. In this study, 70 minutes of training program was implemented 2 days in a week during 12 weeks. The program was practiced 30 minutes games, 10 minutes stretching and the last half-hour handball abilities for developing physical skills and social abilities. In order to examine the social development, interviews were done with students and parents pre and last weeks of training by asking questions about some demographic characteristics, communication and expectations. In the analysis of the obtained data software package programme and content analysis was used. According to the result of this research, students developed taking responsibility and their communication skills. It was determined that the best friends of the students selected from the group who participated in training, They wanted to play handball as a professional in the future and their expectations from this education program realized. In addition, there was meaningful increase at height and weight values.

Keywords: boys, physical characteristics, preference of friend, social development

1. Introduction

Sport is a collective noun and usually refers to a range of activities, processes, social relationships and presumed physical, psychological and sociological outcomes. These activities include individual, partner and team sports; contact and non-contact sports; motor driven or perceptually dominated sports; different emphases on strategy, chance and physical skills; and competitive, self-development and purely recreational activities. A Council of Europe report suggests that sport provides opportunities to meet and communicate with other people; to take different social roles; to learn particular social skills (such as tolerance and respect for others); to adjust to team/collective objectives (such as cooperation and cohesion); and that it provides experience of emotions that are not available in the rest of life (Bailey, 2005).

The perceived and objective benefits of participation in sports for children are numerous and span multiple domains, including physical, physiological, and social development. In addition to promoting movement, sports provide a venue for learning, practicing, and developing gross motor skills. Sport provides a medium for physical activity, developing friendships, and learning developmental skills across all domains. Organized sports, when focused on fundamentals, facilitate physical activity while providing enjoyment for the participants (Merkel, 2013).

Through sport and exercise, participants interact with others and maintain social relationships (Vilhjalmsson and
Thorlindsson, 1998). Through interactions with adults and peers, children should learn appropriate behavior and learn how to manage their emotions. For example, the amount of physical play between parents and their preschool children has been associated with greater social competence of youth. Through the self-regulation and the development of interpersonal and problem-solving skills, physical play is central to the development of social competence. Participation in sport alone does not result in the development of positive social and emotional characteristics. There is also a positive relationship between physical competence, interpersonal skills, and peer acceptance. Development of competencies also relates to self-esteem. When others acknowledge their success in sport and physical activity children gain a sense of worthiness and a growing sense of confidence in their ability to succeed in the execution of the skills (Ewing et al., 2002). Despite all the benefits physical activity may have, researchers and educators repeatedly report that many people are physically inactive (Vilhjalmsson and Thorlindsson, 1998).

In this context, sport is important for physical and social development of children. Through sports, recognition of the environment and communication with his/her environment takes place more easily for children. The aim of this research was to examine the effects of regular physical activity on physical and social developments of boys at 11 ages.

2. Research Methods

2.1 Research Group

The population of the research consisted of 11-years-old children in Isparta/Türkiye. The sample group consisted of 10 boys who volunteered participate in handball training and signed permission documents by their parents. Before acceptance, children's parents were fully informed about the objectives and methods of the research. Children and their parents are not forced to participate in the research.

2.2 Data Collection

In this research, 70 minutes of training program was implemented 2 days in a week during 12 weeks between June 14 and August 31, 2014. The program was practiced 30 minutes games, 10 minutes stretching and the last half-hour handball abilities for developing physical skills and social abilities. In order to examine the physical and social development, anthropometric measurements (height, body weight, body mass index BMI) on the participants were performed and face to face interviews were done with students and parents pre and last weeks of training by asking open-ended questions about some demographic characteristics, communication and expectations. Body weight was measured in light clothing and with shoes removed, using a digital scale. Height was measured without shoes with a portable stadiometer. The data obtained was recorded in cm and kg. BMI was calculated in kg/m².

2.3 Statistical Analysis

All data were analyzed using SPSS 16.0 program pack. Frequency analysis was used to determine the children’s age, height, body weight and also expectations of children and their parents from the sport. The Wilcoxon test was used for comparing the values of pre and post-test, height, body weight and BMI of participants. In analysis, a probability level of \( P<0.05 \) was used to indicate statistical significance.

3. Findings

As shown in Table 1, the students height, body weight, and body mass index mean values were found to be 154.50 ± 9.08 cm, 47.97 ± 12.70 kg and 19.76 ± 3.73 kg/m² respectively.

Table 1. Findings related to height, body weight and body mass index values of the children who participated in the research.

<table>
<thead>
<tr>
<th>1. Variable</th>
<th>2. Mean (n=10)</th>
<th>3. Standard deviation (n=10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Height (cm)</td>
<td>5. 154.50</td>
<td>6. 9.089</td>
</tr>
<tr>
<td>7. Body weight (kg)</td>
<td>8. 47.97</td>
<td>9. 13.706</td>
</tr>
<tr>
<td>10. BMI (kg/m²)</td>
<td>11. 19.76</td>
<td>12. 3.739</td>
</tr>
</tbody>
</table>
It has been determined that the primary goal of the children participating in the study from handball is having a developed body from the physical point of view. In addition, the ratio of those who were aiming to learn handball sports and become a handball player, have fun while doing sports and expand their friendship environment was around 18.2%. It has been also concluded that the ratio of those playing handball for recreation purposes and having a disciplined life was 4.5% (Table 2).

Table 2. Findings related to expectations of the children from handball training program.

<table>
<thead>
<tr>
<th>13.</th>
<th>What are your expectations from handball training program?</th>
<th>14. n</th>
<th>15. %</th>
</tr>
</thead>
<tbody>
<tr>
<td>16.</td>
<td>Learn handball sports and become a handball player</td>
<td>17.4</td>
<td>18.182</td>
</tr>
<tr>
<td>19.</td>
<td>Have a developed body</td>
<td>20.8</td>
<td>21.364</td>
</tr>
<tr>
<td>22.</td>
<td>Have fun doing sports</td>
<td>23.4</td>
<td>24.182</td>
</tr>
<tr>
<td>25.</td>
<td>Expand my friendship environment</td>
<td>26.4</td>
<td>27.182</td>
</tr>
<tr>
<td>28.</td>
<td>Recreation</td>
<td>29.1</td>
<td>30.45</td>
</tr>
<tr>
<td>31.</td>
<td>Have a disciplined life</td>
<td>32.1</td>
<td>33.45</td>
</tr>
<tr>
<td>34.</td>
<td>Total</td>
<td>35.22</td>
<td>36.100</td>
</tr>
</tbody>
</table>

According to the opinions of the students participating in the research, it has been determined that 90% of the participants think that they have achieved their expectations. Only 10% of the participants think that they haven’t achieved their expectations (Table 3).

Table 3. Findings related to realization level of expectations of students from handball after training program

<table>
<thead>
<tr>
<th>37.</th>
<th>Have you achieved your expectations after training program?</th>
<th>38. n</th>
<th>39. %</th>
</tr>
</thead>
<tbody>
<tr>
<td>40.</td>
<td>Yes</td>
<td>41.9</td>
<td>90.0</td>
</tr>
<tr>
<td>43.</td>
<td>No</td>
<td>44.1</td>
<td>10.0</td>
</tr>
<tr>
<td>46.</td>
<td>Total</td>
<td>47.10</td>
<td>100.0</td>
</tr>
</tbody>
</table>

70% of the students participating in the study think that they had significant changes in their friendship environments after handball training program, while 30% of the students think that they didn’t have any significant changes in their friendship environments (Table 4).

Table 4. Findings related to changes seen in the friendship environments of the students after the training program

<table>
<thead>
<tr>
<th>49.</th>
<th>Did you have any changes in your friendship environment after handball training program?</th>
<th>50. n</th>
<th>51. %</th>
</tr>
</thead>
<tbody>
<tr>
<td>52.</td>
<td>Yes</td>
<td>53.7</td>
<td>70.0</td>
</tr>
<tr>
<td>55.</td>
<td>No</td>
<td>56.3</td>
<td>30.0</td>
</tr>
<tr>
<td>58.</td>
<td>Total</td>
<td>59.10</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Considering views of the participants at the end of the training program, it has been determined that 90% of them would like to be a handball player in the future, whereas only 10% of them don’t want to be a handball player (Table 5).

Table 5. Findings related to future plans of the participants regarding whether they would like to be a handball player

<table>
<thead>
<tr>
<th>61.</th>
<th>Would you like to be a handball player in the future?</th>
<th>62. n</th>
<th>63. %</th>
</tr>
</thead>
<tbody>
<tr>
<td>64.</td>
<td>Yes</td>
<td>65.9</td>
<td>90.0</td>
</tr>
<tr>
<td>67.</td>
<td>No</td>
<td>68.1</td>
<td>10.0</td>
</tr>
<tr>
<td>70.</td>
<td>Total</td>
<td>71.10</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Table 6. Findings related to the expectations of parents of the participants from handball

<table>
<thead>
<tr>
<th>Expectations</th>
<th>74. n</th>
<th>75. %</th>
</tr>
</thead>
<tbody>
<tr>
<td>73. Being responsible and disciplined</td>
<td>8</td>
<td>78. 28.6</td>
</tr>
<tr>
<td>76. Socialization</td>
<td>8</td>
<td>81. 28.6</td>
</tr>
<tr>
<td>79. Being a good athlete</td>
<td>4</td>
<td>84. 14.3</td>
</tr>
<tr>
<td>82. Physical development</td>
<td>3</td>
<td>87. 10.7</td>
</tr>
<tr>
<td>85. Expanding the friendship environment</td>
<td>1</td>
<td>90. 3.6</td>
</tr>
<tr>
<td>91. Gaining the team and fighting spirit</td>
<td>4</td>
<td>93. 14.3</td>
</tr>
<tr>
<td>94. Total</td>
<td>28</td>
<td>96. 100.0</td>
</tr>
</tbody>
</table>

According to the opinions of all the parents received at the end of the study, their children were socially improved at the end of the training program (Table 7).

Table 7. Findings related to socialization level of children after they start playing handball according to the views of parents

<table>
<thead>
<tr>
<th>Do you think your children improved socially at the end of the training program?</th>
<th>98. n</th>
<th>99. %</th>
</tr>
</thead>
<tbody>
<tr>
<td>100. Yes</td>
<td>101. 10</td>
<td>102. 100</td>
</tr>
<tr>
<td>103. No</td>
<td>104. 0</td>
<td>105. 0</td>
</tr>
<tr>
<td>106. Total</td>
<td>107. 10</td>
<td>108. 100</td>
</tr>
</tbody>
</table>

It has been determined that there was a statically significant development in the pre-test heights of the children (p<0.05). In addition, body weight of the students increased, whereas their body mass indexes were decreased. However, it has been concluded that the changes occurred in body weights and body mass indexes of the students were statically insignificant (p>0.05) (Table 8).

Table 8. Comparisons of pre-post test results of the participants regarding their height, weight and body mass index

<table>
<thead>
<tr>
<th>Variable</th>
<th>110. Pre-post test</th>
<th>111. Mean</th>
<th>112. Standard deviation</th>
<th>113. Z</th>
<th>114. p</th>
</tr>
</thead>
<tbody>
<tr>
<td>115. Height (cm)</td>
<td>116. Pre-test</td>
<td>117. 154.50</td>
<td>118. 9.089</td>
<td>119. -2.820</td>
<td>120. .005</td>
</tr>
<tr>
<td></td>
<td>121. Post-test</td>
<td>122. 156.30</td>
<td>123. 9.214</td>
<td>124. -1.914</td>
<td>125. .056</td>
</tr>
<tr>
<td>124. Weight (kg)</td>
<td>125. Pre-test</td>
<td>126. 47.97</td>
<td>127. 13.706</td>
<td>128. -1.580</td>
<td>129. .114</td>
</tr>
<tr>
<td></td>
<td>130. Post-test</td>
<td>131. 48.60</td>
<td>132. 13.404</td>
<td></td>
<td></td>
</tr>
<tr>
<td>133. BMI (kg/m²)</td>
<td>134. Pre-test</td>
<td>135. 19.76</td>
<td>136. 3.739</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>139. Post-test</td>
<td>140. 19.56</td>
<td>141. 3.513</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Discussion and Results

In this study, it has been determined that the primary goal of the children participating in the study from handball is having a developed body from the physical point of view followed by expectations such as learning handball sport and becoming a handball player, having fun while doing sports and expending their friendship environment. In addition, it has been concluded that most of these children think that they meet their expectations regarding handball. Besides, after handball training program, it has been also determined that the majority of children participated in the study wants to be a handball player in the future.

In a study conducted by Şirin et al. (2008), the biggest factor was identified to be the factor of entertainment leading people to sports. In another study conducted by Alibaz et al. (2006) on amateur athletes, it has been determined that having fun is the most important factor expected by athletes from doing sports. In the study of Ölçücü et al. (2012) regarding tennis players, the main expectations of tennis players are determined to be healthy and having a good physical appearance. In the study of Şimşek and Gökdemir (2006) conducted on athletics athletes, the primary expectations of these athletes were determined to be selected for national team, having a college education in sports, being a good athlete and earning their lives from sports. It can be said that results of our study are consistent with results of these studies in the literature. In this context, the main expectations of these children from sports are having a healthy life, being a good athlete, expending the social environment and having fun.
The parents expect their children playing handball to gain a sense of discipline and responsibility. They also want their children to be supported for their social developments. According to the parents’ opinions received at the end of the study, their children were socially improved at the end of the training program. These findings support the idea that regular sports activities will contribute to children's social development.

Various studies demonstrated that young people's participation in sport supports their social development (Özdinç, 2005). According to Yilmaz (2013), the physical education and sports activities are very important for supporting the physical development of young people in addition to raising individuals aware of their rights, respectful to each other, confident with accelerated socialization processes. According to Şahan (2008), sports activities allow people to have common activities. In this way, people gain a competitive structure, work discipline, and courage. In addition, in team sports, usually athletes are in physical contact with their opponents; however, in individual sports, they usually don’t have any physical contact with their opponents. Therefore, it is not possible to demonstrate aggressive behaviors to their opponents in team sports (Güner, 2006). In the developed countries, where people are aware of the social benefits of sports, they give great importance to sports activities; therefore, children’s sport and physical education programs start at very early ages (Duman and Kuru, 2010). The views of parents obtained in our study are consistent with these information obtained from the literature.

It has been determined that there has been a significant increase in height of the children participated in the study after the handball training program. There have been some insignificant changes in body weight and body mass index (increases in body weight, reduction in body mass index) of the children. According to these findings, we can say that the 12-week handball training supported the physical development of children in a positive way.

The support of these handball trainings in the physical development of children is a result consistent with the literature. In fact, in the studies conducted, it has been reported that children and young people’s participation in sports support the physical development depending on physical and metabolic adaptation (Courteix et al., 1998; Fuchs et al., 2001). In addition, it has been also stated that participation in sports is very important to prevent obesity and especially sedentary lifestyle that negatively affect physical development of children (Nemet et al., 2005). In the study of Hekim (2014), it has been emphasized that ensuring the participation of children in sports starting from elementary school is quite significant for supporting the physical development of them.

As a result, it has been determined that the primary goal of the children participating in the study from handball is having a developed body from the physical point of view followed by expectations such as learning handball sport and becoming a handball player, having fun while doing sports and expending their friendship environment. In addition, it has been also determined that most of these children meet their expectations during handball trainings. The main expectation of the parents was supporting their children in terms of socialization. In addition, according to the views of parents, there were significant improvements in social aspects of the children at the end of the training programs. The positive changes occurred in the relationship between children support the views of parents. In addition to these, handball trainings were determined to be supportive in the physical developments of children from various aspects and it has been concluded that the findings of this study correlate with the literature. As a result, it can be said that handball trainings would be beneficial in terms of social and physical development of children.

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From the Power of Local Authorities to Local Self-Government in Kosovo

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Abstract

Local self-government as democratic achievement takes emphasised place on the new legal system of the Republic of Kosovo, which is based on the principles contained in the European Charter of Local Self-Government and other relevant international Conventions, the Constitution and laws of Kosovo, UNMIK Regulations, the President's Ahitsaari Comprehensive Plan and Agreement of Brussels. These are basic resources and legal basis for the organization and functioning of local self-government in Kosovo after the war until today organized at the municipal level. The system of local self-government during this period has passed through a continuous process of reform which is characterized by numerous challenges and major changes that have followed the general process of state-building in Kosovo.

Keywords: Power, Local Authorities, Local Self-Government, Kosovo

1. The Power of Local Authorities in Kosovo 1999 – 2000

After the war and the liberation of Kosovo, Kosovo Provisional Government formed under the joint decision of all political parties military participating in the Rambouillet Conference, made the first attempts to start the normalization and institutionalization of life in Kosovo in central and local level.

In order to create a legal basis for the functioning of local government, the Provisional Government adopted Decree on Local Government, by which was determinate the ways of organization and functioning local authority in Kosovo. Under this Decree, municipalities constitute the basic territorial unit in which citizens realize common interests.

Decree provides unique system of local government functioning, but in practice the functioning failed to extend to all municipalities in Kosovo. For the organization of life in municipalities and for the decisions of citizen's interests, the Provisional Government, namely the Ministry of Local Government in order to cover the institutional vacuum appointed mayors and other holders of executive functions. These were therefore the only legitimate authorities during this period at the local level.

Thanks to the appointment and organization of local temporary structures, successfully were faced the emergency period and the return of the population that was violently removed from Kosovo, and the beginning of reconstruction of infrastructure in cooperation with international institutions and organizations.

The interim government, fulfilling its mission by obligations and created circumstances in Kosovo, ceases to exist along with all other structures in Kosovo at that time, then, which were not under the authority of Resolution 1244 of the UN.

All responsibilities of the organization and functioning of institutional life in Kosovo after this phase passed under the authority of UNMIK and joint administrative structures were established, like Interim Administrative Council (IAC) and the Transitional Administrative Council (TAC), under the authority of the Special Representative of the Secretary General (SRSG) of UN.

In this period was formed the Department of Local Administration within the UNMIK structure, which was led by two co-leaders, one of them was international and the other one local. The task of this department was organizing authorities and local administration in the existing municipalities, until the first local elections in Kosovo would be held in October 2000, when the building of democratic elected institutions of Kosovo started at the local level.

2. Local Administration 2000 - 2008

With the establishment of UNMIK in Kosovo, in year 2000 were adopted two main regulations for the establishment and functioning of the new system of local Self-Government, respectively the Regulation 2000/43 was adopted for the names,

On 28 October 2000 the first local democratic elections were held and the Municipal Assemblies were constituted, Assemblies troops and was built administrative civil service. Municipalities, in this period the organization of local self-government in Kosovo have been functioning based on UNMIK Regulation 2000/45.

Until the decision of Kosovo’s future status, with this regulation in accordance with Resolution 1244 of the Security Council of the United Nations, provisional institutions for democratic and autonomous self-government at the municipal level were established, as a step in the progressive transfer of administrative responsibilities of Mission Interim Administration of United Nations in Kosovo (UNMIK), which will supervise and facilitate the consolidation of these institutions.

According the Regulation 2000/45, the basic territorial unit of local self-government in Kosovo is the municipality, which exercises all the power, which is not expressly reserved for the central government. Municipalities regulate and manage public affairs in their territory within the limits established by law, to ensure conditions for a peaceful and normal life for all inhabitants of Kosovo. Each municipality according the regulation has its own legal status, the right to own and manage property, the ability to sue and be sued in court, the right to contract and to hire workers.

With the Regulation 2000/45 were set taxably the powers of municipalities in Kosovo. Therefore, the municipalities within its territory and within the laws have the right to regulate any activity autonomously under their own responsibility and which do not conflict with the laws of Kosovo.

The central government can allow the municipality with additional competences within the scope of authority of the central government. Municipalities within their competences derive Municipal Statute and municipal regulations.

The first local elections of 28 October 2000 were proportional electoral system with open lists, while the mandate of the Municipal Assembly members was two (2) years.

The highest body of the municipality is the Assembly, which is elected directly and carries out the functions and responsibilities defined in Regulation 2000/45. The Assembly has also the Chairman elected by the composition of Parliament.

With this regulation is foreseen the possibility that the Municipal Assembly delegates the power to make decisions on other bodies of Assembly such as; Assembly Committees, Head of Municipal Assembly or Chief Executive Officer.

The Regulation 2000/45 has provided a degree of local autonomy, referring to the European Charter of Local Self-Government, which defines the rights and competences of local authorities, the European Convention for the Protection of Human Rights and Freedom, the European Charter for Regional languages or minorities and the Convention of the elimination of all forms of discrimination.

During this period, the Municipal Assemblies have functioned with limited autonomous capacities, because the reserved powers of UNMIK were exercised by the Municipal Administrator, who had executive power over the decisions of the Municipal Assembly and other administrative bodies.

The Constitutional framework of local self-government system is referred by only one paragraph in Chapter of the basic Provisions precisely in article 1. Paragraph 3., which determinates the level of organization at the local level and explicitly stated: "Kosovo consists of municipalities, which are the basic territorial unit of local self-government with responsibilities stipulated by the legislation of UNMIK, which is in power, on local self-government and municipalities in Kosovo ".

The need to change the competences, organizational structure, responsibilities and electoral system, were summarized in UNMIK Regulation 2007/30, which almost prepares the municipal self-government in the spirit of the laws that will be approved in the Assembly of Kosovo based on Constitution and Comprehensive Package of President Ahtisaari.

The Regulation 2000/45, is amended by Regulation 2007/30, to adjust the changes mainly related to the direct election of mayors and defining three types of competencies such as: own, delegated and enhanced competencies.

Thechanges of the Regulation 2007/30, were related to the election of the mayor directly, unlike Regulation 2000/45, where the mayor was elected by the votes of elected representatives in the Municipal Assemblies. Now the Mayor takes also the executive role and appoints municipal Directors, who are political appointees and assist the mayor in carrying out its duties and responsibilities.

Own competences according the Regulation 2007/30 – the list of competencies in this regulation includes: local economic development, urban and rural planning, land use and development, implementation of building regulations and building control standards, environmental protection at the local level, supply and maintenance of public services and local emergency response. Such authority would be provided later in the future law on local self-government which was adopted after the declaration of independence and would be the same for all municipalities.
Delegated Powers - This Regulation provides also the possibility of delegating the competences from central authorities to local authorities in some areas such as: cadastral records, civil records, voter’s registration, business registration and licensing, distribution of social assistance payments (excluding pensions) and protection of forests.

Enhanced Competencies - It is anticipated that certain municipalities, where the Kosovo Serb minority community is in majority, to have enhanced municipal competencies in several areas: higher education, including registration and licensing of educational institutions, secondary medical care, including registration and licensing health institutions, recruitment, payment of salaries, training of health personnel and cultural issues, including the protection and promotion of cultural and religious heritage within its territory, participation to appoint the police station commanders.

The effects of the Regulation 2007/30, in organization and functioning of Local Self-government are in preparation of elected bodies for adaptation to the changes that would bring the Law on the Organization of Local Self-Government in Kosovo and other laws related the scope of Local Self-government based on Constitution of the Republic of Kosovo and the laws deriving from the President’s Ahtisaari Comprehensive Package.

3. Local Self-government in the President’s Ahtisaari Comprehensive Proposal

At the proposal of President Ahtisaari in third annex of this agreement, are described detailed tasks for the organization and responsibilities of Local Self-government bodies, taking into account the process of decentralization. In this annex are described and taken into accounts the concerns and worries of the Serbian minority community and other communities living in Kosovo.

To encourage and ensure active participation in public life of non-majority communities and to strengthen good governance and also to increase the efficiency and effectiveness of public services in the whole Kosovo, principles and provisions that are foreseen in this document, will also be incorporated with constitutional and legal provisions within positive Kosovo legislation.

The main principles of decentralization are defined within the constitution, as provided in Article 8 of Annex 1 of the Agreement where states: Kosovo will be consist from municipalities that will have a high degree of local self-government and which encourage and ensure an active participation of all citizens in democratic life.

This was perhaps a premise throughout the process of negotiations on the political status of Kosovo in Vienna, where a great attention has been made for the establishment of an advanced and sustainable Local Self-government on treatment for minorities in Kosovo.

This somehow was preceded by the report of the Council of Europe’s Committee for decentralization in year 2003, which gave the first recommendations on how should be organized and decentralized the local government.

In year 2005, the special envoy of the UN Secretary General, Mr. Kai Eide, has reported in regard of meeting the standards before the status focusing on the obligations of Kosovo institutions for the treatment of minority communities and in particular Serb minority community.

After negotiations started, the developments in process showed that the status of Kosovo, respectively the independence of Kosovo and the treatment of minorities in Kosovo and especially the Serb minority will have a solution "sui generis" (special type).

After nearly two years of negotiations and efforts to find a compromise between the negotiating delegations, UN special envoy to lead the negotiations for the status of Kosovo, presented his proposal to the UN General Secretary, which proposal was not taken in consideration in the UN Security Council warning because of Russia's veto, and this was the epilogue of the negotiations process without the possibility of reaching agreement.

According to this proposal, Kosovo shall enact new law on Local Self-government and other laws of Local Self-government in order to strengthen the competences and organization of municipalities, as foreseen in the comprehensive plan of President Ahtisaari.

In all municipalities where responsibilities fall on the setup and management of public affairs the principle of subsidiarity should be respected. Based on this principle are determinate the own municipal competences, delegated competences and enhanced competencies.

The enhanced municipal competencies are valid only for a number of municipalities with a majority Serb community of the population, such as those in the field of higher education, culture and the cultural heritage and secondary healthcare. However, the rights and competences set also for local finances, in the area of inter-municipal cooperation, membership in associations, cooperation with institutions of local self-government in Serbia, the establishment of new municipalities and other issues of local self-government bodies functioning, present national and international obligation according the Constitution of the Republic of Kosovo, adopted in April 2008, and the laws coming
out from the package of laws for the status of Kosovo, one of these is also the Law of local Self-Government in Kosovo (2008)


Local self-government is defined as a constitutional category also within the Constitution of the Republic of Kosovo, adopted on 8 April 2008, which entered into force on 15 June 2008.

In Chapter X of the Constitution, Articles 123 and 124 stipulate general principles, organization and functioning of local self-government.

The right of local self-government is guaranteed and regulated by law (Organic Law on Local Self-Government in Kosovo adopted in 2008) and it is exercised through representative bodies elected by general, equal, free and direct elections and secret vote.

The activity of local self-government is based on the Constitution and laws of the Republic of Kosovo in accordance with the European Charter of Local Self-Government.

The Local self-government is based on the principles of good governance, transparency, efficiency and effectiveness in offering of public services, paying particular attention to the specific needs and concerns of communities which are not majority and their members.

Basic unit of local self-government in the Republic of Kosovo is the municipalities. Municipalities have a high degree of local self-government and encourage and ensure active participation of all citizens in the decision making process of local authorities.

The establishment of municipalities, boundaries, competences and ways of its organization and functioning are regulated by law.

The Constitution also determines the basic competencies, enhanced and delegated in accordance with the law. State authority, which delegates the competences, pays the costs for exercising delegated competences.

The organization and functioning of local self-government, the Constitution of the Republic of Kosovo has set in Article 124, paragraph 1, 2, 3, 4, 5, 6, 7, 27 and the laws enacted based on it.

As a result of these obligations came to The well-known agreement of Brussels on 18 April 2013. This Agreement has sparked a lot of criticism and debate within intellectual and social circles. The debate and criticism mainly deals with dilemmas whether this agreement is exceeded Ahtisaari Plan, or with this Agreement we have Ahtisaari plus.

According to the agreement approved by the Assembly of Kosovo, we see that the Ahtisaari Plan is not exceeded, and all points contained in the Agreement and reached solutions are within the legal and constitutional system of Kosovo.

The agreement as a whole has 14 points and those points that reflect the areas of responsibility for the municipalities of this agreement are:

1. It will be an Association / Union of Serb-majority municipalities in Kosovo. Membership in it will be open to other municipalities, which are mentioned in the agreement.
2. The union / association will be established by the statute. Its distribution will occur only by a decision of the parties involved. Legal guarantees will be insured by the law in power and constitutional law (including 2/3 of majority from the decision-making body).
3. The structures of the Association / Union will be established on the same basis as the existing statute of the Association of Kosovo Municipalities, for example, the chairman, deputy chairman, Assembly, Council.
4. In accordance with the given competences by the European Charter of Local Self-Government and Kosovo Law, the participating municipalities will have the right to cooperate in exercising their collective powers through the Union / Association. The Association / Union will have full access in the areas of economic development, education, health, urban and rural planning.
5. The Association / Union will also carry additional liability, depending on how they are delegated by the central authorities.
6. The Community / Union will have a role of representation for the central authorities and because of this purpose they will have a seat on the community consultant council. In accordance with this, it is foreseen a monitoring function.
7. There would be a Regional Police Commander for four Serb-majority municipalities (North Mitrovica, Zvecan, Zubin Potok and Leposavic). A commander of this region will be a Kosovo Serb, nominated by the Ministry of Interior, from a list that will be provided by four mayors.
8. Municipal elections in northern municipalities will be organized in 2013, with the assistance of OSCE,
accordance with Kosovo law and international standards.

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Supply Chain Risk Management for the SME’s

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Abstract

Small and Medium Enterprises (SMEs) are a vital component in economic development and bring benefits to the country as they provide employment, increase income, and foster economic growth. However, SMEs have many shortcomings including small size, short capital, and reliance on support from the government. In addition, SMEs are usually companies that are less structured, with small management group, inadequately organised, as well as having informal risk management structure. This study argues for the benefit of adopting SCRM in Malaysian SME. Supply chain risk management (SCRM) focuses on supply chain risk phenomena and provides models for the analysis of several types of supply chain risks that occur in both supply and demand sides of the supply chains. The purpose of SCRM is to recognise the potential supply chain uncertainties and prevent the uncertainties with appropriate action. SCRM is made of four basic categories; risk sources, risk consequences, risk drivers, and risk mitigation strategies. This study focuses on risk mitigation strategies that should be implemented by SME to overcome challenges that they faced. The main problem is that there is lack of knowledge in the application of SCM, especially SCRM in the context of SMEs. In fact, there are still plenty of companies that have not establish a structured supply chain risk management and mitigation system and unaware of supply chain disruption risk management. Therefore, this study seeks to examine risk mitigation strategies and their effect on the company’s performance in Malaysian SMEs. Data was collected through survey questionnaire and the respondents consist of SMEs located in Malaysia. Data analysis was conducted using SPSS and findings indicate that there is significant relationship between risk mitigation strategies adopted by the SMEs and their company performance.

Keywords: Supply Chain Risk Management, Small and Medium Enterprise, Supply Chain Management

1. Introduction

Small medium enterprise (SME) represents 99.2 % (645,136 companies) of the total business established in Malaysia (National SME Development Council, 2012; Department of Statistics Malaysia, 2011). Both developing and developed countries around the world viewed SME as a vital component in economic development (Hashim, 2011). In addition, SMEs bring benefits to the country as they provide employment, increase income, and foster economic growth (National SME Development Council, 2012).

However, SMEs have many shortcomings including small size, short capital, and reliance on support from the government. Besides, National SME Development Council (2012) has listed several challenges that prevent them from achieving high performance. According to Lavastre, Gunasekaran and Spalanzani (2012), they define SME as a company that is less structured, having small management group and inadequately organised, as well as informal of risk management. Because of that, this study will argue the benefit of adopting SCRM in Malaysian SME.

Supply chain risk management (SCRM) focuses on supply chain risk phenomena and provides models for the analysis of several types of supply chain risks that occur in both supply and demand sides of the supply chains. The purpose of SCRM is to recognise the potential supply chain uncertainties and prevent the uncertainties with appropriate action. SCRM is made of four basic categories; risk sources, risk consequences, risk drivers, and risk mitigation strategies. However, this study only focuses on risk mitigation strategies that should be implemented by SME to overcome challenges that they faced.

In fact, there are still lots of companies that have not establish a structured supply chain risk management and mitigation system (Christopher, Mena, Khan & Yurt, 2011) and unaware of supply chain disruption risk management (Johnson & Nagarur, 2012). The area of SCRM is essential for Malaysian SMEs to help them sustain their business and overcome current risks and challenges. Besides, Klonowski (2012) stated that SCRM study is more apparent to the Small and Medium-sized Enterprises (SMEs) as the risk of technological change and innovation is imperative to SMEs, which plays a very important role in fostering economic growth of the country. In accordance with the main objective of SCRM of minimising the uncertainty situation arises and to contribute new ways of handling vulnerabilities in the supply chain, this study will identify the benefits of adapting risk mitigation strategies in the Malaysian SMEs.
2. Malaysian SME’s

The definition of SMEs is diverse across the countries and in Malaysia, it is based on two factors, which are the annual sales turnover and full-time employees (Hashim, 2011). SME has been recognised as an engine for future growth. This can be seen from the benefits that SME has brought to the country, such as providing employment, increasing income, and fostering growth (National SME Development Council, 2012). However, the business world nowadays faced with rapid changes in terms of customer demand, product lifecycle, technology, socio-cultural and market structure, which affect the SMEs’ profitability and business growth.

3. The Performance of Malaysian SME’s

According to National SME Development Council (2012), SMEs represent 99.2 % of the total business establishment in Malaysia. However, SMEs’ contribution to the economy is only about 32 % of the Gross Domestic Product (GDP), 59 % of employment and 19 % of the total exports. Even though they represent the majority of business establishment in the country, their total contribution to the country’s economy are still considered small compared to larger companies. Furthermore, Malaysian SME contributions towards the country’s GDP, employment and export are comparatively low among Southeast Asian countries (OECD, 2013) as depicted in Figure 1.1. Wan Hooi (2014) has stated the difference between Malaysia, Singapore and United States, SME in Singapore are four times more productive, while United States are seven-times more productive than Malaysia.

![SME’s contribution to GDP, employment and exports in Asia, 2011.](image)

**Figure 1.1 SME’s contribution to GDP, employment and export in Asia, 2011.**

**Sources:** Economic Outlook for Southeast Asia, China and India 2014: Beyond the Middle-Income Trap – OECD (2013).

In view of their significant role in contributing to economic growth, SMEs encounter numerous challenges in handling their business. The challenges comes in various forms including innovation and technology adoption, access to financing, legal and regulatory environment, human capital development, market access, and infrastructure (National SME Development Council, 2012). Furthermore, these challenges may arise because of SMEs weaknesses such as low level of technological capability, ICT penetration, research development (Saleh & Ndubisi, 2006), poor creditworthiness, and lack of collateral difficult to obtain external fund (Onyango & Achieng, 2013), difficult to understand the legal matters (Samad, Abdullah, Jusoff, Mohamad & Nair, 2010; Muhammad, Char, Yasoa’ & Hassan, 2010), having unskilled and inexperienced worker, fail to read market opportunities, misinterpret the market demand (Ahmad & Seet, 2009), and increasing logistic cost (Zuraimi, Yaacob & Ibrahim, 2013). These have seen a negative impact on company’s performance.

Furthermore, these challenges can be seen as risks to SMEs performance. This study believes that these risks could give direct effect on the SMEs’ ability to continue operations, produce finished goods, market the products, and provide critical services to customers, which will then impact the performance of the company. These risks can affect company’s performance in various ways, such as high cost, poor quality product, low profit margin, and difficulties to retain customer. The impact of these risks could be the reason of SMEs failure in Malaysia. As stated by Zainul (2013, January 18), the failure rate of SMEs in Malaysia is at 36 % in 2012. Besides, National SME Development Council (2012) stated 30 % of entrepreneurs are fear of failure to start a business. Moreover, Ismail, Spian and Tay (2012) emphasised
the importance to study the reasons behind the high failure and low performance among Malaysian SMEs.

4. The Importance of SCRM in Malaysian SME's

There are still lots of companies that have not established a structured supply chain risk management and mitigation system (Christopher et al., 2011) and unaware of the supply chain disruption risk management (Johnson & Nagarur, 2012). Johnson and Nagarur (2012) stated that the reason of organisational lack of performance in supply chain is due to lack of knowledge on disruption event.

In addition, there is a lack of knowledge in the application of SCM, especially SCRM in the context of SMEs. As stated by Sunjka and Emwanu (2013), SCRM should be studied more extensively in SMEs due to limited studies in this area. According to Rahman, Wasilan, Deros and Ghani (2011), SME lacks of SCM knowledge in terms of SCM benefits which is suitable to be implemented for their needs. In addition, they listed other several barriers of SCM in SMEs, which are lack of skilled personnel for SCM development, lack of power to influence others in the supply chain, lack of trust by other members in supply chain, and lack of infrastructure in terms of financial and technical to implement SCM system. In another study done by Meehan and Muir (2008), they categorised the ensuing issues at three levels when SCM is adapted in SME, namely individual (lack of skilled personnel in SCM), relational (lack of interest, power, and trust) and organisational (competing initiative and doubts of benefits).

However, the benefit of SCM cannot be denied, as SCM adds values to the stakeholders, reduces lead time delivery, reduces operation cost, as well as provides competitive advantages and financial improvement (Saadany, Jaber & Bonney, 2011; Jain & Benyoucef, 2008; Chan, Humphreys & Lu, 2001; Du, 2007; Meepetchdee & Shah, 2007; Khan & Pillania, 2008; Whitten et al., 2012). Furthermore, it brings efficiency in stable circumstance and competency in handling vulnerabilities in unstable circumstances (Johnson & Nagarur, 2012).

Nowadays, the business world is challenging and risks can be anywhere and because of that, SCRM should be developed to manage these risks and challenges. As SME is shown to be an engine of future growth, identifying sources and managing SMEs risks are crucial. Risk sources could bring a negative impact to company’s performance; both on short-term or long-term performance. In light of the risks arise, it is essential for the company to have a strategy to overcome these risks and hopefully enhance the company’s performance. In addition, there are several researchers who agreed that supply chain risk mitigation strategies could enhance the company’s performance (Whitten, Green & Zelbst, 2012; Wieland & Wallenburg, 2012).

5. Supply Chain Risk Management (SCRM)

The study of SCRM is one of the interesting and important researches as it contributes to inspiration for new ways of handling vulnerability in the chain. In stable environment, it is easy to construct efficient supply chain. However, in the current business environment, it could be difficult to achieve efficiency due to high vulnerability. This reason leads to the increasing demand of SCRM in today's business world.

Despite studies that have been done in the area, SCRM remains without specific definition (Ponomar'ov & Holcomb, 2009), as well as lack of theoretical model and framework focusing on the area (Gaonkar & Viswanadham, 2007). Brindley (2004, p. 80) viewed the functions of “SCRM is to collaborate with partners in a supply chain or on your own, apply risk management process tools to deal with risks and uncertainties caused by, or impacting on, logistics related activities or resources in the supply chain”. Meanwhile, Carter and Rogers (2008) envisioned SCRM as the capability of an organisation to be aware of risk, and the ability to manage the risk in the supply chain amongst economic, environmental, and social.

Gaonkar and Viswanadham (2007) relate supply chain risk with the probabilities and consequence of a mismatch between supply and demand. Meanwhile, Jüttnert et al. (2003) expressed that SCRM recognises the potential supply chain uncertainties and prevent the uncertainties with the appropriate action. SCRM investigates supply chain risk phenomena and provides models for the analysis of several types of supply chain risks that occur both in the supply and demand sides of supply chains. An effective SCRM process is reliable to enhance risk performance (Kern et al., 2012). Additionally, companies that are involved in SCM could gain more advantage and benefits compared to those that are moving on their own.

According to Manuj and Mentzer (2008), the process flow of supply chain risk management can be divided into five steps, which are risk identification, risk assessment and evaluation, selection of risk management strategies, implementation of strategy, and mitigation of supply chain risks. However in this study, the researcher will focus on risk
mitigation strategies. The risk mitigation strategy can be implemented once the supply chain members identify the potential of risk occurrence, consider the consequences, and determine the probability (Tummala & Schoenherr, 2011).

6. Risk Mitigation Strategies

The main objective of SCRM is to minimise any uncertainty situation that may arise in a supply chain, as well as provide appropriate solutions in order to handle and manage the situation effectively. In other words, the function of SCRM is to recognise the potential sources of risk and implement appropriate strategies to prevent the supply chain exposure to risk. Supply chain strategy can be generally classified into two types; either reactive or proactive to disruption (Johnson & Nagarur, 2012; Ghadge et al., 2012). Proactive can be defined as preventive (Wieland & Wallenburg, 2012) or recovery action (Ghadge et al., 2012), whereas reactive is defined as changes action (Wieland & Wallenburg, 2013). Examples of proactive action are the planning of strategic inventory (Johnson & Nagarur, 2012) and multiple sources of supply (Wieland & Wallenburg, 2012). In contrast, for reactive action, it can be conducted with backup supplier (Johnson & Nagarur, 2012) and postponement (Ghadge et al., 2012).

Supply chain risk may appear in various ways, and invariably an organisation will use both proactive and reactive plans in handling the disruption. Literature has suggested some strategies in handling the vulnerability of supply chain, such as finding key supplier in new product development (Mikkola & Skjøtt-Larsen, 2006), broad spans of integration (Kannan & Tan, 2010), information sharing and incentive alignment (Eyaa, Ntayi & Namagembe, 2010; Wiengarten, Humphreys, Cao, Fynes & McKittrick, 2010), joint decision making (Wiengarten et al., 2010), seeking global supplier (Christopher et al., 2011) hedging and speculation (Peiying et al., 2012), and trust and collaborative relationships (Faisal et al., 2006).

Despite the strategies that have been identified, there are several types of risk mitigation strategy for SCRM that can be applied in their practice. The list of risk mitigation strategies that can be applied include robustness (Wieland & Wallenburg, 2012), resilient (Sheffi, 2005; Isotupa, Kelly & Kleffner, 2004), lean strategy (Carvalho et al., 2011), agile (Masson, Iosif, MacKerron & Fernie, 2007; Charles et al., 2010), adaptability (Whitten et al., 2012), and flexible (Skipper & Hanna, 2009).

For supply chain risk mitigation strategies, this study will only examine the strategies claimed by Wieland and Wallenburg (2012) on the importance of improving company performance, which are robustness and agility. In addition, these two strategies have been proved to be important in improving performance (Yang & Liu, 2012; Wieland & Wallenburg, 2012). This study will test the relationship between these two strategies and organisational performance. This leads to the following hypothesis:

H1: There is a significant positive relationship between risk mitigation strategies and company performance.

7. Methodology

This study targets Malaysian manufacturing sectors among small to medium sized companies as the population. The reason of choosing manufacturing sectors is because these sectors are expected to contribute around RM120 billion or 50 percent of the total production by 2020 (Saleh & Ndubisi, 2006). In this study, a questionnaire will be used to collect data on relevant factors in Malaysian manufacturing. Data was collected through survey questionnaire and the respondents consist of SMEs located in Peninsular Malaysia. The questionnaire consists of three sections, which are risk mitigation strategies, company performance, and demographic background (respondent profile and company profile). The respondents are the owner, director or manager of Malaysian manufacturing SMEs that have experience in operating companies operation. The population frame of this study is companies that are registered with SME Corporation Malaysia. This study uses a list of companies from SME Corporation Malaysia because it is a one-stop agency for the overall coordination of SME policy formulation and evaluation of SME development programs in all sectors. 500 questionnaires have been distributed, but only 153 were usable. Data analysis was conducted using SPSS 20.

8. Results

The majority of the respondent in the study, that is 91 (59.5%), were males while the remaining 62 (40.5%) were females. The respondent consist of 66 (43.1%) of owner, 30 (19.6%) of director and 57 (37.3%) of manager. Among responding companies, 32.7% are sole proprietor, 25.5% partnership, and 41.8% limited companies. As indicated in Table 1.1, majority of the responding are from small companies, followed by micro companies and medium companies.
The hypothesis of this study has been tested using simple regression analysis, due to have only one independent variable and only single predictor variable. The data analysis shows, there is a significant relationship between risk mitigation strategies and company performance whereby the significance value is (p=.000) with the F value is equal to 51.216. According to the result, R²=.253. The research model explains 25.3% of the total variance in risk mitigation strategies contributed to the company performance. The value of t risk mitigation strategies relationship in coefficient is 7.157 and the significant value is (p=.000). This shows that the between risk mitigation strategies adopted by the SMEs and their company performance. As indicated in Table 1.2, the value of constant is .134, which describes there is other factor that effect to the company performance. Therefore, risk mitigation strategies influenced the company performance with the value of .484.

Table 1.1 Demographic Profile of the Respondent

<table>
<thead>
<tr>
<th>Full Time Employee</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5</td>
<td>55</td>
<td>35.3%</td>
</tr>
<tr>
<td>5 - 74</td>
<td>35</td>
<td>55.5%</td>
</tr>
<tr>
<td>75 - 200</td>
<td>12</td>
<td>7.8%</td>
</tr>
<tr>
<td>More than 200</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Missing</td>
<td>1</td>
<td>0.7%</td>
</tr>
<tr>
<td>Average annual sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than RM 300,000</td>
<td>35</td>
<td>26.5%</td>
</tr>
<tr>
<td>Between RM 300,000 and less than RM 1 million</td>
<td>84</td>
<td>54.3%</td>
</tr>
<tr>
<td>RM 1 million and less than RM 5 million</td>
<td>12</td>
<td>7.8%</td>
</tr>
<tr>
<td>RM 5 million and more than RM 50 million</td>
<td>6</td>
<td>5%</td>
</tr>
<tr>
<td>Missing</td>
<td>1</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

The hypothesis of this study has been tested using simple regression analysis, due to have only one independent variable and only single predictor variable. The data analysis shows, there is a significant relationship between risk mitigation strategies and company performance whereby the significance value is (p=.000) with the F value is equal to 51.216. According to the result, R²=.253. The research model explains 25.3% of the total variance in risk mitigation strategies contributed to the company performance. The value of t risk mitigation strategies relationship in coefficient is 7.157 and the significant value is (p=.000). This shows that the between risk mitigation strategies adopted by the SMEs and their company performance. As indicated in Table 1.2, the value of constant is .134, which describes there is other factor that effect to the company performance. Therefore, risk mitigation strategies influenced the company performance with the value of .484.

Table 1.2 Relationship between company performance with risk mitigation strategies

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1</td>
<td>.134</td>
<td>.054</td>
</tr>
<tr>
<td>Risk mitigation</td>
<td>.484</td>
<td>.068</td>
</tr>
</tbody>
</table>

9. Discussion

How can a company create its competitive advantages to maintain and enhance in the current dynamic business environment? The result demonstrates the importance of companies in implementation of risk mitigation strategies in their business practice can bring ways to help the company to prevent risks from occurring, which leads improvement in their performance. This study suggests that risk mitigation strategies have a positive significant relationship with company performance. In the past studies, there are several researchers suggested that organisations shall adapt to mix risk mitigation strategies to overcome the issues efficiently (Wieland & Wallenburg, 2012; Wieland & Wallenburg, 2013; Whitten et al., 2012). In line with that, this study adapts the agility and robustness as a risk mitigation strategy in improving the performance of SME’s. The finding was parallel with recent articles, that justified these risk mitigation strategies (agility and robustness) has a positive significant in improving performance (Wieland & Wallenburg, 2012). They emphasize agility is a particularly effective strategy in the case of high customer-side risks, while robustness is precondition in handling supplier-side risks.

By logically, this can be seen when the company attempt to emphasize on the risk mitigation strategy in reducing the probability of the risk occurs, it is same as company are trying to provide a beneficial impact on company performance. However, it cannot be denied there are a lots of risk mitigation strategy for SCRM that can be applied in
their practice. Each of risk mitigation strategy has their own distinctive benefits and target. The importance is when selecting the strategy, an organisation must refer to the mutual goals agreed to ensure that all members’ interest is considered and well maintained.

10. Limitations and Further Research

The scope of this study is to explore the bodies of knowledge pertaining to SCRM practice and gaining company performance. This area is essential for Malaysian SMEs to help them sustain their business and overcome current challenges. Since the study of SCRM is constantly growing, the researcher is interested to explore the effect of SCRM in SMEs. These areas are critical to enhance the performance of Malaysian SMEs since we all know SME is an independent and small enterprise that lacks of firm’s size, number of workers, and size of return income. However, there are several limitation mark in this study and also suggest some direction for additional research.

The first limitation of this study is to simply test the relationship between risk mitigation strategies and performance, instead of testing the full process of SCRM. The additional research is needed by taking consideration of risk sources and identification risk before proceed to risk mitigation strategies. This research can be extending by defining the relationship between the sources of risks, risk mitigation strategies, and organisational performance among the Malaysian manufacturing SMEs. For instance, according to National SME Development Council (2012), SME are facing several challenges comes in various forms including innovation and technology adoption, access to financing, legal and regulatory environment, human capital development, market access, and infrastructure, which can affect them to improve their performance. The future research can be investigate the relationship between these challenges stated with risk mitigation strategies and company performance. Whether risk mitigation strategies could handle these challenges in improving SME’s performance.

The second limitation, this study is classifying SCRM in the Malaysian Manufacturing SMEs, instead of introducing SCRM in a global framework. This is because in comparison to other larger businesses, SMEs have many shortcomings including small size, short capital, and reliance on government support. According to Peck et al. (2003), the requirement of SMEs for SCRM approach differs significantly from the larger businesses. Moreover, this research is carried out in Malaysia, thus might be not suitable to other countries for generalization. There are differences on the types of supply chain risks such as economy condition, government intervention, and environment. Besides, the samples from the manufacturing industry make the findings more specific to a particular industry. In the future, in order to study SCRM effectively, the study proposes an investigation for larger samples, as well as from other developing countries.

References


Alternative Remedies in Resolving Disputes in Transitional Countries and Their Impact in Foreign Direct Investment (FDI): Kosovo Case

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Abstract

The purpose of this paper is to present the state and performance on development of alternative mechanisms in resolving disputes in transitional countries. Special significance is given to the impact of these mechanisms in creating an appropriate climate for potential investors to the Balkans countries, with special emphasis in Kosovo. Arbitration and intermediation are seen as opportunities for these countries to guarantee legal security, taking into consideration numerous problems in functioning of the judiciary. A part of Balkans’ countries managed to consolidate these mechanisms to solve the problems, but they need support to achieve general business awareness concerning the advantage they have. Kosovo is oriented to create favorable conditions for economic development by attracting foreign investment, whose rights are guaranteed also by the Constitution. FDI is seen as the main potential in economic development of Balkans countries, therefore, they should be dedicated in creating more propitious conditions for investment.

Keywords: Arbitration, intermediation, FDI, transition, Kosovo

1. Introduction

The effects of global economy influenced the increase of contractual relations among businesses, and that influenced the increase of disagreements, which may be resolved through court remedies or through alternative means, such as arbitration and intermediation. Countries in transitional stages face many problems, and among them there is the lack of legal basis, lack of functioning of the judiciary, lack of knowledge about the new system, such problems encounter the state with many challenges. Therefore, it is important to develop alternative mechanisms for resolving these disputes, which, among others, require also specific knowledge about problems of these challenges.

Alternative dispute resolution (ADR) are of special importance in transitional countries, because there are great distinctions in regards to the legislation they have, and they background in previous systems impacts that foreign investment is not seen very friendly.

FDIs are important in economic development of transitional countries, as they are countries of post war or conflict and they lack financial equity as well as knowledge about functioning of democracy. Whereas, apart from political and social stability, the first requirement the investors would ask for is legal security and efficient mechanisms for dispute resolution in case of any disagreement.

FDIs in Kosovo are mainly concentrated from countries having a long tradition in using ADRs, hence it is of special importance for Kosovo to meet the requirements of investors, taking into account its open approach towards attraction of investment.

2. Development of Mediation and Arbitration

These mechanisms are considered as co-supplementary rather than separate mechanisms. In case of disagreements, mediation is recognised as the method that precedes arbitration, because prior to going to arbitration or courts, businesses make efforts to reach agreements among the parties. In regards to the scope that is regulated by mediation, it has a larger scope than arbitration, as it also covers also parts of criminal offences, which is a distinction from arbitration that resolves only legal civil and economic disputes.
2.1 Historic background development of mediation

Introduction of mediation occurred quite early in time, it is estimated that the first case was in relation to the King Mari in 1800 BC in resolving disagreements with other Kings (Barret and Barret, 2004). Mediation mainly used to be conducted ad hoc and implying simpler procedure than those of the institutions that were conducted later on (Conrad, 2011).

According to Kosovo Law, mediation was defined as an extra judicial activity carried out by a third person (mediator), for the purpose of resolving by conciliation disagreements between parties subject to law in accordance with the provisions of this law (Law No 03/L-057).

Mediation had a great development in the past years, in particular in the field of commercial disputes (USAID, 2010), wherein in 2002, UNICITRAL presented a model how mediators can resolve various disputes, meanwhile unifying best mediation policies and to make it as alternative for countries which intend to harmonise their legislation to the international rules (UNCITRAL, 2002). Though this model of law was introduced by UNICITRAL, which covers more the field of commercial relations, it may be used also in non-commercial disputes (USAID, 2010). The same practice is observed also by the European Union, which created the foundation of this field through directives (EU, 2008).

2.2 Historic background of arbitration

As the oldest arbitration agreement is considered the agreement between Sumerian cities Lagosh and Ume, in the IV Millennium BC, in relation to administration of borders (Thaçi, 2012). In the course of history, arbitration was often in the service of first countries, according to which private persons contracted their commitment for resolving disputes in order to avoid strict procedural (ritual) formalities of the then courts (Thaçi, 2012). It was better organized mainly in the field of sea trading (history of exports), which disputes were resolved based on ad hoc arbitration. The first states that accepted arbitration by law were England in 1689, France in 1806 and the USA in 1925 (Lew et al. 2003). The first rules of arbitration were approved in the centuries XV and XVI, in the USA, while its development empowered at the beginning of XIX century, which adopted laws foreseeing arbitration as alternative for the courts (Musa, 2012). While international arbitration is introduced in an organized way at the end of XIX century and beginning of XX century, following the adoption of two Hague Conventions of 1899 and 1907, establishment of International Arbitration Tribunal by the International Chamber of Commerce in 1923, followed by conventions that supplemented one another starting from those of Geneva, New York, UNICITRAL Rules, etc. (Lew et al. 2003).

Until the mid of XIX century, the institutional arbitration was dominant, whose role was first of all preservation of good relations among people, who, in a way or another, were obliged to live in community, as in it the case with the family of a relative (Krasniqi, 2011).

Historic background of arbitration in Kosovo: In the former Yugoslavia, the right of arbitration was not allowed at all between local legal entities, it was only possible in relation to foreign trade (Musa, 2012). On 25 December 1946, the Arbitration Regulation for foreign trade was approved before the Trade Chamber of the SFRY (Official Gazette of the SFRY, 1981).

After the war in 1999, following the functioning of KCC, the regulation on permanent arbitration tribunal was established within the Kosovo Chamber of Commerce (KCC, 1999). This regulation was repealed by the entry into force of the Arbitration Law of 2008 (Law No 02/L-75). Following the entry into force of the law, the act on establishment of Arbitration within the Kosovo Chamber of Commerce and arbitration rules within this Chamber entered into force, wherein as model there were taken the UNICITRAL rules, whereas in 2011, the first arbitrators were designated.

2.3 Definition of Arbitration

Arbitration is a modern common method for resolution of disagreements that arise in the course of conducting operations in international trading (Krasniqi, 2011). Arbitration for the foreign trade is an authorized international institution for resolution of conflicts from international legal business relations (Šmaka and Gojani, 2012). Arbitration is a process for resolution of disputes that distinguishes from court proceedings; nevertheless in this process, one or more neutral persons (arbitrators) issues a judgment based on the merits of the case, after presentation of evidence and arguments by the parties in the dispute (USAID, 2010).

Among main definitions on arbitration and including elements, it may be mentioned the one of Rene David, which describes arbitration stating that it is a device whereby the settlement of a question, which is of interest for two or more persons – the arbitrator or arbitrators – who derive their powers from a private agreement, note for the authorities of a
State, and who are to proceed and decide the case in the basis of such an agreement (Lew, et al., 2003).

3. **Alternative Dispute Resolution in Transitional Countries**

ARDs have a greater significance in the transitional countries, due to the lack of functioning and efficiency of judiciary, they fulfil its gaps. These countries, apart from the change of economic system are in the process of many other changes, the so called informal institutions of a state, such as culture, habits, codes, various networks (Fabry and Zeghni, 2010), therefore, the judicial system cannot afford all of them. The arbitration services have some advantages in comparison to the services of the courts, and such services probably are more important in the post-communist countries (Schonfelder, 2007). However, the ADR capacities are limited due to time frames and various legal obstacles, as well as the lack of previous practice, or case laws, make the work of arbitration difficult.

Investors in Balkans’ states, almost all of them, insist in resolving disputes through arbitration, and the resolution is conducted in the arbitrations of western countries (Schonfelder, 2007), which means that there is no trust in such mechanisms. A part of these countries commenced with the transitional process many years ago, i.e. Albania, Bosnia and Herzegovina and Rumania, in such countries the rule of law, implementation of contracts, and others got worse (Fabry and Zeghni, 2010), which indicates the necessity of ADRs in protection of foreign investors.

Some Balkans countries have made changes with regard to the law on arbitration and its harmonization with the new rules of the Model Law of UNCITRAL, such as Croatia in 2001, and Serbia and Macedonia in 2006 (GIZ, 2011). Balkans countries has signed various contracts such as CISG, which entered into force in 1988, but following the disintegration of the former Yugoslavia, its member states became members as independent countries. In Albania, it entered into force at the beginning of 2010 (GIZ, 2011). The trust in ADR, during this period of time, was increased in some states, as it is the case with Croatia, wherein in 2002, the value of resolved disputes in arbitration was over 6 million Euro, whereas the value of disputes resolved by the courts was around 160. 000 Euro (Schonfelder, 2007). Having some distinctions, the general level of development of mechanisms in resolving disputes have an approximate development in the countries of the region (WB, 2010).

4. **The Impact of Arbitration and Mediation in FDIs**

Investors prior to going to a country with their investment, apart from checking economic factors (natural resources, manpower, strategic position), political social security, they also look for sustainable, reliable, unbiased and professional mechanisms in resolving disputes (USAID, 2009). Therefore, legal security means only the right for the investors to withdraw the capital whenever they want from the country without any obstacles as foreseen by the Constitution of Kosovo (Article 119. 6), and to have the opportunity to resolve the contractual disputes as soon as possible. Therefore, Kosovo should give priority to increase the capacities of ADRs.

Taking into account that the majority of FDI come from multinational corporations, then various studies show that more than two thirds of them prefer arbitration in resolving disputes to the regular court system (Pouget, 2013). The field of investment was regulated properly by the Washington Convention of 1965, which is now known as: the Convention on Settlement of Investment Disputes between States and Nationals of Other States in the field of investment, which was sponsored by the World Trade Organization (Mëneri, 2012). Afterwards, the Geneva Convention regulates the arbitration forums either of regular arbitration or ad hoc, which does not make any distinction for the parties that can be part of it (Mëneri, 2012).

Investors, prior to using the ADRs, they commence with negotiations that address to a third party, who shall work impartially (Mëneri, 2012), and in case they do not reach an agreement, they proceed with the proceedings before the ADR, Investors are interested in ADRs, because they are more flexible and parties may be able to determine some rules, depending on the specifications of the contract (World Bank, 2010).

FDIs in some countries come from some countries or regions that may have similar specifications, the case of Bosnia and Herzegovina, wherein investments are mainly concentrated from Russia, Serbia, countries that have no tradition in application of arbitration (Gide Loyrette Nouel, 2013). Therefore, the general economic policy has its impact as well.

Attraction of FDIs is difficult, because they are mainly small countries and they have small market for huge investment (Fabry and Zeghni, 2010). Great significance in economic development is paid by small and medium enterprises, however, these enterprises in trade relations to the enterprises of neighbouring countries face different laws and they need to consult legal advisors in drafting contracts (GIZ, 2011), therefore, functioning of the ADRs would
influence in increasing the knowledge in terms of non-compliance with contracts.

5. Alternative Mechanisms for Dispute Resolution in Kosovo

The Republic of Kosovo is open for FDIs and in case of any dispute it accepts the arbitration for resolution of the dispute, therefore, the setting for investors that sign contracts with Kosovo are secure, because they have the possibility to choose also international arbitrations, because such investments are usually huge, such as construction, privatization or concession of national resources.

Efficiency of the arbitration implies more on FDI, which are conducted between foreign investors and investors in Kosovo, in which cases, in order for arbitration to be valid it is required to have the consent of the parties explicitly. It is important to emphasise that there has been a spirit of pro international legislation, which approach is reflected in the Constitution of the Republic of Kosovo, which adopts almost all of the international conventions (Constitution, Article 171), even though in some cases it accepted unilaterally due to the lack of recognition by the international organizations. Moreover, the secondary legislation is in harmony with the European one, especially with the EU Detectives, wherein the central institutions have established instructions on approximation of legislation (Government of Kosovo, 2015). In this light, the legislation on mediation and arbitration was adopted, in Article 18 of the Law on Foreign Investment, it is stated that Kosovo shall accept all of the decisions issued by the arbitrations (Law No. 04/L-220). Therefore, after the issuance of an arbitration decision, the decision is applicable in Kosovo in compliance with the New York Convention (USAID, 2009).

Development of ADRs in Kosovo is important because of the problems in functioning of the courts, which face a judge caseload number, wherein the number amounted 400,000 cases in 2013 (Kosovo Judicial Council, 2014). Moreover, corruption in the judiciary system and political influence on it (European Commission, 2013), are impacting on the fact that businesses have difficulties in convincing partners for alternative paths.

6. Structure of the FDIs and their Guarantee in Kosovo

The number of foreign businesses that come to Kosovo are mainly concentrated in the field of trade and partly in services (Ministry of Foreign Affairs, 2015), such fields in which contractual relations are numerous and evolutionary comparing it to other fields. It is important that businesses in contractual relations have into account that in case of any dispute, they may address to efficient mechanisms for resolution of problems. Therefore, investors should be convinced that there is sufficient basis for acceptance of national arbitration as a resolution in case of any dispute. Even though the law on arbitration describes in some case the percentage of tariffs depending on the value of dispute (Law No 02/L-75), on the other hand the administrative expenses are low (Kosovo Chamber of Commerce, 2011), due to the low standard and the cost of life in Kosovo.

Taking into account the structure of FDIs that mainly come from European countries (Central Bank of the Republic of Kosovo, 2014), which have some tradition in application of the ADRs, in that case Kosovo should do more that through their development to provide more appropriate conditions to the investors and to make it as an advantage in relation to the neighbouring countries.

Functioning of ADRs is not only connected to their internal capacity building, but it also depends on the rule of law (World Bank, 2010), therefore, Kosovo should build up independent and efficient judiciary institutions. Moreover, shortening of the execution period of the decision issues by the ADRs should be a priority.

7. Conclusion

Economic development of transitional countries is mainly dependant of FDIs, therefore, creation of mechanisms for protection of investors is considered as preconditions for development. At the first stage of transition, FDIs are mainly concentrated on privatization, which investment is generally certain in case of disputes, because the state stands behind the contracts. In order to increase or maintain the trend of FDIS, the countries of the region should create more favourable preconditions so that there is investment also in the private sector.

The efficiency of ADRs in resolving disputes is positively related to the functioning of judiciary, because the countries that have functional judiciary also guarantee fast resolution of disputes, and businesses have the benefit to accelerate the proceedings through mediation or arbitration in order to use the advantages that are offered by these mechanisms.
The countries of the region have made significant steps forward to functioning of ADRs, however, the lack of trust in the judiciary institutions in general has had an impact on these mechanisms as well.

Kosovo has been committed to create greater opportunities for FDIs, in some case by accepting obligation unilaterally from the international organizations. Kosovo has established a good legal foundation for ADRs, however, it is requited awareness, especially for the businesses in applying provisions that would direct to such mechanisms, and reduction of period for execution of the decisions issued by the ADRs should be a priority.

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The Impact of Government Policy and Transition Reforms on Economic Growth –
The Case of Kosovo

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Abstract

In this research paper is analyzed the impact of government policy and transition reforms on Economic Growth (in Kosovo) in period of time 2011 - 2014. The variables that are used are as following: economic growth (as dependent variable), corruption index, political stability, exchange rate, transition reforms, control of corruption, and labor market (as independent variables). The data collections are from international and domestic institutions. They are used and calculated through STATA program. The main objectives in the research paper are as following: What is the effect of these factors in economic growth during period time of research? What is the impacted of corruption and control of corruption in economic growth? What is the stimulation of economic growth by government effectiveness, transition reforms and labor market? How much is the correlation between economic growth? The data are calculated by different regression methods: descriptive statistic, OLS method of regression, correlation matrix. In OLS method, the result shown that only transition reforms have positive impact on economic growth but all other reforms have negative impact. Based on this all variables in T-statistic analysis have shown negative significance (T<2) on economic growth. In correlation matrix, transition reforms and government effectiveness have shown positive correlation excluding all other variables that have shown negative correlation with economic growth.

Keywords: correlation, corruption, regression, STATA analysis, transition reforms

1. Introduction

After the demise of the communist system in the all SEE countries there was a difference in which SEE countries always gave efforts to raise economic growth and the standard of welfare of their people. Some of these countries were experiencing higher economic growth while other countries were experiencing lower economic growth and deterioration living standards, (Bojadzieva, 2005). Transition process is followed by political instability, difficult reforms in domestic markets, challenges in economic development, high level of corruption and bureaucracy costs. In general, transition process has an imposing impact on almost every field of society in transition countries. In developing countries in order to achieve sustainable economic growth, these key challenges must be taken into account: savings, inadequate workforce, weak government institutions, deterioration of competition trade (Rilvest, 2005). According to SELDI Report (2014) & (Wallacea, C & Latcheva, R, 2006), when economic growth is high, it may dominate against corruption otherwise it may have consequences in fiscal policy and high deficit. It will seriously impair the education, healthcare and welfare systems.

The Republic of Kosovo since 1999 to 2008 was administered by international community (UNMIK), which later in 2008 was replaced by EULEX. During the period of UNMIK administration, economic growth has been the main focus for governments’ policy but the growth always has been associated with lots of challenges, especially in labor market (insufficient policy to reduce unemployment rate), small innovation in private sector, net export (11% of trading activities), non-competition market, lack of potential markets and the informal economy which has constituted over 40 % of GDP, &

According to IMF Report, (2013), the main elements for a long term strategy that may improve and develop economic growth in Kosovo, are as following: investments in education and public infrastructure, development of SME sector, the maintenance of flexible labor markets, development and improvement of reforms in the business climate. According to Transparency International Report, (2014) one of the major problems in Kosovo is corruption; in fact Kosovo is the country with the highest level of corruption in the region (Kosovo’s index of corruption is 33 out 100, it means very high score).
2. Literature Review

Different authors (Havrylyshyn & Wolf 1999) & (Staehr, 2003) have shown that the main factors which determine economic growth in transition countries are: control of inflation, market reforms or trade liberalization, enterprise reform and privatization, development of the private sector. All of these factors have direct impact on growth performance than in countries which have experienced slower growth? According to CBK Report, (2014) economic developments in Kosovo during 2013 has annual growth 3.4 % (or 0.6 % higher than 2012) and it is as a result that all sectors of the Kosovo’s economy were mainly positive. Despite consequences of financial crisis, Kosovo has managed to have an average GDP growth 3.3 % last few years. Kosovo is one of the few countries in the Western Balkan that have positive growth (Fabris, 2014). However Kosovo’s GDP still continues to have an annual growth below 4%, which is as a result of not creating government institutions more than 6 months in the 2014. According to IMF Report, (2014) annual growth of GDP in 2014 is 2.7 % and in 2015 the projection of real GDP growth is about 3.3 %, it is approximately with average growth in most of SEE countries (see Figure 1) then projection of GDP will be approximately 4 - 4.5% until 2019 and it is very low to overcome economic, social and welfare challenges in Kosovo.

Many authors have researched the relationship between corruption and economic growth; most of them agree that corruption has a negative impact in economic growth (Mauro, P, 1997) & (Mo, 2001) & (Aidt, 2009). As argued (Farooq et al, 2013) & (Osipian, 2012), in long time aspect, corruption impedes economic growth especially in financial development (weakens the financial capital), free trade (reduces domestic production) and human development (reduces the level of human capital and slows the pace of its development). According to UNODC Report (2013) corruption, bribery, high taxes and political instability are the biggest obstacles for business environment in Kosovo and it has impact in whole Kosovo’s economy. According to Transparency International Report, (2014) the level of corruption is high in the most of SEE countries (95 %) and Kosovo is one of the countries with the highest level of corruption in the region (33 out 100), for more details see table below:

**Table 1. Index of Corruption in West Balkan countries**

<table>
<thead>
<tr>
<th>Country</th>
<th>Average</th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>31.6</td>
<td>31</td>
<td>31</td>
<td>33</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>41.0</td>
<td>39</td>
<td>42</td>
<td>42</td>
</tr>
<tr>
<td>Croatia</td>
<td>47.3</td>
<td>48</td>
<td>48</td>
<td>46</td>
</tr>
<tr>
<td>Kosovo</td>
<td>33.3</td>
<td>33</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Montenegro</td>
<td>42.3</td>
<td>42</td>
<td>44</td>
<td>41</td>
</tr>
<tr>
<td>Serbia</td>
<td>40.6</td>
<td>41</td>
<td>42</td>
<td>39</td>
</tr>
<tr>
<td>Macedonia</td>
<td>44.0</td>
<td>45</td>
<td>44</td>
<td>43</td>
</tr>
</tbody>
</table>

**Source:** Transparency International Report 2014, 2013, 2012

As argued by (Dzhumashev, 2014) & (Graeff & Mehlkopd 2003), in many countries the main significant factors on reduction of corruption level are: the quality of governance, the level of economic development, the amount of public costs, free trade and liberal economy. Therefore countries with high level of governmental corruption have a huge negative impact on economic growth (Kunieda et al, 2014). In context of transition reforms, 79% of the initial reforms in
the EBRD countries consisted in three main reforms: privatization, structural reforms and liberalization (Staehr, 2003). Political stability has significant effect in economic growth in most of the Balkan countries while lack of political stability will reduce economic growth and FDI (Brada et al, 2006). The positive effects on the correlation between market reforms and economic growth have existed in the most transition countries. These positive effects can act as an immediate stimulant to further reforms in these countries, (Falcetti et al, 2005). Serious reforms that are focused mostly on free trade economies, in strengthening the economic sustainability and political stability are key factors of growth in transition economies (include Kosovo), (RllInvest, 2005).

In this paper as important issues for discussion are different economic activities that constitute overall economic growth, these include different sectors that produce a large number of goods and services. According to ASK Report, (2015) the main economic activities in Kosovo’s economy are as following: agriculture 23.6 %, wholesale and retail trade 21.9 %, processing industry 16.9 %, construction 11.4 %, etc (further details see Appendix 1). In this paper as an important issue for discussion are macroeconomic aggregates (components) of GDP (consummation, investment and net export). In general, the majority of Kosovo’s GDP consists by consumption rather than investments and net exports, CBK Report (2014). According to CBK Report (2015), by analyzing the progress of these aggregates in recent years, only consumption has positive trend while investments and net exports have negative performance during the years 2012 and 2013 (for more details see the table below).

3. Methodology and Data

In order to estimate the impact of government policy and transition reforms on economic growth in case of Kosovo, in paper secondary data are used. The data collection is realized by taking data from different reports and publications by international institutions (like as: World Bank, IMF, EBRD, etc), domestic institutions (like as: CBK, ASK, etc) and most of the data for analysis include the period of time 2011 - 2011. Numbers of variables that are taken from these reports are as following: economic growth (depend variable), corruption index, political stability, government effectiveness, transition reforms, control of corruption, labor market (independent variables). By means of the econometric STATA program have been used different regression methods for analysis (Descriptive Statistics, Ordinary Least Squares - OLS Method and Correlation Matrix) which helps us to find the relationship between variables that are included in this paper. The main regression analyze will be based on the following equation: \[ \ln(EG_t) = \beta_0 + \beta_1 \ln(CIt) + \beta_2 \ln(PSt) + \beta_3 \ln(GEt) + \beta_4 \ln(ERt) + \beta_5 \ln(MRt) + \beta_6 \ln(CCt) + \beta_7 \ln(TRt) + \epsilon_t. \]
4. Empirical Results and Interpretations

This part of the research paper will reflect the results achieved and this actually constitutes the main part of paper research because there will realize the main analysis of statistical methods (Statistic descriptive, Ordinary Least Squares method, Correlation method) by STATA program and the dates (or variables) include period of time from 2011 - 2014. Statistic descriptive method is quantitative discipline that describes the main features of a quantitative description of the variables. In table 2, the minimum value of economic growth (EG) is 2.7% (it means, the lowest value of “EG” in period of research) and maximum is 4.4% (it means the highest value of “EG” in period of research), the mean is 3.7% (it means average value of “EG” in period of research) and standard deviation is 1.04% (it means, the “EG” variable is quite close between them 2.5% to 5.4%). Corruption Index (CI) having minimum value is (29 ranking in global index), maximum is (34 ranking in global index), maximum is (34 ranking in global index) then the mean and standard deviation are (32.5 & 0.22)

Table 2. Statistics Descriptive Method

<table>
<thead>
<tr>
<th>Variable</th>
<th>Observation</th>
<th>Std dev</th>
<th>Min</th>
<th>Mean</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>EG</td>
<td>4</td>
<td>0.78</td>
<td>2.7</td>
<td>3.25</td>
<td>4.4</td>
</tr>
<tr>
<td>CI</td>
<td>4</td>
<td>0.22</td>
<td>29</td>
<td>32.2</td>
<td>34</td>
</tr>
<tr>
<td>PS</td>
<td>4</td>
<td>1.80</td>
<td>13.7</td>
<td>15.75</td>
<td>18</td>
</tr>
<tr>
<td>GE</td>
<td>4</td>
<td>1.63</td>
<td>48.8</td>
<td>51.22</td>
<td>52.2</td>
</tr>
<tr>
<td>TR</td>
<td>4</td>
<td>0.48</td>
<td>2.33</td>
<td>2.99</td>
<td>3.33</td>
</tr>
<tr>
<td>LF</td>
<td>4</td>
<td>8.00</td>
<td>23.9</td>
<td>31.9</td>
<td>40.5</td>
</tr>
</tbody>
</table>

Source: Author

Political stability (PS) having minimum index value (13.7), maximum index value (18), the mean value is (15.7) and standard deviation is (1.80). Government Effectiveness (GE) has bigger values than other variables, so minimum index (48.8), maximum index (52.2), the mean value (51.2) and standard deviation (1.63). Transition Reforms (TR) have smaller values than other variables, minimum and maximum are (2.33 & 3.33), mean and standard deviation (2.99 & 0.48). The minimum of Labor Force is (23.9 %) and maximum value is (40.5 %) then mean (31.9 %) and standard deviation (31.9 %). In Table 3, we estimate parameters (variables) through linear regression model and comment of OLS method is as following: corruption (CI) is -3.27 and it means when corruption increase per a unit, it will have negative impact (β2 = - 3.27) on economic growth, it always is understandable that other variables (PS, GE, TR, and LB) are constant / fixed. Also other variables, such as: Political Stability (β3 = - 0.33), Government Effectiveness (β4 = - 0.49) and Labour Force (β6 = - 0.03) have negative impact on economic growth. Transition Reforms is only variable with positive impact (β6 = 1.29) on economic growth

Table 3. Test of Ordinary Least Squares (OLS) Method

<table>
<thead>
<tr>
<th>Economic Growth</th>
<th>Coefficient</th>
<th>Std Err</th>
<th>T-statistic</th>
<th>P-value</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>2.65</td>
<td>2.10</td>
<td>2.75</td>
<td>0.74</td>
<td>0.99</td>
</tr>
<tr>
<td>Corruption Index</td>
<td>-3.27</td>
<td>0.92</td>
<td>-3.56</td>
<td>0.07</td>
<td></td>
</tr>
<tr>
<td>Political Stability</td>
<td>-0.33</td>
<td>0.20</td>
<td>-1.68</td>
<td>0.23</td>
<td></td>
</tr>
<tr>
<td>Government Effect.</td>
<td>-5.49</td>
<td>3.88</td>
<td>-1.41</td>
<td>0.29</td>
<td></td>
</tr>
<tr>
<td>Transition Reform</td>
<td>1.29</td>
<td>0.70</td>
<td>1.83</td>
<td>0.21</td>
<td></td>
</tr>
<tr>
<td>Labor Force</td>
<td>-0.03</td>
<td>0.06</td>
<td>-0.54</td>
<td>0.64</td>
<td></td>
</tr>
</tbody>
</table>

Source: Author
Through T-statistics, means the explanatory capability (or significance) positive ($T > 2$) or negative ($T < 2$) that the independent variables have on the dependent variable. All variables in $T > |t|$ analysis has shown negative significance ($T<2$) on economic growth because all of them have negative value. In table 3 is coefficient of determination ($R^2$), so question is: What does mean the determination coefficient ($R^2 = 0.99$) between variables that are include in the paper research? It tells us: a) the relationship is positive between them (it has positive value); b) the relationship between variables is quite strong (since the value is pretty close to 1) while only 0.01% (100% - 99%) are other factors that are not included in this model.

**Table 4. Correlation Matrix**

<table>
<thead>
<tr>
<th></th>
<th>EG</th>
<th>CI</th>
<th>PS</th>
<th>GE</th>
<th>TR</th>
<th>LF</th>
</tr>
</thead>
<tbody>
<tr>
<td>EG</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CI</td>
<td>-0.93</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PS</td>
<td>-0.76</td>
<td>0.62</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GE</td>
<td>0.33</td>
<td>-0.40</td>
<td>0.35</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TR</td>
<td>0.80</td>
<td>-0.51</td>
<td>0.75</td>
<td>0.10</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>LF</td>
<td>-0.36</td>
<td>0.26</td>
<td>0.86</td>
<td>0.76</td>
<td>-0.40</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Source: Author

Correlation matrix analyzes the relationship between independent variables and dependent variable that are included in the paper research. The relationship between economic growth (as depend variable) and transition reforms (as independent variable) is positive correlation with 0.80, it is almost positive strong correlation also government effectiveness 0.33 has positive correlation on economic growth but it is not strong correlation like transition reforms. Correlation between economic growth and corruption is negative -0.90, it is almost negative strong correlation also political stability -0.76 and labor force -0.36 has negative correlation.

5. Conclusion

In this research paper is analyzed the impact of government policy and transition reforms on economic growth with case study of Kosovo. Data that are used included period of time 2011 - 2011 and they are calculated by STATA program and the main regression analysis are as following: descriptive analysis, multiple regression analysis and matrix correlation analysis. In the main analysis in research is OLS regression method, it shown the results that only transition reforms have positive impact ($\beta= 1.29$) on economic growth but other variables: corruption ($\beta= -3.27$), political stability ($\beta= -0.33$), government effectiveness ($\beta= -5.49$), control of corruption ($\beta= -5.49$) and Labour Force ($\beta= -0.03$) have negative impact on economic growth. T-statistic analyze shown that all variables have shown negative significance ($T<2$) on economic growth. Lastly, correlation matrixes the results are as following: transition reforms and government effectiveness have shown positive correlation but all other variables have shown that negative correlation with economic growth.

References


Appendix A
Appendix B

Table 4: Data used for analysis

<table>
<thead>
<tr>
<th>Economic Growth</th>
<th>Corruption Index</th>
<th>Political Stability*</th>
<th>Government Effectiveness*</th>
<th>Transition Reform</th>
<th>Labor Force*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.7</td>
<td>33</td>
<td>18.0</td>
<td>52.2</td>
<td>2.33</td>
<td>40.5</td>
</tr>
<tr>
<td>3.4</td>
<td>33</td>
<td>16.1</td>
<td>52.2</td>
<td>3.33</td>
<td>36.8</td>
</tr>
<tr>
<td>2.8</td>
<td>34</td>
<td>15.1</td>
<td>48.8</td>
<td>3.83</td>
<td>23.9</td>
</tr>
<tr>
<td>4.4</td>
<td>2.9</td>
<td>13.7</td>
<td>51.7</td>
<td>3.83</td>
<td>26.4</td>
</tr>
</tbody>
</table>


Appendix C

Table XX: Variable Definitions and Sources

<table>
<thead>
<tr>
<th>1. Variables:</th>
<th>2. Description:</th>
<th>3. Source:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Dependent Variable:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Economic Growth (Real GDP)</td>
<td>7. Real GDP is defined as the value of the total final output (of all goods and services) that is produced in a one year within a country's boundaries and the growth / decrease of Real GDP is expressed as a percent (%).</td>
<td>8. IMF: World Economic Outlook 2014</td>
</tr>
<tr>
<td>11. Corruption Index</td>
<td>12. The Corruption Perception Index (CPI) ranks countries based on how corrupt their public sector is perceived to be. CPI is a composite index, a combination of polls, drawing on corruption-related data collected by a variety of reputable institutions. High score of corruption start from 0 - 100 and countries with corruption from 100 - 0 are very clean in front corruption.</td>
<td>13. Transparency International: Annual Report 2014</td>
</tr>
<tr>
<td>16. Political Stability</td>
<td>17. Reflects perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically - motivated violence and terrorism.</td>
<td>18. World Bank: The Worldwide Governance Indicators (WGI) 2014</td>
</tr>
<tr>
<td>19. Government Effectiveness</td>
<td>20. Government Effectiveness (GE) - Reflects perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.</td>
<td>21. World Bank: The Worldwide Governance Indicators (WGI) 2014</td>
</tr>
<tr>
<td>22. Transition Reforms</td>
<td>23. The transition reforms range from 1 to 4, so with 1 representing little or no change relative to a rigid centrally planned economy and 4 representing the standards of an industrialized market economy.</td>
<td>24. EBRD: Transition Report 2014</td>
</tr>
<tr>
<td>25. Control of Corruption</td>
<td>26. Control of Corruption (CC) - Reflects perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as &quot;capture&quot; of the state by elites and private interests.</td>
<td>27. World Bank: The Worldwide Governance Indicators (WGI) 2014</td>
</tr>
<tr>
<td>28. Labor Force</td>
<td>29. Labor Force - is the total number of people employed or seeking employment in a country / region also it called work force and in Kosovo include people employed between 18 to 65 years old.</td>
<td>30. The Kosovo Agency of Statistics (ASK)</td>
</tr>
</tbody>
</table>

Source: Author
Insuring the Charge Claim According to the Kosovo Law on Contested Procedure

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Professor of Civil Procedural Law and Insurance, Law at University of Prishtina. PhD.

Doi:10.5901/ajis.2015.v4n1s2p173

Abstract

This article analyzes insuring the charge claim in context of the Law on Contested Procedure, although this issue in the past has been regulated with the Law on Enforcement Procedure. This new regulation has brought many dilemmas in the judicial practice, and so far one of the goals of this paper will be focusing in these dilemmas and also giving recommendation in order to overcoming them. This legal institute will be analyzed in term of legal theory and judicial practice.

Keywords: Civil Procedure, Civil Contested Procedure, Lawsuit, Lawsuit Insurance, Kosovo Law on Contested Procedure.

1. Introduction

By insuring the lawsuit claim, we mean ensuring any rights in order to come to the materialization of subjective rights of its holder. Usually the mandatory materialization of subjective rights is necessary in order that the owner to be authorized by judgment or any other executive document. The judgment or executive document the right holder must materialize of acquire within the contested procedure or any other procedure provided for by law. From the initiation of this procedure to its completion, usually takes a long time, especially considering that against the decisions of first instance ordinary legal remedies are allowed – appeal2, so from the completion of the procedure to its final form it can pass relatively long time and during the time between there is a possibility that circumstances change based on which the holder of the right would face difficulties in materialization of his/her rights.

The possibility of changing circumstances in the materialization of the claim before the court judgment or other type of executable document becomes executable, regardless whether the claim has to do with money or non-monetary demands, it lies in that the debtor can dispose of movable or immovable property, in order to create the circumstances to make execution impossible. For this reason, different sets of rules are foreseen to give the creditor the opportunity to secure his claims.3 These rules are set forth in the Law on Contested Procedure. Therefore, the proceedings would be incomplete if there are no provisions which will be available to the authorized party to request the insurance of the execution of his claims through the end of the regular judicial procedure.

Up to the adoption of the Law on Contested Procedure of 2008, the Law on Executive Procedure provided for respective legal provisions and these were according to the insurance measures: 1. the right of pledge on real estate, 2. preliminary measures and 3. provisional measures5. Whereas, the provisions of LCP 1977 provided only provisional measures where the court during the trial, on the proposal of parties or “ex officio” has ordered such measures until the end of the final dispute and no special appeal was allowed against this decision.6

Peculiarities of the measures provided for by LCP (Yugoslavia 1978), were that the two measures before as the pledge on real estate and preliminary measures, besides general conditions that had to be met, such measures could be defined only when the creditor’s request was confirmed by the court judgment which yet was not become final or executable, whereas the provisional measure was not limited to the existence of the court judgment, so it was possible to be submitted before, during and after completion of the trial on the dispute.

In addition to, in order certain provisional measure to be ordered, the law does not necessarily anticipate the

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1 Law on Contested Procedure of Kosovo (LCP) no. 04/L-139 date 20.12.2012, Article 22
4 Boris Pozniq, Law Commentary on Civil Procedure, Beograd, page 578
5 B. Pozniq, Commentary cited page 578 and Law on Executive Procedure (LEP), OG of FRY no. 20/1978, Article 245.
6 Law on Contested Procedure (LCP), OG of FRY no.4/1977, Article 442.
amount of insurance, but this insurance as named by law “bail” court orders it on basis of circumstances and when on debtor’s proposal may oblige the creditor to deposit the bail amount as a condition of ordering provisional measure. In cases where the creditor has not made credible the existence of the claim and risk, the court may order a provisional measure on the creditor’s proposal for deposition of the bail for the damage that could have been caused to the debtor.7

Whereas, with the adoption of the Law on Contested Procedure in 2008, all provisions relating to the provision of lawsuit are included in Chapter XXI, Article 296 through Article 318.

2. Conditions and Measures of Lawsuit Insurance

Insurance measures of the lawsuit do not prejudice the main dispute, but they only serve to securing the claim or rights that are subject to dispute. Therefore, insurance measures do not secure satisfactorily the plaintiff’s request i.e., the measures do not replace the judgment but they are means to secure factual and legal status (to protect the status quo).8 Based on this, insurance measures can not be ordered to the extent that solve the claim, because in the opposite the enforcement of insurance measure would mean the final execution of the judgment.9 Therefore, even with the provision of Article 300.3 of the LCP it is foreseen that insurance measures should not cover entirely the claim suit secured by them.

Insurance measures can be determined if the following conditions:

If the propose of the insurance makes it believable the existence of the request or of his subjective, and in case there is a danger that without determining a measure of the kind the opposing party will make it impossible or make it difficult the implementation of the request, especially with alienating of its estate, hiding it, or other way through which it will change the existing situation of goods, or in another way will negatively impact on the rights of the insurance party that proposed. If it’s not determined differently by law, the court will determine the measures of insurance within the set deadline by the court as it is determined by the Law for the final procedure, it will issue guaranties on the measure and the type specified by the court for the damage that can be caused to the opposing party by determining and executing the insurance measures.10

While proponent, respectively the plaintiff, can justify the claim, by augmenting it with probative means and the risk that the opposing party will not allow the materialization of the claim can justify it on the basis of objective reasons depending from case to case. The threshold, as a third condition to allow insurance measures, usually is paid in cash (in Euros since this is the official currency used in Kosovo), but the court may also allow the this insurance be in the form of bank guarantee, securities,11 as well as valuable items, whose value is easily determined in the market which can quickly and easily be converted into cash.12

The amount of the guarantee is determined by the court based on circumstances of each individual case and taking into account the damage that may be caused to the insurance opponent with ordering and execution of insurance measures and it orders this amount based on common sense evaluation, since the law does not set any specific criteria for the amount of the insurance.

A criterion for determining the amount of the insurance can be that the more credible the claim of the plaintiff is or specifically the smaller the amount is or in contrary, the less reliable be the lawsuit of the plaintiff is this should be the amount of the insurance.13 According to a practice that has been applied by international judges, the amount of such insurance is set from 5% to 30% of the lawsuit.14

This amount, deposited by insurance proponent, shall be refunded by court order to the proponent within 7 days from the date when insurance cases to exist, and if the opposing party files a lawsuit against the proponent of the insurance for damage compensation caused by ordering of security measure then the competent court shall decide on

7 LCP of FRY, Article 270.
8 Presentation on Insurance Measures by EULEX judge, Pristina, on 27.04.2012
9 B. Pozniq, works cited page 583
10 LCP of Republic of Kosovo No.03/L-2006 dt.30.06.2008, Article 297 and group of authors “Law Commentaries of the Civil Law Procedure of Bosnia and Herzegovina Federation and Republic Serpska”, Sarajevo 2005, page 442
12 LCP Article 297.2
13 Presentation by EULEX judge on insurance measures, Pristina on 27.04.2012, page 7
14 Cited works page 7
this lawsuit through a trial about this damage also may decide to uphold the security measure or determine the amount of
the guarantee not to be refunded to the proponent of insurance until the end of the trial according to the claim for
compensation.\textsuperscript{15} This period of 7 days is too short for the respondent if he/she decides to initiate compensation
proceedings, so we think that in the amendments to this law this term will be longer and not shorter than 30 days, in order
for the respondent to prepare for initiation of compensation procedure.

The lawmaker, out of an obligation to deposit the insurance, has excluded the units of local governance.\textsuperscript{16} We
believe that this provision is unclear and perhaps a mistake taken from the previous law\textsuperscript{17}, because the units of local
governance can propose such measures which can cause damage to the opposing party and that there is no reason
these are released from this obligation.

On the other hand, if the party is unable to pay the security without jeopardizing his family situation, at his request
the court may waive this obligation.\textsuperscript{18} In this case, if the party offers credible evidence for this, the court with a special
ruling decides on the request for exemption from this guarantee.

3. Types of Lawsuit Insurance Measures

Depending on subjective right, the owner of which claims to have it, the following lawsuit insurance measures can be
ordered:

\begin{itemize}
\item Insurance measures for insuring monetary claims,
\item Measures for insuring claims at the directed item or at part of it, which otherwise called security measures for
providing non-monetary demand and
\item Measures for insuring their rights or preserving existing circumstances.\textsuperscript{19}
\end{itemize}

For each of the above three types of lawsuit insurance measures are provided sub types of insurance that
 correspond to the lawsuit insurance object, whether relating money demands or non-monetary demands as well as for
the preservation of rights or existing situation.

These measures are set forth under the current LCP. Unlike this law, the LCP of 1978 that used to regulate the
insurance measures provided these measures as in the following: right of pledge on real estate, preliminary measures
and provisional measures. Depending on the type of measure, provided the specific conditions for allowing these
measures. As noted above the current LCP has not made any strict separation of these measures in the name, as did the
old LCP, because the legislature had considered that all measures taken by the court in order to claim insurance in last
instance, nevertheless they present insurance measures, which can be of different nature, because they depend on
individual cases and specific relationship, but their ultimate goal is the same.\textsuperscript{20}

3.1 Measures to insure monetary demands

For insuring money requests, these measures can be ordered:

\begin{itemize}
\item[a)] Banning the opponent of the insurance from alienating, hiding, indebting or holding a wealth set for the
sufficient amount for securing the request of the party that proposed. This restriction will be registered in the
public record.
\item[b)] Safeguarding of a wealth related to the restriction from the above point from the court in its provisions. When
possible or when given in the possession of the party that proposed the insurance or third party;
\item[c)] Banning the debtor of the insurance opponent so the latter will have his request fulfilled or hand over the good,
as well as stopping the opponent of the insurance to accept the good, to implement the request or own it;
\item[d)] Pre-notification of the right of pledge over the real estate of the opponent of the insurance, or on the registered
right for the real estate, an item in the value of the main request, with interest and procedural spending for
which was rendered a decision which is not yet executable.\textsuperscript{21}
\end{itemize}

\textsuperscript{15} LCP of the Republic of Kosovo No.03/L-2006 dt.30.06.2008, Article 298
\textsuperscript{16} LCP 2008 Article 297.4
\textsuperscript{17} Presentation by EULEX judge on insurance measures, Pristina on 27.04.2012, page 7
\textsuperscript{18} LCP No.03/L-2006 _30.06.2008, Article 297.3
\textsuperscript{19} LCP 2008 Article 299, 300 dhe 301
\textsuperscript{20} I. Morina and S. Nikçi, Cited Commentary page 541.
\textsuperscript{21}LCP- No.03/L-2006 dt.30.06.2008, Article 299.
Measure under a), means that insurance opponent can not sell, donate or hide or in any other form dispose of and to alienate the pledge, mortgage or any other obligation, his wealth to the value of the claim of the proponent, including interest and costs of proceedings. Every action of the insurance opponent, who acts contrary to such measure is invalid but there is an exception to this principle, and that when the third person has acquired any right over the property of the opponent under the provisions of material law, i.e. when there is room for the application of the rules for the protection of bona fide beneficiaries. Moreover, this decision will officially be sent to the respective public registry to prevent any change in these registers.

Measure under b), means that items that are subject to the measure will be stored in court if the latter is likely to do so or be entrusted for safeguarding to the proponent or the third person. These items should not be used so either by a third person, nor the sponsors but neither the court, if entrusted for safeguarding.

Characteristics of the above measures, especially of that in point a) and b) are that the on the proposal of the insurance opponent or guardians (who may be the court, the proposed insurance or third person), the court may decide to sell movable items for which there is a danger that can easily and quickly damage or if there is a risk that the value of these items will drop significantly. The sale of such items must be done according to the rules set under the executive procedure for movable property.

The sale of such items is done through the verbal public auction, or through direct settlement between the purchaser, in one side and the official person, or other authorized subject in other side or other authorized party. The manner of sale of items is determined through court conclusion, bearing in mind the fact achieve the most suitable price for respective items. The amount of money gained from the sale of movable goods or through the implementation of the loan is preserved in the court deposit up to the moment of removal of the measures of security or up to the moment when its execution is proposed but at the latest within a period of thirty (30) days from the day the loan has arrived. Other goods gained by requested loan are deposited, if possible they are deposited in the courts deposit, or there are other means of savings until the moment of removal of the security measures, respectively until the party proposing security will propose an execution but at the latest thirty (30) days from the day when the loan becomes exceptional.

Of course, that in these cases the question is what will happen to the money deposited or even items found with the custodian. We think, if the insurance proponent wins the dispute or the executive ownership in a regular court procedure, then right over these items will be materialized through executive procedure, and certainly, those things that found with the custodian shall be handed over to the proponent (plaintiff, creditor). As if these items are sold and the money is in the court, in this case on insurance proponent’s will materialize his claim from the money deposited.

Measures under c) contain in fact two requirements, one has to do with banning the debtor of the insurance opponent to meet the demand or to deliver certain items and ban insurance opponent to accept the good, to implement demand or dispose of it. These situations arise when insurance opponent is in civil-legal relationship with a third person. By this insurance measure, the court will prohibit to third person as long as the measure lasts not to pay the amount of money that he owes to the insurance opponent or deliver a certain item, where would hamper a execution of the proponent’s request. In case the third person acts against the order of the court, he will be responsible for eventual damages. Third person may deposit his obligation he has towards the proponent in court or to the person assigned by the court as a custodian. With this, the third person is released from this responsibility.

Measure under d) or notification on non-possessory pledge means registration in public real estate registry, of this nature and only after the final judgment was rendered, according to which the rights of the proponent are recognized, but has not yet become executable. As seen, this measure is one of the strongest measures that ensures monetary demands of the insurance proponent, as well as its setting conditions are stronger because as a condition for this a judgment must exit.

We believe that the condition for the ordering of this measure “judgment” that is not yet executable, is a technical error that should be replaced with executable document because its proponent’s monetary demand can prove it with a judgment or an administrative act. Also the old LEP provided a condition that for allowing this measure the creditor must argument this through an executive document, which in addition to the judgment it also includes administrative decisions.

22 LCP 2008 Article 311
23 LEP of Republic of Kosovo No.03/L-008, 02.06.2008, Article 91 and 92.
24 LCP of Kosovo No.03/L-2006, 30.06.2008, Article 311.4
25 I. Morina and S. Nikçi, cited commentary page 548.
26 Law on Property and other Real Estate Rights no. 03/L-154, 25.06.2009, Article 162
3.2 Insurance measures for non-monetary demands

For insurance of non-monetary demands or insurance directed to certain item or part of it, the following measures can be applied:

a) Banning the opponent of the insurance to alienate, hide, indebt or holding the wealth on which the request was directed. The forbidding will be registered in the respective public real estate record.

b) Safeguarding of the wealth referring to the proponent’s demand, by depositing in court, or if that is possible, hand over to the proponent of the insurance or the third person,

c) Banning the opponent of the insurance to commit act, which could damage the part of the wealth toward which the request was sent, or the order against the objector of the insurance to conduct action for protecting the wealth, and protecting the existing situation of the goods,

d) Authorization of the party that proposed the insurance to carry out specific activities.

Two of the first measures under a) and b), are the same as the insurance measures on the execution of monetary demands. The difference lies in the way that these measures, in monetary demands insurance, the proponent will execute his demand from the sale of these items to which the measure is ordered, whereas in the insurance measures for execution of non-monetary demands, the proponent directs his claim specifically on those items he claims are his stuff.

Whereas the measures provided for in paragraph c) and d) differ from the measures foreseen in the part of insurance of monetary demands. The measure provided for in paragraph c) of this section contains two separate obligations for insurance opponent, which are independent of one another or rather saying contain two sub-measures. One has to do with banning the opponent of the insurance form any action that might lead to damage of property directed at the request of the proponent and the other has to do with the directive to insurance opponent to perform certain actions necessary to maintain object property or to maintain existing condition circumstances. Therefore, to that extent we have two situations, one where the insurance opponent is requested not to act and another situation where he is requested to act.27

As regards to point d), which deals with the authorization of the proponent to perform certain actions or necessary to the item or property of the insurance opponent, the court may authorize when necessary to preserve the status quo or any obstruction causing damage. These authorizations may be different and depend from case to case or by legal and civil relationship that exists between the proponents and opponents of insurance. Thus, for example, the court may authorize the proponent to utilize the right of use of immovable property of the insurance opponent, until decided regarding the claim for verification of servitude respectively for the right of use.

Characteristic of measures to insurance of non-monetary demands directed on certain items or a part of it is that these measures should not include entirely the claim over which insurance exists.28 From this paragraph we can not understand what the purpose of the legislator has been and what goal can be achieved and thus we think that during the drafting of the law is made a mistake because there is nothing wrong with the proponent's measure directed at certain item or part of it to be included as a whole claim of the proponent, because the purpose of it is that he at the end of the procedure can execute his whole claim.

3.3 Insurance measures on rights or preserving existing condition

For insuring rights or preserving existing circumstances, the lawmaker has foreseen these measures:

a) Banning of the insurance opponent to perform specific activities aimed at preserving existing situation or not allowing damaging the opposing party;

b) Authorization of the insurance proponent to conduct specific activities;

c) Leaving the wealth of the insurance opponent for custody or care to the third party;

d) Other measures set by the court as necessary for lawsuit insurance.29

The above measures relating movable property, which can destroy easily and quickly and if there is a risk of their price fall, the court on the proposal of the opponent or custodian of these items can decide to sell these items under the

27 I. Morina and S. Nikçi, cited commentary page 551
28LCP of Kosovo No.03/L-2006 dt.30.06.2008 , Article 300
29 LCP 2008, Article 301
rules of execution procedure and the money acquired out of sale be deposited at the court depositing account.

As seen from the above mentioned types of measures for insurance of rights or preserving the existing circumstances are similar to other measures for securing monetary demands and non-monetary demands except the last measure or better saying point d) of this Article and that at this point this was left to the court discretion to decide and determine any other measure that is necessary to secure the proponent’s lawsuit.

4. Content of the Proposal for Ordering the Lawsuit Insurance Measures

The proposal for ordering measures for lawsuit insurance in principle are submitted in writing, but they may also be presented orally during an ongoing trial at the stage of reviewing the lawsuit/claim respectively. Therefore, the proposal may be submitted at any stage of the proceedings, in the first instance through the completion of the main trial, but it can also be submitted in the proceedings of the second instance, when the case is at the court deciding on the appeal.

When the proposal is submitted in writing same as submissions should contain every detail that is needed to act accordingly, thus must contain the introductory part, the claim to be insured and signature of the proponent. In the introductory part of the proposal should be identification of the litigants, the object of dispute, the amount in dispute whereas in the part of the content should be described the claim to be secured the object and means of the security measure, the facts on which the claim is grounded and evidence which support such fact.\(^{30}\) If possible, the proponent shall attach to the proposal the evidence that supports the claim, and which make it credible for imposing the insurance measure as well as those that justify the risk that without insurance measures the opponent will make it impossible or difficult to have subjective execution.

Also, the proposal should contain such information even when the proposal is presented orally at the hearing, with the exception of the facts and evidence to prove such facts that relate to the reliability of the claim, because these data are in the body of the lawsuit itself contained, according to which the judicial subject matter is being processed.\(^{31}\) Proposal for insurance measures may be presented verbally before the competent court even before the initiation of court proceedings by lawsuit; in this case, the above provisions should be applied accordingly.\(^{32}\)

If the proposal does not contain all the necessary data provided by law, the court in this case will act as the complaints is irregular and incomplete and will return the same proposal to the proponent for amendment and correction. If the proponent does not act according to the instructions of the court, shall be considered that the proposal is withdrawn. In case the submission is corrected by the deadline set by the court, which is three days, and sent to the Court then it will be deemed to be submitted within the first legal deadline, thus the court will reject the proposal.\(^{33}\)

So, the proposal for ordering insurance measures should contain all the necessary data which were mentioned in the above paragraphs, and it must be noted that the most important among them is the object of the claim, which means the item or the right on which the insurance measure is imposed. When the proponent proposes any insurance measure he shall in the proposal describe the type of request and depending on the type of request may propose any of the measures provided for securing monetary claim, or measures which are provided for insurance of non-monetary demands as well as those that are provided for securing the rights or preserving existing situation.

5. Submission of the Insurance Proposal

Insurance measures can be proposed before initiation of court proceedings, during its development, and after the trial, until the execution is completed in its entirety. If the court orders the insurance measure proposed by the proponent prior to the commencement of trial, the court should bind the proponent that in the term of 30 days, to initiate court proceedings by a lawsuit in order to legalize and justify the proposed measure and therefore should notify the court, respectively the judge who has given issued the insurance measure that he has acted according to this obligation.\(^{34}\) If the proponent does not initiate the judicial process by the deadline set by the court, then the court will terminate the procedure and will annul completed actions.\(^{35}\)

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\(^{30}\) Therein, Article 304

\(^{31}\) Therein, article 304.2

\(^{32}\) Therein, Article 304.4

\(^{33}\) Ruling of the Municipal Court in Pristina C.nr.464/12, 08.03.2012.

\(^{34}\) Ruling of the Municipal Court in Pristina C.nr.464/12, 08.03.2012.

\(^{35}\) LCP of Kosovo No.03/L-2006, 30.06.2008, Article 308.
So, this deadline as mentioned above is the term that the legislator has intended to produce effects, however wrongly in the Article 308.1 of LCP is written that this term will be no shorter than 30 days and it is believed that in the future with the amendment the law, this term will be corrected, and must be within 30 days. Thus, the same has been regulated by the old law too.

To decide on the proposal for ordering the lawsuit insurance measure before the lawsuit is filed and during judicial proceedings, competent to handle this is the court that handled the lawsuit, whereas on the proposal submitted after the completion proceedings, competent it is the court that decided on the execution of the decision. In addition, the proposal for insurance measure can be filed with the court of second instance, while the case is in procedure with the court deciding on the appeal.

If in the meantime there is a need to change means and objects of insurance, insurance proponent may propose such amendment to the court within the same procedure and based on the same order, and in these cases it is not necessary that the insurance opponent is given a deadline for response, and if the proposal is grounded, the court with a decision will change the means and the object of insurance, even though these means will be secured the proponents’ lawsuit.

6. Court Jurisdiction to Decide on the Insurance Measure

The notion jurisdiction in objective view of the work environment we mean the scope of activity of a body, whereas in subjective view, jurisdiction means the right and duty of a body to act in certain legal issue. Rules that define the range of powers of a body also set the jurisdiction of these bodies based on the type and nature of the dispute.

In legal systems in general but also our legal system in particular are created various bodies so that subjects of law are given legal protection associated with subjective rights that are prescribed by law. Such bodies are regular courts, special courts (Special Chamber of the Supreme Court) and administrative bodies. In order to respect the adversarial principle, a principle which is envisaged by the Constitution and the European Convention of Human Rights, according to which are created bodies of different instances.

Court before which the proposal on insurance measure was submitted should firstly ascertain its jurisdiction (absolute jurisdiction), by other national or foreign bodies and ascertain case and territorial jurisdiction. Case jurisdiction determines the scope of courts of different kinds and the courts of the same type but different ranking, and the main criterion for setting this jurisdiction it is the subject of litigation. Whereas, territorial jurisdiction determines the competence of a body that can acts in a legal issue and is related to the territory where it conducts its activity.

If the court finds that the issue that was presented before it, namely the proposal for insurance measure, of which the claim relates to any other body or foreign country, then the proposal for insurance measure will be rejected as unfounded. If about the legal issue is foreseen another real or territorial jurisdiction the court in this case will be declared incompetent regarding the real or territorial jurisdiction and after a final decision the case file will be forward to the competent court.

Provision of Article 296 of the LCP, that provides for the jurisdiction of the court of first instance is understandable, but the second paragraph of this provision is ambiguous and presents problems during practical implantation because it is not a complete legal provision regarding highest court jurisdiction when the proposal on insurance measure is submitted at the time when the case is sent to this court for decision-making.

The law also does not contain other provisions as regards to the composition of the court to rule on the amount of

36 LCP 2008, Article 296
37 Law Commentary on Civil Procedure of Bosnia and Herzegovina Federation and Republic Serpska (group of authors) Sarajevo 2005, page 463-464
38 LCP 2008, Article 307.2
40 F. Brestovci cited works page 39-40
41 The Constitution of the Republic of Kosovo (approved on 08.04.2008, entered into force on 15.06.2008), Article 32 provides for “The Right to Legal Remedies”, according to this article: Every person has the right to legal remedies against judicial and administrative decisions which affect his/her rights or interests in the way prescribed by law. A right that is foreseen by the European Convention for the Protection of Human Rights and Freedoms, Article 13 of the Convention guarantees the right to an effective remedy before a national authority.
42 Ruling of the Municipal Court in Lipjan C.no.216/11, 22.08.2011.
insurance, as it is known that the second instance court is consisted of judges in the panel composed of three professional judges. There is a question whether in the insurance measures shall decide an individual judge or panel of judges. As well as the question of who will decide on a legal remedies in cases where the court of second instance has issued insurance measure, when this court as second instance decided as the Supreme Court.

However, with the promulgation of the law on courts was foreseen a new organization of the courts in Kosovo, where, according to this law there is a Supreme Court, Court of Appeals and the Basic Courts. According to this organization Supreme Court decides only on extraordinary legal remedies.

The Court of Appeal decided only to appeals from relating decisions of Basic Courts. Whereas, Basic Courts decide on all matters in the first instance. With this new organization of the judicial system, the Court of Appeal decides in the first instance, it is therefore excluded the possibility that the Supreme Court decides on security measures, because it will no longer decide as a second instance court.

However, it remains disputable when the Court of Appeal decides or issues the insurance measure when the case is before this court as a matter to be decided according to legal remedies. A question comes up about who will decide on the appeal against the decision with which this court issued the insurance measure. The Supreme Court does not have jurisdiction to decide on appeals against decisions of the Court of Appeal because this Court decides as stated above only for extraordinary legal remedies. In addition, the problem appears when in cases against decisions of the court of second instance no appeal is allowed, whereas pursuant to Article 310.1 of the LCP, a ruling based on which an insurance measure was ordered appeal is allowed. So, in this situation we consider that the legislator has not clearly regulated the subject matter, and we think it was supposed to regulate it by excluding the right to appeal when the court of second instance decides on the insurance measure, issues the measure. In this case the exclusion of the right of appeal would in accordance with the principle, that against decisions of the court of second instance no appeal is allowed, and the fact that there is no such body that will decide on the right of appeal because Supreme Court does not decide any longer as a second instance court.


In principle, lawsuit insurance measures cannot determine whether the insurance opponent was not given the opportunity to make a statement concerning such proposal, except in cases provided by law. Notification of insurance opponent and the opportunity to make an objection regarding the proposal for a insurance measure is a prerequisite for issuing the requested measure. The exception to this rule is that law only provides temporary measures but also in these instances, the insurance opponent can dispute the causes for the issuance of temporary measures, for which the court within 3 days is required to decide on these objections.

The Court firstly must review the proposal and its content and conclude that it is competent to handle the issue in the territorial jurisdiction point of view, to decide on the proposal. If it finds that, it is not competent then the proposal with submissions attached shall be forwarded to the competent court for decision-making. If it finds that it is competent, then a copy of the proposal together with the evidence that has been attached will be send to the insurance opponent, with the a notification that he/she can respond to in writing within 7 days of receipt of this proposal.

Insurance opponent through response may challenge the proposed reasons for the issuance of the lawsuit measures.
insurance measure and in the response may attach necessary evidence, which challenge the facts of the proponent. In addition, insurance opponent in response to the proposal may not dispute the proposed measure and may propose to give the pledge instead as security measure and the court shall decide on this if proposed insurance satisfies this proposal.

After the expiry of the deadline for response, or after the opponent’s response is received and, depending on its content and evidence, the court may approve the proposal and to order insurance measure or reject such proposal without conducting a hearing. However, if out of the content of the proposal and the claims of litigants, the court cannot establish its opinion on the measure, approval or rejection of the proposed measure, the same may appoint a hearing to review the reasonableness of the proposed measure.

When court conducts the hearing, to decide on the insurance measure, should be careful to not administer the evidence proposed by the litigants, as in the main hearing, but conduct this hearing only by superficially review them and so that the parties to present their views on the merits of the lawsuit and give their statement and evidence of the opposing party. So, the hearing on the insurance measure it is secondary type of hearing, which differs from the preparatory examination and the main trial. Therefore, special care should be paid in regard of not administering evidence as this should be only done during the trial and that there is a risk that the same evidence be twice administered (in the hearing on issuance of the insurance measure and in the main trial) and by doing so giving different meaning to the same evidence. If the proponent of the insurance measure based on the attached evidence has not made credible his/her subjective right, the court will reject the proposal on the insurance measure. Therefore, this is the first condition to allow the insurance measure without fulfillment of which the court cannot even talk about the fulfillment of other conditions.

8. Conclusion

Reform of the legal system of the Republic of Kosovo has conditioned the promulgation of the new laws, which are challenging the judiciary with respect to the implementation of the laws in civil law area. Lawsuit insurance constitutes only a small segment of the string of multiple dilemmas contained in the Law on Contested Procedure.

Therefore, we consider that in this regard we have to invest more efforts to increase the capacity of the judiciary in the direction of providing more continuous training of the current sitting judges through exchange of their experiences in different regions and increasing the number of judges especially those that handle civil law cases.

We think that such a step is very necessary and such a thing in itself constitutes a challenge to satisfy European integration standards.

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47 Presentation by EULEX judges on Insurance Measures, 27.04.2012, page 5

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Faik Konica’s Contribution in the Language and Some Phonetic and Orthographic Features in His Prose

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Abstract

The article aims to highlight the phonetic and orthographic features of Konica’s prose, who was a prominent forerunner of today’s Albanian literary language orthography. It needs to be highlighted that the Albanian phonological system is not the same as a century ago, because the uninterrupted flow of language evolution has experienced at times a disappearance of the phonemes, phoneme conversions or creation of new phonemes. Therefore we think that some linguistic dilemma expressed by the author are more than justified for that period of time when the Albanian language did not have a crystallized orthographic norm.

Keywords: phonologic system, possessive articles, voiceless consonants.

1. Introduction

The language constantly evolves and changes in the course of centuries. In its evolution spanning millennia, words, grammatical forms and phonemes change, and their change happens much more slowly compared to other elements of the language. Thus, if we take a diachronic look on the Albanian language since from the time when the first work in Albanian was published (Missal of John Buzuku, 1555) until the present day, we will notice that the Albanian vocabulary has undergone many changes, somewhat less changes can be viewed on grammatical forms, while phonemes have remained almost unchanged.

However, it should be noted that the foundations of today’s spelling system were cast in the nineteenth century, during the Renaissance period. The main aim was the creation of an elaborate literary language, stabilized and unified, so as to raise the Albanian language at the level of a developed language culture. The first efforts to address and discuss specific issues of the Albanian orthography are found at the magazine “Albania” during the period (1897 -1909), which was led by Faik Konica.

The magazine attracted the attention of many scholars of the time on issues regarding the alphabet and spelling, instilling an Albanian spelling system, literary language issues, the merger of the two dialects, etc.

Analyzing his correspondence throughout the years, we have noticed that the author makes a wide use of the stress, especially on the vowel ( e ) (which should definitely be a French influence).

štëndë é mëramë vésh, dhé në émër të së Përkonshësmës ju propozojmë…;
as na bën ghesëndë é lëhura é tyërë kundër nëvë…;
të jam i détyruar për urimët cë më bërë për molnë rë…; (Konica, 2006)

With regards to the use of the apostrophe (mainly on the voiceless vowels), Konica faithfully continued the spelling traditions of the Southern literary language as a pronunciation trait of this dialect. The vowel drops frequently happen in the spoken language and consequently even in the written one, whenever two vowels come into contact with one another, thus when one word ends and the other starts with a vowel. Under these circumstances, due to the stress dynamism, one of these vowels is omitted. The lost sound could be in different positions in the word: at the end (elision), at the front (afereza), or in its body (sinkopa). (Topalli, 1995)

The most frequently dropped vowel is the -ë, which is characterized by a faint pronunciation, though there have been found cases of other vowel omissions such as: i , a , etc.

Elision is mostly found in Konica in these cases:
a) In all his writings, literary or journalistic, he regularly uses the apostrophe when the final unstressed -ë is dropped in words situated in front of the vowel -ë (which can be an article of the genitive case or an article of the adjective and rarely a linker that begins with a vowel):

perëndia goft’ e lëvduar ; historin’ e zulluve ; për mjeshtérin’ e gëpëtorit ; fuqin’ e fjalës ;
fuqit’ e mbëdhah ; perëndit’ e vjetërë ; mbrëm’ e sipër ; vëllan’ e vatanë ;

The usage of the apostrophe not only by Konica, but also by other authors, northern or southern, is linked with the pronunciation characteristic of our language. Albanian, being a language in which the stress is positioned at the penultimate syllable, has the tendency to omit the last syllable during the pronunciation and consequently even during the writing process.

b) It has frequently been noted that some single syllable proklitik words such as: particles, frontal articles, prepositions, the conditional conjunction (në), or the relative pronoun (që), whenever they are positioned in front of the words that begin with a vowel:

n’ udhëra t’ llirisë e T’ Athinës ; n’ ardhçin mbë këmbë ; n’atë kohë n’Avrop;
q’ i shkruante s’ émës ; i veprave t’ ergjendarëve ; në kohë t’ Ali pashë Tepelenit ; n’ imitojnë shkolën e Venedikut ; u – tukan nd’ udhë ; nukë janë mb’ udhë të dreqtë ; mi’ i forti burrë ;

c) Elision has also been noted in some cases when the particle (të) of the relative is placed in front of a verb that begins with a vowel, or even in front of a short form:

që t’ ujdiste ; për t’ admiruar ; me t’ ardhur ; për t’ ushyger ;
t’ i shërbenjë mëmemdheut ; qi t’ armatoste Veriun ; po t’ ish burr’ i besës ;

This is a phenomenon that has regularly appeared since from the beginnings of the written tradition of the Albanian language. It has also been found in the short pronoun forms or with the particle - u of the passive reflective and is noted since from the time of Buzuku, Budi, Bogdani, etc:

t’ ap të ditunë ; t’ ish ardhunë ; t’ u bekonjë juve ; t’ i shpë ndë dhet të tyne ; (Topalli, 1995)

d) The elision is still implemented in the Albanian literature today. In the case when the particle (të) merges with the short forms, Konica and other northern writers have been forerunners of today’s spelling system. We have also found some cases, although rarer ones, when the author has apostrophized the defining name suffixes, primarily the -i, and more rarely the final –a.

stërnip’ i Tepelenit ; trup’ i Shegës ; bel’ i saj ; perandoresh’ e Stambollit ; e bukr’ e dheut ;

e) There can be observed some other cases of the apostrophized final -ë of names in the feminine gender of the subjunctive case, rarely of the ablative case before the front article -së:

i bukuris’ së Polonjës ; e mençuris’ së Herodott ; e bujaris’ së shqiptarëve ;
të ‘ historis’ së Kastriotëve ; prej butësis’ së saj ; prej urtis’ së Vatrës ;

We think that it is pronunciation that has deeply influenced in these cases, which tends to omit the final -ë, and which has been portrayed even in writing.

∗ But Konica mostly prefers to omit the frontal article së together with the drop of the final vowel in nouns, in order to avoid the confrontation of the two së – s :

posthërimin e mjeshtëris’ petkave shaqipëtare ; varfërinn’ e veshjes saj ;
grekët e Shqipëris’ Poshtme ; t’ i përrunjemi oxhakësis’ Tepelenis ;
independencës Shqipërisë ; shhtypjes letrave shaqë ;

f) The author widely uses elision even when writing various pronouns such as:

( linkers, which we presented above as prolicitic, one-syllable words, indefinite possessives, short forms or joined forms of the personal pronoun)

∗ in pronouns used for the first and second person in their indirect cases:

mohimi i gjuhës s’ onë ; stërgjyshët t’ uaj ; me vete t’ ime ; armiqve t’ anë ;
vëllaj t’ uaj ; kombësinë t’ onë ; gabimin t’ ent ; artikullin t’ im ;
A widely discussed issue in his writings is the spelling of the unstressed ë, which has been and still is a crucial problem for the Albanian language orthography. Being a tosk writer, together with other writers of his time such as Naimi, Noli etc., Konica has the tendency to preserve the unstressed ë and he does never quit widely using the final ë.

In the literary spelling it can be found the tendency that the final ë is not pronounced, or it is vaguely pronounced, depending on the pronunciation styles. Nevertheless, in parts of the Southern speech the final ë is still preserved especially in pronunciation, though it is highly reduced. (Çeliku, 1971)

We have also compared another group of words which in the writer’s writings are regularly written with the final -ë such as:

motrë; librë; kodrë; letrëtyrë; zëmrë; letrë; veprë; sedrë; theatrë;
lundrë; veglë; lodrë; të ëmblë; i bukurë; i varërë; kundër; afërë;
tepërë;

In reality, the old Albanian language has historically possessed the final ë, especially found in the tosk dialect and this is the reason why the writer cannot make an exception from this tendency. Nevertheless, we think there could be another reason in its usage in regard to this group of words. It is not occasional that we have cited all the cases we have been able to find, because we think that Konica has been widely influenced by the French language with which he had become so familiar. These words are so similar to French in their pronunciation, and some of them even in their spelling such as:

librë ( livrë );
letrë ( lèttrë ); theatrë ( theatrë ); kundër ( contrë );

With regards to the frontalstressed ë, we notice a correct usage of it, by forerunning today’s spelling system:
kombëtar; atëror; armiqësi; ligësi; mjekësor; miqësor; robëroj, mbretëri,

Similarly to a real linguist, he puts a sustaining ë- in front of those suffixes that start with a consonant, so as to avoid the difficulty arising in their pronunciation, particularly when two or more consonants occur in its body. ("Drejtkrimi i gjuhës shqipe", 1973)

On the contrary, we would have: ligsì; robroy; kombtär; etj.

In today’s collocation style the -ë in this position has been transformed into a short sound which represents a voiceless vowel, while in today’s spelling it has totally been avoided, because by doing so we can create consonant groups which are easily pronounced. (Totoni, 1972)

With regards to the e - vowel spelling, in those words where this phoneme is followed by a nasal consonant - m, -n, -nj, Konica prefers to write it without any doubt with the è- vowel.

zëmrën e kish të ngrysur; të thotë ç’i do zëmbëra;
të bëjë ç’i do zëmbëra;
të bëjë ç’i do zëmbëra;
të bëjë ç’i do zëmbëra;
të bëjë ç’i do zëmbëra;
të bëjë ç’i do zëmbëra;
veç jo ato që janë kundër lirisë tjatëri njeriu; vënd;
mbaj mënd;
brënda në kishë; trëmbë;

An important role has been played by the close collaboration of the two Albanian dialects in creating abasis for the pronunciation as well as the spelling system in this language. (Gjinari, 1963)

Another evident characteristic of Konica and tosk dialect in general is the presence of the -ua diphthong in all positions, in open and closed syllables. In the majority of the cases this vowel group is represented as unassimilated, in difference from the gegë dialect where it is assimilated in - u ( grua – gru; përrua – prru ;)

ish një shqipëtar i pasur e i letruar; Toskua kish mbetur nënë dritare; esperantua është proponuar si zgjidhje e mirë; Moskua e kapi për xverku;
This unassimilated diphthong is widely used by Konica in the verbs of the past simple in the three persons of the plural.

\[ u – mbluadhnë \] në metropoli ; e \[ zgjuadhnë \] patrik ; i muarnë

or in some nouns which normally require the suffix -or:

i mbuluar gjer në kraharuar, po këndon një librë ; qysh nukë pati turp të dalë \[ tradhëtuar \] , grabités e zuzar ; (Gjinari, “ Mbi të folmen e Devollit ”, 1968)

Nevertheless, from time to time the author is ambiguous in the usage of this group of vowels, because we have come across many cases when the diphthong -ua has been assimilated into -o

kish një mikeshë të qojtur Vera ; për shoqjen e një yllit aq të ndritshëm ; propagandë për të vetëqojturën guvernë ; u – përball me turmën e paroqit;

Lincoln – i rojti pakë viet, por i qoqit gjithë skleve të lirë ;

* The author frequently uses the -u vowel in stead of the vowel -y:

pas musafirëve ; s’i durojnë gjukimet ; nukë hyn njeri në duqane ;
kur qe mutesarif ; dushoj te zotësia jime ; popull musliman ; huqumeti ;
č’ gjuqe të pafajshëma ; duke dëftuar virtut ; njerës të rushfetit ;

We have encounter numerous similar words, which testify about the great influence that has been exercised by his mother tongue çamërishtja in his linguistic formation, though he had been detached from its usage since from an early age.

* Another evident characteristic of almost all the Renaissance writers, of which the author makes no exception, was the phenomenon of the voiceless consonant which had once been voiced, when they are situated in a final position or in front of a voiceless consonant in the body of the word, which is not noticed only in the Albanian language, but even in some other Indo-European languages.

In the tosk dialect, this phenomenon must have appeared since in the Middle ages, because in the dialects of the Albanians living in Italy and Greece this voicelessness is shown to be completed. Norbert Jokli states that it could be even older since he compares it to a phenomenon similar to Etruscan language. (Çabej, “Studime rreth etimologjisë së gjuhës shqipe”, 1960)

The phenomenon of the voiceless consonants is typical of the tosk dialect, though it should not be over generalized, because cases of such can also be found in the Northern dialect.

Konica remains faithful to the tradition and he is convinced that the spelling of a language should not be different from its pronunciation something which is typical of the language used in his writings.

Similarly, other Renaissance writers have written the voiceless consonants at the end or body of the word just as they pronounced them: in the gegë dialect they conserved them as voiced, while in the tosk dialect they wrote them as voiceless. (Dodi, 1970)

2. The Voiceless Consonants at The end of the Word

- The voiced consonant -dh- is always written -th-:

\[ lth ; i math ; derth ; heth ; ndoth ; vjeth ; garth ; u cloth ; i erth një letër ; u zgjoth ; etj. \]

The voiced consonant -b- is always written as -p-:

\[ komp ; i dhëmp në shpirt ; gjëmp i math ; hoqi një dhëmp ; hump besimin e guvernës ; sërp i félliqur ; u kalp ; u zu rop ; qelp ; etj. \]

- The voiced consonant -d- is always written as -t-:

\[ në vënt të ; munt të qëndronjë ; kam nër mënt ; u shkunt ; u munt ; funt i keq ; si edhe numërrotë njëqint ; treqint ; pesëqint ; nëntëqint ; etj. \]

- The voiced consonant -g- is always written as -k-:

\[ ... \]
pellask; frënk; trek i math; i lik; kolek; lark; shtek; një tok shënimesh; zok pa liri; etj

- The voiced consonant -z- is always written as -s-:
njerës; gas; në kurr; në kafa; serios; ndës; me një bres të kuq; haus; etj

- The voiced consonant -gj-, is always written as -q-:
  u përgjigj me krenari; me mijëra zoq; shpirtra të liq;

These are morphological contradictions with a dialectical character and are characteristic of the folk language. They have been acquired through the omission of a voiced consonant in the final position or in front of voiceless consonant.

3. The Omission of the Voiced Consonants in the Body of the Word

Even in this position, Konica applies the above mentioned morphological contradictions, thus the voiced consonants are represented as voiceless.

The omission of the voiced consonants in the body of the words has happened, without any exception whenever they are situated in front of a voiceless consonant.

- The voiced consonant -dh- is always written as -th-:
  trathtinë; të hithta; u huathnë; vothnë; derthnin; mbluathnë; erthtë; ngorthte; të mblithte;

- The voiced consonant -b- is always written as -p-:
  humpnë; të mpështetura; në të dhemptë; fuqia mprojtëse; fytyrës së qelptë; i mpështjellë; të mplidhen; mpështetem; mpas kodrës; mpronte;

- The voiced consonant -d- is always written as -t-:
  sëmuntjet; të muntja; e kanë qëntren; kuvëntet; e shkuntur; në qentër; qëntresë; më tuntnë ethet;

(q : gj) të squarit; u përgjignë; zoqtë; i squar; të Frënqve; zoqtë; sqon pyllin;

* Another characteristic is the assimilation of some groups of consonants, be them in the front of body of the word.

This is a frequent phenomenon throughout the southern writers writings, which was portrayed even in Konica in its prose as well as poetry:

- the assimilation of the groups –mb and –nd:
  përm krye; mi një kodrë; nganonjëherë; as nonjë letër; t’a gdhënin;
as nonjë lajm; nofta ka nër mënt; përm sheshet e gjakut; mi çatitë e pullazet;

* In some cases they have been encountered as prepositions in the old form, unassimilated, used in the spatial case, as in the ancient Albanian:
  mbë shtëpinë e atit saj; mbë dhë ju hothnë; mbë dheq kish kartëra;
  mbeti e u kalp ndë baltë; ç' ishin mi dhë e nënë dhë;
  mi çatitë e pullazet; të vejë ndëpër gjithë viset; etj.

It should be stressed that in relation to the prepositions mbë (më) and mi (mbi) there exist many linguistic debates. Some linguists think that these prepositions are two different words, while G. Meyer and F. Bopp see them as two variants of the same word. (Xhuvani, 1980)

Therefore, the auxiliary words mbë and mbi, are according to them, respectively "the unstressed and the stressed form of the same preposition".

It should be noted that Konica overuses the consonant group -mb even when they are not needed, be that in the front of body of the word:
fuqitë e mbëdha; njerëzit e mbëdhenj; theatrot e mbëdha;
lau sytë në një mburim; me duar në zëmbërë; i qeshte zëmbra; etj.

Through the passing of time this group underwent many changes, as it can be seen in the writings of Konica and the other Renaissance writers.

This group can be found in many cases with a new construction, in the accusative case. This was achieved through the assimilation of the consonant tog - mb into - më. (Çabej, "Hyrje në historinë e gjuhës shqipe", 1960)

* Another phonetic trait, characteristic for Konica's writings is the wide usage of the initial affix ç- in stead of the corresponding affix sh- or zh-:

fuqi çkatërronjëse; çpifni çpifarakë; të çkëlqyer; i çkombëzuar; çpalli; të çkuar; çkoqitim; çkëmbim të vlerë; çgarimar; çpëlbëhet; mos e çponi; të çgënëm banditizmën; pas një çduke 469 –vjetsh, çmuri ënë valoj i lirë; të çvillojë kompin;

* In stead of the consonant group -fsh-, he uses the group -psh-,
pshat; psheta; pshatarakët; pshinte çjersët; etj (Gjinari, "E folmjë e Skraparit", 1958)

* In relation to the spelling of some foreign words, mainly of Latin origin, the author frequently uses the consonant -ll, in stead of the consonant -l.

Konica, as an excellent user of these languages has thought that maybe such a spelling and pronunciation form is more appropriate for the Albanian language. He has been mainly influenced by the French language in writing the following words:

në Irlandë; zullutë; deklarloi; filosofi; kish mbaruar filologjinh; automobilla; jetën intellektuale; diploma e diplomatit; rekllama; lluks; dekkllaratë; klasik; biblla kombiare; etj.

What is more, it should be noted that the usage of such a consonant in the spelling of the words we seen until lately in words such as:
kilasa (punëtore), diplomë, lluks, ideologji, etj.

* The Greek words used in his writings (he was widely familiar with this language since from an early age) are written by preserving the original pronunciation with the -th letter.

Prometheu; theatrot e mbëdha; i enthousiasmuar; kisha katholike; simpathinë; theologji; vargje të rithmuar; marathona; theori; Guthenberg; orthografia; ka një themë të pergjithshme;

Konica was not an extremist puritan. Moreover, in his journalistic writings he has shown to be highly liberal towards foreign words and this is why in many cases he pronounced and wrote them as they are pronounced and written in their source languages from which they have derived. We have come across another phonetic trait. Konica has frequently used the – q consonant instead of the – k consonant.

We think that he might have been influenced by the Greek language that he knew considerably well.

Arqileu i Epirit; shtëpi arqitekti; orqestrat sinfonike; anarqia e guvernës; lajurimet e monarqisë; si një arqeolog i Afroditës; maqina të shtënë; venë dy a tri mijë qilometra larg të dëbarar prej tyre;

Such words are still used in some Southern regional speeches. Nevertheless, we would stress out the fact that the majority of these words are used by Konica in those writings that were targeted toward a specific class of people with a rather modest cultural formation.

These words were fully comprehensible and therefore articles written with such a language would deeply influence
his readers. Thus, Konica successfully achieved his goal of changing the spelling of many words in the Albanian language through the etymological transformations he himself made.

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Are the Enterprises of Albanians in Macedonia Marginalized in the Economy of the Country?

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Abstract

The number of enterprises with Albanian owners, which are registered and function in Macedonia is not high, on the contrary it is far from structural national participation of the country. This unfavorable situation becomes even clearer if we also consider the size of enterprises owned by Albanians of this country. In fact, Albanian entrepreneurs are owners of small and medium enterprises while the numbers of big enterprises that function in Macedonia are not owned by them. This is even more present in enterprises which have as a main activity the reproduction of minerals, minerals extraction, in pharmaceutics, communication services, banking and security services. Beside this fact, Albanians which live and work in Macedonia orientate their business activity mainly on retail trade, offering hotelier services, on small production, and especially on small businesses. Without a doubt, one of the main reasons for this is the privatization of social enterprises, which was done in Macedonia during the transition period. Albanians were marginalized from this process and they remain excluded on the portioning process of the social capital, which were an integral part of that country.

Keywords: Enterprises, Transition, Privatization, Export, Trading Balance.

1. Macedonia’s Economy Marks Growth, but not Economic Development

Macedonia’s economy in 2014 recorded economic growth of 3.2% (The World Bank, Annual Report 2014). This represents the largest increase this year as part of the Western Balkan countries. This growth is mainly based on the growth of the construction industry, agriculture as well as a significant rise in exports of goods. During 2014, Macedonia was more fortunate compared to neighboring countries because the country’s economy did not suffer extensive damage from flooding as its neighbors did. The forecast for 2015 is a growth of 3.5%.

The annual report warns that Macedonia should be careful in future years and work more on strengthening the real sectors of the economy. Government representatives should review the country’s economic policy, especially in a more fair redistribution of income in order to decrease the unemployment rate and to reduce the unemployment rate. This applies even more so when we consider the fact that Macedonia’s society for years in the past had the highest rate of unemployment in the region and reached 30%, the same figure as has the number of the poor. Obviously economic growth of 3.2% is not sufficient to affect the reduction of unemployment and poverty in the country. We estimate that the number of unemployed in the country and the poor would be reduced significantly if the economic growth would reach at least 6-7%. Another positive impact would be the redistribution of income from growth to society, i.e. whether it would be more just and humane.

Fairer distribution of income in the future will certainly impact in reducing the number of poor and unemployed. This would soothe the situation where now the rich are getting richer and the poor poorer. The economy of a country can have economic growth, but if this growth does not benefit the broad masses of the population, then its economic development policy is unsuccessful (J. Stiglitz, through BZ Vest, 2015). This also occurred in Macedonia; this year only five firms that operate in the Macedonian economy have achieved 16% of the total profit.

Regarding external debt of Macedonia, it is among the countries with average debt. In 2014 its debt came to be 45.7% of the GDP, but it is worrying that the recent debt growth rate is high. So in the future the government of the country should be careful in government spending, especially in financing projects such as the nonproductive “Skopje 2014”. The current year budget is projected the largest ever, 2.955 billion USD with a deficit of 3.5%. The budget has a more social character than development, because the dominant part of the costs, 89%, is transfers, while only 11% are capital investments.

The banking system in Macedonia is not helpful enough to the real economy. In 2014 it has credited only 68 million Euros while the amount held in securities was 1.5 billion euros. Macedonia’s government must quickly relinquish this
amount and allow the real sector to function normally.

Foreign direct investments for 2014 were planned in the amount of 350 million USD, while the amount achieved was 220 million USD (Report of NB of RM, 2015). In fact in terms of attracting FDI, Macedonia for years ranks in the bottom of the Western Balkan countries. (Nasir Selimi, 2014). The most important factors that have contributed to a very low FDI in Macedonia are: corruption in the government administration of Macedonia, frequent changes of domestic legislation, lack of infusion deficit, poor infrastructure, the functioning of the rule of law, etc.

2. The Polog Region, although Rich in Resources has Lower Economic Performance

Undoubtedly proper scientific analyses are based on statistical data processing and analysis of various statistical indicators. Although our efforts to collect statistical data did not fail, it was not fully implemented successfully. Seldomly an author of a scientific paper can be faced with a problem of this nature. The reasons are many and of various natures. State institutions which simultaneously have a legal obligation to be transparent and to publish data for public use, do not do this. They are even hesitant to do so on issues such as ours. However, the data that is available have their weight and relevance. Therefore these can be processed and generate conclusions and recommendations in which a modest contribution to science can be made. In this regard, our analysis will rely on different economic methods which mostly will focus on the deductive method, inductive, and analytical comparison.

According to the latest census of the population, a total of over 2,000,000 inhabitants live in Macedonia (State Census Bureau, 2003).

Table 1. Basic Demographic Indicators as of 30. 06. 2013 in (000)

<table>
<thead>
<tr>
<th></th>
<th>Republic of MK</th>
<th>Vardar Region</th>
<th>East Region</th>
<th>SE Reg</th>
<th>SW Region</th>
<th>Pelagonia Region</th>
<th>Polog Region</th>
<th>NE Region</th>
<th>Skopje Region</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total popula.</strong></td>
<td>2.058</td>
<td>154</td>
<td>179</td>
<td>173</td>
<td>221</td>
<td>234</td>
<td>316</td>
<td>175</td>
<td>606</td>
</tr>
<tr>
<td><strong>Male</strong></td>
<td>1.031</td>
<td>78</td>
<td>91</td>
<td>87</td>
<td>111</td>
<td>117</td>
<td>159</td>
<td>89</td>
<td>299</td>
</tr>
<tr>
<td><strong>Female</strong></td>
<td>1.027</td>
<td>75</td>
<td>89</td>
<td>85</td>
<td>110</td>
<td>117</td>
<td>157</td>
<td>86</td>
<td>307</td>
</tr>
<tr>
<td><strong>Density</strong></td>
<td>82.6</td>
<td>38.1</td>
<td>50.7</td>
<td>63.2</td>
<td>66.3</td>
<td>49.5</td>
<td>130.8</td>
<td>75.9</td>
<td>334.2</td>
</tr>
</tbody>
</table>

**Source:** R. of Macedonia, State Statistical Office, Regions of the R. of Macedonia, 2014

From the table above we can see that Macedonia's population is divided by regions, a total of 8 regions. The most populated region in Macedonia is the Skopje region with a total of 606 thousand inhabitants. The second region is the region of Polog with a population of 159 thousand inhabitants, or 15.3% of the total population, while the following is the Pelagonia with a total of 117 thousand people or 11.3%.

The following analysis will account of two regions, the Polog and Pelagonia, which rank second and third respectively in the republic. The Polog region includes the municipalities of Tetovo, Gostivar, Vrapxhishtit, Bogovinje, Brvenica, Jegunovce, Zhelina, Mavrovo and Rostuša, and Tearce. In this region the dominant structure of the population is Albanian. Pelligogina Region includes the municipalities of Bitola, Demir Hisar, Krivogastani, Krusevo, Mogila, Novaci, Prilep and Resen. In these regions the dominant structure is Macedonian.

Table 1. Activity rates of the population aged 15 years and over, 2013 in (000)

<table>
<thead>
<tr>
<th></th>
<th>Republic of MK</th>
<th>Vardar Region</th>
<th>East Region</th>
<th>SW Reg.</th>
<th>SE Reg.</th>
<th>Pelagonia Region</th>
<th>Polog Region</th>
<th>NE Region</th>
<th>Skopje Region</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Working age population</strong></td>
<td>1.672</td>
<td>126</td>
<td>150</td>
<td>180</td>
<td>141</td>
<td>189</td>
<td>257</td>
<td>140</td>
<td>487</td>
</tr>
<tr>
<td><strong>Activity rate</strong></td>
<td>57.2</td>
<td>60.7</td>
<td>61.0</td>
<td>56.2</td>
<td>69.9</td>
<td>64.4</td>
<td>46.6</td>
<td>54.2</td>
<td>55.3</td>
</tr>
<tr>
<td><strong>Employment rate</strong></td>
<td>40.6</td>
<td>42.6</td>
<td>49.1</td>
<td>35.6</td>
<td>56.8</td>
<td>50.1</td>
<td>31.0</td>
<td>29.9</td>
<td>39.1</td>
</tr>
<tr>
<td><strong>Unemployment rate</strong></td>
<td>29.0</td>
<td>29.8</td>
<td>19.5</td>
<td>36.7</td>
<td>18.8</td>
<td>22.2</td>
<td>33.6</td>
<td>44.9</td>
<td>29.3</td>
</tr>
</tbody>
</table>

**Source:** R. of Macedonia, State Statistical Office, Regions of the R. of Macedonia, 2014

Based on the table above we can see that the region of Polog has employment rate lower than the average in the country by 9.6 points. In comparison with the Pelagonia region, Polog has an employment rate lower by 19.1 points. The
unemployment rate is also different. Unemployment in the region of Polog is greater than the national average by 4.6 points, while if we compare with the Pelagonia region, the unemployment rate is higher Pollog by 11.4 points.

One of the most important macroeconomic indicators is GDP. This indicator shows the market value of final goods and services in one place for a specified period. (Mankiw, Principple of Economics, 2012). Below we present table 2 which reflects the creation of GDP / per capita in some years by region.

**Table 2. Gross Domestic Product per capita in (000 denars)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Republic of MK</th>
<th>Vardar Region</th>
<th>East Region</th>
<th>SE Reg</th>
<th>SW Region</th>
<th>Pelagonia Region</th>
<th>Polog Region</th>
<th>NE Region</th>
<th>Skopje Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>211</td>
<td>206</td>
<td>207</td>
<td>156</td>
<td>220</td>
<td>225</td>
<td>99</td>
<td>109</td>
<td>315</td>
</tr>
<tr>
<td>2011</td>
<td>223</td>
<td>228</td>
<td>207</td>
<td>162</td>
<td>258</td>
<td>228</td>
<td>106</td>
<td>145</td>
<td>321</td>
</tr>
<tr>
<td>2012</td>
<td>222</td>
<td>233</td>
<td>205</td>
<td>158</td>
<td>244</td>
<td>211</td>
<td>98</td>
<td>151</td>
<td>332</td>
</tr>
</tbody>
</table>


A higher gross domestic product per capita compared to the average of the Republic of Macedonia was recorded in the Skopje Region with an index of 149.4, the Southeast Region with an index 109.7, and the Vardar Region with an index 104.6. All other regions had gross domestic product per capita below the average of the Republic of Macedonia. The smallest gross domestic product per capita compared to the average of the country was recorded in the Polog Region, with an index of 43.9.

The Polog region, although the number of inhabitants is the second at the country it is ranked last for the creation of goods and services. This macro-economic indicator, GDP, shows clearly the low level of economic development of its region. From this we understand that the resources which this region has are not used even approximately compared with other regions. The young age of the population, the age quotient youngest in the country, 35.8 year old (State Statistical Office, Regions of RM, 2014) is left at the mercy of chance where a large number of young people migrate to foreign countries to seek a better prospect in the future.

Production capacities in this region are scarce, with state officials not caring about capital investments. Manufacturing facilities by a foreign investor are slim, even by those who only develop activities in the sphere of trade and services. Years and decades of a rumored project for a free trade area in the region have gone by, but to this date nothing has come of it. The fact that this region creates GDP in the amount of 98 million or only 43.9% of the average GDP of the country clearly says a lot as well.

Despite this Pelagonia region with the number of population smaller than that of Polog for approximately 42 thousand inhabitants, in 2013 it achieved the value of total GDP 211 million denars which is more than double compared with that the Polog. This situation is the same for all the years of analysis without having any relevant change each year.

Small businesses in any society play an important role in overall economic development of the country. They are not by chance called "the backbone of the economy" (A. Cepani, 2003, Tirana). Undoubtedly Macedonia's economy also depends heavily on the advancement and development of entrepreneurship and small business.

**Table 1. Number of active business entities by number of persons employed, 2013**

<table>
<thead>
<tr>
<th>Nr. of emalo.</th>
<th>Republic of MK</th>
<th>Vardar Region</th>
<th>East Region</th>
<th>SW Region</th>
<th>SE Region</th>
<th>Pelagonia Region</th>
<th>Polog Region</th>
<th>NE Region</th>
<th>Skopje Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>4.415</td>
<td>295</td>
<td>254</td>
<td>284</td>
<td>295</td>
<td>323</td>
<td>217</td>
<td>139</td>
<td>2.608</td>
</tr>
<tr>
<td>10-19</td>
<td>2.989</td>
<td>181</td>
<td>281</td>
<td>241</td>
<td>273</td>
<td>340</td>
<td>187</td>
<td>175</td>
<td>1.311</td>
</tr>
<tr>
<td>20-49</td>
<td>1.787</td>
<td>122</td>
<td>174</td>
<td>151</td>
<td>146</td>
<td>169</td>
<td>126</td>
<td>145</td>
<td>754</td>
</tr>
<tr>
<td>50-249</td>
<td>1.291</td>
<td>105</td>
<td>175</td>
<td>103</td>
<td>111</td>
<td>135</td>
<td>79</td>
<td>79</td>
<td>504</td>
</tr>
<tr>
<td>250+</td>
<td>209</td>
<td>13</td>
<td>18</td>
<td>7</td>
<td>11</td>
<td>21</td>
<td>7</td>
<td>5</td>
<td>127</td>
</tr>
<tr>
<td>Total</td>
<td>71.290</td>
<td>5.526</td>
<td>5.796</td>
<td>7.219</td>
<td>6.083</td>
<td>8.268</td>
<td>7.236</td>
<td>4.303</td>
<td>26.859</td>
</tr>
</tbody>
</table>


In the table above we show that the total number of enterprises that are active in the Republic of Macedonia in 2013 is
71,290. The Polog region with the number of 7236 represents 10.1% which is nevertheless smaller than the share in the overall population of 15%. If this figure is compared with the number of enterprises in the region of Pelagonia, then we will see that this is 1032 lower. Note that the number of enterprises with more than 250 employees is very small, only 7, that is three times smaller than the same number of enterprises in the Pelagonia region.

Based on the analysis we concluded that the largest number of enterprises correspond to the wholesale and retail trade (35.7%); followed by the processing industry (11.1%), transport and storage (8.5%), Professional, scientific and technical (8.2%), construction (6.1%), accommodation and food services (6.3%), health and social insurance (4.7%), etc. With a smaller percentage included defense sectors and public administration (0.4%), mining and quarrying (0.2%), electricity supply, gas, heating and air conditioning supply (0.2%), etc.

Source: Compiled by the author based on data from the Statistical Office of the Republic of Macedonia

The number of companies active in the region of Polog is not only small in number, but it structure itself is also small. Since the collapse of the former socialist system, no new large enterprises were created in this region. Those which survived the transition are a symbolic number, but their financial situation is weak. In the following we give an overview of the number of active enterprises operating in the region Pollog in a period of 2008-2013.

### Table 6

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>334</td>
<td>323</td>
<td>712</td>
<td>311</td>
<td>302</td>
<td>217</td>
</tr>
<tr>
<td>1-9</td>
<td>5,417</td>
<td>5,944</td>
<td>6,211</td>
<td>6,414</td>
<td>6,592</td>
<td>6,620</td>
</tr>
<tr>
<td>10-49</td>
<td>210</td>
<td>226</td>
<td>288</td>
<td>288</td>
<td>306</td>
<td>313</td>
</tr>
<tr>
<td>50-249</td>
<td>79</td>
<td>75</td>
<td>82</td>
<td>75</td>
<td>79</td>
<td>79</td>
</tr>
<tr>
<td>250+</td>
<td>10</td>
<td>9</td>
<td>7</td>
<td>6</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,050</td>
<td>6,577</td>
<td>7,280</td>
<td>7,100</td>
<td>7,285</td>
<td>7,236</td>
</tr>
</tbody>
</table>

Source: Compiled by the author based on data from the Statistical Office of the Republic of Macedonia

Data on active enterprises show that the largest percentage of employees are in companies with 1 to 9 employees with 91.48%; enterprises that conceal the number of employees with 2.99%; enterprises with 10 to 49 employees with 4.3%; enterprises with 50 to 249 with 1.09%; enterprises with over 250 employees with 0.096%. (www.stat.gov.mk).

The establishment of new enterprises during the year is important for the development of small business. The following table will show the number of newly registered enterprises in 2012.
Table 2. Number of enterprise creation by statistical regions, 2012

<table>
<thead>
<tr>
<th>Region</th>
<th>Total</th>
<th>Vardar Region</th>
<th>East Region</th>
<th>SW Region</th>
<th>Pelagonia Region</th>
<th>Polog Region</th>
<th>NE Region</th>
<th>Skopje Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Republic of MK</td>
<td>8,329</td>
<td>607</td>
<td>592</td>
<td>885</td>
<td>583</td>
<td>1000</td>
<td>834</td>
<td>535</td>
</tr>
<tr>
<td>Vardar Region</td>
<td>607</td>
<td>12.4</td>
<td>14.0</td>
<td>2.3</td>
<td>11.5</td>
<td>7.6</td>
<td>3.1</td>
<td>2.3</td>
</tr>
<tr>
<td>East Region</td>
<td>592</td>
<td>16.3</td>
<td>12.2</td>
<td>1.9</td>
<td>10.3</td>
<td>6.2</td>
<td>2.5</td>
<td>1.9</td>
</tr>
<tr>
<td>SW Region</td>
<td>885</td>
<td>15.8</td>
<td>10.6</td>
<td>1.7</td>
<td>8.3</td>
<td>6.0</td>
<td>3.2</td>
<td>1.7</td>
</tr>
<tr>
<td>Pelagonia Region</td>
<td>583</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Polog Region</td>
<td>1000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NE Region</td>
<td>834</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Skopje Region</td>
<td>535</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3,293</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** R. of Macedonia, State Statistical Office, Regions of the R. of Macedonia, 2014

According to the data from the State Statistical Office, the number of enterprise created in the Republic of Macedonia in 2012 was 8329. The data on the structure of enterprise creation by statistical regions show that the highest share of 39.5% belongs to the Skopje Region, while the Northeast Region had the lowest share of 6.4%.

This indicator also informs us that the number of firms registered in Polog region is smaller than that in the Pelagonia region. Given the number of people living in this region, the number of enterprises should be larger. In relation to this, the President of the Chamber of Commerce of North-Menderez Kuqi says: "All governments without exception have not taken concrete steps to help business development in this region. This is due to the inadequate policies in the past that have not paid a great attention to balanced regional development. Meaning that in Pollog important issues such as infrastructure, Corridor 8 and other investment policies have been neglected " (Koha, 2015).

Export together with foreign direct investment is one of the motor forces of economic development of a country. In the modern economy export is not the privilege of only large enterprises, SMEs today are increasingly aware that export not only generates significant revenue, but also ensures a better perspective for the future.

The following table gives an overview of exports of goods and services in Macedonia by region in a period of four years.

Table 2. Export in the period 2009-2013

<table>
<thead>
<tr>
<th>Year</th>
<th>Republic of MK</th>
<th>Vardar Region</th>
<th>East Region</th>
<th>SW Region</th>
<th>Pelagonia Region</th>
<th>Polog Region</th>
<th>NE Region</th>
<th>Skopje Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>100.0</td>
<td>12.4</td>
<td>14.0</td>
<td>2.3</td>
<td>11.5</td>
<td>7.6</td>
<td>3.1</td>
<td>2.3</td>
</tr>
<tr>
<td>2010</td>
<td>100.0</td>
<td>16.3</td>
<td>12.2</td>
<td>1.9</td>
<td>10.3</td>
<td>6.2</td>
<td>2.5</td>
<td>1.9</td>
</tr>
<tr>
<td>2011</td>
<td>100.0</td>
<td>15.8</td>
<td>10.6</td>
<td>1.7</td>
<td>8.3</td>
<td>6.0</td>
<td>3.2</td>
<td>1.7</td>
</tr>
<tr>
<td>2012</td>
<td>100.0</td>
<td>16.8</td>
<td>11.0</td>
<td>1.9</td>
<td>8.5</td>
<td>6.4</td>
<td>2.7</td>
<td>1.6</td>
</tr>
<tr>
<td>2013</td>
<td>100.0</td>
<td>15.0</td>
<td>10.7</td>
<td>2.1</td>
<td>9.3</td>
<td>7.4</td>
<td>3.7</td>
<td>1.6</td>
</tr>
</tbody>
</table>

**Source:** R. of Macedonia, State Statistical Office, Regions of the R. of Macedonia, 2014

According to the headquarters of the business entities, in 2013, the biggest exports (USD 2136 million) as well as the biggest imports (USD 4482 million) were registered in the Skopje Region. The business entities with headquarters in the Northeast Region had the lowest volume of external trade. The Polog region as a result of previous parameters normally has poor results. It accounts for only 3.7% (2013) of total exports which is not in proportion with the number of inhabitants. So the region with 15.3% of the overall population of the country, exports only 3.7% of the total exports. Whereas the Pelagonia region has two times that number and reaches 7.4% of the overall exports.

2.1 The overall evaluation of enterprise activity of the Albanians in Macedonia

According to economic theory, economic activities do not accept marginalization, regional restrictions, those national or religious. However, in everyday life in certain countries they not only appear as a phenomenon, but also becomes a necessity. When this phenomenon becomes common by the state, it must be considered as an economic discrimination. Such a thing we had in this country in the past, but it still remains in the present situation in Macedonia.

In Macedonia, according to ECNWM there are over 3200 (OEVPM, catalog, 2015) companies whose owners are of Albanian ethnicity. These entrepreneurs have operated since Macedonia's independence, but none of these, unlike other domestic, companies are owners of large enterprises whose activity is in the mining, metals, pharmaceutical, hospitals, insurance and bank industries. Only by the sacrifices made by them and their families, selfless work and great commitment to the work were they able to keep their businesses alive. The Government of Macedonia during the transition phase has not seen their business with good eyes, and there are numerous known occasions when it together...
companies have become accustomed to these conditions, but this will not reflect equally on foreign investors, as shocks in some neighboring countries which have not been immune to these conditions. In the local territory, our western part of the country has not yet seen such a function. Currently possesses five companies and is expected to gain another eleven by the end of the year. Despite this, the country inaugurates an industrial area in Vinica, a district with a population of pure Macedonian nationality, which is a geographic area where Macedonians live, free trade zones and industrial production is microscopic in the region of Macedonia only 2 or 3 of them are Albanian-owned enterprise. (OEM, 100 najgolemi pretприjata vo RM, 2014). A large percentage of firms owned by Albanians are either the small or medium sized. This is mostly small businesses in retail trade, manufacturing and in the services sector. But, unfortunately, these remain only on the margins and are nowhere near the dominant positions in the Macedonian market. On the occasion of the ten best companies for 2014 by ECNWM, the economy minister stated: ". . . the turnover of these 100 companies listed as the most successful, last year recorded 524 million Euros, which makes up 3% of total turnover in the country, which is 17 billion and 340 million Euros. In the meantime, the number of employees increased by 5600 and that in his opinion clearly proves the growth and development of these companies in the right direction " (http://www. economy. gov. mk/vesti/4381. html ). This fact suggests that the Albanians which participate nationally with 25. 8% of the population structure, generate general circulation in the country by a little more than 3%. 

Marginalization of Albanian business in the independent Macedonia started during the privatization of state property. In fact, the process of privatization of state enterprises began when Macedonia was part of the ex Yugoslavia and the so-called "Law of Markovic". The essence of this was that companies can be privatize only to employees of enterprises through internal stock, but not other individuals outside the enterprise. Very few state enterprise workers were Albanians. The percentage of Albanian employees in state enterprises was symbolic and did not exceed 3%. (A. Bexheti, 2004). This method of privatization did not suit the Albanian population, and it deprived them the right to share its social wealth which we had built together with other nations for nearly half a century. Manipulations and similar embezzlement behavior occurred even with new laws in Macedonia pluralistic and independent state, during which the "aerobics calculated and accounting, the financial engineering design through managerial forms and payment deadlines extended" (A. Bexheti, 2010). Albanians continued to remain out of the process of privatization of state enterprises also later when large and public enterprises were privatized. They were simple voyeurs, but not active actors in this crucial process for the economy and society in general. 

Presence of corruption is another segment which is quite damaging to the business of Albanians in Macedonia. Lack of Albanian representatives in key economic institutions of the country and the rule of law malfunction resulted in a more difficulty economic activity. So the entrepreneurs had many barriers in obtaining permits, certificates, or any other necessary documents. Permanently a number of state administration for someone creates favoritism and unequal conditions in the market. Rather surprisingly, this business has enough indications that it is not equal, even during the difficult and selective loanings by banks that operate in the country. The Government of Macedonia only in the last decade has severely damaged the Albanian business. They "have destroyed millions of Albanian owned businesses and severely damaged Albanian businessmen. All this is done by the government in order to have the media effect, as we had the occasion to listen to audio recordings which published SDSM leader Zoran Zaev. Following Almakos reminds us about the case of the collapsed facilities "Cosmos" in Skopje "Lovec" in Gostivar and "Chinese Wall" in Skopje, which is actually known as "Park Residence" (Almakos, March 2015).

The marginalization and discrimination of the Albanian business is not lacking in economic policies, even those of strategic Macedonia. So, for example delays in the construction of road transportation are made in the majority Albanians region, the regional development policy is not equal to the country as a whole, foreign direct investment are oriented in geographic areas where Macedonians live, free trade zones and industrial production is microscopic in the region of Western Macedonia, agriculture in this region has been neglected by bypassing the state and giving substitutional options, etc.

Today, as we are writing this paper, the media is broadcasting the current Prime Minister of the government of the country inaugurates an industrial area in Vinica, a district with a population of pure Macedonian nationality, which currently possesses five companies and is expected to gain another eleven by the end of the year. Despite this, the western part of the country has not yet seen such a function. "Any disturbance of this type has an impact on every state, namely on its economy. We have witnessed such shocks in some neighboring countries which have not been immune to these conditions. In the local territory, our companies have become accustomed to these conditions, but this will not reflect equally on foreign investors,
Unfortunately, the impact will be bad. I myself have had an actual meeting with an actual investor who wanted to invest in the free economic zone in Tetovo, but pulled out of the deal wanting to invest at a better time, which is a direct consequence of situation in the country, "says businessman Menderes Kuqi, the Chamber of Commerce of North Macedonia. (Aneta Dodevska, portalbe, March 2015).

3. Conclusion and Recommendation

An Albanian business which takes place in Macedonia since the independence of this country is not only marginalized, but it is damaged in various forms. While their colleagues receive support from the state and its institutions, they stumble to develop and expand the business.

On the basis of the above exposition we can conclude that the Albanians are not incidentally excluded from the economic participation, but they are systematically and structurally outside the economic system.

The marginalization of Albanian business has begun early in former Yugoslavia, but in independent Macedonia it began with the privatization of state enterprises. Privatization in Macedonia was conducted in one of the most bizarre and unfair forms. Shares of enterprises can buy them only a fraction of the population, i.e. those who were employed, also the most privileged. Exemption from this process continued until the final privatization, when managers and other leaders of enterprises robbed a common property that was set up together for decades.

The Albanian business in Macedonia, however, was built with many commitments and sacrifices during these years of transition. Although it faces many trials and obstacles, it nevertheless moves towards success and greater results. The conditions and circumstances in which Albanians lived in Macedonian forced them to deal with small business development early on.

Today Albanian business in Macedonia faces various problems. Albanian entrepreneurs are given alternatives by representatives of state bodies, bribes are asked for the registrations and documents. Giving bribes and corruption can hardly be defended in an enterprise. Political, economic and state strategy does not support the overall development of the country. The fact that the level of infrastructure and other economic prerequisites in the western part of the country is neglected, shows that entrepreneurs of this area are discriminated against.

Overcoming and improving this situation is in need as soon realized investments in road and rail infrastructure, which businesses will be more competitive in order to improve the business environment and the satisfaction of conditions as much local and foreign investors explore the possibility of investment, which would be realized half of business application.

Prevention of this economic discrimination that you become Albanians can be done if: first and foremost function rule of law and is the same for all its citizens, the union of Albanian political class to important national issues, employment of new staff and the capable and professionals in all important places in government, membership into Euro-Atlantic structures, etc.

Pollog region has never missed private initiative and entrepreneurial spirit, but lacked a greater institutional support and state to businessmen from this area. Residents of this area have entrepreneurial spirit and private initiatives. They are known as good entrepreneurs, have long tradition, but in comparison with the effect of this action policymakers must respond to the economic policy.

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Antioxidant Activity of some Nutraceuticals Based on Romanian Black and Red Fruits Mixed Extracts

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Rodica Sirbu
Bogdan-Ștefan Negreanu-Pîrjol

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Abstract

With content rich in polyphenols, carotenoids vitamins, minerals and many other bioactive compounds, fruits extracts from Morus nigra L. – black mulberry (blackberry) from Moraceae family, Cerasus avium (syn. Prunus avium) Moench. - bitter cherry from Rosaceae family, Cornus mas L. – cornelian cherry from Comaceae family, may be useful as a supplementary treatment and especially in preventing many diseases which arise from action of oxidative stress. The aim of this paper is to obtain selected syrups with an increased antioxidant activity based on a mixture of fluids extracts from Morus nigra L. , Cerasus avium (syn. Prunus avium) Moench. and Cornus mas L. indigenous Romanian fruits. Fluid extracts were obtained using different extraction methods (maceration, reflux) and solvents (ethylic alcohol 40% and 70%). The obtained fluid extracts were mixed in different molar ratio and analysed for their physical-chemical properties, total polyphenols assay (Folin–Ciocalteu assay) and total antioxidative capacity by photochemiluminescence method (ACL, Analytik Jena AG procedure). The selected mixed fluid extracts with greatest content of polyphenols and antioxidant activity were used for syrups obtaining. The new obtained syrups were analysed for their physical-chemical properties (appearance, pH and relative density), polyphenols content and total antioxidative capacity. Preliminary results emphasize that syrups with highest antioxidant activity correlated with the polyphenols content would represent a possible new stimulating nutraceuticals that could be used in oxidative stress associated to different diseases.

Keywords: nutraceutical, black and red fruits, antioxidant activity

1. Introduction

Numerous studies have proven that vegetal compounds originated from plants or fruits possess a high spectrum of biological activity. However, polyphenolic extracts (e. g. flavonoids, anthocyanin, tannins etc. ), despite having excellent in vitro bioactivity, demonstrate less or no in vivo actions due to their improper molecular size, resulting in a poor absorption and bioavailability. Moreover, the efficacy of natural polyphenols depends on preserving the stability, bioactivity and bioavailability of the active compounds. Up to now, the development of pharmaceutical formulations has remained restricted to individual chemical drugs, even the properties obtained by using an optimal mixture of bio-active compounds could be strongly influenced by synergism appeared in the system [1 – 5]. With content rich in vitamins, minerals, polyphenols, carotenoids and many other compounds, extracts from Morus nigra L. , Cerasus avium (syn. Prunus avium) Moench. and Cornus mas L. fruits, may be useful as an adjunct in the treatment and especially in preventing many diseases which arise from action of oxidative stress. Morus nigra L. , Cerasus avium (syn. Prunus avium) Moench. and Cornus mas L. fruits, as different vegetable products are often used in folk medicine most due to their content in polyphenolic acids with great antioxidative capacity mainly useful in anti – inflammatory diseases, hypoglycemic activities, tonic action due to their synergistic action [6 -8].

Cerasus avium (Moench. ), bitter cherry, contains a variety of active principles, flavonoids, saponosids, carotenoids, terpinoids, volatils oils, with different farmacological actions - healing, emollient, antiinflammatory, antibacterial. The Cerasus avium fruits contain fibers, water, antocyanins, vitamins (nicotinamide, pantotenic acid, piridoxine, riboflavin, tiamine, small amounts of biotine, folic acid, C, E vitamin, caroten, minerals, oligoelements (zinc copper, manganese, cobalt), fluorine, glucids pectins, proteins, lipids and tannins [9, 10]. Organic acids are represented
by malic acid, citric acid, clorogenic acid, ferrulic acid, caffeic acid, p-cumaric acid and oxalic acid [10]. Due to its flavonoid, C and E vitamins, oligoelements content, known for their antioxidant activity, the raw material expressed as Cerasus avium fruits will be studied to establish its antioxidative capacity and therapeutically potential related to this [9, 11].

Morus nigra (L.), black mulberry, has been used in popular medicine as an analgesic, diuretic, antitussive, sedative, anxiolytic and hypotensive, in addition to its uses in the treatment of a variety of ailments, including inflammatory disorders. There are many studies involving the chemical composition and evaluation of biological and pharmacological properties of Morus nigra. This genus contains a variety of phenols compounds including flavonoids, and a variety of Diels-Alder adduct compounds. Recent investigations revealed that the fruits and leaves of mulberry plants contained many bioactive components, such as alkaloids, anthocyanins, and isoprenylated flavonoids stilbenes, 2-arylbenzopyrans, coumarins, chromones, xanthones [12]. Black mulberry fruits are rich in alkaloid components including 1-deoxynojirimycin, which is known as one of the most potent glycosidase inhibitors that decreases blood sugar levels [13, 14].

Cornus mas (L.), cornelian cherry, present a medium biomass which vary between 5 and 7g (depends on varieties), representing a significant source for food industry, because of active principles content, being used in juices production. The fresh fruits consumed in small quantities are recommended because of increased intake of minerals and active principles, tonic and refreshing action; the sugar content vary depending on varieties – the average is between 7,5% and 14%. If the fruits are consumed in big quantities, may occur some unpleasant adverse digestive, nausea, intestinal fermentation [15 - 18].

The aim of this paper is to obtain selected nutraceuticals type syrups with increased antioxidant activity based on a mixture of fluid extracts from Morus nigra L. , Cerasus avium (syn. Prunus avium) Moench. and Cornus mas L. fresh fruits, indigene species. Fluid extracts were obtained using two extraction methods, maceration and refluxing, in solvents (ethyl alcohol 40% and 70% concentrations) [19]. The obtained hidroalcoholic extracts were mixed in different ratio and analysed for their physico-chemical properties, polyphenols assay (Folin–Ciocalteu, HPLC assay) [20, 21] and antioxidative capacity by photochemiluminescence method (ACL, Analytik Jena AG procedure) [22, 23]. The obtained results emphasize that syrups with highest antioxidant activity correlated with the polyphenols content would represent a possible new nutritional supplements used in associated oxidative stress dysfunctions.

2. Material and Methods

2.1 Syrups obtaining and analyzing methods

For the fluid extracts obtaining were selected the follows raw material: Cornus mas L. , cornelian cherry fresh fruits (note C), Morus nigra L. , black mulberry fresh fruits (note M), Cerasus avium Moench. , bitter cherry fresh fruits (note C).

The methods used for fluid extracts obtaining were maceration in solvent (fresh vegetal product: ethyl alcohol 40%, respectively fresh vegetal product: ethyl alcohol 70% in 1: 10 ratio), stir and allow soaking in the dark for 10 days in a constant temperature and stirred periodically and respectively refluxing in ethyl alcohol for 2h of fresh vegetal product. After 10 days, the extract was filtered, brought to a concentration of 10% with a 100 mL volumetric flask and stored at 4°C. Fluid vegetal extracts assay were pH, relative density and total phenols compounds by Folin Ciocalteu method. Syrups codification and preparation method based on CMC fluid extracts mixture is presented in Tables I – II:

Table I. Samples codification

<table>
<thead>
<tr>
<th>Syrup Code</th>
<th>Content in C: M: C fluid extracts mixture / extract preparation method</th>
</tr>
</thead>
<tbody>
<tr>
<td>S1</td>
<td>C: M: C (1: 1: 1) ratio / maceration in 40% alcohol</td>
</tr>
<tr>
<td>S2</td>
<td>C: M: C (2.5: 1: 1) ratio / maceration in 70% alcohol</td>
</tr>
<tr>
<td>S3</td>
<td>C: M: C (1: 1: 2.5) ratio / reflux in 40% alcohol</td>
</tr>
<tr>
<td>S4</td>
<td>C: M: C (1: 2.5: 1) ratio / reflux in 70 % alcohol</td>
</tr>
<tr>
<td>S5</td>
<td>C: M: C (1: 1: 1) ratio / maceration in 70% alcohol</td>
</tr>
</tbody>
</table>
Table II. Syrups formula based on CMC fluid extracts (S1 – S5)

<table>
<thead>
<tr>
<th>Ingredients</th>
<th>Quantities (g) Syrups S1 - S4</th>
<th>Quantities (g) Syrup S5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simple syrup 64%</td>
<td>55</td>
<td>-</td>
</tr>
<tr>
<td>Glycerol</td>
<td>15</td>
<td>-</td>
</tr>
<tr>
<td>Sodium carboxymethylcellulose</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Saccharinummatricum</td>
<td>-</td>
<td>0.2</td>
</tr>
<tr>
<td>C: M: C fluid extracts (1: 1: 1) ratio</td>
<td>30</td>
<td>5</td>
</tr>
<tr>
<td>C: M: C fluid extracts (2.5: 1: 1) ratio</td>
<td>30</td>
<td>-</td>
</tr>
<tr>
<td>C: M: C fluid extracts (1: 1: 2.5) ratio</td>
<td>30</td>
<td>-</td>
</tr>
<tr>
<td>C: M: C fluid extracts (1: 2.5: 1) ratio</td>
<td>30</td>
<td>-</td>
</tr>
<tr>
<td>C: M: C fluid extracts (1: 2: 5: 1) ratio</td>
<td>30</td>
<td>-</td>
</tr>
<tr>
<td>Preservative solution ad.</td>
<td>-</td>
<td>100</td>
</tr>
</tbody>
</table>

The control tests for syrups based on CMC fluid extracts quality were: appearance, pH, relative density, initial and after 30 days of obtaining.

2.2 HPLC phenolic compounds assay from syrups based on CMC fluid extracts mixture

For HPLC analysis, the working solution based on syrups S1 – S5, were obtained from 0.5 g sample diluted with 5 mL methyl alcohol. For the separation, identification and quantification of phenols compounds an adapted standardized HPLC method for total polyphenols determination described by USP 30-NF25 monograph was used.

Apparatus used: HPLC Agilent 1200 quaternary pump, DAD, thermostat, degassing system, autosampler.

Conditions: C18 type chromatographic column, 250 mm 4.6 mm; 5 mm (Zorbax XDB or equivalent); Mobile phase: solution A - 0.1% phosphoric acid, solution B - acetonitrile; Gradient elution is presented in Table III; Temperature: 35°C; Flow rate: 1.5 mL/min; detection: UV - 310 nm; Injection volume: 20; Analysis time: 22 minutes; Reference substances (70% solution in methanol): E-resveratrol = 37 mg / mL, Z - resveratrol = 0.22 mg / mL (obtained by the solution of trans-resveratrol from UV radiation $\lambda = 254$ nm for 12 h) acid, caffeic = 0.36 mg / mL, chlorogenic acid = 0.37 mg / mL, cinnamic acid = 0.58 mg / mL, vanillin 0.42 mg / mL = 0.39 mg gallic acid / mL, ferulic acid = 0.50 mg / mL, the reference substances were injected 6 times (20 µL).

Table III. HPLC - gradient elution

<table>
<thead>
<tr>
<th>No.</th>
<th>Time, min.</th>
<th>Solution A, %</th>
<th>Solution B, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-13</td>
<td>90</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>78</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>78</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>60</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>60</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>17,5</td>
<td>90</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>90</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

Retention times corresponding to reference substances are presented in Table IV. To simplify measurements worked their mixture.

Table IV. Retention time for phenolic compounds (reference substances)

<table>
<thead>
<tr>
<th>No.</th>
<th>Phenolic compound</th>
<th>Retention time ± SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>gallic acid</td>
<td>0.990 ± 0.025</td>
</tr>
<tr>
<td>2.</td>
<td>3-methyl gallic acid</td>
<td>2.606 ± 0.008</td>
</tr>
<tr>
<td>3.</td>
<td>chlorogenic acid</td>
<td>3.501 ± 0.015</td>
</tr>
<tr>
<td>4.</td>
<td>caffeic acid</td>
<td>4.598 ± 0.036</td>
</tr>
<tr>
<td>5.</td>
<td>vaniline</td>
<td>6.919 ± 0.051</td>
</tr>
<tr>
<td>6.</td>
<td>p-coumaric acid</td>
<td>7.187 ± 0.019</td>
</tr>
<tr>
<td>7.</td>
<td>ferulic acid</td>
<td>8.565 ± 0.058</td>
</tr>
<tr>
<td>8.</td>
<td>E-resveratrol</td>
<td>14.467 ± 0.017</td>
</tr>
<tr>
<td>9.</td>
<td>ellagic acid</td>
<td>15.303 ± 0.027</td>
</tr>
<tr>
<td>10.</td>
<td>Z-resveratrol</td>
<td>15.751 ± 0.058</td>
</tr>
<tr>
<td>11.</td>
<td>cinammic acid</td>
<td>15.867 ± 0.007</td>
</tr>
</tbody>
</table>
Identification and quantitative determination of the active principles of the test solution was performed by comparing chromatograms of standard mixture and the analyzed solution (Fig. 1).

Fig. 1. HPLC chromatogram of the standards mixture

The reproducibility of the method was determined by the square of correlation coefficients (Table V).

Table V. Square of the correlation coefficient of the calibration curves

<table>
<thead>
<tr>
<th>No.</th>
<th>Phenolic compound</th>
<th>r²</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>trans resveratrol</td>
<td>0.99965</td>
</tr>
<tr>
<td>2.</td>
<td>cis resveratrol</td>
<td>0.99729</td>
</tr>
<tr>
<td>3.</td>
<td>chlorogenic acid</td>
<td>0.99999</td>
</tr>
<tr>
<td>4.</td>
<td>caffeic acid</td>
<td>0.99619</td>
</tr>
<tr>
<td>5.</td>
<td>cinamnic acid</td>
<td>0.99845</td>
</tr>
<tr>
<td>6.</td>
<td>vanilin</td>
<td>0.99691</td>
</tr>
<tr>
<td>7.</td>
<td>galic acid</td>
<td>0.99537</td>
</tr>
<tr>
<td>8.</td>
<td>ferulic acid</td>
<td>0.99863</td>
</tr>
<tr>
<td>9.</td>
<td>ellagic acid</td>
<td>0.99885</td>
</tr>
<tr>
<td>10.</td>
<td>p - coumaric acid</td>
<td>0.99798</td>
</tr>
<tr>
<td>11.</td>
<td>3 - methyl galic acid</td>
<td>0.99563</td>
</tr>
</tbody>
</table>

2.3 Antioxidative activity by photochemiluminescence method

Apparatus used: photochemiluminometer Photochem, Analytik Jena AG, Germany.

Sample preparations for stock solution: 5 g of syrups S1 – S5 based on CMC fluid extracts were diluted with 5 mL methyl alcohol p. a. (Reagent 1 of Analytik Jena procedure). From each syrup stock solution, were taken 5 µL, respectively 10 µL working volume, according with Antioxidative Capacity in Lipid-soluble substances (ACL) procedure of Analytik Jena AG.

The total antioxidative capacity of the samples were quantified by comparison with the standard substance Trolox (6-hydroxy-2,5,7,8-tetramethylchroman-2-carboxylic acid) vitamin E derivative and is given in Trolox equivalent antioxidant activity (TEAC). Due to the difficulties in measuring individual antioxidant components of a complex vegetal mixture, Trolox equivalency (nmol/sample) is used as a benchmark for the antioxidant capacity of such a mixture. Calibration curve of Trolox standard is presented in Fig. 2.
3. Results And Discussions

The values of the determined parameters did not significantly modified, proving a good compatibility between the selected formula and CMC fluid extracts (Table VI).

HPLC assay results syrups S1 – S5 based on CMC fluid extracts are presented in figures 3 - 7 and polyphenolic compounds (PC) quantification is presented in Table VII.

Table VI. CMC fluid extracts quality control results

<table>
<thead>
<tr>
<th>Fluid extract type</th>
<th>pH</th>
<th>Relative density</th>
<th>Folin Ciocalteu assay, mg/100 g vegetal product</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>4.65 – 5.0</td>
<td>0.9423 – 1.058</td>
<td>671.23</td>
</tr>
<tr>
<td>M</td>
<td>5.24 -5.51</td>
<td>1.011- 1.0253</td>
<td>560.68</td>
</tr>
<tr>
<td>C</td>
<td>5.35 – 5.69</td>
<td>1.0023 – 1.0321</td>
<td>384.70</td>
</tr>
</tbody>
</table>

Table VII. Physical–chemical results for syrups based on CMC fluid extracts

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Syrups (S1 – S4)</th>
<th>Syrup S5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appearance</td>
<td>Clear liquid, viscous, brownish color, sweet taste, characteristic smell</td>
<td>Clear liquid, slightly viscous, brown color, characteristic smell</td>
</tr>
<tr>
<td>pH</td>
<td>5.6 – 6.2</td>
<td>5.5 – 6.00</td>
</tr>
<tr>
<td>Relative density</td>
<td>1.2443 – 1.259</td>
<td>1.037</td>
</tr>
</tbody>
</table>
Fig. 5. Syrup 3 - HPLC analysis

Fig. 6. Syrup 4 - HPLC analysis

Fig. 7. Syrup 5 - HPLC analysis

**Table VIII.** Polyphenols compounds of syrups S1 – S5 by HPLC quantification [mg/ 100 g vegetal product] ± SD

<table>
<thead>
<tr>
<th>Syrup type</th>
<th>Caffeic acid / SD</th>
<th>p-coumaric acid / SD</th>
<th>Cinnamic acid / SD</th>
<th>3-methyl gallic acid / SD</th>
<th>chlorogenic acid / SD</th>
<th>Gallic acid / SD</th>
<th>Ellagic acid / SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>S1</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
<td>51.4857</td>
<td>1.1850</td>
</tr>
<tr>
<td>S2</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
<td>19.6796</td>
<td>1.2566</td>
</tr>
<tr>
<td>S3</td>
<td>0.1555</td>
<td>0.0040</td>
<td>0.2430</td>
<td>0.0023</td>
<td>4.5555</td>
<td>23.3022</td>
<td>1.6880</td>
</tr>
<tr>
<td>S4</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
<td>2.7460</td>
<td>12.0663</td>
<td>1.6357</td>
</tr>
<tr>
<td>S5</td>
<td>0.2691</td>
<td>0.0145</td>
<td>0.0000</td>
<td>0.0000</td>
<td>7.2961</td>
<td>13.1290</td>
<td>1.6431</td>
</tr>
</tbody>
</table>

The obtained results (Table VIII) emphasize the presence of the follows polyphenols compounds:
- caffeic acid present in S3 - S5
- p-coumaric acid present in S3
- cinnamic acid present in S3 – S5
- gallic acid present in S1 - S5
- ellagic acid present in S1 – S5

In all syrups, gallic acid and ellagic acids were present in high concentration; small amounts of other acids were quantified.

3.1 Total antioxidative capacity results for syrups S1 - S5 based on CMC fluid extracts mixture

The obtained results regarding the total antioxidative capacity of CMC fluid extracts separately and syrups S1– S5 based on CMC fluid extracts mixture (stock solutions), are presented in Table IX, as average of two registered values for each sample.
Table IX. Total antioxidative capacity for CMC fluid extracts and syrups S1–S5 based on CMC mixture

<table>
<thead>
<tr>
<th>No.</th>
<th>Sample type</th>
<th>Working volume sample (μL)</th>
<th>Inhibition Max. value</th>
<th>Quantity (TEAC) (nmol equiv. Trolox/volume sample)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>cornelian cherry extract (C)</td>
<td>5</td>
<td>0.643</td>
<td>3.729</td>
</tr>
<tr>
<td>2</td>
<td>black mulberry extract (M)</td>
<td>5</td>
<td>0.506</td>
<td>2.732</td>
</tr>
<tr>
<td>3</td>
<td>bitter cherry extract (C)</td>
<td>5</td>
<td>0.629</td>
<td>3.415</td>
</tr>
<tr>
<td>4</td>
<td>Syrup 1</td>
<td>5</td>
<td>0.161</td>
<td>0.650</td>
</tr>
<tr>
<td>5</td>
<td>Syrup 1</td>
<td>10</td>
<td>0.430</td>
<td>3.270</td>
</tr>
<tr>
<td>6</td>
<td>Syrup 2</td>
<td>5</td>
<td>0.331</td>
<td>1.888</td>
</tr>
<tr>
<td>7</td>
<td>Syrup 2</td>
<td>10</td>
<td>0.435</td>
<td>3.372</td>
</tr>
<tr>
<td>8</td>
<td>Syrup 3</td>
<td>5</td>
<td>0.297</td>
<td>1.573</td>
</tr>
<tr>
<td>9</td>
<td>Syrup 3</td>
<td>10</td>
<td>0.489</td>
<td>4.628</td>
</tr>
<tr>
<td>10</td>
<td>Syrup 4</td>
<td>5</td>
<td>0.443</td>
<td>3.518</td>
</tr>
<tr>
<td>11</td>
<td>Syrup 4</td>
<td>10</td>
<td>0.547</td>
<td>6.501</td>
</tr>
<tr>
<td>12</td>
<td>Syrup 5</td>
<td>5</td>
<td>0.503</td>
<td>5.064</td>
</tr>
<tr>
<td>13</td>
<td>Syrup 5</td>
<td>10</td>
<td>0.504</td>
<td>5.823</td>
</tr>
</tbody>
</table>

- at working volume sample (5 μL) according to the procedure, it was observed a low TEAC for all the analyzed samples, with values between 0.650 – 5.064 nmol equiv. Trolox / volume sample.
- the most decreased total antioxidative capacity for sample Syrup 1 (0.650 nmol equiv. Trolox / volume sample), was registered.
- at working solution volume (10 μL) according to the procedure, it was observed a high TEAC for all the analyzed samples, between 3.270 – 6.501 nmol equiv. Trolox / volume sample.
- at working solution volumes 5 and 10 μL according to the procedure total antioxidative capacity, for Syrup 5, very close values were registered (5.064 nmol equiv. Trolox / 5 μL volume sample and 5.823 nmol equiv. Trolox / 10 μL volume sample).
- the most increased total antioxidative capacity for sample Syrup 4 (6.501 nmol equiv. Trolox / 10 μL volume sample), was registered.

4. Conclusions

- the new phytopharmaceuticals type syrups based on CMC fluid extracts after obtaining, did not have quality parameters modifications during 30 days of observation;
- syrups based on CMC fluid extracts contain most of the important polyphenols compounds, especially gallic acid and ellagic acids present in all analyzed samples;
- the vegetal fluid extracts present a decreased antioxidant activity compared with the one of the new syrups at the same working volume;
- the increased total antioxidative capacity for Syrup 4 (6.501 nmol equiv. Trolox / 10 μL volume sample) and Syrup 5 (5.823 nmol equiv. Trolox / 10 μL volume sample) was registered;
- CMC fluids extracts used for obtaining Syrup 4 and Syrup 5 were extracted under maceration and refluxing with alcohol 70%, mixed in 1:2.5:1 CMC ratio;
- for Syrup 5, a syrup based on sodium carboxymethylcellulose, the big value for total antioxidative capacity is correlated with a rich polyphenolic content (caffeic, cinammic, gallic and ellagic acids), in this case, nature of base used for syrups obtaining (sucrose, sodium carboxymethylcellulose) interfered with antioxidative capacity;
- the new obtained syrups in variants S4 and S5, could be used for their antioxidative potential as a possible new nutritional supplements in associated oxidative stress dysfunctions.

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The Role and Position of the Soldier in the New Democratic Societies the Case of Kosovo

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Abstract

The world before has never changed in such a short time like it did in the ending of the last millennium and beginning of the new one. Especially important in this period of time was the fall of the USSR and Yugoslavia from which compounds new countries were established. Even The Republic of Kosovo is a result of this process, although its expensive cost of independence. The resurrection and the construction of the new state, was and continues to an oscillation in the sound of the state building. Within those sounds is also the building of Kosovo Armed Forces of the Republic of Kosovo. The basic basis of the army as a social institution are soldiers and key principles like: unity, strong rules and disciplines. The commitment of the citizen in the army automatically changes its position and role to society itself. The soldier's role as an inseparable part of society in the Republic of Kosovo was to be a liberator, be reconstructive, and finally defending the country while preparing himself for the mission of peace and security guards in its own state and also regional and global stability.

Keywords: Role, soldier, society, security, principles

1. Incoming

The late swung and shake of the milenium we left behind, through difficult processes, to enter a new world order, beside others brought also new countries out. Offspring of this swung is also the newest country in the world, now recognized from over 100 sovereign status known on the globe map, is the Republic of Kosovo.

Kosovo's journey through this process was quite expensive. Serbia knew clearly that the process towards a new order, can not be stopped, and tried to take as much territory and extend its state borders to the detriment of former neighbors until that time, causing wars with tragic proportions where hundred of thousand people lost their lives.

In the former Socialist Federal Republic of Yugoslavia, Kosovo's status has been almost equivalent to that of republics under its Constitution, year 1974. This situation changed in mid-1989, under the leadership of Milosevic, when Serbia announced a new constitution which illegally abolished Kosovo's status as an autonomous province in Yugoslavia. 1 The unprecedented violation of basic human rights of Kosovo Albanians under the constitution (which lasted for a decade row), forced the leader of the majority in Kosovo Albanians, to counter in 1991 by organizing a referendum, which declared Kosovo independent.

After a decade of systematic violence exerted against the Albanian majority from the police and military machinery of Serbia, Kosovo created the Kosovo Liberation Army (KLA) as a popular mobilization for the liberation of Kosovo. The Serbian strategy was that by implementing the secret plan "Horseshoe (al-Patkoj)" drafted earlier by Milosevic's generals, to begin emptying the territory from indigenous Albanians and settle a Serbian territory in it. 2 The purpose of Serbian politics was impeding the return of the population in their lands. 3

Republic of Kosovo had to pay dearly for the liberation from a regime with such cravings.

Over ten thousand Albanians were killed, (of which approximately three thousand are still considered missing), nearly 800,000 Albanians were forced to flee their homes in Kosovo during this period and tens of thousands of homes were burned and destroyed. 4 The extinction of the tendentious brutal cravings was accomplished with the birth of the Kosovo Liberation Army, which emerged from among the people and said enough to the fascist regime and later on also

2 Stoessinger, John G., Përse Kombet Shkojnë në Luftë, Instituti i Studimeve Ndërkombëtare, Tirana, 2007, f.q. 154
3 Malcolm, Noel, Kosova një histori e shkurtër, Koha & Shëtia e lirnt Prishtinë, Tirë 2001, f.q.xxx
4 http://www.mfa-ks.net/?page=1,121
the international military intervention after the failure of numerous peaceful attempts, with a three-month campaign from air forces-NATO North Atlantic alliance, that forced Serbia to withdraw from Kosovo.

2. The Role and Position of the Kosovar Soldier, in the Yugoslav Society

Yugoslavia was a federal state with a socialist system of governance. Since the establishment the state was under the full authority of the Communist Party of Yugoslavia, later on came the League of Communists of Yugoslavia which was led from 1939-1980 by Josip Broz Tito, who took all important state decisions. Its army, which was initially named the Yugoslav Army and in 1953 the Yugoslav People's Army, was under strict control of the party, and had a special position in the political system, which came to light during the dissolution of the state. The Yugoslav People's Army proclaimed to be an organization that was equally represented by all the people of Yugoslavia, but in reality it was dominated by the Serbian cadres. The representation of Albanians as military cadres or military officers, was smaller than proportional. It was also found in literature data that it was consisted up to 80% of Serbian staff. Servicing in the Yugoslav People's Army was mandatory. The Kosovar soldier especially he who had an Albanian nationality, who was obliged and forced to serve the military service in the former Yugoslav People's Army, has always been, and especially since 1991, in a very unfavorable position than the soldiers who belonged to other nations who also served there. He was in a very unfair position, that sometimes was even life threatening. Kosovar-Albanian soldier always after he recruited, he was appointed to service far from his family, in units with severe specialities (infantry, hill and mountain units, heavy artillery . . ) in the barracks with the most weak conditions and an inappropriate staff. Frequently he had to perform all the physical works that were required, within and outside the barracks where he served. These barracks in a military jargon were called “the punishing” barracks. It happened very rarely that a Kosovo Albanian draftee would be assigned to an better specialty and advanced such as communications, aviation, military medicine etc. The Albanian soldier was always followed by various mechanisms installed by the intelligence services and commands in the barracks where he was serving. He was labeled as inappropriate, dangerous and he should always be kept under surveillance and control. He was constantly being questioned by the intelligence organs and also tortured in their offices during nights. It was expected from the Albanian soldiers to convey and talk to each other and then to provide informations to these services (to spy on each other). All those who refused to do such a thing, were abused in various ways, transferred into other units, imprisoned, and many were also returned to their families in coffins from the service. And in that case the families were told that their son committed suicide.

Many of these can be read in books: Shaban Braha "The great Serb genocide and the Albanian resistance (1844-1990)", Publishing House "Lumi-T", Gjakova, 1991; and original documents Mr. Baliu Begzat, which are stored in the archive of Kosovo. Unfortunately these painful cases are still unclear today.

3. The Role and Position of Kosovan Soldier in the Liberation of the Country, Aiming for a State and a Liberal Democracy

"I refrain to the experience that war does not solve anything. However, sometimes it is necessary and nothing else remains (. . .)" Günter Grass

Kosovo Liberation Army was established in extraordinary circumstances, from the boys and girls of Kosovo that were forced to become soldiers to protect home and family from a total destruction which was systematically practiced by a tremendous brutal and repressive power of a regime of a “weekend” federation, that was announced by the remains of the former Yugoslavia in 1992. This federation created from Serbia and Montenegro lived until 2006 and was named the third Yugoslavia. Kosovo was not included in the framework of the Conference of Dayton. Asked why Kosovo...
was not invited to this conference, senior US representative Mr. Rossi responded that "in the conference are invited those who have fought, Kosovo did not fight therefor it was not invited". In that time and circumstances, the international community was not located and harmonized, nor was there any concrete plans regarding the situations that will arise after the conference in South Eastern Europe. All European Union countries knew that Serbia under Milosevic’s leadership was a source of grave abuses of human rights in Kosovo, also knew that the conflict was very destabilizing for Europe, however, failed to take a collective decision to deploy a decisive military force to remove Slobodan Milosevic from his power, heading so to the heart of the problem.

The slow treatment of the situation encouraged Milosevic to begin realizing his plans with the police and military to expand their territory through harsh attacks on all forms and all possible tools, through the villages of Kosovo, beating, torturing, persecuting, killing and slaughtering in the most cruel forms the citizens of those towns, also eliminating entire families, with the aim of introducing the horror to the Kosovo population, causing the indigenous people to leave their lands.

Yugoslav Army forces attacked with artillery shells the house of Adem Jashari, in Prekaz. At the end of the day the house was turned into a stones pile, dead bodies and blood.

Prekaz massacre was the culmination of all patience, people were mobilized and came out in defense of the homeland. Thus, the Kosovo citizen from the position of a man who should have lived free in his society, thinking about his future and the family, was forced just because of the "Yugoslav" society in which he lived at the time, to leave his family, work, education, the environment and become a soldier, and a fighter against that society, because he had to protect the family from extinction and create a safe environment to live in a new society, in a new country with democratic values that were completely the opposite from those that belonged to the last society.

The role and position of citizen soldier, during the liberation war was appalling but also a strong base of the freedom and independence of Kosovo that the society enjoys today, and which came as a result of the decisions of the soldier at a difficult time putting their lives at the doors of death for freedom.

"Everything in war is very simple but the simplest thing is difficult . . . "
-Carl von Clausewitz

4. The Role and Position of the Soldier in the Reconstruction of the Country

Kosovo was liberated thanks to the just war of the Kosovo Liberation Army and the great assistance of the North-Atlantic Alliance. Besides the human victims, the war left behind also colossal devastation on materials in the territory of Kosovo including all sectors of life (housing, road infrastructure, energy, water, schools, clinics). Most people were outside the country, expelled and fled from the horror that the country went through.

The role of the liberators was coming to an end, and so was also the Kosovo Liberation Army mission.

The future of the position and role of the soldier after the war in Kosovo was undefined. The citizen soldier was now in front of a new challenge, interwoven into its junction for further guidance. As a fighter for freedom, who contributed to the liberation of the country he saw himself a part of the military or any other institution that would come from the transformation of the KLA, which came from the international agreements.

The international community through the implanted administration with the Resolution 1244 of the UN had its own plans in Kosovo that did not fairly fit with the prediction of the Kosovar soldier.

Today's soldier, yesterday’s citizen, was located in a very unclear tomorrow. About 70% of liberation soldiers had no place in the troop which was established through laborious negotiations of temporary leaders of the national and international representatives. They remained at the mercy of developments.
As shown in the IOM report, the interest of former KLA members to be part of the Kosovo Protection Corps was extremely large. The small number of freedom soldiers who remained in the created troop called the Kosovo Protection Corps based on its mission were called members of the troop and not soldiers.

Although there was no military mission, the Corps was organized in a very functional structure, very similar to military structures, it was an uniformed corps, which had rules and principles, command hierarchy from the top until down and soon achieved to be the most respected institution for Kosovo's new society but also for the international presence in Kosovo.

Soldiers of yesterday now members of the Kosovo Protection Corps, changed their role in the new society. They became from liberators to the biggest helpers of the people in rebuilding the country, clearing the territory of mines and other explosive tools and raised awareness on the people of their danger, by offering medical services even in remote villages and protecting all people of Kosovo regardless of ethnicity, color, religion, from all the disasters that could occur.

Yesterday’s Liberation Army soldiers, members of the Protection Corps now, proved that they fought for an all popular freedom and a multi-ethnic democratic society. They were also the first institution which in the framework of standards to UN Special Representative for Kosovo, filled the standard number VIII that was dedicated to this troop. Kosovo Protection Corps are the first institution which integrated all national minorities in Kosovo in its structure.

During the nine years of existence of this troop, also by thanking the right understanding of the mission by its members, has built houses, roads, bridges, schools, clinics, and firefighting objects.

The members of this troop have cleared tens of thousands of square kilometres of the territory of Kosovo from mines and unexploded tools. The troop has received numerous gratitude and praises for its work and commitment from the international and local officials, and it also has been positively valued on the report of the Special Envoy of the UN Security Council’s. This troupe worked closely with the international factor in Kosovo, from which it was guided, supervised and financed, especially with KFOR.

Members of the force were trained and specialized home and abroad, and sometime later became the core of the institution that emerged later, called Kosovo Security Force. Kosovo Protection Corps were disbanded on 20 January 2009.

5. The Role and Position of the Soldier in the Independent State

Nearly a decade after the war, the country had progressed in the formation of conditions for self-government. In cooperation with the international community, and its strategic friends, on 17. 02. 2008 Kosovo declared its independence.

Kosovo’s declaration of independence marked a historic step in the life of this country, and the beginning of the way of construction and consolidation of the democracy that was also desired by all Kosovars.

This important act coincided with the proposal for a new security architecture in Kosovo based on the plan of UN Special Envoy for Kosovo’s Status known as the Ahtisaari Plan.

Under this plan on 20th January 2009 the Kosovo Protection Corps were disbanded, and at midnight of the same day the mandate is submitted to the newly formed Kosovo Security Force.

This plan, besides others said: "... In Kosovo should be a new Security Force (KSF) built, which must be professional and multi-ethnic, lightly armed and that has no heavy weapons, ... with no more than 2,500 active and 800 reserve members."

Extinction of the Kosovo Protection Corps, KPC and building of the Kosovo Security Force, KSF, were a parallel
process and also the next big challenge for the soldiers of freedom. It was a painful process.

In the Kosovo Security Force passed 50%, or about 1,400 former members of the KPC. 26 This caused dissatisfaction to the large remaining part outside the structures of the KSF which was firstly manifested with protests in front of the KSF objects beginning with the Ministry of the KSF. 27

Soldiers who clashed in the late challenges of the last and first decade of the new century, soldiers of liberation, and after that, an important part of building the country, felt deeply disappointed and offended. Thanks to their maturity, protests were relatively held under control. Looking at the created situation, the international representation which was directly involved in the creation of the Ministry of the Kosovo Security Force and also the Kosovo Security Force, provided a small opportunity for members who really wanted to be part of the KSF, to subject retesting and to be sent in the initial training, training which the members who were already part of the KSF had carried out too.

The members that were chosen were extremely successful in the initial training. They did their best to prove that they deserve to be part of the new Force. But because the positions in Kosovo Security Force foreseen to be completed with former members of the Kosovo Protection Corps in structure, were mostly covered, to members who completed training were offered low ranks positions, only a few of them were officer ranks the others were beginner NCOs and soldiers.

Based on the fact that many of them carried the highest officer rank in the Kosovo Protection Corps, they did not agree with the ranks and positions that were offered to them so they were even more disappointed and they initially fled, only a part of them suppressed by pride and also social situations, accepted to serve in these ranks.

Members of the former KPC which were transferred to the Kosovo Security Force, although really felt the absence of their yesterday’s collegues, saw right before their mission and started working to build and strengthen the force. The construction began almost from zero because it was not wanted to have a continuity of KPC. Timely the KSF complied the standards which the international community has set before them, the initial operational capacities and full operational capacities. 28 KSF proved with its soldiers true operational capabilities in all trainings within and outside the country. Members of the force have reached great results in different centers wherever they were sent, for military training, education and specialization. KSF soldiers continued clearing the territory of Kosovo by mines and unexploded tools, offered assistance in all areas where it was required. KSF soldiers even intervened in very difficult conditions in places where and when no one could. Under 15 feet of snow after the avalanche disaster, they achieved to rescue a 5 year old girl in the village Restelicë in southern Kosovo. 29

KSF soldiers intervened outside the borders of the country too, helping the people of the Republic of Albania in natural disasters-floods several times30 and also in clearing the territory after the fatal explosion of the explosions and missiles in Gërdec village. KSF soldiers kept their role and position in the force by serving with maximum dedication to the Kosovo people and the local and regional security. KSF was now a factor of stability in the region.

KSF completed its mission successfully. Now it is a highly respected force in Kosovo and is internationally pending for the status and new mission. After reviewing the security sector, this force will be transformed into the Armed Forces of the Kosovo-KAF.

Its name and its mission will change after the complete change of Legislation starting from the Constitution of the country and also after the Parliament approves the change of the amendments of the Constitution and the draft for the establishment of the Armed Forces of Kosovo.

6. Conclusion

Nevertheless, one can emphasize that with the end of the war in Kosovo, the new world order began to take shape. New state that emerged through this process came across huge difficulties and problems. However, in my personal view, the best example of this is Kosovo, which has paid the biggest price of being released from the oppression of the last century. Kosovo is a unique case of the clashes during last centuries – constantly fighting for equal rights.

At the same time, Kosovo is an example of initiation and the quest for freedom and human rights in Europe, forced
to live in a non-native state, enduring the violence and injustice coming from that state, 50 years of communism, two decades of apartheid, as well as two years of unequal and unjust war.

Kosovo is currently in the process of establishment of its own army forces (Kosovo Armed Forces).

As stated above, I did my best to present these tremendously important processes, based on the following literature and resources, hence also on my personal experience as an officer in the former Yugoslav People’s Army, and as an officer in my homeland. The building of the Kosovar Army was difficult, filled with brimming laborious challenges. The soldier was the main weight-carrier of its journey. Therefore, the respect belongs to the Kosovar soldier.

To serve the homeland in all situations as a soldier is a great honor and privilege, it is also a holistic help that is given to the society in which he lives.

Being a soldier means to be more than ordinary citizen says Huntington, who advises that behind being a soldier, defender of the country, is also a heavy responsibility.

The greatest service they can do is to remain faithful to themselves, to serve quietly and courageously in a military way. If they give up the military spirit, they destroy themselves in the first place and also their nation in the end. 31

7. Acronyms

KLA- Kosovo Liberation Army
KPC- Kosovo Protection Corps
KSF- Kosovo Security Force
KAF- Kosovo Armed Forces
IOM- International Organization for Migration
KFOR- Kosovo Force of NATO

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IOM, Kosovo CPC, 2000 to 20,000 people have applied for positions in the KPC. Of these 17,000 were KLA fighters of 27,000 were recorded as total.

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Concept of Lifelong Learning as an Indirect Factor in Preventing Crime and Reality in Kosovo

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Abstract

We live in the era of knowledge, and the ability to apply effectively knowledge and necessary skills, is a cornerstone of success for the individuals in relation to the challenges that they face. Where is put in doubt the power of learning and knowledge, there will reign darkness of ignorance. Lack of knowledge and skills is a disadvantage that prevents personal and career development as well as the professional advancement. Concept of lifelong learning is a dynamic system that enables integration in the labor market through the knowledge that an individual can achieve. This automatically means raising the level of academic and professional skills. The concept aims at acquiring knowledge for personal or professional reasons, by encouraging the system of ongoing, voluntary and self-motivated learning. The system as such influences: personal development, social inclusion, active citizenship, enables knowledge competition and increases employment opportunities. Competition in the knowledge and experience increase the quality and eminence. This concept enables the learning for all, and can be followed throughout life and in a variety of different situations. Learning can be seen as something that happens and its application can be included at all social strata regardless of age or gender. All these facts stated above have an effect in the lives of individuals who in most of the cases because of unawareness, inability to find a job because they are not qualified or been unable to engage actively in economic trends, but also loss of hope for the future, they engage in various forms of criminality in order to gain material benefits. This is also an argument more why this concept in the European Union, is an integral part of the policy of economic and social development which also serves as an instrument for ensuring social cohesion and development. But also is used as very important tool, indirectly to prevent individuals from involving in criminal activities as well as assisting law enforcement officers in education and training. Kosovar reality in this respect still leaves much to be desired. Learning in Kosovo is concentrated mainly in theoretical transfer of knowledge from teacher to the students and there are no proper mechanisms to convince that knowledge improved with appropriate skills and competencies will help individuals to be successful in implementation of knowledge earned. Formal system of vocational education and training is based on the provision of education and vocational training at elementary school and a continual professional training at institutions (training centers and employment centers). Universities mainly offer traditional academic lessons as well. The existing situation has a history of the past when Kosovars for ten years have held a parallel system of education. Despite the fact that the level and quality of service was not at satisfactory level, this period shows a reaction to restrictions imposed. Also this reaction through parallel system of education has manifested the Kosovar commitment to the values of education and training and the desire to learn. Despite many positive multiple reflections in the time of existence, this system has had its shortcomings and weaknesses which have its effects even to this day.

Keywords: Concept, Learning, System, Challenge, Competition

1. Introduction

The concept of lifelong learning is a system that enables dynamic integration in the labor market through the knowledge that man can achieve during his lifetime learning. This obviously means increased academic level but also development of professional skills.

Socio-economic revitalization of resources in the area where people live is highly important, because this manner of learning enables automation of human resource capacity. Improving performance of public administration as well as other employees in all institutions is providing services to the community through their training.

This concept that in Western Europe and North America, is known as "Lifelong Learning" or LLL, is a concept that aims to lifelong learning, voluntary and self-motivated. The knowledge acquisition is for personal or professional reasons. As such the concept of lifelong learning not only enhances social inclusion, active citizenship or concrete and personal development, but also enables competitiveness and employment.

Competition in knowledge increase the quality, this concept enables the learning to all, and can be followed
throughout life and in a variety of different situations. Learning can be seen as something that happens and its application should include all social strata.

European Union (EU) has started this process a few years ago, 1996 was declared figuratively by EU as "the year of lifelong learning". Meeting of Ministers of Education of the Organization for Co-operation and Development (OECD) in January of that year used the slogan "make the concept of lifelong learning a reality for all". Report UNESCO in 1996 for the 21st century adopts "lifelong learning" as its core concept. ¹

2. The Concept of Long Life Learning in General

The concept of lifelong learning is set as a term or subject of educational and professional interest. Many countries are making efforts to implement the concept of lifelong learning in their schools. Today when we live in the era of internet and most people learn and get informed through the Internet. Is much easier to find different websites that write and given a host of information on the concept of lifelong learning. Also information regarding this concept are found at public information networks or in different newspapers. So the concept is publically well known.

Lifelong learning may be broadly defined as learning that is pursued throughout life: learning that is flexible, diverse and available at different times and in different places. Lifelong learning crosses sectors, promoting learning beyond traditional schooling and throughout adult life (ie post-compulsory education). ² Across Europe, North America and Australia a lot of associations, schools, colleges, institutes, but also universities already dutifully implement the concept of lifelong learning. The term "learning and lifelong learning" is encountered in studies and writings in English about 75 years ago, and many of the major contemporary ideas about "the concept of lifelong learning" are found immediately after World War II. Since 1970 this idea was the subject of a special care being discussed in a number of conferences and publications as calls for research and scientific studies.

We live in the era of knowledge, which means that the ability to apply relevant knowledge effectively is very important priority and the cornerstone of the success of the individual in relation to the challenges that he is faced with. Although some members had enrolled initially to meet other people, once they began attending they found that it was safe place to take intellectual and emotional risks. ³ If anyone ever doubted the power of knowledge and learning he will notice the darkness of ignorance. For example, ask someone who has never used a computer to find a very simple article online. The learning and knowledge makes life interesting here gives life meaning.

Knowledge opens the windows and enables a bright perspective, enables people to debate various issues but also interesting conversations and with a deeper understanding. Knowledge makes people more suitable, enables them to make decisions fair and accepted from others, helps them to achieve success in their careers. The advancement of technology has increased the rhythm of the life in every day's life, and requires every day to learn something new that can remain coherent in the workplace.

In job training (or in-service training), at the companies where the individual works are very important for professional development. Of course that is a tool only for business where the worker is employed in the organization or company. However is not enough and is not to be counted only on the training that the company or organization provides, because they only offer professional trainings that is very important for the work but that's not replacing adequate education. It is useful for everyone to gain time to learn, to seek out their own opportunities, to use available resources wisely, and to find new sources. If you have decided to follow a particular course to learn and to apply it in your career, you should know of what to learn. When choosing a class or program, make sure you choose what you aim on your needs. Think about your current position and how you can progress on your position with training, program or course you prefer follow us.

Lack of knowledge is a disadvantage which inhibits people in their personal development but also in professional career advancements along. For this reason it is very important to keep in mind the permanent commitment to lifelong learning as a practice for self-improvement in continuity. Lifelong learning is an ongoing and exciting process. Because this form of education has become so important in our lives, various short and long courses have been developed to help those who stopped studying a while back or who simply want to learn something new. ⁴ Without doubt, the lifelong

¹ http://unesdoc.unesco.org/images/0010/001095/109590eo.pdf
learning is intellectual and spiritual refreshment but as well as filling with knowledge, and therefore this concept certainly helps: mind, body and soul. Lifelong learning involves two main aspects: review of different systems that include education, in order to create a society of lifelong learning and the concept of learning at all stages of life.

Lifelong learners have an inner desire to acquire knowledge in a broad range of subjects and disciplines. Thus the reward for lifelong learners is simply the joy of learning and acquiring knowledge in a wide spectrum of subjects that interest them. In other words, the concept of life long learning includes not only the structural learning through school and social education, but also learning through involvement in other areas of life that can also be knowledgeable about: sports, cultural activities, different hobbies, entertainment, including the voluntary activities.

Places for conducting learning activities are also varied, including almost all institutions where knowledge can be obtained, starting from: primary and secondary schools, colleges, various research institutes, universities and other institutions of higher education, training centers, citizens public halls, libraries, museums, cultural facilities, sport, specialized organizations for leadership of the program of lifelong learning in the private sector, organizations, companies, various offices etc.

3. A Short Background of this Concept

Lifelong learning was introduced for the first time on the international literature at the late sixties, originally appeared in various conferences about development of policies on different learning concepts and studies. The first to have promoted this concept in various forms were: Council of Europe, the Organization for Economic Cooperation and Development (OECD) and the United Nations Office for Education, Science and Culture (UNESCO).

Periodical education should have had a very clear agenda and there were focused policies of the time. A test of this nature was initially was developed in Sweden, and then was distributed by the Center for Educational Research and Innovation (CERI) of the OECD. It was tested through a series of studies CER's project as an approach to formally dissolve lifelong learning whether by training, learning or employment and other activities.

This was an appropriate response to changing conditions and requirements for knowledge, or simply to use later expression just-in-case - the learning. The notion of education as a public good provided the basis in many countries for making ‘free and compulsory’ education available to all; proponents of education for a socially inclusive and democratic society now also claim lifelong learning as a public good (see Riche sin the Grass, Nordic Council of Ministers, 1995) We do not suggest that education, like other ‘public goods’ such as health and welfare services, requires no further financial investment from individuals and other sources; all such community services have to be supported financially and in a myriad other ways. But these services are vital and indispensable to the nature, quality and operation of the democratic society in which as citizens we all live and share in.

Initially most of the discourse was focused in traditional education rather than lifelong learning. This concept could not be reached immediately, although UNESCO insisted and continued to promote broad as human use of this concept. The concept initially had its own difficulties in the application, however the concept enjoyed a remarkable revival in the nineties. During the seventies there were a certain number of policy studies which were mainly at national and other analyzes that emerged during this period was primarily concerned with periodic education. Mainly they do not include very successful attempts to develop an economic analysis of education. According to these studies the investment will return to the stage after completion of education.

Difficulties in economy and financial crises respectively in the eighties, connected to the individualistic approach especially in western societies, just being visionary and ambitious does not necessarily represent any perspective, simply was not enough.

This area was always problematic and confusion was present there, the best shows the OECD conference on lifelong learning and universities in the year 1998. The OECD's view was conceived explicitly as a strategy for the lifelong learning. While in the nineties, lifelong learning returned to public policy agenda.

The concept of lifelong learning appears strongly in the fifth World Conference on Adult Education organized by UNESCO in 1997, and the First World Conference on Higher Education organized by UNESCO in Paris 1988. This

5 http://speeches.byu.edu/?act=viewitem&id=1788
6 Lengrand, P. 1975
8 http://www.unesco.org/bpi/eng/confintea/
concept also reaffirmed as one of the principles of organization of tertiary education. OECD has made a number of publications on this topic and has performed a very important mandate for education in the period 2002-2006.

4. Skills and Opportunities Offered by the Concept of Lifelong Learning

It is a large number of factors affecting the findings and that directly affect the development of this concept. Undoubtedly, technological developments, especially globalization, and changes in labor market demand and impose the recognition of new techniques to perform duties.

Key skills acquired by the concept of life-long learning are a combination of knowledge, skills and appropriate attitudes. They are particularly necessary for the fulfillment of personal needs and development, social inclusion, participation in active citizenship but of course in career development and employment. Key skills are essential in a knowledge society and guarantee more flexibility in the labor force, enabling individuals to quickly adapt to constant changes in social development. The acquisition of skills is also a very important factor that influences creativity, productivity and competitiveness, and at the same time contributes to motivation and providing a sense of satisfaction than employees, but also in raising the quality of work. There are two main reasons for learning throughout life: for personal development and for professional development. These reasons may not necessarily be distinct as personal development can improve your employment opportunities and professional development can enable personal growth. These skills make individuals to have more opportunities to find work and that simultaneously affects the fact that they have less space and reason to get involved in criminal activities.

5. Some of the Factors Affecting Involvement in the Criminal Activities

Criminality is a social phenomenon which has existed since the beginning of the existence of humanity. In different periods of social and community development were different forms crime. Criminal activities and various forms of crime in history had the characteristics of economic system, political and legal environment in which they were present. Therefore the factors affecting the appearance of criminal phenomena are similar to social developments which were present at the time of appearance of the criminal acts.

Among many factors that influence and encourage individuals especially youth and minors in involvement in crime are social factors that relate directly to education and schooling. Incentives of criminal behavior among minors and young people, about the impact of school and community are as important as other factors. Young people have a certain connection with school, and have an interest and love it, confirmed with the norms and values that promote school.

Studies on the school impact to anti-social behavior have shown that consistently poor performance in school is directly or indirectly related to the behavior of children, as well as incidence and emergence of criminality in early ages. Fragile links with school, little desire for education, low educational aspirations, and the low level of motivation bring the child in extremely vulnerable conditions to engage in criminal activities.  

Everywhere in today’s world from individuals is required knowledge, professionalism and greater capacity. Many of the occupations and crafts performed were learned while observing or being trained by professionals of respective fields. One of the opportunities to be trained and professionalized is the training or education in vocational schools, and that is a way which provides greater opportunity in finding a job. Having a job affects individuals to have less time, willingness and ability to get involved in criminal activities. Parents want their children to attend school and succeed in this regard. Possibility of children for success in school is not exclusively genetic but major role is played by the influence that comes from education and schooling system, depends on how children are accommodated to the school environment. Parents have a great impact on their children in which way in the future these children will fit to the schooling and educational system.

6. Prevention, Combating Crime and the Role of Lifelong Learning

Preventing and combating crime is a fundamental principle in all democratic societies, that’s intended to guarantee
freedom and human rights. Authorities in the fight against crime should have different strategies in preventing and combating crime, ranging from the safety of individuals and property, facing the economic and social crises, particularly unemployment and other phenomena.

Fight against crime requires that personnel employed on law enforcement agencies are trained and professional, active, prepared and able to provide with necessary information every time. This information should be served in a way to have a positive impact on the public as to inform the public about risk and the types of damages that criminality brings with. Also they should be able to explain to the public what steps were taken and how much success is achieved in preventing and combating crime. Public should be systematically informed and "educated" about the fact that facing crime is joint action, where law enforcement agencies have their leaderships responsibility, but they are not alone, because in the end security is a concern to all. Proactive role of law enforcement agencies with public could lead to better cooperation, to gain important information in order to increase confidence in the agencies. This is achieved only through professionally prepared and well-trained staff, this is best achieved through permanent education and learning.

Cooperation of the authorities should be extended to other factors such as the science and academic studies. Of particular importance are the academic studies and staff who are engaged in technical and technological sciences, because scientific achievements and innovations, helps in achievement of good results in dealing with crime.

There is always a need to gain knowledge about the exchange of operational information on the movements, contacts and activities of criminal groups locally and internationally. It is a topic that should be studied, professional learning and permanent preparedness of officers of these agencies is necessary. International cooperation between different agencies in order to combat crime should be reflected not only through the exchange of operational information’s on time, but also by applying special investigative techniques, a segment that is further needed almost in every criminal investigation for the purpose of proving the activities of criminal groups. In this regard, international cooperation is a logical continuation of operational measures and actions taken at the national level. The possibility of tracking and detection of the inductions and signs on criminal activities depends largely on the ability of law enforcement officers to detect, interpret, document and disseminate such information to the department responsible for combating this form of crime.

Without properly trained officers, our society could not successfully function. Law enforcement officers must be trained extensively in federal and state law, evidence handling, prisoner transport, handcuffing, defensive tactics, firearms, driving, customer service and many other areas of law enforcement. For example how much education and specialized training is needed to gain sufficient knowledge to investigate various crimes as robbery, extortion, kidnapping, illegal trafficking, corruption etc. For the successful investigation and clarification of these criminal activities, which are not known initially to be carried out by individuals or groups and criminal organizations, law enforcement officers should be professionally prepared to identify signs or indications which show who may be the perpetrator. These signs may be different: facilities, data and documents found during the search of premises and persons etc. Namely the founded objects, indications mentioned above do not always show together directly, but is required further analysis and operational work as well as liaison with other circumstantial evidences collected to determine how and what connects this evidence with suspects.

A very important factor in crime prevention is effective prosecutorial and judicial system.

Criminal justice system by no means operates in a vacuum. Appreciation of how the system can drastically change, sometimes in the matter of a single day, helps us understand the dynamic and vulnerable nature of criminal justice employment. Education of staff is only one part of the solution. Changes in legislation and different techniques and methods of committing criminal acts are just some of the elements that should be carefully monitored by law enforcement agencies, in order to succeed in dealing with crime. The best way to achieve successes is the permanent learning throughout life, either through education or vocational training which will help in learning and updating the knowledge about the problems of this nature.

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The Effect of Core Training on Posture

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Abstract

The aim of the study is to investigate the effect of sample core training program on the posture of male volleyball players. The study was conducted with a total of 21 male volleyball players aged between 19 and 24 who are willing to participate in the study and have no health problem and these participants were selected randomly. 11 of them were determined as the treatment group while the other 10 was the control group of the study. A core training program was applied to the treatment group three days a week for 10 weeks. On the other hand, the control group did not get any training but continued its daily style. In the data gathering process, New York Posture Analysis (NYPA) evaluation form was used. The variables assessed before and after the application for both of the groups were head, neck, central shoulder, shoulders, chest, upper back, lower back, spine, trunk, belly, hip, foot and foot soles. For the analysis of the data gathered through NYPA, in order to compare pre- and post test values of treatment and control groups, independent T test was used while for the comparison of pre- and post test values of the treatment group, and for the comparison of pre- and post test values of the control group, dependent T test was used. According to the statistical analysis of data, when pre- and post test results of posture analysis in the treatment group were compared, a statistical difference was found between the values of neck, chest, central shoulder and lower back. The results of our study suggest that core training program contributes to the posture improvement in volleyball players positively.

Keywords: Volleyball, core training, posture

1. Introduction

Identifying the physical fitness level of the sportsmen and the physical development caused by regular sports trainings carried out to reach specific aims is of critical importance. This is mainly because body structure and qualities are developed in trainings (Çimen and Günay, 1996). Posture is the way in which each part of the body is placed into the segments adjacent to itself and also in the most appropriate position considering the entire body. Posture is also defined as the combinations of positions the joints have with each movement of body (Tunç, 2008). When there is no asymmetrical situation or deformity in one's body, then the posture is normal. Desirable posture can be defined as "the posture where joints experience the least pressure and so use minimum energy (Can, 2008)."

There is a great number of mechanisms to maintain posture. For the maintenance of posture, lots of structures such as spinal cord, brain stem and cerebral cortex are included. Posture and equilibrium is maintained through the signs coming from vestibular organ in inner ear and receptor through reflex way. These centres contributing to the maintenance of posture and equilibrium not only produce posture and equilibrium but also deal with the starting and controlling of the actions (Günay, Tamer and Cicioğlu, 2006).

Posture Analysis can be conducted in three dimensions as anterior, lateral and lateral. In the criteria of posture, standard (good) and bad postures are taken into account (Karakuş and Kılınç, 2006). The aim of posture analysis is to determine the present postural deviations in people and to provide suitable exercises regarding this, and also to analyse the possible changes likely to happen in the future (Çelik, 2007).

Elite sportsmen, in order to adjust the posture according to the requirements of their branches, use sensory knowledge predominantly (Tetik, Koç, Atar and Koç, 2013). Each sports branch develops its own postural adaptations specific to itself (Atılıgan, Akin, Alpkaya and Pinar, 2012). During the performing of technical attempts in volleyball, a dynamic sports branch, it is necessary for the players to protect their posture. By producing the appropriate equilibrium,
all body movements such as serve, block and attack skills are assured to take place. That these skills are performed successfully depends on the ability of the player to control postural sway. It is seen that volleyball players have more body stability and different automatic postural control modes (Şimşek and Ertan, 2011).

The part of the body that is called core is the place beyond one’s abdominal muscles, that is, lower-upper abdominal muscle. The location of core includes seratus located just next to upper abdominal muscle and obliques located next to lower abdominal muscle, and at the back it resides in the the part from the waist to neck including the muscle group enabling our skeleton to have an appropriate posture. The importance of strengthening the core is not just because of the sporting endurance but because it enables a proper posture (http://blog.milliyet.com.tr/)

Core training includes exercises that train the muscles controlling and stabilising belly, waist and hip actions. All of these muscles work together so as to balance the body during the actions. The efficient transfer of the strength rising through the action from leg to trunk or from trunk to leg is possible with the increase in strength of these coordinating muscles. The method of core training differs from weight training in terms of application and also it is carried out so that strength is saved during the process of improving the performance and rehabilitation (Savaş, 2013).

The effect of core training on the endurance, flexibility and balance development of the muscles related to posture in sedentary women was analysed and it is found out that there is a significant improvement in the endurance and strength of lower back and abdominal muscles after the exercise program (Sekendiz et al. 2010). However, up to now, the effect of core training on posture in sportsmen has not been studied yet. The aim of this study is to investigate the effect of core training program on the postures of male volleyball players.

2. Methods

In the design of the study, quasi-experimental model with pre-post test control group was used. The participants of the study consisted of a total of 21 male licensed volleyball players aged between 19 and 24 in Denizli. The treatment and the control groups were randomly chosen and out of 21 volunteer students, 11 of them were determined as the treatment group while the other 10 was the control group of the study. The researcher gave the participants some general information about the study and emphasized that voluntariness is a key for the study.

The posture of the participants was analysed through New York Posture Analysis (NYPA) evaluation form. The measurements for the posture analysis was conducted by the first writer. The posture of the participants in both of the groups were evaluated in the beginning of the study and 10 weeks later. A core training program was applied to the treatment group three days a week for 10 weeks. On the other hand, the control group did not get any training.

New York Posture Analysis Method: Possible Postural changes likely to happen in 13 different body segments were observed and graded. According to this, it is graded as five (5) for normal posture; three (3) for moderate postural problems; and one (1) for severe postural problems. The maximum point obtained in the scale can be 65 while the minimum is 13. Scores in the range of >=45 are defined as "very good", 40-44 "good", 30-39 "middle", 20-29 "weak", and <=19 as bad ( Çağırarı, 2010).

Core Training Program: A core training program was applied three days a week (Monday, Wednesday, Friday) for 10 weeks with a total of 30 sessions. The program consists of warm-up, core exercises and cooling. In the first 6 week of the program, intermediate level and in the last 4 weeks advanced level of core training is applied.

In order to compare pre- and post test values of intergroup ( between treatment and control groups) independent T test was used, while dependent T test was used for the values within the group.

3. Results

Table 1: The results of Pre-test independent T test Posture Analysis Obtained through NYPA

<table>
<thead>
<tr>
<th>Variable</th>
<th>Group</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Degrees of Freedom</th>
<th>t</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head</td>
<td>Treatment</td>
<td>11</td>
<td>4.63</td>
<td>0.80</td>
<td>19</td>
<td>0.101</td>
<td>0.921</td>
</tr>
<tr>
<td></td>
<td>Control</td>
<td>10</td>
<td>4.60</td>
<td>0.84</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shoulder</td>
<td>Treatment</td>
<td>11</td>
<td>4.09</td>
<td>1.04</td>
<td>19</td>
<td>0.641</td>
<td>0.529</td>
</tr>
<tr>
<td></td>
<td>Control</td>
<td>10</td>
<td>3.80</td>
<td>1.03</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spine</td>
<td>Treatment</td>
<td>11</td>
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<td>0.60</td>
<td>19</td>
<td>1.202</td>
<td>0.244</td>
</tr>
<tr>
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<td>Control</td>
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<td>0.96</td>
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<td></td>
<td></td>
</tr>
<tr>
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<td>Treatment</td>
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<td>4.81</td>
<td>0.60</td>
<td>19</td>
<td>0.067</td>
<td>0.947</td>
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<td>4.80</td>
<td>0.63</td>
<td></td>
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</tr>
</tbody>
</table>
When the pre test results of the groups are compared, no significant difference is found in posture analysis scores (p>0.05). This result indicates that postural conditions of the treatment and the control groups are similar in the beginning of the study.

Table 2: The results of Post test independent T test Posture Analysis Obtained through NYPA

<table>
<thead>
<tr>
<th>Variable</th>
<th>Group</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Degrees of Freedom</th>
<th>t</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head</td>
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<td>5.00</td>
<td>0.00</td>
<td>19</td>
<td>1.577</td>
<td>0.131</td>
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<td>Control</td>
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<td>5.00</td>
<td>0.00</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Shoulder</td>
<td>Treatment</td>
<td>11</td>
<td>4.45</td>
<td>0.93</td>
<td>19</td>
<td>1.525</td>
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</tr>
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<td>3.80</td>
<td>1.03</td>
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<td></td>
</tr>
<tr>
<td>Spine</td>
<td>Treatment</td>
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<td>0.00</td>
<td>19</td>
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<td>0.053</td>
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<tr>
<td></td>
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<td>4.40</td>
<td>0.96</td>
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<td></td>
</tr>
<tr>
<td>Hip</td>
<td>Treatment</td>
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<td>0.00</td>
<td>19</td>
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<td>0.306</td>
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<td></td>
</tr>
<tr>
<td>Foot</td>
<td>Treatment</td>
<td>11</td>
<td>5.00</td>
<td>0.00</td>
<td>19</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Control</td>
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<td>5.00</td>
<td>0.00</td>
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<td></td>
</tr>
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<td>Sole</td>
<td>Treatment</td>
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<td>0.500</td>
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<td></td>
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<td>4.60</td>
<td>0.84</td>
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<tr>
<td>Neck</td>
<td>Treatment</td>
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<td>0.93</td>
<td>19</td>
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<tr>
<td>Chest</td>
<td>Treatment</td>
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<td>5.00</td>
<td>0.00</td>
<td>19</td>
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<td>0.131</td>
</tr>
<tr>
<td></td>
<td>Control</td>
<td>10</td>
<td>4.60</td>
<td>0.84</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central shoulder</td>
<td>Treatment</td>
<td>11</td>
<td>4.63</td>
<td>0.80</td>
<td>19</td>
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<td>10</td>
<td>3.60</td>
<td>1.34</td>
<td></td>
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</tr>
<tr>
<td>Upperback</td>
<td>Treatment</td>
<td>11</td>
<td>4.09</td>
<td>1.04</td>
<td>19</td>
<td>1.873</td>
<td>0.076</td>
</tr>
<tr>
<td></td>
<td>Control</td>
<td>10</td>
<td>3.20</td>
<td>1.13</td>
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<tr>
<td>Trunk</td>
<td>Treatment</td>
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<td>4.45</td>
<td>0.93</td>
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<td>1.13</td>
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<tr>
<td>Belly</td>
<td>Treatment</td>
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<td>4.81</td>
<td>0.60</td>
<td>19</td>
<td>0.687</td>
<td>0.500</td>
</tr>
<tr>
<td></td>
<td>Control</td>
<td>10</td>
<td>4.60</td>
<td>0.84</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lowerback</td>
<td>Treatment</td>
<td>11</td>
<td>4.45</td>
<td>0.93</td>
<td>19</td>
<td>3.548</td>
<td>0.002</td>
</tr>
<tr>
<td></td>
<td>Control</td>
<td>10</td>
<td>3.00</td>
<td>0.94</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total NYPA Score</td>
<td>Treatment</td>
<td>11</td>
<td>61.18</td>
<td>3.73</td>
<td>19</td>
<td>3.073</td>
<td>0.006</td>
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<tr>
<td></td>
<td>Control</td>
<td>10</td>
<td>53.20</td>
<td>7.68</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NYPA: New York Posture Analysis
It is found out that there is statistically significant difference in the post test results of central shoulder, trunk, lower back and posture total scores for the benefit of the treatment group (p<0.05). No significant relationship is found between the other variables (p>0.05). It can be inferred that the core training program contributes to the improvement of the posture positively.

Table 3: The Results of Dependent T test Posture Analysis of the Treatment Group Obtained through NYPA

<table>
<thead>
<tr>
<th>Variable</th>
<th>Test</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Degrees of Freedom</th>
<th>t</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head</td>
<td>Pre</td>
<td>11</td>
<td>4.63</td>
<td>0.80</td>
<td></td>
<td>-1.491</td>
<td>0.167</td>
</tr>
<tr>
<td></td>
<td>Post</td>
<td></td>
<td>5.00</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shoulder</td>
<td>Pre</td>
<td>11</td>
<td>4.09</td>
<td>1.04</td>
<td></td>
<td>-1.491</td>
<td>0.167</td>
</tr>
<tr>
<td></td>
<td>Post</td>
<td></td>
<td>4.45</td>
<td>0.93</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spine</td>
<td>Pre</td>
<td>11</td>
<td>4.81</td>
<td>0.60</td>
<td></td>
<td>-1.000</td>
<td>0.341</td>
</tr>
<tr>
<td></td>
<td>Post</td>
<td></td>
<td>5.00</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hip</td>
<td>Pre</td>
<td>11</td>
<td>4.81</td>
<td>0.60</td>
<td></td>
<td>-1.000</td>
<td>0.341</td>
</tr>
<tr>
<td></td>
<td>Post</td>
<td></td>
<td>5.00</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foot</td>
<td>Pre</td>
<td>11</td>
<td>5.00</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Post</td>
<td></td>
<td>5.00</td>
<td>0.00</td>
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<tr>
<td>Sole</td>
<td>Pre</td>
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<td>0.80</td>
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<td>-1.000</td>
<td>0.341</td>
</tr>
<tr>
<td></td>
<td>Post</td>
<td></td>
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<td>0.60</td>
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</tr>
<tr>
<td>Neck</td>
<td>Pre</td>
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<td>3.72</td>
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<td>0.038</td>
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<td>Post</td>
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<td>4.45</td>
<td>0.93</td>
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<td>Chest</td>
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<td>1.00</td>
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<td>-2.390</td>
<td>0.038</td>
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<td></td>
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<td>Upperback</td>
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<td>Trunk</td>
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</tr>
<tr>
<td>Belly</td>
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<tr>
<td></td>
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<td>Lowerback</td>
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<tr>
<td></td>
<td>Post</td>
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<td>Total NYPA Score</td>
<td>Pre</td>
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<td>56.09</td>
<td>5.08</td>
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<tr>
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<td>Post</td>
<td></td>
<td>61.18</td>
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</tbody>
</table>

NYPA: New York Posture Analysis

When the results of pre and post test posture analysis of the treatment group are compared, a statistically significant difference is found between the values of neck, chest, central shoulder and lower back (p<0.05). Therefore, it can be suggested that the applied core training program contributed to the posture improvement of trunk and shoulder part.

Table 4: The Results of Dependent T test Posture Analysis of the Control Group Obtained through NYPA

<table>
<thead>
<tr>
<th>Variable</th>
<th>Test</th>
<th>N</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Degrees of Freedom</th>
<th>t</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head</td>
<td>Pre</td>
<td>10</td>
<td>4.60</td>
<td>0.84</td>
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<td>-0.557</td>
<td>0.591</td>
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<tr>
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<td></td>
<td>4.80</td>
<td>0.84</td>
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<tr>
<td>Shoulder</td>
<td>Pre</td>
<td>10</td>
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<td>1.03</td>
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<td>0.591</td>
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<td>Post</td>
<td></td>
<td>3.80</td>
<td>1.03</td>
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<tr>
<td>Spine</td>
<td>Pre</td>
<td>10</td>
<td>4.40</td>
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<td></td>
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<td>Hip</td>
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<td>4.80</td>
<td>0.63</td>
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<td>-0.557</td>
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</tr>
<tr>
<td></td>
<td>Post</td>
<td></td>
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<td>0.63</td>
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<tr>
<td>Foot</td>
<td>Pre</td>
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<td>5.00</td>
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<tr>
<td></td>
<td>Post</td>
<td></td>
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<tr>
<td>Sole</td>
<td>Pre</td>
<td>10</td>
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<tr>
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<td>Post</td>
<td></td>
<td>4.60</td>
<td>0.84</td>
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<tr>
<td>Neck</td>
<td>Pre</td>
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<td>1.64</td>
<td></td>
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<td>0.591</td>
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<tr>
<td></td>
<td>Post</td>
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</tr>
</tbody>
</table>
When the results of pre and post test posture analysis of the control group are compared, no statistically significant difference is found (p>0.05).

4. Discussion

In our study, we tried to investigate the effect of core training program on the postures of male volleyball players and found that this program developed the posture of the sportsmen positively.

The body parts where postural improvements were specifically observed are central shoulder, trunk and lower back. This suggests the idea that core training affects the endurance and the strength of trunk muscles.

An earlier study also supports our view. Sekendiz et al. (2010) investigated the endurance, flexibility and balance development of the muscles that core training affects in terms of posture. After an 8 week of exercise program applied to 21 sedentary women, they stated that there was a good improvement in the endurance and the strength of lower back and abdominal muscles.

In the control group, where there is no training program applied, any postural improvements are not observed. The fact that they haven't done any exercises during the applied training program even though they were sportsmen may explain that there is no improvement on the variables tested. It can be said that daily life has no effect on postural conditions.

5. Conclusion and Suggestions

The results of our study suggest that core training program contributes to the posture improvement in volleyball players positively. Since it is a strength training model conducted with body weight, it can be easily carried out by individuals, team sportsmen and those doing sports by health reasons even if their economic conditions are poor and they do not have necessary physical conditions.

The improvement of posture is especially important for the volleyball sport, for the sports requiring a tall height and for tall people doing sports for health. It would be beneficial to include core training into training programs in order to fix postural problems. Core program can also be suggested to the sportsmen of other branches, where shoulder and trunk segments have postural sway.

Regarding the injuries in sports, postural problems and the lack of opportunities, trainers and sportsmen can be given the necessary educations so as to make core trainings more common.

Since core training focuses on the muscles in the body centre and strengthen these muscles and it is the combinations of the systematic exercises performed to improve and maintain posture, it is also beneficial to include it in almost every sports branch and in the programs of those doing sports.

References


http://blog.milliyet.com.tr/
Connectivism and Connective Learning

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Abstract

The rapid development in technology has brought the world to a small village enabling people to meet each other any time they want, exchange their knowledge and experiences being seated at home or office by using just a small equipment. Technology generates new affordances with new pedagogical options. In this sense the technology enables us distribute knowledge over network connections in an uncontrolled way, by being active member and committing ourselves to the whole process of communication and learning. The purpose of this paper is to bring some ideas on learning through technology respectively ideas on connectivism or connective learning, the principles of connective learning at numerous levels etc. As its name suggests connectivism is the knowledge distributed across a network of connections, and therefore that learning consists of the ability to put those networks into progressive use. It means the set of connections formed by actions and experiences. Some characteristics of Connective learning, online courses and knowledge sharing through networks will be compared to traditional classroom learning.

Keywords: connectivism, connective learning, network connection, traditional classroom, etc.

1. Introduction

Education has become one of the fastest growing “businesses” in recent years. There are many new universities and schools opened everyday everywhere in the world, be it in private or public sector accompanied with TV commercials or other advertising campaigns or promotions for their study programs whether online or at campuses. Online education has become more popular in today’s fast growing society. Online courses allow students to take courses from different states and even from different countries in different fields. Simply, online learning is electronic learning, and typically this means using a computer to deliver part, or all of a course whether it’s in a school, part of your mandatory business training or a full distance learning course. However there is no substitute for traditional learning since students feel more confident in gaining knowledge being instructed by the teacher, in a friendly atmosphere using books, notebooks, blackboard, desks, chalk and other necessary learning tools.

2. What is Connectivism?

- Connectivism is a learning theory promoted by Stephen Downes and George Siemens. George Siemens claims in his 2004 article “Connectivism: A Learning Theory for the Digital Age” that the connectivism that he proposes is a learning theory. A learning theory which he characterizes as the “amplification of learning, knowledge and understanding through the extension of a personal network”. Called a learning theory for a digital age, it seeks to explain complex learning in a rapidly changing social digital world. The rapid development in technology has brought the world to a small village enabling people to meet each other any time they want, exchange their knowledge and experiences being seated at home or office by using just a small equipment. Thus, the job of an educator has become much easier and more effective. Educators wherever they are should consider the work of thinkers like Siemens and Downes. In the theory, learning occurs through connections within networks. The model uses the concept of a network with nodes and connections to define learning. Learners recognize and interpret patterns and are influenced by the diversity of networks, strength of ties and their context. The knowledge is transferred by connecting to and growing personal networks, sharing with the group everything we know, everything we believe in or imagine expressed in sentences and concepts. This way of transferring and exchanging knowledge pedagogically is much more useful because it should be treated more as communication. By continuously communicating with a large
number of people in a network new information is acquired and further processed. In connectivist learning students discuss and learn course contents, give ideas and see that it is a fluid, variable, contextual and critical for the learners. Decision-making is itself a learning process. Choosing what to learn and the meaning of incoming information is seen through the lens of shifting reality. While there is a right answer now, it may be wrong tomorrow due to alterations in the information climate impacting the decision. Learning is a knowledge creation process...not only knowledge consumption. Learning tools and design methodologies should seek to capitalize on this trait of learning. A Connectivist course therefore has two major modes: 1. a creation of an environment (and expectation) of great diversity, creating multiple points of view on an amorphous body of material, domain or discipline and 2. creation of new and unexpected knowledge as a result of the interaction of participants from those different points of view. Learning happens in many different ways. Courses, email, communities, conversations, web search, email lists, reading blogs, etc. Courses are not the primary conduit for learning. Different approaches and personal skills are needed to learn effectively in today's society. For example, the ability to see connections between fields, ideas, and concepts is a core skill.

In connectivism a generation that learns, works, entertains and expresses itself through open collaborative tools like YouTube, Google Talk, Flicker, eMute and Del.ico (Downes, 2005). It means, the social context provided by connectivism is a new way of learning developed under a collaboration framework;

- Collection; store data, organize resources, filter information and create new contacts.
- Reflection; think critically, choose and review information, set up new learning itineraries.
- Connection; spontaneously form working groups, integrate oneself into existing learning communities, share learning objectives, values and attitudes, link information.
- Publiciation; share learning experiences, edit content in a large variety of formats, convert collaborative tools into cognitive tools

Principles of Connectivism

According to George Siemens, "Connectivism is the integration of principles explored by chaos, network, and complexity and self-organization theories. Learning is a process that occurs within nebulous environments of shifting core elements – not entirely under the control of the individual. Learning (defined as actionable knowledge) can reside outside of ourselves (within an organization or a database), is focused on connecting specialized information sets, and the connections that enable us to learn more are more important than our current state of knowing.

Siemen's Principles of connectivism are as follows:

- Learning and knowledge rests in diversity of opinions.
- Learning is a process of connecting specialized nodes or information sources.
- Learning may reside in non-human appliances.
- Capacity to know more is more critical than what is currently known.
- Nurturing and maintaining connections is needed to facilitate continual learning.
- Ability to see connections between fields, ideas, and concepts is a core skill.
- Currency (accurate, up-to-date knowledge) is the intent of all connectivist learning activities.
- Decision-making is itself a learning process. Choosing what to learn and the meaning of incoming information is seen through the lens of a shifting reality. While there is a right answer now, it may be wrong tomorrow due to alterations in the information climate affecting the decision.

3. Traditional Learning Vs. Connectivism

There is always the other way of doing something, by comparing advantages and disadvantages of both ways. Even though the technology has brought things closer and easier for everyone, the traditional way of doing and getting things still remains preferable for many people. Besides classroom and blackboard there are more differences between connectivist learning and traditional learning. Students participating in connectivist learning, experience different scores, different methods and a different lifestyle compared to those enrolled in institutions. Learning in a traditional classroom which by some students is considered beneficial because they can interact with the teacher and their classmates. This true especially students who find it better to interact face-to-face and prefer activities and group work. The possibility of asking questions and receiving an immediate response from their teacher is important since it makes student feel more active and develop lifelong contacts, memories and experiences that humanize the educational experience in a way that online learning does not. Some students need to feel sure that what they do is correct and that they are going in the right
direction, so they need feedback to keep them moving. In addition, traditional classroom learning provides students with a fixed schedule and specific periods dedicated to learning. In traditional schools and classrooms so called “brick and mortar” people are comfortable with classroom structure and sometimes don’t want to deviate from it. If you turn in a paper and have a question about grades or comments, you can usually talk to the teacher and analyze body language. In online learning- as we addressed in this paper as connectivism it is sometimes harder to gauge effective communication and you may have to wait until you get an answer or explanation. While many students relish new advances in technology, others aren’t as comfortable with technology and prefer paper and pencil based methods. For these students, the familiarity and comfort of traditional schools is an advantage. Traditional classes may be a better fit for students with limited resources and limited computer access. Considering that most adults have jobs to earn for their studies, sometimes it is difficult to find time for personal study between working hours and computer meetings, or have no sufficient knowledge in technology so, students in this situation prefer schedule classes first and other school activities.

Traditional schools have a defined structure and classes meet at the same time each week on certain days while in connectivism there is a certain number of times to post your comments and if you loose your timing then there is no chance to get on the right track. Students who fail to make online connections with other learners in their group feel isolated and more stressed. Typically, a student in a connectivist course read some of the writings and comments, listen to or watch some of the recordings, post comments in threaded discussion forums, create a blog and post comments and responses, that for some students is considered a waste of time sitting on the computer and waiting for the others to respond or to get an explanation, while in traditional classes comments and explanations are given immediately. Not everybody feels comfortable learning in a large group, especially if they understand things harder than other co-learners. Connectivism allows each individual to tackle the at their own pace, with interactive tasks being set in place to ensure a thorough understanding through each module. Online learning is ideal for those with unconventional work hours, those working full time, those serving in military or those raising a family and seeking a degree in a certain field. They are cheaper because there are no fees be paid for maintaining a large campus and its classrooms, so it is able to pass saving to students of all ages. In a New York Times article, experts declare that the real promise of online education is “providing learning experiences that are more tailored to individual students than is possible in classrooms”, which in turn fosters the concept of “learning by doing”. Many students find this engagement more useful and more relevant therefore performing better than those receiving traditional instruction. But the personal engagement and motivation should be taken into consideration since, almost half of the participants don’t have English as a first language. It means students need much more commitment than those who take lessons in their mother tongue. As Dr. Ralph Kuehn, Director of Mentors and Quality Assurance at Northcentral University (Kuehn.R, January 30, 2013) said: “in seeking an online degree, each student relies upon their own motivation to complete each course and to eventually graduate.” Kuehn continues that this motivation is a strong proponent for success. Online education is considered a viable option in education. At one time online education was not considered very professional in the job market. Employers do not prefer hiring employees with online degrees. Traditional education degrees are more accepted and preferable by employers.

Some differences between traditional learning and Online learning:

**Traditional learning:**
- Learning in the classroom with large number of students.
- Black table, chalk, books, notebooks, pen, pencil, desks, chairs
- Necessary for the process.
- Books edited many years before the year of learning process going on.
- Limited time of visiting school- no changes possible on the timetable.
- Opportunity to join on campus clubs and extracurricular activities

**Online learning:**
- Learning with smaller virtual group in better infrastructure
- Table and a computer
- Updated Online books and articles
- Learning can take place in the workplace, at home, school or anywhere
- Limited direct contact with colleagues and professors.
Good courses, whether on campus or online, are engaging and foster active learning communities. In the best online courses, learners connect, collaborate, inspire, discover and create through myriad technologies.

A face-to-face meeting in a classroom imposes accountability, inspires effort and promotes academic responsibility in subtle ways that we don’t fully appreciate. On a campus, students attend class and stay alert because they worry what the teacher will think if they don’t. Once they’re in the classroom, the battle is mostly won.

Your knowledge of the subject is an important factor in whether you choose online education or traditional education. If you're an expert or at least have a working knowledge about the subject, taking an online class in that subject could be beneficial. On the other hand, if you don’t know anything about the subject and you have little or no background knowledge, a traditional course might be a better option for you. Many schools offer online and traditional courses that may give you the best of both worlds, or at least the opportunity to experience both.

Student's personality type can also be significant in choosing whether to pursue an online education as opposed to traditional education. Are you an introvert or an extrovert? By nature, an introvert may feel more comfortable in an online education environment because she/he won't have to interact in-person. Student can learn in the comfort at home, independent of others. An extrovert, on the other hand, may prefer a more social education experience and enjoy regular in-person interaction with others.

• By reducing the time taken away from the office, removing travel costs and doing away with printed materials, online learning helps you to save money and increase workplace productivity for those who are employed. It also means your staff will be happier and focused. The cost of online education may cost slightly less than traditional education, but this isn't the case with all programs. Typically, online schools don't have to deal with the costs of classrooms or the upkeep of classrooms the way traditional education does, cutting operation. Housing costs for students is another expense that online education students don't have to contend with. Additionally, online programs usually cut the transportation costs of traveling to and from school that those in online programs do not face.

4. Conclusion

Traditional schools offer students ways to interact with teachers and peers in a way that online formats do not. While many online courses integrate some form of physical interaction in hybrid courses, courses that are entirely online do not have a face to face component. While you may see your professor on video, you can’t raise your hand and get immediate feedback or lean over to your classmate and ask a question. Also, the level of interaction with your peers isn’t the same in online learning as it is in traditional classroom atmospheres. Many face to face courses only operate within normal office hours. By allowing staff to complete the course when and where they like you can make sure disruptions to your busy working schedule are minimized. As student is the one to decide which learning environment is right for him/her, they should not forget that the biggest difference is the impact of that education and that degree will have in your life. Online and traditional both seek profitability in life.

References
George Siemens maintains a blog and a wiki at http://www.connectivism.ca/wiki/FrontPage
The Level of Euroization of Albanian Economy

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Abstract

The use of foreign currency is a widespread phenomenon in all post-communist countries of Eastern Europe including here Albania. Relatively long transition caused the loss of trust of individuals in local currency and also in domestic monetary regime. Foreign currency is perceived as a kind of "protection" from the uncertainties caused by macroeconomic instability that characterizes in general countries that pass from a totalitarian regime to a free open market regime. The realities of these transition years have indicated an increasing preference on the use of strong European currency, which, to a certain extent, has led to a partial euroization of the economy. The predominant opinion, in academic and political circuit, is that the advantages of Euroization, at least for a short period of time are profoundly evident especially in developing countries where the aspiration on EU accession is great. When we analyze euroization as a phenomenon, except for the advantages, we have to examine in detail even the other side of the coin, its costs on the economy and monetary system of a country. Since the beginning of the global crises the amount of deposits in foreign currency, mainly euro, compared to the total amount of deposits has increased. How does the euroization affect the Albanian economy? There are three types of euroization and each has its own relevant measure. First of all there is the euroization of assets of the economy, which is measured by the ratio of foreign currency deposits to local currency deposits. Secondly there is the euroization of the liabilities of an economy, which is measured by the ratio of loans in foreign currency to loans in local currency. Thirdly, there is the euroization of transactions, which is measured by the degree of currency transactions against local currency transactions.

Keywords: euroization, economy, developing countries, foreign currency deposits, loans in foreign currency

1. The Advantages of Adopting the Euro

The predominant opinion, in academic and political circuit is that the advantages of euroisation, at least for a short period of time are profoundly evident especially in developing countries where there is a great aspirations for EU accession. The use of the same currency eliminates the strikes in exchange and interest rates.

1.1 The reduction of transaction costs

The reality of these transition years have indicated an increasing preference on the use of the strong European currency, by citizens, which to a certain extent, has led to a partial euroization of the economy. The most tactile advantage of a unilateral euroization is the reduction of transaction costs. Although in itself these costs imply a loss on bank balance sheets, they affect significantly the economy of a country that realises a lot of imports and where the restrictive fiscal policies are pushing businesses towards transparency of their financial capitals through legal channels.

1.2 The reduction of interest rates

The rapid and partial reduction of interest rate would stimulate the increase of investments and will have a positive impact on fiscal policies, with significant reduction on the cost of public debt. Of course, the biggest advantages will be experienced in countries where the Central Bank follows a policy of real interest rates. One of the main claims of the opponents of unilateral euroization (Wojcik) is that the process of adopting the euro does not have to lead to a decline in
interest rates in the mid and long term period, as it removes the risk of lending money, but it may increase the risk of default. This can happen because devaluation is not available as a tool to enhance the competitiveness of domestic producers. Consequently, interest rates of loans on local businesses and government, may increase in balance as in the case of Argentina.

1.3 The reduction of exchange rate fluctuations.

The adoption of a unique currency would avoid costs caused by the exchange rate fluctuation in the economy of a country. A constant fluctuation of the exchange rate of a currency brings price instability, uncertainty among investors, high investment costs and an increase of the current account deficit. Wojcik worries about the misfit of exchange rate as a result of inflationary inertia after the conversion of local currency into Euros. According to him, this would make inflation more difficult to control.

A single currency brings more power and new opportunities arising from the integration in the Euro zone economy, making the only market more efficient. Before using the euro, the need for exchange of banknotes meant extra cost, risk and lack of transparency in cross-border transactions. Now doing business in Euro zone means more opportunities, more cost effective and lower risk.

While being able to compare prices more easily, it is promoted the cross-border trade and all types of investments, beginning form the individual consumers searching for the lowest cost of products through the purchase of businesses best value services, to the institutional investors who can invest with greater efficiency in the euro area without taking the risk of fluctuation of exchange rates.

Thanks to euro zone, now there is a huge and integrated market which uses the same currency.

2. Disadvantages of Euro Adoption

When we analyse the euroization as a phenomenon, except for advantages we should examine in details the other side of the coin, its costs in the economy and monetary system of a country. In all the literature describing the disadvantages of applying a unique currency, the most controversial institution is the Central Bank which faces the risk of continuation of its functions.

2.1 Central Bank and the elimination of its role

On the home page of the Bank of Albania it is said that it is the only institution in the Republic of Albania responsible for formulating, adopting, approving and implementing monetary policy of the country. This policy is elaborated to fulfil the main objective of the Bank of Albania: achieving and maintaining the price stability. If we would think about the adoption of a single currency, this will "eliminate" almost all its basic functions. Through euroization, states accept the loss of independence in the application of monetary policies by removing Central Bank instruments for the implementation of the monetary policy. The lack of incomes from "seigniorage" and the loss of Central Bank's role as a lender of the last instance are two of the most important phenomena studied in the case of euroization of an economy.

2.2 Loss of the right of "seigniorage"

When the European Central Bank that issues banknotes, buys goods by using this currency for which it has paid little, it acquires a unique purchasing power.

But not only that, the Central Bank that officially releases money with a very low price, calculates in the PASIV of Balance not real typographical cost (paper and ink), but the numerical value written on coins and banknotes. In this case seigniorage turns to PASIV for the Bank, so it is not taxable and avoids tax payment.

Nowadays, with the introduction of banknotes, the cost of its production is incomparable to its nominal value. Consequently the incomes from seigniorage are very high.

In this way the resign from local currency means the loss of the right to benefit from this source. Although in countries with low inflation rate this income is low, it has to be considered.
2.3 Lender of last resort

To prevent the bankruptcy of a bank, which would be associated with many implications for economic and social life of a country, (the recent financial crisis proves it), and to prevent the extent of the crisis in other banks with the result of loss of the banking system, the Central Bank plays the role of lender of last resort as long as a bank is in crisis. In the case of unilateral euroization, Central Bank loses the possibility of acting as lender of last resort.

Critics point out that the role of the monetary authority of the country as lender of last resort could be reduced if the country does not have access to credit facilities by the European Central Bank intended to help banks with liquidity difficulties. However, there are alternative ways to provide the necessary liquidity to banks.

3. Level of Euroization in Albania

Since 2003, cars, houses and lands begin to be sold in euro; savings gradually moved towards the European currency, more than half of loans, especially for houses, are in Euros.

Today Albanian economy is considered to have a high level of euroization. More important is that during the last two years there has been a preference to keep the savings in euro. Since the beginning of the global crisis, the deposits in foreign currency, mainly in Euros, has increased continuously compared to the total number of deposits.

According to the Bank of Albania, at the end of December 2013, foreign currency deposits constituted about 48% of total deposits, from 42% in early 2008.

While the euro is attracting savers, it is not the same thing with the borrowers, individuals as well as businesses. They repayment have been increased over the past two years, as a result of the depreciation of Albanian lek (ALL) against the European currency. Since 2008, the euro has gained consistently point to the Albanian currency, by exchanging currently 140.37 ALL for one euro.

Table 1: The average exchange rate

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average exchange rate</td>
<td>123.2</td>
<td>137.2</td>
<td>138.8</td>
<td>138.3</td>
<td>139.7</td>
<td>140.2</td>
<td>140.11</td>
</tr>
</tbody>
</table>

Source: Bank of Albania

4. How Euroized is the Albanian Economy?

According to the Bank of Albania, there are three types of euroization and each has its own measuring tools.

First it is the euroization of assets of an economy, which is measured by the ratio of foreign currency deposits to local currency deposits.

Second is the euroization of liabilities of an economy, measured by the ratio of loans in foreign currency to loans in local currency.

Third, it is the euroization of transactions, which is measured by the level of transactions in foreign currency to the transactions in local currency.

The first and second can be measured while for the third there are no measures.

Table 2: Deposits in the banking system (in million ALL)

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total deposits</td>
<td>570,752</td>
<td>627,126</td>
<td>657,690</td>
<td>772,069</td>
<td>869,876</td>
<td>930,228</td>
<td>951,001</td>
<td>958,700</td>
</tr>
<tr>
<td>In national currency</td>
<td>333,495</td>
<td>354,491</td>
<td>366,528</td>
<td>403,907</td>
<td>449,855</td>
<td>469,726</td>
<td>496,560</td>
<td>491,373</td>
</tr>
<tr>
<td>In foreign currency</td>
<td>237,258</td>
<td>272,635</td>
<td>291,162</td>
<td>368,162</td>
<td>420,021</td>
<td>460,501</td>
<td>454,441</td>
<td>467,327</td>
</tr>
</tbody>
</table>

* until October 2014

Source: Bank of Albania
Table 3: The credit to the economy (in milion ALL)

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014*</th>
</tr>
</thead>
<tbody>
<tr>
<td>The total credit</td>
<td>293,864</td>
<td>396,264</td>
<td>440,397</td>
<td>483,130</td>
<td>541,900</td>
<td>554,732</td>
<td>547,928</td>
<td>557,545</td>
</tr>
<tr>
<td>In national currency</td>
<td>84836</td>
<td>114053</td>
<td>140480</td>
<td>157283</td>
<td>188926</td>
<td>215317</td>
<td>220189</td>
<td>230499</td>
</tr>
<tr>
<td>In foreign currency</td>
<td>209027</td>
<td>282213</td>
<td>299917</td>
<td>325932</td>
<td>353120</td>
<td>339609</td>
<td>327995</td>
<td>327046</td>
</tr>
</tbody>
</table>
* until October 2014

Source: Bank of Albania

In the framework of euroization of the assets, Albania has an average level compared to other countries in the region, with foreign currency deposits at about 48% of total savings. This record is held by Croatia and Serbia, whose citizens prefer the joint currency to keep their savings.

The euroization of liabilities is significantly higher. Albania is ranked second in the region after Croatia, with 60% of the loans given in foreign currency. In fact, obtaining foreign currency loans has been a significant preference of businesses and individuals in almost all Central and Eastern European countries, especially in Balkan countries.

When we talk about the euroization of an economy, we mean the real sector of the economy, which is the opposite mirror of the financial system. According to the Bank of Albania, if we take in consideration all agents of the Albanian economy, not only businesses and individuals, but also the financial system, the Albanian economy still remains in a liquid foreign exchange position, as long as there is a positive net foreign asset. The second positive element is the structure of foreign currency inflows in the Albanian economy, which has a long-term nature. These flows consist mainly of foreign direct investment or portfolio investment, and according to the Bank of Albania, they are part of the economic development of the country and not to take advantage of the short-term interest rates.

A high economic euroization: reduces the effectiveness of monetary policy, that is the degree of control of the Bank of Albania into Albanian economy and banking system, and exposes the financial system as well as the economic agents (borrowers and lenders) to the risk of exchange rate movements, risk which they cannot neutralize completely through the construction of protecting instruments in the financial market which may create foreign currency liquidity problems for the Albanian economy, the banking system and financial agents.

4.1 Euroization level and performance of foreign currency deposits

The use of foreign currency is a widespread phenomenon in all post-communist Eastern Europe countries including here Albania. Relatively long transition caused loss of confidence of individuals into local currency and also in domestic monetary regime.

Foreign currency is perceived as a kind of "protection" from the uncertainties caused by macroeconomic instability that characterizes countries which pass from a totalitarian regime to a free open market regime. It is also worth mentioning the increasing effects of globalization and the impact that they have on Albanian economy.

Referring to Balino, Bennett & Borensztein study (IMF, 1999) titled "Monetary Policy in dollarization economies", the level of dollarization (in analogy to Euroization) in an economy is measured by the ratio of foreign currency deposits to cash (M3 in the case of Albania). In cases where the ratio is greater than 30 percent then we are dealing with a high level of dollarization. The developments of this report until 2006 show a moderate level of euroization in Albanian economy with an increasing trend.

Table 4: Foreign currency deposits to M3

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign currency deposits /M3 in %</td>
<td>26.3</td>
<td>29.1</td>
<td>33.5</td>
<td>34.6</td>
<td>33.6</td>
<td>35.8</td>
<td>39.6</td>
<td>38.9</td>
<td>40</td>
</tr>
</tbody>
</table>

From the table we see that starting from the mid of 2008 and on, foreign currency deposits compose nearly 30 percent or more of the money supply. Based on these developments, the Albanian economy is inclined to a high level of euroization.

4.2 Factors that has influenced the euroization of deposits

Some of the factors that have influenced the euroization of deposits are:
5. Increase of Remittances

The performance of foreign currency deposits is favoured by foreign currency inflows in the form of remittances. It is thought that the main source of foreign currency deposits remain the savings of immigrants and their involvement into the banking system. According to a survey of the Bank of Albania (September 2007), based on a study of Lyanos and Glystos 2004, about 1 million Albanians have emigrated mainly in Greece and Italy.

This phenomenon is accompanied by a large inflow of foreign currency in the form of remittances from countries of emigration to the host countries. The transfer of remittances has followed mostly informal channels, which means that immigrants transfer their money personally or through relatives, acquaintances or travel agencies. Based on a survey realised by the Bank of Albania, about 89 percent of remittances are sent unofficially. With the development of the Albanian banking system and specialized operators of cash transfers, recently the remittances have had a tendency to be involved into a formal network.

According to official data of the Bank of Albania, remittances in Albania have increased by an average annual rate of 5.6% during the last 15 years. This rate was much higher in 2007 (about 10.37%) but fell sharply after the global financial crisis, and registered a decline of 15.21%, and 6.56% and 13.06% respectively in 2008, 2009 and 2010. At the end of 2013 they fell by 40% compared to the end of 2012 and this decline continues even nowadays.

We can mention two main factors responsible for the progressive decline of remittances. First, the global economic crisis which affected countries as Italy and Greece. The economic crisis in these countries influenced negatively to the employment opportunities and incomes level of Albanian immigrants.

Secondly, as it is accepted in many studies, remittances have a long-term decline trend. Over time, immigrants change their status, create a family in the host country or join the rest of the family, which weakens family relations in the country of origin.

Table 5: Remittances in Albania (in milion euro)

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>833</td>
<td>781</td>
<td>690</td>
<td>665</td>
<td>675</td>
<td>497</td>
</tr>
</tbody>
</table>

Source: Bank of Albania

5.1 Increase of foreign direct investments and adoption of foreign currency

Foreign direct investments are another source for using foreign currency and increase its turnover in the economy. The increase of foreign direct investment does not suggest the increase of foreign currency deposits, but nevertheless remains a flow indicator of the foreign currency with a high probability to be directed into the banking system.

Table 6: The performance of foreign investments (in milion euro)

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign direct investments</td>
<td>609.80</td>
<td>688.70</td>
<td>788.50</td>
<td>716.80</td>
<td>727.00</td>
<td>923.00</td>
</tr>
</tbody>
</table>

Source: Bank of Albania

Graph 1: The weight that makes remittances to FDI
Table 7: The ratio of foreign currency deposits to foreign currency loans

<table>
<thead>
<tr>
<th>Year</th>
<th>Foreign currency deposits</th>
<th>Foreign currency loans</th>
<th>Foreign currency loans / Foreign currency deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>237,258</td>
<td>209,027</td>
<td>0.88</td>
</tr>
<tr>
<td>2008</td>
<td>272,635</td>
<td>282,213</td>
<td>1.03</td>
</tr>
<tr>
<td>2009</td>
<td>291,162</td>
<td>299,917</td>
<td>1.03</td>
</tr>
<tr>
<td>2010</td>
<td>368,162</td>
<td>325,932</td>
<td>0.88</td>
</tr>
<tr>
<td>2011</td>
<td>420,021</td>
<td>353,120</td>
<td>0.84</td>
</tr>
<tr>
<td>2012</td>
<td>460,501</td>
<td>339,609</td>
<td>0.74</td>
</tr>
<tr>
<td>2013</td>
<td>454,441</td>
<td>327,995</td>
<td>0.72</td>
</tr>
<tr>
<td>2014*</td>
<td>467,327</td>
<td>327,046</td>
<td>0.70</td>
</tr>
</tbody>
</table>

* until October 2014

This kind of relation (if the growth of foreign currency deposits is similar to the foreign currency loans, the ratio goes to one) suggests that to a large extent the high growth rates of foreign currency deposits in the banking system favours the foreign currency loans, and vice versa, the high demand for foreign currency loans is based on the growth of foreign currency deposits.

So, banks can encourage foreign currency deposits as the demand for foreign currency loans is higher, mainly as a result of lower interest rates in foreign currencies. Over 70% and in some cases over 80% of the total credit is granted in foreign currency. While loans are in the balance sheet asset, deposits are on the liability part and their balance is essential to mitigate the risks arising from fluctuations in exchange rates. So, the growth of foreign currency deposits should not be seen as a choice of depositors to optimize their portfolio, but also as a choice of banks, which favour their absorption in order to finance the increasing demand for loans in foreign currency and to avoid the risk of non-compliance of currencies in balance sheet.

5.2 The increased use of foreign currency transactions

The inflow of remittances, foreign direct investment as well as the use of foreign currency in the country increases the use of foreign currency in transactions.

If we look at the real estate trade journals, we notice that their prices often are quoted in foreign currency, mainly euros, which are claimed even by agencies and businesses operating in the real estate market. The same thing happens with a part of other commodities with long-term consumption.

At the same time there is an increase in the number of business transactions carried out with foreign currency. Foreign currency demand deposits of individuals and businesses, which generally means those transactions performed through the banking system, have constant fluctuation. These fluctuations indicate the circulation of foreign currency in the banking system, that is in the formal part of the economy. In developing countries a part of the foreign currency transactions is carried out informally, what makes it difficult to be included in the official statistical data of the foreign currency circulation.

The use of foreign currency transactions and daily economic and financial operations, increase the possibilities of directing that money into the banking system in the form of deposits with or without maturity. Hence, it has a significant influence in the increased ratio of foreign currency deposits, and thus in the intensification of the level of euroization.

6. Conclusions

In this research we notice that the level of euroization in Albania is relatively high, although there is not an official euroization. The results of the study indicate that in the recent years, the rapid growth rates of foreign currency deposits against domestic currency continue to affect the increased number of foreign currency deposits, and the displacement of the structure of M3 towards its foreign exchange component. Due to the high tendency towards euroization (the ratio of foreign currency deposits to the total is over 30 per cent) and its implications on the economy, the recognition of factors affecting its growth is an advantage. Facts show that Albania has made euro its currency and use it as the main means of transactions within and outside the country. Real estate market and construction industry has been using euro for years. The trade volume of Albania is mainly with countries where euro is the main currency, and is surrounded by neighbouring countries where euro is the official currency.

The adoption of euro will certainly reduce the possibility of crisis as a result of a weak domestic currency; if the ECB extends bank supervision it will also reduce the ability of the banking crisis; and if our business cycle would have a higher correlation with a stable country this would reduce the probability of economic crisis.

Regarding the benefits of monetary union, they are difficult to be assessed because it is a lack of necessary data, but factors such as: a) labour and capital in Albania are stationary and can’t protect the economy from short-term strikes
b) Our economy will probably not be able to afford asymmetric shocks in the case of a fixed exchange rate, c) economic structures are different, not only to EU countries, but also to the countries of the region, d) the lack of budget resources to help the economy in crisis, makes us think that the Albanian economy is still unprepared for the unilateral use of the euro and that any reckless experiment would cost too much.

These are some of the reasons why the European Central Bank does not support an early adoption of the euro by economies of Eastern Europe. ECB knows very well the problems that often influence our financial markets, and Albania still needs its Central Bank to intervene to mitigate and regulate its internal or external economic shocks. This means that beyond the slogan “Albania is a European country”, the economy should be prepared to be part of the European economy. For this reason the emphasis is placed not only on the stability of macroeconomic indicators, but also on carrying out reforms which would assure sustainability of macroeconomic outcomes.

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The Importance of Patronage during the Institutionalization of the Companies and the Professional Manager and Entrepreneur Coherence Problem

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Abstract

When companies start institutionalization, it is inevitable that some difficulties will be faced while advancing with the guidance of the experienced and professional managers under the employer's control. In the operation of this process, as much as the importance of the patronage (the entrepreneur's embracing the control and style of managing), the managers' (that give account to the entrepreneur) being able to embrace the institution and to have an accord with the boss are also important. It is normal to face some coherence problems and opinion differences between the entrepreneur and the senior manager in the institutionalizing companies. The level and the depth of these are important; moreover, there are things to do to make them understandable. During the institutionalization process, the coherence problems between the professional manager and the entrepreneur can be resolved through mutual effort. In this study, the main problems are faced and the solution suggestions are given.

Keywords: Coherence Problems, Institutionalization, Patronage,

1. Introduction

Companies are like living beings: they are born, they develop, and die. The eternal one is life itself, the living ones change in time. When the companies are born and come to the developing phase, they should come up with a vision for their customers that they serve as much as their employees and employers. They should improve and rationalize their products continuously as they reach the aims they put as missions. This can only be possible while institutionalizing. The presence of the shared values at the very beginning compared with forming them later in is really important because interpretation and similarities in the approaches ease the agreements, and therefore speeds up the decision making and application of the decision. During the global crisis experienced in our country and around the world, being institutionalized has a benefit for the companies. The ones in the period of institutionalization, it is inevitable that the effect of the entrepreneur and the professional manager coherence on the process is one of the determining factors on the crisis' having positive or negative effects for the companies.

2. Institutionalization Concept, Its Development and Importance

Institutionalization has come out as a result of the needs of the administration staff, the needs of professionalism, the sensibility and the enforcement of the public opinion on the topic, the increase in the consciousness levels of the individuals, the rise in the tendencies on protecting the rights and the values, and the changes in the organization structures (Tügiad, 1992).

Institutionalization is defined as ‘Giving the institution qualification; the process of a behavior, thinking, and belief style’s changing into the structures that are valued by the public and historically stable’ by the Turkish Language Society Dictionary (Benligiray, S., 2005).

Institutionalization emphasizes the importance of the psychological, social, and political issues on examining the social events in general, and the organizations in specific. Institutionalization examines the effectiveness of the
intellectual powers like the rules and the beliefs, differently from the capitalized approaches that look into the role of the material resources like the formation of the production systems for the structure and the operation of the institutions and the management of the sources (Scott, W. R.). The definitions done on institutionalization change according to the handling of the structure because the extent of the concept is wide and is not given the same meaning by everyone. The meanings that come out according to the relationship between the institution and the individuals are as follows:

- Institutionalization is defined by the boss or the managers as, even if the employers change, the institutions being able to survive through their bureaucratic management structure.
- The employees see institutionalization as the trust in the institution and they relate it to the institutions skill on motivation the employees, and relate it to the material and the spiritual trust of the employees to the institution.
- The institutions and the individuals that are in relation with the companies measure the institutionalization indicators of it through its being effective and continuous in terms of business, pursuing its rights with them, and its skill of fulfilling the responsibilities it has.
- The customers connect an institutionalized company with the trust on the goods and the services given by the companies, their skill of compensating their mistakes in time, keeping its existence permanent, and the importance it places on the environment.

When the different viewpoints are taken into consideration, institutionalization can be defined as a feature that keeps the institution’s existence permanent, that has a bureaucratic management structure that ensures that the goods and the services are of good quality and reliable, and that keeps the systematic procedures and the objective management approach together (Atılgan, T. and Demirel, A., 1999).

According to Dr. Üzeyir Garih (2007), Institutionalization is to base the things to be done in the institutions into procedures and to systemize them, planning reports that will show the periodic results and presenting them to the directory or to the representatives of the shareholders of the company and therefore letting them know what is going on at the company and to be able to interfere when necessary.

It is not enough to limit institutionalization with the above mentioned things. Since the employers and the employees at the companies are human beings, it is also important to institutionalize the business ethics. Where there is a system and administration quality, the presence of the business ethics is closely related to the human quality. In institutionalization, the system’s being established with the necessary ethics rules has a strategic importance for the company. The department that will contribute to the business ethic to be able to institutionalize is the human resources administration department.

3. The Institutionalization Process and the Indicators of Institutionalization

For a company that aims to be institutionalized, many factors should be coordinated together. Company’s being institutionalized cannot happen only by applying one or several factors like building a good organizational structure or satisfying the clients at the highest rate by producing good and qualified products. At this point, a final idea cannot be reached about a company’s being institutionalized or not, without first answering the question, how a company becomes institutionalized. Then, the procedure that the institutionalized companies went through should be analyzed. In one of the vital studies done on institutionalization, it is emphasized that it is not enough but necessary to take precautions for the institution to be able to live without being dependent on specific individuals (Akat, İ. And Atılgan, T. 1992). These precautions are given as:

- The owner family leaves the administration
- Having professional managers in the administration
- Having staff
- Having delegation of management
- Allocating the employees, dividing the capital
- Establishing a foundation, and allocating it
- Writing ‘institution/organization’ to the title of the company
- Going public
- Conglomerating, establishing a joint stock company
- Making the administration transparent through some regulations

Taking some or all of these precautions is effective while turning into an institution; on the other hand it is not enough. In addition to these, the most obvious signs of becoming an institution include the followings:

- To become public knowledge
To create an organizational culture
- To have interactions with environment
- To have business ethics and laws
- To have a systematic and efficient internal organization

In order for an institutionalized company to sustain its presence and maintain its competitive powers, the above mentioned points make sense as long as they come true in a rational way, not just with show off worries. Otherwise, it is possible to come across red tape, difficulty in decision making and an ungainly running system and also not internalized structural reforms may reduce the company's competitive powers, even lead to more desperate situations up until bankruptcy.

The most significant factors affecting institutionalization are as follows: Firm culture, management style, training, aiming at people and organization structure.

Firm culture constitutes an advantage for the business firm to survive in an atmosphere of competition. Every successful company has its own values and philosophical bases to achieve its aims; regarding these it presents its management system and actions. In addition, firm culture can be defined as the accepted quality of a firm that introduces and advertises it to the outside world.

The management style of a firm is shaped according to the expectations of its leaders, top executives and owners. Although it is claimed in the definitions related to institutionalization that firms sustain their existence without being dependent on persons, this is not possible, but the only thing that can be done is to reduce the dominant self-interests of leading people. While successful companies are making themselves accepted as institutionalized, the effect of a powerful leader is clearly seen. In the companies in our country, Vehbi Koç from Koç Holding, Durmuş Yaşar from Yaşar Holding, Nejat Eczacıbaşı from Eczacıbaşı Holding can be given as examples to such leaders.

In the institutionalized business firms, in service training is of critical importance. Training activities are provided continuously. The company employees and managers are trained during the charge, in seminars, group meetings and occasional social meetings. Since it takes a long time and requires some effort in order for employees to identify themselves with the institution culture, institutionalized companies make less personnel changes compared to other firms and provide long term employment. Also, in institutionalized companies, managers generally start from the first steps, accept the values of the company, internalize the firm culture and then finally becomes from the top executives, therefore, a manager from outside the company is rarely transferred. In this way, commitment to the institution is increased, the institution values have sustainability and institutionalization process comes true.

The organizational structure in institutions is of great importance. That employees know to whom and for what tasks they are responsible is fundamental so that communication can be successful and decision making can be maintained without any complexity. The manager should give importance, whatever size the firm is, to build a systematic hierarchical organization, and to creating an information network. There is not any specific kind of organizational model about institutionalization and it depends on the business scope, management system, economical and social environment.

Today, the opinions of Karl Marks and J. J. Rousseau, the opponents of institutionalization, have lost their importance and it is understood how important persons are in the organizational structure and so the human factor has gained importance. Associations investing in humans treat their employees with more favor and stops regarding them as a factor for production but as a part of the organization. In this way, the participation and creativity of employees in the development of the firms is valued.

4. The importance of Patronage in Institutionalization

The objectives of a company is primarily determined by the company owner and it necessitates encouraging and supervising all staff from the top executives to junior levels. It is possible to reach the objectives of the company without being institutionalized, however, organizational identity and acceptance by the society is not something that can be achieved with simple methods.

First of all, it is crucial that the patron has a high level of consciousness and makes himself accepted by the ordinary people, people with low education or low cultural levels as an example with his education, good manners, personal relations, his respect for nature. It is not possible for a company and its internal structure to have an institutional identity before its patron is accepted and respected thanks to his achievements.

The fact that the patron continuously follows and investigates his surrounding, the visions of the competitor institutions, the relationships of his own company and competitors with government agencies and that he takes
precautions considering how he can improve his own prestige together with his company will make his company regarded as institutionalized by governmental agencies, employees within the institution and outside and customers.

Every company is an establishment, but not an institution. An institution should have an institutional structure and culture. The institutional culture should be shaped by a patron and top executives who are not rigid on communication and decision making norms within the company but flexible enough to sustain innovative company existence.

Patron is the person accommodating various simultaneous qualities such as being an employer, entrepreneur, capital owner and investor and having leadership characteristics. But what other qualities should a patron of a institutionalized or in institutionalization process especially have?! In order to answer this question, it is necessary to foresee at which level the person who has the identity of a patron sociologically can achieve this.

In order for a patron to aim a business firm having an institutional identity, he should meet physiological, safety, love and belonging needs in Maslow's "Hierarchy of Needs". It is also essential to meet the other needs on the following steps, specifically esteem and self actualization and only in this way he can contribute to the process of institutionalization of the company he owns in a conscious and sincere way.

As the business firms grow bigger, the structure of organizations becomes more complicated and that's why it is necessary for the management to be divided into various levels and limits of authority should be defined. This is a step conducted during the progress of institutionalization. Generally, an organizational structure consisting of a senior, middle and junior staff is built. For the senior staff, a management board selected by investors is determined. Senior officials such as chairman, vice chairman, general manager elected by administrative body have the topmost responsibilities. In a situation like this, chairman of the board is the big boss and upmost authority to whom the accounts and explanations are presented.

In a company in the process of institutionalization, the importance of patronage is undeniable and in achieving the responsibilities, the role of the personal objectives set by the big boss leads him to success within the borders of his power and capabilities. In an institutionalized company, since the patron is the manager at the same time, he should know the basic features of the management, implement them and have them implemented. The basic qualities of management activities are as follows (Tokat,B. and Serbetci, D., 2001):

- Humanistic Quality
- Quality of Having Objectives
- Quality of Being Group
- Collaboration
- Division of labor and specialization
- Rank System (consisting of administrators and the administered)
- Democratic Quality
- Universal Feature (is seen any kind of organized activity in vertical and horizontal dimensions)
- Individualistic quality
- Two-sided progress (Decision and Implementation)
- Creative process (Thinking, Judging, Comparing)
- A process of being communicative
- Mental quality of the management
- Artistic quality of management

The final stage of the management's development in historical process which is examined as modern management period today takes into the "System Approach" and "Contingency Approach". One of the important researches about the Contingency Approach was undertaken by Fredler. With this research, it was put forward that effective leadership style was dependent upon the interaction of situational variables with each other like the clarity of tasks, the authority that the leader owns, the nature of the relationship between leaders and subordinates. That the boss demonstrates an effective leadership in the process of institutionalization will take place depending upon the interaction of situational variables with each other which Fredler put forth.

If patronage is handled in the manner that it forms the main frame in the planning, organizing, directing, coordinating of managerial staff within the body of a company and setting the task boundaries of them in controlling, and in the manner that all this is ensured to be complied with, the presence of institutionalization in that company may be noticed. If the boss frequently and arbitrarily changes the rules that he himself set, and asks the ones in the managerial staff the issues which are out of their missions, he undermines confidence, the staff doing their job confuse their responsibilities and they get to interfere with one another's job; and this makes the institutionalization look like it exists in words but not in deed. For example, the texts copied from European standards have been in practice as ISO 9001 and
2000 within the TSE scope for 10 years by large and mid-scale enterprises in our country with the guidance of a consulting firm with the purpose of showing that many companies have a high-class management and production. The standard’s being adopted and implemented could not be completed with just receiving the certificate. Expectations in many companies raised as if an institutionalization emerged with it but unfortunately, this, indeed, had little effect on the management philosophy of the enterprises and the manners of bosses and managers. The structure’s taking on a corporate state in an organization includes a process of maybe 10 or maybe 20 years. Change and transformation barely occur with the business heirs of the next generation who take charge in the management of the company by having education in more different conditions, and sometimes with no chance for it, companies complete their lives.

For example, Deba Inc. in Denizli, which was considered to be institutionalized, completely went bankrupt. Upon becoming a holding, Funika Textile encountered with the danger of extinction along with the global crisis. Even if the institutionalization of a company looks like a supportive concept to sustain its presence, it is unfortunately not a thing to enable the company to continually develop and live.

The boss’s predicting the sectoral fluctuations and taking precautions against them, his attention to sustain his coherence with his senior managers, refreshing the trust by respecting mutual expectations are supportive components in the process of a company’s institutionalization.

An institutionalized company is, at the same time, an enterprise which considers and enforces the law. The patronage of an institutionalized company must be undertaken by means of fulfilling its legal obligations to not only its senior managers but also all the employees, shareholders and customers meticulously.

5. Issue of Professional Manager – Entrepreneur Coherence

In institutionalized companies, the basic issues between the entrepreneur and the senior manager and the solution offers are given in Table 1.

### Table 1. The Issues Between the Professional Managers and the Entrepreneurs and Their Solutions in the Process of Institutionalization in Companies

<table>
<thead>
<tr>
<th>Issues Between The Entrepreneur And The Senior Manager</th>
<th>Solution Offers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Differences in interpretation of the decisions taken between the employer and the professionals in the upper administration.</td>
<td>To prevent the differences in interpretation of the taken decisions, in the implementation phase, managers and the employer need to inform each other about the operations done by working in a coordinated way.</td>
</tr>
<tr>
<td>Difficulty in applying decisions arising from norm and value diversity in the implementation phase.</td>
<td>The employer should choose the staff that he will charge in the upper administration among the individuals who are in the capacity of giving the best answer to his own expectations to not let the norm and value diversities occur.</td>
</tr>
<tr>
<td>Problems in determining the permissible limits in initiative takeover and using initiative.</td>
<td>About initiative takeover and using of it, both the employer and the managers have to set the limits of this situation at the very beginning of the subject.</td>
</tr>
<tr>
<td>Problem of mutual trust to give and undertake duty.</td>
<td>Tasks should be given and taken respectively by paying attention to the ascending order of the cost which the risks in giving and taking on tasks will give birth to.</td>
</tr>
<tr>
<td>Problems between a male employer and a female manager that may be occur due to gender by human nature.</td>
<td>For the problems not to occur which could arise depending on gender, professional approaches must be performed in the workplace and conversations apart from job-related subjects and private lives of individuals should not be on the agenda.</td>
</tr>
</tbody>
</table>

Problems originating from personality, family training, social environment where they grow up and live could happen to be between the boss and the professional manager while the ones originating from gender differences could also be faced. By human nature, the gender factor has an importance in each environment where there are human relations. Even though male and female behaviors are expected to be the same in the presence of events, this occurs differently in reality. Differences in expectations and approaches come about between the male boss and the female manager (Mukhtar, M. S., 2002). Adaptation problems and their reasons at the workplace are as the following:

1. Sentimentality is in the foreground in women’s viewpoint on events, and the difficulty in behaving sensibly in the face of concrete cases results from their temperament.
2. Sexual harassment of male bosses towards the female manager leads to the fact that their personal expectations get ahead of the expectations for the institution itself; this case is one of the common difficulties.
3. Denying the male and female managers the equality of opportunity for the same work position; once recognized, paying more to the male in terms of income, are the reasons for the trust possessed for the institutions to be damaged from the point of female managers.

4. Adjustment problems originating from the different motivations of the woman and man related to familial and social life with traditional reasons are frequently observed in business life.

How can a good harmony be between the boss and the senior managers? To be able to reply to this question is only related to know and pay attention to the human nature. A good manager can establish a successful dialogue and ensure cooperation by giving attention to his/her boss's requests and responding sincerely to his/her expectations. Who is managed should not be only the manager; a good general manager is one who manages his/her boss well at the same time. A successful senior manager is someone who can receive from his/her boss sincere answers to the questions like “With what can I simplify your works? Without what can I fulfill your requests? What are the aspects that you give importance to?” and find them noteworthy (Garih, U., 2007).

6. The Result and the Offers

Benefits of institutionalization in terms of enterprise can be summarized as follows:
- The company’s having a distinctive culture
- The company’s being run professionally, and its giving more opportunity to supervision and improving
- The enterprise’s success in its own operation field in a long scale, and preserving and increasing its competitive power
- Job satisfaction of the staff’s reaching a high level who serve in the managerial and working staff
- A strong structure’s being built in the company and preserving the limits of this structure, and forming a collective consciousness thanks to the company culture constituted to improve the structure

Adaptation issues between the professional manager and the entrepreneur can be widely removed with mutual Endeavour in the process of institutionalization. To make it real, it is important for both sides to comprehend the problems, to transmit to each other mutually in meetings, to approach each other’s expectations tolerantly and to pay attention to them in practice. Especially, it will simplify the adaptation if the employer gives importance to education and brings his/her own level closer to the ones of the professional managers if he sees himself inferior or superior to the professional managers. It is also valid for the professional managers. If it’s not possible, the realization of institutionalization gets interrupted and conflicts continue. As a solution, if the boss doesn’t interrupt the operations, does his task of inspection neatly, takes measures to stimulate the managers’ motivation to work in his/her institution by creating different environments with a variety of activities, faces some risky situations by taking the offers made to himself/herself into consideration, and follows their results carefully, he can increase the mutual adaptation and the company’s success subsequently.

7. Acknowledgement

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İş Ahlakı ve Türkiye’de İş Ahlakına Yönelik Tütümlar, Tügiad Yayınları, İstanbul, 1992
Fiscal Policies Applied in Kosovo and Their Impact in the Competitiveness in Kosovar Businesses

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Abstract

Fiscal policies play an important role in the economic development of a country. Finding more favourable fiscal policies allows not only raising the necessary monetary funds for the functioning of the state but also the distribution of budget revenues in different development projects which will have an important role in economic development and the development of conditions for operation of private businesses as a condition for a sustainable economical growth. While in the after war period in 1999 the goal of fiscal policy has been meeting the immediate needs for normal functioning of life in Kosovo today fiscal policies should be in place for a sustainable economic development which will be a guarantee for state operation thus creating a healthy climate not only for businesses but also for our population. Changes in the world and globalization have had an impact in having a strong competition between different economies, including the economies of most developed countries of the world. As all the economies of other countries so the Kosovo economy as a whole and businesses in particular are not immune to this competition but they daily face these competitiveness issues not only form the competition of regional and European countries, but also from businesses from all continents. The Kosovo economy and the one of all countries in transition faced many difficulties which have affected the development of local businesses and the competitiveness of those businesses compared to businesses in the region and beyond. Through this paper we analyzed fiscal policies that are applied in Kosovo from 1999 to 2014 and we measured the impact of these fiscal policies in the overall development of Kosovan businesses. Particular emphasis in this paper was put on the steps to be taken by the government and substantial reforms to be made in order to establish fiscal and commercial facilities which will affect the growth of local businesses, increase their competitiveness and with it the increase of employment and social welfare of the citizens as a strategic goal for Kosovo and its economy.

Keywords: economy, businesses, fiscal policies, competitiveness, reforms

1. Introduction

Fiscal policies are a group of all measures undertaken by the State in respect of income, wealth and accumulation made by natural and legal persons for the purpose of fund raising to finance public expenditures. Therefore, through the use of fiscal instruments such as taxes, public expenditures, and public debts etc. state affects all economic costs such as salaries, employment, economic growth etc. The aim of these measures is for the state to have an impact and regulate the cyclical movements in the economy respectively to affect the growth and development of the economy, to increase domestic production and along with the increase of the employment level.

With adequate fiscal policies undertaken by the state, it could affect the employment level and maintain stability in the economy. Kosovos since 1999 until the declaration of independence in 2008 did not have its own autonomous fiscal policies but they have been applied by the United Nations Mission UNMIK through the so-called UNMIK Pillar II - Regulation which has been responsible for making and implementation of economic and fiscal policies in Kosovo. By analyzing the results of those fiscal policies it is obvious that they were mainly oriented to maintaining financial stability and very little impact on Kosovo’s economic growth, increase of domestic production and along with the increase of competitiveness of SOEs with those of the region and beyond.

After the independence in 2008, although Kosovo was supervised for some time in politics it made in terms of economy, Kosovo has independently created its own fiscal policy but not monetary ones, because Kosovo’s official currency is Euro and Kosovo can not impact on the increase or decrease of the cash or other steps, as it is widely known that Kosovo is not a part of the euro zone but due to circumstances it had to have European common currency Euro as the official currency. However the period since 2008 until now even though it was proclaimed that changes were made in fiscal policies compared to those applied by the UNMIK regulation, and that those policies will directly affect the growth of domestic production, growth the competitiveness and profitability of Kosovo businesses, increasing foreign direct
investment and the level of employment, and that the multiple effects of these measures would be very large and will enable not only maintaining financial stability and sustainability of Kosovo but will have an effect on employment and consumption as an important element of this economic growth, the effects of these changes did not have a significant impact on economic development.

From 2008 until now there are some changes to tax rates which in one way or another are adapted to those in the region but did not create such fiscal policy which would enable the business community in Kosovo to substantially feel them and which would enable businesses in Kosovo competitive to those from abroad, and which would also make foreign investors feel these changes in order to invest their capital in Kosovo and that investment would have an effect on employment, consumption, growth GDP and why not create and increase revenues for the state budget.

2. Purpose and the Objectives of the Study

The purpose and objectives of this paper is not only to analyze the rate of economic development of Kosovo, the participation of Kosovo products that are exported to those that are imported, the structure of economic participation but to review and give our contribution to finding better ways to alternation and implementation of such fiscal policies and historical and financial aspects that will affect sustainable economic growth, employment growth, increasing purchasing power of the population which would increase the size of the sensitive effects on economic development.

Economics today on one hand are facing stiff competition from companies abroad, faced with an economy and unfair competition but also significant decrease of the purchasing power of the population. Therefore there is a need for comprehensive analysis of governmental institutions, the business community and civil society in order to find and take radical steps and multidimensional amendments which would help to improve the macroeconomic parameters of Kosovo and the improvement business activity and increasing the competitiveness of Kosovo businesses in comparison with those of other countries.

Kosovo has a low rate of economic growth, which is mainly due to a less favorable environment for business, lack of investment and small financial possibilities and fears of local producers to enter into manufacturing projects, where production carries a higher risk of transfer rate and return on investment for a longer period than those of other sectors of the economy.

The economic growth of 3 percent according to the report of Kosovo Central Bank, as it was assessed during 2014 it is not enough to overcome the many problems with which the Kosovo economy is facing, as many social problems, absorption of new work power entering the labor market every year and which have essential influence on the growth of the purchasing power of citizens because today’s economics and household faces shortage of purchasing power which has a chain affects on the overall economy.

Even Kosovo's economic trade balance compared to that of the region and beyond still has a deterioration trend and is extremely unfavorable and due to the policies which have been pursued so far by the government that are oriented more toward coverage of budget needs which still greatly encourages imports than in creating meaningful development policies that would encourage local production and increase the competitiveness of producers and local businesses in their entirety with businesses from other countries.

Therefore even the structure of budget revenues realized so far but also those projected for the future are from the share of revenues from imported goods respectively revenues levied at the border which still remains above 65 percent. These fiscal and developmental policies that have been applied so far in Kosovo have made Kosovo since 2000 until now always to have a large trade deficit and that deficit continues due to these policies, as well as the heavy dependence on imports, the trade deficit in 2012 was 2.5 billion Euros, in 2013 was 2.4 billion Euros, and in 2014 was 2.2 billion Euros. So even though we have a small decrease in trade these last three years this deficit is still high and requires a serious commitment of the governmental relevant decision taking institutions so that this disproportion be mitigated considerably. This can be done only by undertaking of substantial fiscal and developmental reforms that will affect the growth of domestic production and reduce the demand for imported goods.

Fiscal sector was characterized by a slight decrease of revenues and budget expenditures increased during the first half of 2014. Kosovo Budget recorded primary deficit of 22.0 million Euros to June 2014 (7.6 million deficit in the same period of 2013). General government debt in the reporting period was EUR 554.4 million or 9.9 percent of GDP, compared with 9.1 percent in 2013. Kosovo continues to have the lowest level of general government debt compared with regional countries (58.1 percent of GDP is the average public debt of countries in the region in 2014). Besides that it
has the lowest level of public debt, however during 2014 Kosovo has increased it slower compared to the average of the
region. ¹

One of the problems highlighted by the business is overseeing the functioning of the market, respectively, unfair
competition, which still has large dimensions. All businesses are facing this problem, regardless of the sector in which
they operate.

Export has also a very low turnout and a very unfavorable structure, where nearly half of it is accounted for base
metals and participation of exports is still very low in volume which in 2014 had a turnout of 324 million Euros, which is
much lower than the imports made in Kosovo.

While in 2013 net exports contributed positively to economic growth, as a result of increased exports and decline in
imports, net exports in 2014 estimated that contributed negatively to GDP growth by 0.1 percentage points. The
deterioration of net exports position during 2014 is estimated to have been a consequence of deepening the goods trade
deficit of 2.6 percent. Exports of goods estimated to have recorded nominal growth of 10.4 percent (6.5 percent in
2013), while imports of goods 3.6 percent (annual decline of 2.3 percent in 2013). Despite increasing exports, much
higher level of imports has made net exports of goods to contribute negatively to growth. Regarding trade in services, the
nominal value of their exports estimated to have increased to 14.1 per cent in 2014, while their imports estimated to have
increased to 18.9.

Participation of other items remains low: food and beverages (from 8.1 in 2005 to 6.6 percent in 2014), and
machinery and mechanical electrical equipment (from 11.6 percent to 4.3 percent). There are some minor improvements
in the participation of Kosovo in export products such as products of plastics and tires in export which participation has
increased from 1.7 percent in 2013 to 6.2 percent, and the share of textile products has grown from 1.1 percent in 2013
to 4.3 percent in 2014 and have increased participation of plant products from 5.1 in 2013 to 5.2 percent in 2014.

Such structure of export testifies the low competitive ability of domestic producers, as well as the lack of capital for
investment in technology in order to increase the quality, then the acquisition of seductive forms of packaging, as well as
more aggressive marketing.

Kosovo faces huge commercial difference and small coverage with import. In the table below the coverage of
imports by exports over the years is presented.

Table 1: Kosovo exports and imports with all the countries (000 €)

<table>
<thead>
<tr>
<th>Year</th>
<th>Export</th>
<th>Import</th>
<th>Difference</th>
<th>Coverage percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>56,567</td>
<td>1,063,347</td>
<td>-1,006,780</td>
<td>5.3</td>
</tr>
<tr>
<td>2005</td>
<td>56,283</td>
<td>1,157,492</td>
<td>-1,011,209</td>
<td>4.9</td>
</tr>
<tr>
<td>2006</td>
<td>110,774</td>
<td>1,305,879</td>
<td>-1,195,105</td>
<td>8.5</td>
</tr>
<tr>
<td>2007</td>
<td>165,112</td>
<td>1,576,186</td>
<td>-1,411,074</td>
<td>10.5</td>
</tr>
<tr>
<td>2008</td>
<td>198,463</td>
<td>1,928,236</td>
<td>-1,770,213</td>
<td>10.3</td>
</tr>
<tr>
<td>2009</td>
<td>165,328</td>
<td>1,935,541</td>
<td>-1,770,213</td>
<td>8.5</td>
</tr>
<tr>
<td>2010</td>
<td>295,957</td>
<td>2,157,725</td>
<td>-1,861,768</td>
<td>13.7</td>
</tr>
<tr>
<td>2011</td>
<td>319,165</td>
<td>2,492,348</td>
<td>-2,173,184</td>
<td>12.8</td>
</tr>
<tr>
<td>2012</td>
<td>276,100</td>
<td>2,507,609</td>
<td>-2,231,509</td>
<td>11.0</td>
</tr>
<tr>
<td>2013</td>
<td>293,842</td>
<td>2,449,064</td>
<td>-2,155,222</td>
<td>12.0</td>
</tr>
<tr>
<td>2014</td>
<td>324,554</td>
<td>2,538,232</td>
<td>-2,213,678</td>
<td>12.78</td>
</tr>
</tbody>
</table>

¹ Kosovo Central Bank, Report on macroeconomic developments, number 2, February 2015
Situated in Eastern Europe, Kosovo's economy has become part of the economic integration of the region, providing market expansion opportunities. Aim in itself already is to increase its competitiveness by increasing export capacity to reduce the trade deficit that Kosovo currently has.

As an important location for business development, Kosovo offers a range of comparative priorities as young population and somewhat qualified, natural resources, favorable climatic conditions, new infrastructure, fiscal policy with the lowest taxes in the region tax, geographic position with access to the regional market CEFTA and in the on of the European Union.

The government does not open new jobs but creates the possibility for their opening in this case the unemployment rate will decrease and the reduction of poverty and other chain effects on local businesses as well. Channelling budget in several major infrastructures projects but not in projects that would affect the growth of productive capacity of Kosovo businesses and the reduction of the dependence of imported products are some of the elements which should have been and should be urgently taken by relevant state institutions. Kosovo has a high potential for agricultural production and for building processing capacities of these products which would enable not only the reduction of the import of these products but also the employment growth of a large number of people including those in the agricultural and industrial capacity.

But if you compare measures and facilities that the Kosovo government has done we could say that Kosovo has significantly stalled in proposing initiatives and creating various facilities for manufacturing businesses especially for those businesses that employ a lot of people, create added value over half in Kosovo and their products are export-oriented. Besides the release of certain imported goods from customs tax - mainly in machinery and less on raw material, no other measure that facilitates doing business has been taken. On the other hand, countries in the region, such as Serbia and Macedonia provide investment incentives, tax holidays, use the parcels whole infrastructure.

So far, some of the steps that have been undertaken by government institutions are:
1. Subsidy of several activities with an emphasis on agriculture;
2. Facilitating and accelerating the procedures for business registration;
3. Facilitation of some customs procedures;
4. The guarantee of deposits to 2000 Euros;
5. Reducing the tax on business income.

But the undertaking of these steps did not have the expected impact because Kosovo manufacturers and Kosovo businesses are still faring numerous difficulties which have played a decisive role that although there have been some actions and reforms of government institutions they still have not played the effect which is intended by the government.

If we analyze only the effects of the reforms outlined above we can conclude that those steps shave not been sufficient and have been deficient since we are in a situation where:

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**Kosovo**
**Goods exempt from customs**
- Exports
- Diplomatic or consular missions and their staff
- Import of goods which are for the official use of UN or any of its organ
- UNMIK, specialized agencies, KNKK, KFOR, EULEX
- Import of goods financed by grants awarded by governments, governmental agencies, governmental and non-governmental organizations to assist programs and humanitarian projects such as those for Kosovo's reconstruction.
- Imports of specific goods for which Kosovo Government decides that should be used for humanitarian purposes.
- Zero custom tax for a wide spectrum of raw material and equipments
- Removal of double taxation with Albania

**Macedonia**
- Incentives in areas of industrial technological development
- Corporate profit tax -0 (outside the area 10 %);
- Personal Income Tax 0 (outside the area – 10 %);
- VAT - 0 (outside area 18 %)
- Excise 0 (outside the area 5-62 %);
- Processing materials and equipment are exempt from customs duty

**Serbia**
- For big projects: grants up to 20% of investments;
- For projects of wide standards: 4,000-20,000 euro for a new working place;
- For big investments: 10 years break from Corporate income tax;
- For investments: tax credit on corporate income to 40% of investments in real estate;
- Removal of double taxation;
- Exemptions from tax charges on wages and social security;
- Annual income tax deduction up to 50% of taxable income

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**Source:** Kosovo Agency of Statistics, Ekonomik Statistics, Januar 2015; page 9
The level of subsidy for agricultural activities has not created conditions for local products to be competitive against those imported neither in terms of price nor quality.

Facilitation of business registration procedures was not followed by other facilities in obtaining other necessary permits to develop the activity for which they have invested their capital.

Facilitation of customs procedures has failed to stop the informal economy which developed mainly from import goods since the import export ratio today is 88/12.

Although the guaranteed deposits are up to 2000 we still have the highest rates of interest in the region and beyond and it directly affects the difficulty of financing various projects by businesses in Kosovo.

Reduction of taxes on corporate income from 20% in 2009 to 10% is not accompanied by the combat of informal economy the rate of which, according to statistics of different institutions of the economy, ranges from 28-33% from the gross general product which for 2013 was EUR 5,800,000. 00 in Kosovo.

3. Research Question - Methodology of Treatment

The purpose of this paper is to revie what actual steps have been undertaken by the state institutions so that the economics in general and businesses in particular to help businesses overcome difficulties of their occasional cases as a result of those streams.

Based on this relevant Kosovar institutions have tended to undertake a number of actual steps that would create a favorable climate for business, to arrange for Kosovar businesses to be equal to the conditions of doing business offered to businesses in other countries, however based on the responses received from a number of Kosovo businesses we can say that the businesses are not satisfied with the steps which were taken by institutions due to the obstacles that arise in their business either because of shortcomings in legislation or due to failure to legislation by the authorities.

With the aim of analyzing these steps which were taken by relevant institutions and analyzing the situation of doing business in Kosovo we have prepared a questionnaire and sent it to a significant number of Kosovar businesses from whom we asked to answer a number of questions which we deemed relevant and which can give a clearer picture of their situation and their perception of the steps taken by the government. Of the total number of over 10,000 businesses registered in Prishtina region and which develop business (information obtained from the Tax Administration of Kosovo) we analyzed the information returned by 100 businesses of different activities 50 in trade and services and 50 in production )that have been answered and their perception on doing business, their difficulties and other elements that accompany their daily activities.

4. Analyses – Interpretation of Data

In order to accomplish this paper we have interviewed 100 businesses in various activities 50 from tham in trade and services and 50 in filed of production where we have submitted sever questions to business leaders in which they have responded mainly with Yes or No.

<table>
<thead>
<tr>
<th>No.</th>
<th>Research question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Do you think that doing business in Kosovo is difficult?</td>
<td>49</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Did you increase turnover from 2008 onwards?</td>
<td>27</td>
<td>23</td>
</tr>
<tr>
<td>3</td>
<td>Did you increase employment from 2008 onwards?</td>
<td>15</td>
<td>35</td>
</tr>
<tr>
<td>4</td>
<td>Did you increase profit from 2008 onwards?</td>
<td>16</td>
<td>34</td>
</tr>
<tr>
<td>5</td>
<td>Do you think that the Government has undertaken sufficient steps to overcome the business difficulties in Kosovo?</td>
<td>4</td>
<td>46</td>
</tr>
<tr>
<td>6</td>
<td>Did you benefit from any subsidies or grants from the Government of Kosovo?</td>
<td>13</td>
<td>37</td>
</tr>
<tr>
<td>7</td>
<td>Do you think that the conditions of doing business in Kosovo are more favorable compared to other countries in the region?</td>
<td>9</td>
<td>41</td>
</tr>
<tr>
<td>8</td>
<td>Do you think that the legal infrastructure is sufficient to protect your investments in Kosovo?</td>
<td>17</td>
<td>33</td>
</tr>
<tr>
<td>9</td>
<td>Would you transfer your business activity in the region or abroad if you had the opportunity?</td>
<td>37</td>
<td>13</td>
</tr>
<tr>
<td>10</td>
<td>Do you think that the Government should do fiscal political reforms in order to create a more favorable climate for businesses?</td>
<td>46</td>
<td>4</td>
</tr>
</tbody>
</table>
Table with questions and answers by various respondents in production

<table>
<thead>
<tr>
<th>No.</th>
<th>Research question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Do you think that the Government should do fiscal political reforms in order to create a more favorable climate for businesses?</td>
<td>50</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>Do you think that the conditions of doing business in Kosovo are more favorable compared to other countries in the region?</td>
<td>4</td>
<td>46</td>
</tr>
<tr>
<td>3</td>
<td>Do you think that the Government has undertaken sufficient steps to overcome the business difficulties in Kosovo?</td>
<td>3</td>
<td>47</td>
</tr>
<tr>
<td>4</td>
<td>Did you benefit from any subsidies or grants from the Government of Kosovo?</td>
<td>11</td>
<td>39</td>
</tr>
<tr>
<td>5</td>
<td>Do you think the producers should be exempt from customs duties on raw materials?</td>
<td>50</td>
<td>0</td>
</tr>
<tr>
<td>6</td>
<td>Do you think the producers should be exempt from VAT on raw materials?</td>
<td>50</td>
<td>0</td>
</tr>
<tr>
<td>7</td>
<td>Do you think the government should subsidize local producers especially exporters?</td>
<td>50</td>
<td>0</td>
</tr>
<tr>
<td>8</td>
<td>Are your products competitive in terms of quality compared to other imported products?</td>
<td>32</td>
<td>18</td>
</tr>
<tr>
<td>9</td>
<td>Are your products competitive in terms of price compared to other imported products?</td>
<td>29</td>
<td>21</td>
</tr>
<tr>
<td>10</td>
<td>Do you have difficulty in placing your products from unfair competition in goods similar to what you produce?</td>
<td>24</td>
<td>26</td>
</tr>
</tbody>
</table>

From the information obtained from the interviews which were conducted with a significant number of businesses we can emphasize that most of them are not satisfied with the conditions that exist for doing business in Kosovo and believe that doing business is very difficult and this does not come as a result of the taxation system in Kosovo because fiscal charges in Kosovo are quite small but this difficulty is caused by other associated elements of business activities such as:

- Considerably high scale informal economy which affects an unfair competition compared to businesses that conduct their activities in accordance with applicable rules and legislation in Kosovo.
- Lack of an efficient and reliable judiciary in resolving various disputes between businesses;
- Unfavorable loan system for businesses;
- Provision of subsidies and grants for a sustainable economy based on disciplines that are most needed and not on the basis of parameters which are not properly analyzed.

5. Conclusion - Recommendation

From data obtained as from the interviews conducted with a large number of businesses or even obtained from the relevant local and international institutions operating in Kosovo, it can be concluded that the steps which were taken by the relevant state institutions were not sufficient to establish a stable climate of doing business in Kosovo and therefore this situation has had an impact in businesses having significant difficulties and it has led to having businesses, a part of them, cease their activities, another part of them transferring their activities in other countries of the region and a part of them working with various difficulties, which may affect them in the future to have the fate of some businesses that have closed or transferred their capital abroad.

Therefore based on the above we can conclude that it is quite necessary to undertake some substantial reforms with the aim of creating equal conditions, for businesses that develop activities in Kosovo, to those from the region and beyond, those steps are:

1. Exemption from customs duties and VAT for all imported raw materials
2. Subsidizing certain percentage of capital for new investments in infrastructure and machinery in manufacturing depending on the number of workers that the business would employ
3. Tax break for withholding tax, social contributions and profit tax depending on the number of employees the company employs
4. The escalation of VAT for products and exemption from VAT for deficient products
5. Automatic reimbursement of VAT with the aim of introducing instruments in circulation
6. Creating infrastructure conditions not only in the road but power supply, water and other elements which are necessary for the creation of a stability for businesses operating in Kosovo;
7. Use of intellectual capacity and experience from various areas of business;
8. Creating the conditions for foreign direct investment.

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Active Principles which are Important to Human Health Obtained from Ceramium Rubrum - Seaweed in the Black Sea

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Abstract

The red algae Ceramium rubrum, Div. Rhodophyta, Subcl. Florideophycidae, Fam. Ceramiaceae (Huds. C. Ag.) grows abundantly and spontaneously in the Black Sea. Rhodophyta are the source to produce agar-agar and carrageen used to improve the chemical and physical characteristics of several industrial products and in the production of tissue culture media. The harvesting was made by the Romanian Institute for Marine Research and Development from an unpolluted area in the Black Sea. Dry algae Ceramium rubrum were analyzed in the first step in order to identify active principles which are important to human health and then by IR and UV-VIS spectrometry, Atomic absorption spectrometry for heavy metals and pesticides, and finally HPLC. The paper reports the correlated results of UV-VIS spectrometry and HPLC analysis of algae extract versus β-carotene, chlorophyll a and chlorophyll b standards. A chromatographic method was applied for optimum separation of β-carotene, chlorophyll a and chlorophyll b standards with Photodiode Array and Fluorescence Detectors. In the paper we present too, a comparative study regarding antioxidative capacity of these macrophyte algae, Ceramium rubrum, specific for Romanian Black Sea Coast. For antioxidant capacity of algae extracts, chemiluminescence method had been used. The results confirm that could be correlated with the high level antioxidant activity of these species, which relieve the possibility to enlarge the options to use these natural vegetal resources from Black Sea Coast in different degenerative diseases therapy.

Keywords: Red algae, Ceramium rubrum, UV-VIS spectra, HPLC analysis of algae, IR spectra.

1. Introduction

Nowadays it is very important to reconsider the resources provided by nature for food and as a source of active principles necessary for human health. Interdisciplinary studies made on the various marine algae in the Black Sea attests that some toal they are particularly important to human health.

Ceramium rubrum belongs the red algae group: Div. Rhodophyta, Subcl. Florideophycidae, Fam. Ceramiaceae (Huds. C. Ag.), which includes pluricellular algae that live in an aquatic environment. It is an annual species that sometimes colonizes the rocky substrata on the medium and infra-littoral, in area exposed to waves. On the Black Sea littoral, it is encountered all along the coast, on rocks, at depths from 0.5 m to 4-5 m, during the whole year, developing mainly in spring and in summer. The importance of this marine alga was revealed by recent researches, which indicate it a good quality agar producer, [1]. In nature, Ceramium rubrum produces large amounts of organic substance (vegetal biomass), which provides food for aquatic animals, phytophagus fish etc, [2]. In addition, the algae eliminate oxygen into the water, which is vital for the breathing of plants and animals, see fig. 1. Economically, marine algae can be used for various purposes, such as: in agriculture, in pharmaceutical and food industry, as they are rich in organic substances, sugars and active principles, [2]. Recent investigations pointed out that, out of the numerous red algae species, Ceramium rubrum is the only one with strong antibiotic properties on Gram+ bacteria, the testing being made on Bacillus subtilis. Probably, this happens due to the appreciable amount of sulphurous crystals in the thalle cells, which are known to have inhibitory properties on the Gram+ cells. This way, the tests showed the inhibitory properties of the alga are not efficient on Gram- bacteria, though.

Ceramium rubrum has a bushy shape, it is dark red and it is fixed on the substratum through rhizoids, [3+7]. The
philmaments have a dichotomous ramifications and the growth is realized through an initial cell, at the level of the apaxes, which sometimes can be hidden. Each ramification ends with two short arms, which form a small claw. The philmaments are made of a single row of cells, placed head to head, so that an axial structure appears, as the ends of the cells meet at the nods. Each nod forms a variable number of cells, called perixial, which continuously divide, leading to the formation of the cortical cells. The species is remarkable due to its polymorphism, which led to the identification of more varieties, [5, 6, 7]. The development cycle of *Ceramium rubrum* is trigenetic, the first generation being represented the haploid gametophyte on which the sexual organs appear, on the superior side of the male gametophyte: the spermatozocytes are small and oval, [7]. Through the apparition of new haploids, the cycle begins once again; this succession of the three generations may happen several times during one year. 

The harvesting – for the detailed analysis in the laboratory, the harvesting and the preservation of the algae is needed. Macrophyte algae are harvested by hand, most of the times with a knife, in order to collect intact material. Several plants are introduced in plastic bags with a small quantity of water, the tagging of the bag with the date, the depth and the place of harvesting being compulsory. 

First of all, for the algal material harvested the determination of the heavy metal and pesticides content was realized, through atomic absorption spectroscopy, revealing results lower that the limits allowed by the present legislation, [3, 4, 5, 7]. The rest of the harvested algal material was divided and washed, tagged accordingly and taken for analysis to realized, through atomic absorption spectroscopy, revealing results lower that the limits allowed by the present legislation, [3, 4, 5, 7]. The rest of the harvested algal material was divided and washed, tagged accordingly and taken for analysis to the specialized laboratories. Initially, a phytochemical study was realized, based of preliminary analyses for the identification of the active principles contained in *Ceramium rubrum*, [3, 4, 5, 7] This way, the existence of classes so sterols, flavonic agilones and cumarines, triperpenic heterozides, antracenozides, reducing compounds and catechic tannins was identified.

2. Research Methods

*Ceramium rubrum* red algae from the Black Sea was dried at room temperature in darkness and fine grounded was extracted with acetone 90%. The filtered extract was added into a volumetric flask with the same solvent. This stock solution was diluted with different solvents and analysed by spectrophotometer and chromatographic means. 

This work reports the correlated results of UV-VIS spectrometry and HPLC analysis of algae extract versus β-carotene, chlorophyll a and Chlorophyll a and b standards. The HPLC method was carried out using the GBC-HPLC instrumentation with the following configuration: LC 1150 Quaternary Solvent Delivery System, LC 1460 Vacuum On-Line Degasser, LC 1445 System Organiser, LC 1150 Column Oven, LC 5000 Photo Diode Array Detector (DAD with the range 190-800 nm), LC 1255 Programmable Scanning Fluorescence Detector, Win Chrom Chromatography Data Management System. UV-VIS Spectrophotometric method has been applied by use of a spectrophotometer Cintra 10e with the following performance Specifications: wavelength; accuracy ± 0. 2 nm; wavelength reproducibility ± 0. 04 nm; photometric accuracy ± 0. 002 a; photometric repeatability ± 0. 0001 a; photometric noise < 0. 0001a rms at 1a; photometric linearity better than 1% at 3 abs; baseline flatness < 0. 002 a. Hardware Specifications are: instrument format spectrometer module with external compatible computer; photometric system double-beam, direct ratio recording system; light source tungsten-halogen lamp and deuterium lamp; light source changeover automatic source changeover at user-selectable wavelength; wavelength range 190-1,200 nm. HPLC method was applied for standard and sample solutions analysis and the results are illustrated by 3D View who provides a three-dimensional view of the absorbance versus time and wavelength. The 3D View enables easy location of wavelength with significant absorbance and interferences which may otherwise have been invisible in a single wavelength plot. The Spectrum Max Plot generates a chromatogram, whereby each point is plotted at its maximum absorbance, indicating how the chromatogram will appear when the wavelength for each is optimised. Diode Array Detector allows spectra acquisition in real time for every peak detected. Overlaid spectra of the sample and standard peaks expressed by Similarity Index (SI) are used for identification of each separated component. [9]

I. To determine antioxidant capacity, well-dried algae were ground, were triturated to fine powder, then got a cold extract of each species of alga, using 20 mg of dried plant product dissolved in 1 mL ethylic alcohol p. a, Merck. Extraction was performed for 24 hours and 72 hours respectively, at room temperature in amber glass bottles, sealed. Mixtures were shaken regularly and separation of extracts was done by decanting, without filtering. For each algal extract antioxidant capacity was determined using the standardized method ACL (Antioxidant capacity of lipid soluble substances), by comparison with standard substance Trolox (Vitamin E derivative), used for calibration curve, according to standardized method Analytik Jena [10, 11]. Exposure to
external radiation from a Hg lamp lined with phosphor that provides the maximum energy at $\lambda = 351$ nm, photosensitive reagent, produces free radicals in the sample for analysis, resulting a photochemical reaction. After the release of radicals, antioxidants present in sample annihilate them in a certain amount, some remaining in the sample and will combine with photosensitive reagent in the absence of external excitation source detector serves as free radicals. Following the chemical reaction that emits a photon is amplified and detected by photomultiplier. It measures the total antioxidant capacity of the device’s electrical signal which is converted into concentration values.

**Apparatus:** Photochemiluminometer PHOTOCHEM Analytik Jena, Germany, 2008 [11].

II. IR Spectrophotometric method has been applied by use of a spectrophotometer IR 4200 Jasco. IR method allows the following configuration: obtaining Fourier Transform Infrared Spectrometer FT/IR 4200 Jasco. Field of wavelengths are 7800-350cm$^{-1}$; Working Parameters are wavelength Accuracy ±0.01 cm$^{-1}$, full resolution 0.5 cm$^{-1}$ Detector DLATGS (standard); Gain switching AUTO, Corectie ATR (Attenuated Total Reflection). We have been analyzed by IR spectrometry dried particulates marine alga (Ceramium rubrum), calibrators and beta-carotene etaon.

3. Results and Discussions

I. A spectrophotometric method was applied for standard and sample solutions analysis and the results are illustrated by spectrum plot and standard curve. In order to prepare standard solution for spectrophotometric and chromatographic analysis, stock solution of trans-β-carotene in diethyl ether was diluted with different solvents. The standard used in analysis for trans-β-Carotene are Provitamin A 95%, with Formula molecular $\text{C}_{40}\text{H}_{56}$ and Mass molar 536.89 g/mol, soluble in n-hexane, carbon disulfide, chloroform and benzene; Slightly soluble in ether, petroleum ether and oils; very slightly soluble in ethanol, methanol, water, diluted acids and alkalis. Spectral propriety data are: $\lambda_{\text{max.}} 478$ (450) nm.

Spectral profiles are quite specific: an absorption band in VIS with the maximum at 450 nm and a lower intense absorption band in UV range (250-300 nm). This spectral profile characterises the trans-isomer, while the cis one has an intense absorption band in UV and a lower one in VIS range. These specific proprieties will be confirmed next by HPLC analysis.

For the *Ceramium rubrum* extract the Chromatographic analysis we obtained the Spectrum Max Plot Chromatogram of standard solution at 0.5 mg/mL (Methanol/water/ethyl acetate=18/1/1), see Fig. 2. In Fig 3a is presented the overlaid normalized spectra Peak I *Ceramium rubrum* with the two peaks of chlorophyll a and in Fig. 3b is present The overlaid normalized spectra Peak I *Ceramium rubrum* with the two peaks of β-carotene. Spectral profile of each peak and overlaid spectra with the results of chromatographic analysis standard solution of *Ceramium rubrum* 0.5mg/mL are presented in Table I. [9]. The overlaid spectrum Max Plot Chromatograms of standard solution *Ceramium rubrum* 0.5mg/mL and the mixture of chlorophyll a, chlorophyll b and β-carotene 25ppm each is presented in Fig. 4.

II. For Antioxidant capacity the calibration curve were used reagent kits Analytik Jena Germany Standard: R1 (dilution solvent), R2 (buffer reagent), R3 (photosensitive reagent), R4 (reagent sized). The calibration curve was constructed by measuring a series of standard solutions containing 0.5, 1, 0.2, 0.3, 0 nmol Trolox (suitable for 5 -30 μL R4), as in Fig. 5). Antioxidant capacity of sample of algae, reported at the time of extraction and sample volume used in the works, according to the ACL method quantified by comparison with standard substance Trolox, and results are expressed in nmol/sample, Trolox equivalent units, according to Table 2 and Fig. 5 [11]. Shows high Antioxidant activity, the most intense being in the case of Ceramium rubrum to 72 hours, activity which could be used in order to get more value from these species in diseases therapy on degenerative diseases.

III. IR Spectra obtained for each seaweed and marine as well as spectra of alga with the standard of carotene are shown in Figures 6 and 7 IR Spectra obtained illustrate this functional groups characteristic of beta-carotene.

4. Conclusion

During the work has been performed comparative studies on marine seaweed Ceramium rubrum by a number of different methods of analysis.

By spectrophotometric method in the UV-VIS and chromatographic method has highlighted existing active principles important such as chlorophyll a and b contents and beta-carotene.

- Existing beta carotene is confirmed by the IR spectra obtained.
• The outcome of the tests on Ceramium rubrum show that high antioxidant activity is most intense being to 72 hours, work that could be used for purposes of capitalization of these species in the treatment of degenerative diseases.

• Ceramium rubrum is an important source for pharmaceutical industry to human health.

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Figures And Tables

Fig. 1 Ceramium rubrum in an aquatic environment

Fig. 2 The Spectrum Max Plot Chromatogram Standard solution of Ceramium rubrum 0. 5mg/ml (Methanol/water/ethyl acetate=18/1/1)
Fig. 3 a. The overlaid normalized spectra Peak I Ceramium rubrum with the two peaks of chlorophyll a

Table I. The results of chromatographic analysis Standard solution of Ceramium rubrum 0.5mg/ml

<table>
<thead>
<tr>
<th>Peak No.</th>
<th>Peak I</th>
<th>Peak II</th>
<th>Peak III</th>
<th>Peak IV</th>
<th>Peak V</th>
<th>Peak VI</th>
</tr>
</thead>
<tbody>
<tr>
<td>tR (min.)</td>
<td>1.98</td>
<td>5.64</td>
<td>7.50</td>
<td>9.58</td>
<td>21.38</td>
<td>25.16</td>
</tr>
<tr>
<td>Aria %</td>
<td>90.776</td>
<td>0.985</td>
<td>1.669</td>
<td>1.942</td>
<td>1.506</td>
<td>0.609</td>
</tr>
<tr>
<td>Capacity Factor</td>
<td>18.80</td>
<td>55.40</td>
<td>74</td>
<td>94.8</td>
<td>212.8</td>
<td>250.8</td>
</tr>
<tr>
<td>Resolution</td>
<td>273</td>
<td>241</td>
<td>241</td>
<td>241</td>
<td>241</td>
<td>241</td>
</tr>
<tr>
<td>λ max (nm)</td>
<td>273</td>
<td>241</td>
<td>241</td>
<td>241</td>
<td>241</td>
<td>241</td>
</tr>
</tbody>
</table>
Fig. 4 Overlaid Spectrum Max Plot Chromatograms of standard solution Ceramium rubrum 0.5mg/mL and the mixture of chlorophyll a, chlorophyll b and β-carotene 25ppm each.

Fig. 5. Calibration curve for standard Trolox (ACL method, Analytik Jena, Germany)

**Table II. Antioxidant Capacity of Trolox (method ACL)**

<table>
<thead>
<tr>
<th>Sample (Algae type)</th>
<th>The extraction time (hours)</th>
<th>The volume of the sample used (μL)</th>
<th>The analysis Time (sec.)</th>
<th>Trolox equivalent units (nmol/volume sample)</th>
<th>Trolox equivalent units (nmol/g dry sample)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ceramium rubrum</td>
<td>24</td>
<td>20</td>
<td>120</td>
<td>1.042</td>
<td>52.1</td>
</tr>
<tr>
<td></td>
<td>72</td>
<td>20</td>
<td>120</td>
<td>2.83</td>
<td>141.5</td>
</tr>
</tbody>
</table>

Fig. 6 IR Spectrum of sea weed Ceramium rubrum

Fig. 7 IR Spectra overlapping of sea weed dry powder, in the range from 4,000 -630 cm⁻¹ Ceramium rubrum dry powder (green) and beta-carotene solid (blue), in the range from 4,000 -630 cm⁻¹.
European Energy Exchange EEX - Alternative for the Development of the Bulgarian Electricity Market

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Abstract

The price of electricity in the Republic Bargariya was always a topic and permanent food for thought for both businesses and households as final consumers. The paper aims to show the specificity of trade in electricity - in principle and in chasnost features and imbalances on the Bulgarian market. To demonstrate the need for organized and working stock market for electricity and the need for their daily work transparent. The accession of Bulgarian electricity market to the European Energy Exchange EEX would be the best alternative for solving problems.

Keywords: Market Pricing; electric energy market, Energy Prices; European Energy Exchange – EEX

1. Introduction

A sector for sale of electric energy became operational in August 2000 with the Group of the German Exchange (Gruppe Deutsche Börse) in Frankfurt. The exchange is called European Energy Exchange – EEX). Transactions are made on EEX with all primary-energy sources: electric energy, natural gas, coal, oil and harmful emission quotas.

Cash power exchange market – EPEX SPOT is the cash power market uniting the markets of France, Germany, Austria and Switzerland. Together these countries represent more than a third of electricity consumption in Europe. The seat of the company is in Paris with offices in Leipzig, Bern and Vienna. It was established in 2008 based on the merger of the power exchanges Powernext SA of France and EEX AG in Germany. Gradually integrated to the market of these four countries are the markets of Italy, Spain, Czechia, Slovakia, Poland, Hungary, Greece and Romania.

The exchange mechanism allows the arrangement of offers as legally binding agreements for purchase or sale of a particular quantity of electric energy in a given zone, for supply at a determined price (the so-called market clearing price).

Completed deals are forwarded immediately to the central counterparty for each transaction – the European Commodity Clearing (ECC). It is a central counterparty for all buyers and sellers who, as a rule, do not know each other. The clearing organization will always step in as a universal intermediary between buyer and seller, i.e. it provides for both the liabilities of buyer versus seller (payment for the electric energy), and for those of seller to buyer (the delivery of electricity).

As an important result of the exchange trade EPEX SPOT publishes daily exchange prices which are determined in a direct meeting of demand and supply. As such transactions are the result of extensive, open and transparent competition between orders by members of the Exchange they reflect the best available information as at this point of time in the market environment. Usually the cash market is organized ‘a day ahead’ and ‘within the day’.

The number of players on the EPEX SPOT cash market is continuously growing and at this point of time they are 236 firms from 24 countries, and there are licensed traders including from Romania and Greece. It is enough to look at the map with the geographical location of players in trade on the European Energy Exchange and the legitimate question will arise – why no Bulgarian participation on this market. While the exchange market guarantees:

- fair and adequate behaviour of members of the Exchange;
- safe delivery and payment for the traded electric energy;
- anonymity of transactions – producers do not know to whom they sell and buyers do not know from whom they will buy actually;
- transparency in determination and variation of the price in accordance with demand and supply for every moment of the day.

Calculated by the cash market of the EEX exchange are also the respective indexes by which graphically presented is the variation in electricity price from various sectors of the market.
Phelix – index for physical delivery (Physical Electricity Index) – reporting on a daily basis a published price for base load (Phelix Base) and the peak load (Phelix Peak) on the market of electric energy for the area of Germany and Austria market. The index is calculated from prices on the EPEX SPOT cash market (the exchange acronym for such market). It is calculated as unweighted arithmetic average in two variants: with base load and with peak load. The index is used as a base (underlying) asset for Phelix futures and options traded actively on the European Energy Exchange.

Daily PHELIX index for base load (Phelix Day Base) is the unweighted arithmetic average price of electric energy for the hours from 1 to 24 traded on the spot market. It is calculated for all calendar days of the year.

Daily PHELIX index with peak load (Phelix Day Peak) averages the prices of electric energy traded on the spot market for the hours from 9th to 20th hour for all business days of the year.

Monthly PHELIX index for base load (Phelix Month Base) is calculated as an arithmetic average of all day values of the index for all calendar days of the month.

Monthly PHELIX index with peak load (Phelix Month Peak) is calculated as the average (unweighted) of all values of the PHELIX Day for all days from Monday to Friday of the respective month.

The wholesale price of electric energy varies within wide limits yet it is always the result of the momentary ratio of electricity demand and supply.

In line with the cash transactions also possible are three main types of term transactions – futures with physical delivery, financial futures and options. They feature a similar method of determining the price – in auction or an ongoing price fixation. Traded on the European Energy Exchange are also options, yet for the territories of Germany and Austria only. They are called PHELIX options as they are based on the PHELIX index and have a possible maturity – month, quarter, year.

Futures contracts for supply of electric energy are two main types – futures with physical delivery and financial futures.

Traded on the European Energy Exchange are futures with physical delivery of electric energy for the territories of France, Belgium and Denmark. Such futures come to an end with physical delivery of the whole quantity of electric energy for the entire period of the contract. Calculated in the last trading day (for week futures) and two exchange days before the period of delivery for the months futures is an ‘ending price’ for the futures. Usually this is the last price at closure of the trade in such futures. The buyer of a futures contract is obliged to receive the entire contracted quantity of electric energy for the whole period of the contract and to pay it at the ending price. The seller of the futures contract is obliged to deliver the contracted electric energy at constant parameters for each day and hour of the period of supply. Generally the contracts make provision for delivery of 1 MWh of electricity per each astronomical hour of the period of supply.

Financial futures admitted for trading are for the territories of Germany/Austria, France and Italy:

Review will be made here only of financial futures for the territory of Germany and Austria based on the PHELIX index:

- Financial futures on the Phelix index for base load (daily, weekend, weekly, monthly, quarterly and yearly) – Phelix-Base-Day/Weekend/Week/Month/Quarter/Year-Futures;
- Financial futures on the Phelix index for peak load (daily, weekend, weekly, monthly, quarterly and yearly) – Phelix-Peak-Day/Weekend/Week/Month/Quarter/Year-Futures;
- Financial futures on the Phelix index without peak load (monthly, quarterly and yearly) – Phelix-Off-Peak-Month/Quarter/Year-Futures;

Starting February 2015 French and Italian futures will be released for the days and for the weekend, as well as financial futures for the territories of Spain and Switzerland.

The ending price for financial futures is determined on the calculation after a particular index which averages the prices from auctions for each hour of the day/night on the cash market ‘day forward’ per each discrete market territory. Usually prices are determined for base load, for peak load and for off-peak load, respectively. Ending of financial futures takes place only with equalization of the position with payment. i.e. there is no physical delivery of electric energy here. On maturity day the buyer of the financial futures is obliged to pay the difference between futures price and the fixed lower ending price. Where the ending price is higher than the futures price the difference is then paid by the seller of the futures contract. Such payment shall be effected until two days after maturity of clearing.

Options are another type of term transactions in which a right is being bought. Rights are two types: in the case of Call-option the right is ‘to buy’ at the price of exercise and in the case of Put-option the right is ‘to sell’ at exercise price. The buyer of a put option is entitled to receive a short position in a respective futures at the option exercise price on the
last trading day. The seller of a put option receives, when exercising a long position in the respective futures, an Option
Premium – this is the exchange price, which is paid at buying the right. Types of options – they are European type, which
means that options are exercised on the last day for trading only. Option series – these are all call and put options on one
and the same base asset with same exercise prices and one and the same maturity period. Offered for the first trading
day for each maturity period are at least three series with different exercise prices – one of them shall be ‘cash’ (in-the-
money), the second one - 'on money' (at-the-money) and the third price must be ‘out of money’ (out-of-the-money).

Traded maturity periods – in the case of Phelix year options there are four possible contracts with possible maturity
coming in the end of each quarter of the current year:

- maturity at the end of March – April Phelix year option for base load (Phelix-Base-Year-Apr-Option);
- maturity at the end of June – July Phelix year option for base load (Phelix-Base-Year-Jul-Option);
- maturity at the end of September – October Phelix year option for base load (Phelix-Base-Year-Oct-Option);
- maturity at the end of December – January Phelix year option for base load (Phelix-Base-Year-Jan-Option).

The price of electric energy in the R of Bulgaria has always been a topical theme and a permanent reason for
reflection for the business and the households, both of them as end consumers. The present article is intended to show
the specifics of trade in electric energy – in principle and in particular the peculiarities and disproportions of Bulgarian
market, these actually being an obstacle for the development of a normal competition on this market. Still observed in the
Bulgarian electric energy market are multiple restrictions on participants in this trade that prove the limitation on
competition when transactions are made in electric energy thus delaying actually the transformation of the market from
state monopoly to an efficient market.

The legislative framework of the European Union for the electric energy market is embedded in Directive
concerning the common rules for the internal market in electric energy). [4]

The main actions, terms and objectives for implementation by the member states can be summarized and
presented as follows:

- Main purpose: to achieve a ‘...fully open market, which enables all consumers to freely choose their suppliers
  and all suppliers freely to deliver to their customers.’
- The full market opening aims at dividing generation from delivery of electric energy, so that conditions could be
  established of loyal competition and opportunities for market impact on the changes in electric energy price;
- The Directive requires that all producers shall be competitively put on a level playing field in an objective,
  transparent and non-discriminatory manner, as well as third-party access to be provided to the transmission and
  distribution systems in conformity with the requirements for full market opening;
- Electric energy production is always regionally individualized. The maximum possible generation by all
  producers of electric energy is defined as a maximum capacity of such territory. The electric energy market in the US,
  for example, is divided up into 140 regions, also having 140 control points that measure the quantities of electric energy
  going out of or coming into the region, this being sold, or purchased by the other region, respectively. The possibilities for
  sale of electric energy of another region are determined by the possibilities of energy transmission between the two
  regions [9, p. 713]
- The market of electric energy, like the market of other primary-energy sources, must be transformed from a
  state monopoly to an efficient market with the help of appropriate regulations. ‘This process is always accompanied also
  with the establishment of a term market for derivatives on contracts for supply of electric energy.’ [9, p.714]

The issues relative to Bulgarian energy sector and the trade in electricity in particular, have been a topical and
morbid theme for years now. This is in consequence of the disproportions superimposed with time and contradictory
rights and obligations of players in the Bulgarian electric energy market. Most generally they boil down to the following:

- In September 2008 the Bulgarian government decided to amalgamate the energy companies of Bulgaria into
  Bulgarian Energy Holding (BEH), which includes NEK, Kozloduy NPP, Maritsa – East 2 TPP, Maritsa-East
  Mines, Bulgargaz, Bulgartransgaz and Bulgartel;
- The development of the electric energy market over the period 2004-2014 is schematically presented in the
  following table (2014 data are estimations):

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric Energy Producers</td>
<td>4</td>
<td>6</td>
<td>6</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>6</td>
<td>7</td>
<td>9</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Wholesale Consumers</td>
<td>7</td>
<td>14</td>
<td>31</td>
<td>62</td>
<td>57</td>
<td>61</td>
<td>65</td>
<td>77</td>
<td>105</td>
<td>2096</td>
<td>2100</td>
</tr>
<tr>
<td>Wholesale Traders</td>
<td>0</td>
<td>2</td>
<td>10</td>
<td>24</td>
<td>20</td>
<td>26</td>
<td>35</td>
<td>46</td>
<td>47</td>
<td>52</td>
<td>55</td>
</tr>
</tbody>
</table>
Annual generation of electricity over the period varies between 45 and 50 terawatt-hours (TWh) which is indicative of fluctuations in the yearly consumption under 10% against the previous year.

The increasing number of wholesale consumers and traders purchasing and selling electric energy on the Bulgarian market is a sure sign of the improved market environment and the increased opportunities for competition. Yet I need to immediately note that the ‘free market’ occupies a mere 9.2% of the trade in electric energy for 2013 [8, p. 23], while the expectations for 2014 are that the quantities of electric energy sold on the free market will be some 10% of the total quantity for the year.

- Electric energy consumption is irregular during the different hours of the day and this forces the System Operator of the respective territory to temporarily disconnect particular producers (the time of forced outage of capacity varies from several hours for HPP and TPP to 2-3 days for NPP, with at least the same time needed to put them back into generation mode), or to connect new capacities to the system as it must be balanced all the time – to have just as much electric energy generated as will be consumed. The classical example of balancing the electric energy system are hydropower plants which generate electricity in peak hours and then become consumers and start pumping the water back upwards so that it can be used again in the generation of electric energy. (See Art. 108.(1) of the Energy Law (EL): ‘Single operational planning, coordination and control of the electric energy system is performed by the operator of the electric transmission network and by the operators of each of the electricity distribution networks.’)

- The main regulatory body is the State Energy and Water Regulatory Commission (SEWRC). A total 13 principles are set forth in Art. 23 of EL by which the Commission shall be guided in performing its regulatory powers. Such principles are in full compliance with the requirements of European Directive 2009/72/EC, yet their application is usually accompanied by contradictory comments and opinions of various experts from the sector.

- Contracts concluded for long-term purchase of energy with Contour Global Maritsa East 3 and AES 3С Maritsa East 1 EOOD from 2001 make the provision that they will sell all their production to NEK at a price guaranteeing the return of their investment for a period of 10 years. It is noted in the SEWRC report that the total costs for ‘non-generated energy’ that are paid to the two power plants amount to 274 mill. Levs for 2013 because there was no consumption in Bulgaria and the price of the generated electric energy is significantly higher and can not be sold in neighbouring markets. [7, 16]

- The main large consumers of electric energy, i.e. those selling to the end consumers – the three power distribution enterprises – EVN, CEZ and Energo-Pro are purchasing all the electric energy they need at a fixed price which shall guarantee a profit of 8% to them, in accordance with the regulations of SEWRC and the signed privatization contracts;

- The differences in prices of individual producers also are specified by SEWRC and they are speaking in their own way when exemplifying the disproportions laid down in time:

<table>
<thead>
<tr>
<th>Prices of energy and availability of producers of electric energy for the regulated market</th>
<th>price in Levs per MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kozloduy NPP</td>
<td>30</td>
</tr>
<tr>
<td>Maritsa East 1 TPP</td>
<td>90.35</td>
</tr>
<tr>
<td>Maritsa East 2 TPP</td>
<td>68.30</td>
</tr>
<tr>
<td>Maritsa East 3 TPP</td>
<td>70.88</td>
</tr>
<tr>
<td>Factory power plants</td>
<td>128.65</td>
</tr>
<tr>
<td>District heating plants</td>
<td>183.46</td>
</tr>
<tr>
<td>Renewable sources of energy</td>
<td>299.05</td>
</tr>
<tr>
<td>Hydro-power plants property of national electric company</td>
<td>63.64</td>
</tr>
<tr>
<td>Approved price for the national electric company as ‘public supplier’</td>
<td>110.58</td>
</tr>
</tbody>
</table>

The price of electric energy from the thermal power plants in Maritsa East is two to three times higher that that from NPP and this is mainly due to the commitment assumed for purchasing the entire quantity of electric energy produced by the two TPPs;

- The National Electric Company (NEK) has the obligation of a ‘public supplier’ by virtue of Art. 93a of EL. ‘The Public supplier shall purchase electric energy from producers connected to the transmission grid under contracts of long-term purchase of availability and electric energy, as well as energy generated from renewable sources, from highly efficient combined production …’. Most generally, public expectations are placed on the National Electric Company to deliver electric energy to all end consumers and to maintain ‘fair’ prices. In order to meet such expectations NEK purchases the cheap electric energy generated by Kozloduy
NPP, covers the costs of availability and buys out the entire quantity of electric energy produced from renewable energy sources (RES). The price of the public supplier is thus obtained – 110.58 Levs for one Mega Watt hour (1 MWh) as shown in the drawing. It was increased from 01.07.2014 to 114.10 Levs per MWh, net of VAT, by SEWRC Decision No. L-12 of 30.06.2014.

- Another problem is the high price of electric energy from renewable energy sources, it being exactly 10 times higher compared against that of NPP Kozloduy. The addition included to the price for end consumers for renewable energy sources in Germany is in the amount of 5.3 Eurocents per kWh. 

- Control in the energy sector is vested in the Ministry of Economy, Energy and Tourism – MEET. (Art. 75. (1) The Minister for economy, energy and tourism shall exercise preliminary, ongoing and subsequent control …’)

The process of transformation from state monopoly in the energy sector to a free efficient market is accomplished...
Should Bulgaria decide to join the European Energy Exchange this will be a definite sign that new disproportions will not accumulate and bills of consumers will become transparent and predictable. Otherwise the territory of Bulgaria will remain an isolated and non-transparent electric energy market with bad consequences for all of us.

In conclusion I must note that the European Energy Exchange EEX indeed provides a perfect market mechanism of determining the exchange prices of primary energy sources in Europe and for electric energy, in particular. It is also evident that Bulgaria’s territory is the only one still remaining outside the market of the European Energy Exchange and this does not deserve any high esteem, as far as I am concerned.

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South East Europe and the New Turkish Strategic Vision

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Abstract

There is turmoil in Turkey, both internally involving Turkish President Recep Taip Erdogan, an undisputed political leader in the past decade in Turkey on one side, and followers of Fetullah Gulen, a prominent and influential religious and political leader currently residing in the United States of America on the other side are fighting fiercely both in courts both in winning public opinion. Dispute is over the future that Turkey should take: towards West and its values or towards its former Ottoman glory projected in new 21 century. The secular order of the Turkish state has been challenged in the recent years as Erdogan promoted its agenda of revitalizing and reaffirming the Turkish Islamic tradition. This was pushed forward with the influence of current Prime Minister Ahmet Davutoglu, who has never hidden his vision of Turkey with a neo-Ottoman future going further to promoting Pan-Islamism under Turkish leadership. There have been numerous allegations that the Government of Turkey is disrupting the work of the opposition as well as preventing freedom of press. In December of 2014, 23 journalists and editors were detained in orchestrated raids accused of having close ties with Fetullah Gulen whom Erdogan accuses of establishing a “parallel organization inside Turkey” aiming to overthrow his democratic government. There is also well known “Ergenekon Affair” which lead to 275 arrests of prominent police and army officers, most highly ranked being Chief General Staff Gen. Iker Basburg. After a five year trial Basburg alongside 18 fellow officers received life-sentences by Istanbul’s 13 High Criminal Court.

Keywords: Turkish Strategic Vision and South East Europe, cooperation of Turkey with countries such as Kosovo, Serbia, Bosnia and Herzegovina, Turkish “Strategic Depth” project, effects of neo-Ottomanism in South East

Turkey faces turmoil in the foreign policy as well. From its starting position, crafted by Davutoglu, of Turkey without problems with neighbors, it has now facing unstable relations with Israel, Syria, Egypt, and lastly very dangerous Islamic State. Turkey openly backs Palestinian cause, backed regime change in Syria, backed "Muslim Brotherhood" in Egypt, and currently is in what is described as ambivalent stance with the Islamic State.

Turkish ambitions where adopted in the document “Turkish Strategic Vision 2023”, adopted by ruling AK party in September 30th 2012, where a plan was outlined with specific target goals to be met both domestically and more important in foreign policy. According to this Vision Turkey should be placed among decision making countries of the World due to its geopolitical position, military strength while pursuing a new global vision in partnership with political actors that pursue a positive political agenda in a area influenced by Turkey as well as elsewhere in the world.

In this Strategic Document it is mentioned that Turkey places a lot of its efforts in foreign policy with 202 active diplomatic missions throughout the world and aiming to strengthen its ties and influence in the Balkans, Caucasus, Middle East, and Central Asia. Through this Strategic Document, Turkey aims at achieving its dominance role by “zero problems with neighbors”, “security for everyone”, “economic integration”, “multiculturalism and peaceful co-existence with everyone”.

Radical change in Turkey’s stance towards its past and future has also reinforced the religious factor in its course to promoting neo-Ottomanism. This change has of course affected Balkans, or South East Europe that has for more than five centuries been under direct Turkish rule.

However, South East Europe countries such as Kosovo, Serbia, Macedonia, Montenegro, Bosnia and Herzegovina, Croatia, have reacted differently to Turkish economic and political push to this region. Balkans is a very small region with rigid differences therefore Turkish approach and results have been different so far.

Changes in Turkish foreign and domestic policies and in its regional and international relations in the first and second decade of 21 century stand up in sharp contrast with that of immediate past. After World War II on three separate occasions, Turkey came to brink of war with its neighbors: Armenia in 1992, Greece in 1996, and Syria in 1998, also it took part in supporting NATO operations in Bosnia and Herzegovina in 1995 and Kosovo in 1999. There have been regular military incursions launched in northern Iraq, and continuous tactical military provocations between Greek and
Turkish air forces, although both are members of NATO. Internally, Turkey was targeted by various human rights associations for violation of human rights of Kurdish minority as well as political opposition. Today, the contrast with current situation is striking, as over the last decade Turkey has sought and achieved rapprochement with Greece, Syria, Iraq, Armenia, Iran and Russia. Turkey has adopted an active foreign policy that had a sizable impact in domestic policy as well since it had proclaimed the “zero problems” with its neighbors policy. This policy was aimed at improving bilateral and regional cooperation in the Balkans and with some former member countries of Soviet Union, and gradually has been expanded to the Middle East, the Gulf countries, and the countries of North Africa as well. Accounting for these developments on the domestic and international level is critical in order to understand Turkey’s foreign policy orientation, marked by “zero problems” and elaborated in “Strategic Depth” by current Turkish Prime Minister Ahmet Davutoglu.

Strategic Depth seeks to reposition Turkey from the outskirts of international relations to the center as an actor sitting at the intersection of multiple regions. Turkey today is courting new alliances in order to maintain optimal regional and global independence and influence by specifically taking on a larger role in its former Ottoman territories through “dialogue and cooperation” over “coercion and confrontation”. This approach has been hailed businessman and civil society which have been eager to develop and foster closer ties with neighbors and other countries in developing economic and social cooperation. In other words, the doctrine of “Strategic Depth”, that is still followed by Turkey, provided a base to develop deeper and stronger ties to ist neighbors. It also conceptualizes a foreign policy trend which has been in the making since the days of former Prime Minister and President Turgut Ozal (late 80s beginning of 90s) as well as former Foreign Minister Ismail Cem (late 90s)2.

Davutoglu’s proclaimed Grand Strategy in its core emphasizes Turkey’s location in geopolitical areas of influence, with a foothold in Europe and Asia, in control of Bosporus, and with a long historical legacy of Ottoman Empire.3 Davutoglu emphasizes Turkey’s connections to the Balkans, the Middle East, Central Asia. He argues that Turkey is the natural heir to the Ottoman Empire and aims to give Turkey the role it had before in unifying the Muslim world also emphasizing that Turkey cannot be a peripheral force of NATO, EU or Asia. Davutoglu contends that Turkey is geographically positioned as a central international player “a country with a close land basin, the epicenter of the Balkans, the Middle East and the Caucasus, in the center of Eurasia with a land belt that crosses the Mediterranean and the Pacific. Such a geostrategic vision reflects the newly acquired self-confidence on the part of newly empowered Turkish leadership who are supportive of a more proactive foreign policy-particulary in what they call “the Ottoman geopolitical space”

The catalyst for change was the emergence of the Justice and Development Party (AKP) in 2002 as the main political force which drove changes to Turkish foreign policy. AKP articulated a vision for improvement of relations with all of Turkey’s neighbors privileging Muslim space in the Middle East, such as Lebanon, Iran, Iraq and Syria, and stretching further to the Balkans and Caucasus. Central to this revival of Ottoman legacies has been expanding economic interests and regional dynamism represented by the rise of new Anatolian businesses which emerged as strong advocates for further Turkish expansion into Middle Eastern rather than European markets. Together with more Anatolian influence came a more conservative outlook based in Turkey’s Muslim heritage.

In a country that has experienced four military coups (one being the “soft” coup that resulted in closure of the Refah Party)4, and also one called the “electronic coup” in 2007 aimed at discrediting the AKP, the emergence of AKP was seen as the voice of the largest numbers of Turkish people which demanded internal changes and those in the international level.

The change in Turkish foreign policy hinges on Turkey’s internal transformation and democratization, was started, inter-alia, by its EU accession process, and propelled by the rise of ruling AKP under the leadership of former Prime Minister and current President Recep Tayip Erdogan. It is a known fact that Turkish foreign policy has always been a concern of the military and elites of the Ministry of Foreign Affairs. In the past decade these institutions have been transformed and other state bodies have acquired a role in foreign policy making.

The democratization of Turkey has made the government more accountable and aware of the public opinion more than other governments of the past. The upshot and, for some observers, the irony of the increasingly democratic Turkey is a growing readiness to diverge and oppose US and EU when their policies are perceived as countering those of Turkey.

1 For further information on this doctrine see Joshua Walker, “Learning Strategic Depth: Implications of Turkey’s new foreign policy doctrine”, Insight Turkey, Vol. 9, No. 3, (2007), 32-47

2 Meliha Altunsik-Benil, “Worldviews and Turkish Foreign Policy in the Middle East”, New Perspectives on Turkey, No.40 (2009), 171-194

3 Ahmet Davutoglu, “Strategik Derinlik, Türkiye’nin Uluslararası Konumu”, (İstanbul: Kure Yayınları, 2001), (Strategic Depth, Turkey’s International Position)

4 Refah Party or the Welfare Party was an Islamist Political Party that emerged in 1983 and is considered a predecessor of today’s AKP
and Turkish people. Turkish generals and diplomats tend to support only policies that are of benefit to Turkish people since they are held accountable for their foreign policy decisions more than ever in Turkey's modern history. For some internal observers, Turkey's new self-awareness as a regional power means that rather than simply being able to rely on Turkey as an instrument of Western power projection in the Middle East, the West now faces a stronger and more assertive Turkey that can and will disagree, from time to time, on key foreign policy issues and a Turkey that aims to spread its influence in all directions especially in areas it had governed during Ottoman Empire.

One of important areas for Turkey and its growing influence is the Balkans. The name Balkans itself originates from Turkish language meaning “a chain of mountains filled with forests”. Balkans is in fact South Eastern Europe as this name is more present currently since Europeans were trying to avoid usage of the name Balkans because of its connotation to violence and wars.

Turkey calls itself a “Balkan country” historically, geographically, and culturally, that is why this region is very important for Turkey. Turkey considers that after the withdrawal of the Ottoman Empire in the 19 century around 7 million Turks have migrated from the Balkans to Turkey. The importance of Balkans also is in the fact that is considered to the “gate to Europe” for Turkey land wise. The new Turkish foreign policy and the old Turkish foreign policy had Balkans and the newly created countries following the break-up of Yugoslavia (1991) in its very important outlook.

In New Turkish Foreign Policy the aim of membership in the EU remains an orientation goal, but now it is in conjunction with newly created reality in South Eastern Europe. This Policy was created by various experts that have taken into account the important of security but also internal desecuritization or easing relations with neighbors as well as easing religious factor within Turkey. Turkish experts relied also on Michael William’s theory that securitization is a process of accumulated power in which various actors participate according to their capacity differently, but with the aim of responding efficiently in times of jeopardy.

The distinction of Old and New Turkish Foreign Policy toward South East Europe is not only minimal, formal, or linguistic. The distinction is seen before and after the year 2000. Before the year of 2000, Turkey was engaged in NATO operations involving Bosnia and Hercegovina and Kosovo. It can be said that Turkey’s efforts up to the war in Kosovo 1998-1999 were directed toward calming down the situation in Former Yugoslavia. But, when bombing of Yugoslavia started Turkey changed its policy and was fully engaged in the bombing campaign. Turkish President Syleiman Demirel stated at the time “Kosovars are our brothers and heritage of our history” adding that “it is our duty to save our Kosovar brothers”.

The conflict in Kosovo can be seen as a force that created a turn in Turkish foreign policy toward New Turkish Foreign Policy and it had also intensified Islamist movements in Turkey. This movement alongside other various factors represents that fundament of current and future Turkish internal and foreign policy with a reference that the Islamist movement in Turkey is tolerant and poses no threat to other non-Muslim religions since it has plenty of historical coexistence with other religions in Europe and South East Europe in particular. For Turkey, the issue of Kosovo is settled. Turkey was one of the first countries to recognize Kosovo, although it continues to nurture good relations with Serbia.

This is in fact the aim of “Strategic Depth” doctrine as Davutoglu stated announcing that the possibility of renewal of Ottoman Empire in some form is possible. “We would like new Balkans that is based in political values, economic independence, cooperation and cultural harmony. This is similar to Ottoman Balkans. We want to revive such a region in Balkans…Ottoman centuries were a successful story and should be revived” (Davutoglu statement).

John Feffer, from Institute for Policy Studies, expands further the meaning of “Strategic Depth” in his articles “Pax Ottomania” and “Stealth Superpower”. Among others he states: “Today, a dynamic neo-Ottoman spirit moves Turkey. Before, Turkey was firmly secular, but now it has started applying Islamic democracy. Before, Turkey was under control of the Army, but now it is in the process of reducing the power of the Army through legal norms…Most critical is the introduction of the New Foreign Policy. Turkey is dropping its half a century role of following the US no matter what and is creating its own relations and geopolitical role”.

Toward South East Europe Turkey applies a different policy from, for example Middle East. Turkey considers this

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5 Declaration, 2nd International Balkan Congress “Socioeconomic Cooperation and Development in the Balkans”, April 24-26 2009, internet http://www.tasam.org/Final 18.03.2015
7 Milliyet, 7.04.1999; Aksam 08.04.1999
8 Anadolu Ajanci, 04.04.1999
region to be very fragile and an area in which Turkey can bring stability through its influence and through using pro-
European values such as promotion of human rights and democracy. Main countries of interest for Turkey in this area are
Bosnia and Herzegovina and Serbia because of their past and actual needs of these countries that, according to Turkey,
demand Turkish influence in keeping the situation calm and bringing more democracy. “Sarajevo is Ottoman heritage in
miniature. If you don’t understand Sarajevo than you don’t understand Ottoman Empire. Sarajevo is the prototype of
Ottoman civilization. Sarajevo is the prototype of the rising if Balkans”, sums up Davutoglu. Davutoglu has stated also
that “There are more Bosnians and Albanians living in Turkey than in Bosnia and Albania”

By recalling a period of domination, tradition, cultural heritage, and in principal historical depth, Turkey is in some
ways laying its claim over South East Europe. Turkey officially still wants to be part of EU alongside other Balkan
countries that are not yet included into EU. At the same time Turkey is offering to the countries of the region a new
perspective of a new central geopolitical and geoeconomic constellation rather than periphery of Europe. Whether it
would be more beneficial for countries of South East Europe to be central through Turkish Strategic Vision in comparison
to peripheral role through EU it cannot be concluded without more in depth analysis.

It can be said though that through its influence in countries of South East Europe, political support and economic
investments, Turkey is actually striving for a larger domain that is based in three main components:

- process of desecurisation and promotion of security in Turkey shows that a lot is based on the Islamic factor
  within the country
- second component or second pier is cultural-historical heritage and experience that, according to Turkish point
  of view, makes Turkey competent for cultural integration of countries and nations formerly part of Ottoman
  Empire

Third component is the economic-geopolitical position, potential and space that allows Turkey to link three
continents: Europe, Asia, and Africa.

The third component has so far shown openly the idea of New Turkish Foreign Policy based on New Strategic
Vision. It is obvious that Turkey does not see itself as the periphery of Europe, but rather than that an inter-continental
center of Euro-Asia and Africa, plus the largest link of oil and natural gas. In the context of its own perspective Turkey
takes into account and is even offering to countries of South East Europe a position in the center of developments.

Finally, we are currently witnessing a difficult period for Turkey and its leaders. Internally, President Erdogan is at
odds with influential Fetullah Gulen, internationally Turkey has to mend relations with Syria, Israel and Egypt. President
Erdogan though is not moving from “Strategic Depth” practices. Proof of that is his recent visit to Teheran, Iran
immediately after US and allies have reached the agreement on Iran’s nuclear program. Also, Erdogan has supported the
latest initiative of Saudi Arabia to put an end to bloodshed in Yemen. Based on previous experience it is easily possible
that Turkish leaders will take further pragmatic steps and will be again a factor of political stability supported by economic
support or cooperation with the countries of the Middle East. As for South East Europe, Turkey’s influence is solid and
unshaken.

10 Daily News Montenegro 29.09.2009, 2
11 Daily News Montenegro, 29.10.2009, 4
Financial Inclusion and Turkey

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Abstract

Financial inclusion is the most recent item to be added explicitly to the social inclusion agenda and promotes the need for access among all segments of society to a range of financial services at affordable cost. Small and medium-sized enterprises (SMEs) have played a crucial role in boosting the economy, increasing employment, and creating industries. However, many SMEs in developing economies lack access to loans and lines of credit. With global financial crisis, developing economies have started to promote financial inclusion, especially greater access to financial services for SMEs, as part of their overall strategies for economic and financial development. In this perspective, this study provides a survey of progress on financial inclusion in Turkey on the basis of SMEs.

Keywords: Financial Inclusion, Financial Stability, SMEs Financial Inclusion.

1. Introduction

In recent years, financial inclusion has been a global agenda. Many countries are employing financial inclusion as an important part of their strategies to achieve inclusive growth. In general, inclusive finance is crucial to sustain economic and social development. It is also expected to lead to greater financial stability and growth.

In terms of three areas, more effort is needed to address gaps in the understanding of financial inclusion. First is the quality of regulatory policies. Ineffective policy measures, too much regulation, or the lack of internal synergies to implement financial inclusion are familiar cautionary tales in all countries. Second, it is also important to have a positive enabling environment for promoting financial inclusion. This means that policies that support financial inclusion have to be closely connected with the pursuit of macroeconomic stability. Financial access is impossible without increasing the capacity of individuals and firms to access higher income levels. Finally, greater financial inclusion is only possible if undertaken responsibly. In as much as inclusion is about increasing the capability to use financial services, it is crucial that those who are directly affected are financially literate and capable (Rillo, 2014).

SMEs have played a crucial role in boosting the economy, increasing employment, and creating industries. However, around 200 million formal and informal micro, small and medium enterprises in developing economies lack access to loans and lines of credit. An estimated about 55 - 68 % of formal SMEs lack adequate financing. SMEs are also held back by inefficient or costly business-to-business payments options; a lack of appropriate risk management products, such as insurance, and a shortage of growth capital. Moreover, women owned SMEs have consistently lower access to finance worldwide (CGAP and IFC, 2013). To increase share of lending to SMEs can help financial stability, mainly by reducing non-performing loans and the probability of default by financial institutions. Moreover, policy measures to increase financial inclusion by SMEs will have the side-benefit of contributing to financial stability.

From this perspective, this study contributes to the literature on this subject by examining the financial inclusion in Turkey on the basis of SMEs. In order to achieve this, the paper is organized as follows. Section 2 gives an overview financial inclusion. Section 3 examines financial inclusion and SMEs. Section 4 analyzes financial inclusion in SMEs in Turkey. Last section provides a conclusion.

2. An Overview of Financial Inclusion

Financial inclusion is most commonly thought of in terms of access to credit from a formal financial institution, but the concept has more dimensions. Formal accounts include both loans and deposits, and can be considered from the point of view of their frequency of use, mode of access, and the purposes of the accounts. There may also be alternatives to formal accounts, such as mobile money via mobile telephones. The main other financial service besides banking is
Financial inclusion aims at drawing the "unbanked" population into the formal financial system so that they have the opportunity to access financial services ranging from savings, payments, and transfers to credit and insurance (Hannig and Jansen 2010).

The Reserve Bank of India has also defined financial inclusion as the process of ensuring access to appropriate financial products and services needed by all sections of the society in general and vulnerable groups such as weaker sections and low income groups in particular at an affordable cost in a fair and transparent manner by mainstream institutional players (Joshi 2014). Financial inclusion also encompasses the broadening of financial services to those people who do not have access, the deepening of financial services for people who have minimal access (Rajan 2014).

The original Financial Inclusion Action Plan (FIAP) was endorsed by leaders at the Seoul Summit in 2010. Universal financial inclusion requires bringing the 2.5 billion people (or about half the working age population) currently excluded, into the formal financial system. The credit gap for formal and informal micro, small and medium enterprises in emerging and developing economies estimated at US$2 trillion. Financial inclusion helps build domestic savings, bolster household, domestic and financial sector resilience, and stimulate business and entrepreneurial activity. The cumulative effect of widespread exclusion is increasing inequality, and slower growth and development. The Global Partnership for Financial Inclusion (GPF) is an inclusive partnership mechanism to take forward the G20's work on financial inclusion. The GPF produces coordinated analysis and policy recommendations to enhance financial inclusion; facilitates efficient and effective coordination to support various on-going financial inclusion efforts; monitors progress over time and against agreed objectives; and ensures continuity on financial inclusion in global discussions (GPF, 2014).

In short, financial inclusion addresses: (i) who has access; (ii) how easy it is to access (cost, distance); and (iii) what types of services are accessible. At the Millennium Development Goals Summit of 2010 these elements were combined to define financial inclusion as "universal access, at a reasonable cost, to a range of financial services for everyone needing them, provided by a diversity of sound and sustainable institutions" (Maxima 2010).

Financial inclusion might also affect financial stability both positive and negative. According to Khan (2011) there are three main ways in which greater financial inclusion can contribute positively to financial stability. First, greater diversification of bank assets as a result of increased lending to smaller firms could reduce the overall riskiness of a bank's loan portfolio. This would both reduce the relative size of any single borrower in the overall portfolio and reduce its volatility. This would reduce the "inter-connectedness" risks of the financial system. Second, increasing the number of small savers would increase both the size and stability of the deposit base, reducing banks' dependence on "non-core" financing, which tends to be more volatile during a crisis. This corresponds to a reduction of procyclicality risk. Third, greater financial inclusion could also contribute to a better transmission of monetary policy, also contributing to greater financial stability.

Demirguc-Kunt and Klapper (2012) found that a 10% increase in the share of people that have access to bank deposits can reduce the deposit growth drops (or deposit withdrawal rates) by 3–8 percentage points, which supports the case that financial inclusion is positive for financial stability. Hannig and Jansen (2010) argue that low-income groups are relatively immune to economic cycles, so that including them in the financial sector will tend to raise the stability of the deposit and loan bases. They suggest that financial institutions catering to the lower end tend to weather macro-crisis well and help sustain local economic activity. Prasad (2010) also observes that lack of adequate access to credit for small and medium-size enterprises and small-scale entrepreneurs has adverse effects on overall employment growth since these enterprises tend to be much more labor intensive in their operations.

Khan (2011) also suggested that increased financial inclusion could contribute negatively to financial stability. The most obvious example is if an attempt to expand the pool of borrowers results in a reduction in lending standards. This was a major contributor to the severity of the "sub-prime" crisis in the United States. Second, banks could increase their reputational risk if they outsource various functions such as credit assessment in order to reach smaller borrowers. Finally, if microfinance institutions are not properly regulated, an increase in lending by that group could dilute the overall effectiveness of regulation in the economy and increase financial system risks.

As a result, the literature suggests that greater financial inclusion could be either positive or negative for financial stability. Positive effects include the diversification of bank assets by reducing their riskiness; increased stability of their deposit base, reducing liquidity risks; and improved transmission of monetary policy. Negative effects include the erosion of credit standards bank reputational risk, and inadequate regulation of microfinance institutions.
3. Financial Inclusion and SMEs

A key lesson of the 2007–2009 global financial crisis was the importance of containing systemic financial risk and maintaining financial stability. At the same time, developing economies are seeking to promote financial inclusion, namely greater access to financial services for low-income households and small firms, as part of their overall strategies for economic and financial development (Morgan and Pontines, 2014).

There is a growing body of evidence on the impact of access to financial services at the microeconomic, local economic and macroeconomic levels. Theory presents that an appropriate range of quality financial services helps households smooth consumption, mitigate and manage risks, build assets, and create the peace of mind needed to make effective decisions about the future. Especially, small and medium enterprise owners can use credit or savings to invest in productive assets, insurance to manage risks, and payments services to make transactions more efficient and safe (Table 1).

At the macroeconomic level, the literature shows that financial inclusion is correlated with economic growth and development. An inclusive financial system facilitates inclusive growth by strengthening financial systems, allocating resources more efficiently, and creating opportunities for all (CGAP and IFC, 2013).

Although there has been growing recognition of the importance of SMEs for job creation and economic development, SMEs themselves report lack of access to finance to be one of the greatest barriers to their growth. Half of SMEs in emerging markets are credit constrained. Seventy percent of micro, small, and medium enterprises (MSMEs) have no access to external finance, and another 15 percent are under-financed (IFC, 2013). All this adds up to an estimated credit gap of US$2 trillion.

Policy reforms vary from country to country such as loan guarantees, government funding, regulations requiring SME finance and infrastructure for SME finance. Studies showed that increased financial inclusion has affected SMEs positively. Morgan and Pontines (2014) found some evidence that an increased share of lending to SME aids financial stability, mainly by reducing non-performing loans and the probability of default by financial institutions. This suggests that policy measures to increase financial inclusion, at least by SMEs, would have the side-benefit of contributing to financial stability as well. In addition, reforms in China allowed the rural banking system, once dominated by state-owned banks, to diversify and enabled new market players (such as agro-related banks, village township banks, and postal savings banks) to expand financial services to rural areas. The reforms also resulted in the creation of some innovative products and services for financial inclusion such as the SME Board and ChiNext (Growth Enterprise Board), two innovative funding markets for small and medium-sized enterprises (Rillo, 2014).

4. SMEs Financial Inclusion and Turkey

Turkey is the 17th largest economy in the world in terms of GDP, a member of G20, OECD and a candidate for European Union membership. Economic growth in Turkey was briefly interrupted by the 2009 global recession due to the drop in international demand and structural problems with international competitiveness. Turkey recovered quickly but GDP growth slowed in 2014 as a result of weak domestic demand and spill-overs from the European debt crises. Due to domestic political events, Turkey’s financial markets and lira have been under pressure and private and public consumption has decreased in real terms.

SMEs in Turkey are most important part of business economy. They provide most jobs, account for 99. 9% of all businesses and produce 53% of the value added in the whole economy. Especially, micro-SMEs provide almost half (46%) of the employment in Turkey and create about percent of 20% of total value added (Table 2). For this, the development of SMEs financial inclusion is the center of financial policy in Turkey.

SMEs financial inclusion will be examined by accessing to financial services. Access to financial services is classified into the three sides: the supply side, the demand side and policy perspectives. Supply side includes the distribution of total credits, credits of SMEs and number of banks offering SME credits. Demand side constitutes of usage of external financing by SMEs, significance of factors limiting access to financing and most pressing problems for SMEs. Policy perspective comprises the programs exist to support micro, small and medium-sized enterprises.

4.1 Supply Side

Graph 1 shows the distribution of credits in Turkey. According to Graph 1, commercial and corporate credits constitute of the biggest part of the credits. It is 44% of total credits. Consumer credits and credit cards are 29% of total credit. The
The share of SMEs credits is 27% of total credits. The SMEs credits have increased since 2009. Micro, small and medium sized SMEs credits increased more than three times between 2009 and 2014. However, there is a slower increase in SMEs credits in recent years (Graph 2). An OECD report (2012) identified gaps in microfinance. However, domestic bank lending to the private sector has increased significantly in recent years: around 80% of loans to SMEs come from commercial banks. The government encourages public and private banks to increase lending to SMEs, so banks are very inclined to offer loans. Only outside the major cities does access to finance remain a challenge (EC, 2014).

In Turkey, 21 banks provide SME loans. Most of them are privately-owned deposit banks and foreign banks founded in Turkey. A few is state-owned and privately owned development and investment bank. Others are state-owned deposit banks and privately-owned participation banks (Table 3). In addition, 74 specialized leasing companies offer leasing, and 76 specialized factoring companies provide factoring services. 2 MFIs provide microcredit to low income female entrepreneurs. 2 public loan funds provide loan-interest loans to SMEs. SMEs have access to a variety of financing products: loans (such as cash loans, discount and purchase loans, spot loans, day loans), overdrafts, credit cards, non-cash loans (letter of credit, letter of guarantee), factoring and leasing services (Microfinance Center, 2014).

4.2 Demand Side

71% of SMEs have used debt financing within the last 6 months. Bank loans are the most common source of external financing, used by 58% of SMEs. Trade credit is the second most popular instrument, used by 47% of SMEs. Overdraft facilities, and leasing/factoring facilities, are less frequently used in Turkey (Graph 3).

According to EU SAFE research (2013), over 40% of SMEs in Turkey do not see any obstacles to obtain financing. Low affordability, and high interest rates, on credit are perceived the biggest concern in using external funding affecting more SMEs in 2013 compared to 2 years previously. High guarantee requirements are the second most limiting factor in accessing SME credit, although experienced by fewer SMEs in 2013 than in 2011. SME credit is usually indexed to foreign currencies so currency fluctuations affect credit cost. Long-term loans (over 10 years) are rarely available, limiting larger investments in company development (Graph 4).

Additionally, access to finance is not the biggest problem facing Turkish SMEs. 16% of them consider lack or limited access to be the biggest constraint, making it fourth in the list of pressing concerns. The most pressing problems for Turkish SMEs are difficulties in finding customers, skilled staff and experienced managers, as well as high costs of the production and labour (Graph 5).

4.3 Policy perspectives

In Turkey, a number of programs exist to support micro, small and medium-sized enterprises. There are four separate government investment operations that provide funding for SMEs: Angel Investment Scheme, G 43 Anatolian Venture Capital Fund, KOBI Venture Capital Investment Trust, and Istanbul Venture Capital Initiative.

The first, the “Angel Investment Scheme,” program is designed to provide financing and technical assistance for small, start-up SMEs that lack adequate collateral and also need help with the essentials of good business practices. The Turkish Treasury offers tax incentives for angel investors (75 percent of the amount invested can be deducted from taxes, and up to 100 percent in the case of SMEs that are involved in government-supported technical projects). Angel investors can own up to 50 percent of the shares in the SME, with the shares held for at least two years, and are also expected to provide technical assistance to their SMEs. The minimum amount to be invested is just under US$10,000, while the maximum is just over US$475,000. According to Ertürk and Öcal (2014) during the first year of the program, 182 business angels have been licensed and several networks of angel investors are also being added to the program. This rapid start-up can be attributed to efforts to mobilize supporters, in both the public and private sectors, with the enabling legislation also being prepared with similar support. During just the first year of the program, there have been five angel investments for slightly under US$850,000 and for an average of about US$170,000, with others currently being assessed for support.

The second program is a venture capital fund for the 43 provinces of Anatolia, funded primarily by EU’s Instrument for Pre-Accession Assistance (IPA), with the collaboration of two Turkish government agencies, the Ministry of Science, Industry, and Technology as the operating structure, and the Small and Medium Enterprises Development Organization (KOSGEB) as the recipient of assistance. The European Investment Fund (EIF) is the trustee administrator for the EIF-IPA Commitment. An initial agreement was signed in August 2011, with a further agreement in December, and operations...
starting at the end of 2013. The fund manager and the Istanbul Venture Capital Initiative are also investors in the fund. Although research for investments in SMEs has started, no funds have as yet been disbursed (KOSGEB, 2014). G-43 Anatolian Venture Capital Fund targets SMEs especially in developing regions of Turkey.

The third program, the KOBI Venture Capital Investment Trust, began operations in 2006 with three main partners, including both the public and private sectors (KOSGEB, TOBB, and Halkbank), with the purpose of investing in local SMEs that show high potential for innovation. In providing both financial and managerial support to qualifying SMEs, KOBI’s investments are limited to 49 percent of the SME’s capital and can range from US$250,000 up to US$1 million, depending mainly on the wide range of business types supported. Potential investments are based on a detailed list of specific criteria and also include a position on the SME’s managerial board. Therefore, after the investment is made, KOBI remains highly involved: preparing and implementing business plans, carefully measuring both targets and accomplishments and, at times, even in day-to-day operations. Given these high criteria, investing in only 10 of 2,124 applicants, it is not surprising that these 10 businesses are all highly successful, with sales and profits increasing every year in virtually every case, and their excellent growth often requiring substantial additional investments (Öktem, 2014).

The fourth Turkish program, the Istanbul Venture Capital Initiative (iVCi), established in 2007, is also partly funded by the EU through its European Investment Fund, along with the National Bank of Greece Group, Garanti Bank, and various Turkish government entities, including KOSGEB, the Technology Development Foundation of Turkey and the Development Bank of Turkey. The iVCi invests for a long time horizon, six to 10 years, and in private equity and venture capital funds, as well as directly, along with other funds, in SMEs. As of the end of March 2014, it had invested over US$95 million, with commitments of over US$195 million. As a “fund of funds,” iVCi believes that its main contribution has been to stimulate the development of various other funds by demonstrating what can be done directly, as well as by investing in other funds. Fourteen SMEs had benefited directly from iVCi investments as of the end of March 2014, with 25 percent of its investments ultimately going to SMEs (KOSGEB, 2014).

5. Conclusion

Financial inclusive growth has recently become one of the world’s most important policy goals, and economists have given attention to SMEs financial inclusion. SMEs play a crucial role in boosting the economy, increasing employment, and creating industries. Therefore, this study analyzed financial inclusion in Turkey on the basis of SMEs in terms of supply side, demand side and policy perspectives.

On the supply side, SMEs credits have increased since 2009. As a result of this, there is a broad SME credit usage with many firms taking bank loans. Enterprise credit available from the majority of deposit banks both state-owned and foreign bank. On the demand side, bank loans are the most common source of external financing and trade credit is the second most popular instrument. Others, such as overdraft facilities, and leasing/factoring facilities, are less frequently used in Turkey. Low affordability, and high interest rates, on credit are perceived the biggest concern in using external funding affecting more SMEs. High guarantee requirements are the second most limiting factor in accessing SME credit. Additionally, access to finance is not the biggest problem facing Turkish SMEs. The most pressing problems for Turkish SMEs are difficulties in finding customers, skilled staff and experienced managers, as well as high costs of the production and labor. In terms of policy perspectives, government focuses on improving financial inclusion of SMEs with Angel Investment Scheme, G-43 Anatolian Venture Capital Fund, KOBI Venture Capital Investment Trust, and Istanbul Venture Capital Initiative programs. These programs have started to give their positive results. In summary, SMEs will be continuing the most important part of business economy in Turkey. They provide most jobs, account for most of all businesses and produce more than half of the value added in the whole economy. Therefore, policy measures to increase SMEs financial inclusion will contribute to financial stability as well as economic growth in Turkey.

References


### Table 1. The Use of Financial Services

<table>
<thead>
<tr>
<th>Credit</th>
<th>Individuals/Micro Enterprises</th>
<th>Small and Medium Enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption smoothing</td>
<td><em>Financing for working capital and for investment</em></td>
<td></td>
</tr>
<tr>
<td>Investment in human development (health, education, etc.)</td>
<td><em>From financial institutions or through supply chain</em></td>
<td></td>
</tr>
<tr>
<td>Savings</td>
<td>Cushion in case of shocks</td>
<td>Savings (retained earnings) as primary source of financing</td>
</tr>
<tr>
<td></td>
<td>Low-risk source of self-financing</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>Risk-management tool for managing shocks</td>
<td>Lower risks of business activity</td>
</tr>
<tr>
<td>Payments</td>
<td>Safe and low-cost alternatives to informal mechanisms and cash</td>
<td>For efficient, low cost, and safe transactions</td>
</tr>
</tbody>
</table>


### Table 2. SMEs in Turkey

<table>
<thead>
<tr>
<th>Number of enterprises</th>
<th>Number of employees</th>
<th>Value added</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>Proportion</td>
<td>Number</td>
</tr>
<tr>
<td>Micro</td>
<td>2.326.148</td>
<td>97.3%</td>
</tr>
<tr>
<td>Small</td>
<td>42.641</td>
<td>1.8%</td>
</tr>
<tr>
<td>Medium Sized</td>
<td>18.132</td>
<td>0.8%</td>
</tr>
<tr>
<td>SMEs</td>
<td>2.386.921</td>
<td>99.9%</td>
</tr>
<tr>
<td>Large</td>
<td>3.506</td>
<td>0.1%</td>
</tr>
<tr>
<td>Total</td>
<td>2.390.427</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Turkish Statistical Institute.

### Table 3. Number of Banks Offering SME Credit, March 2014

<table>
<thead>
<tr>
<th>Number of Banks Offering SME Credit, March 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Privately owned deposit banks</td>
</tr>
<tr>
<td>Foreign banks founded in Turkey</td>
</tr>
<tr>
<td>State-owned deposit banks</td>
</tr>
<tr>
<td>Privately owned development and investment banks</td>
</tr>
<tr>
<td>Privately owned participation banks</td>
</tr>
<tr>
<td>State-owned development and investment bank</td>
</tr>
</tbody>
</table>

Source: Microfinance Center.
Graph 1. Distribution of Credits in Turkey, September 2014.


Graph 2. Credits of SMEs in Turkey, Billion TL.

Source: BRSA, Turk Banking Sector Main Indicators, September, 2014.

Graph 3. Usage of External Financing by SMEs (% firms)

Source: EU SAFE 2013.
Graph 4. Significance of Factors Limiting Access to Financing

Source: EU SAFE 2013.

Graph 5. Most pressing problems for SMEs

Source: EU SAFE 2013.
Is It Easier for Minority Groups to Integrate in the Work Force when they are Self-Employed? A Case Study in the Israeli Labor Market

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Abstract

One of the main problems facing many countries today is the integration of minorities in the labor market. This problem applies in countries with a high immigrant intake and also in countries where the minorities are indigenous. Israel has a Jewish majority which manages the economy and an Arab minority which should be integrated in the labor market. One question that arises in this case study is whether the minority sector is better able to become integrated in the labor market as wage earners or as self-employed. The goal of this study is to examine this question in the context of the Israeli economy by comparing between the Arab sector and the Jewish sector. The first stage of the study compared the income of the self-employed compared to the income of wage-earners in each population group. The results at this stage showed that in the majority group, the income level of the wage-earners and the self-employed is almost the same, whereas in the minority group the income level of the self-employed is much higher than the wage-earners (a gap of 33% in favor of the self-employed). The second stage of the study examined the effect of the level of education on the decision to be self-employed in each of the population groups. To this end, we checked the self-employment rate for each level of education. The results showed that in the minority group (Arab sector) the level of education of the self-employed is higher than that of the wage-earners, whereas in the majority group (Jewish sector) the level of education of the self-employed is lower.

Keywords: self-employed; labor market; minorities; Israel.

1. Introduction

In recent years, many countries have found it necessary to address the question of how to integrate minority groups into the labor market. This question is relevant in countries that have a constant intake of immigrants and also in countries with an Indigenous minority. To successfully integrate minority groups into the labor market, we must first check if the pattern of employment of the minority group differs from that of the majority. This study compares between the self-employed and the wage-earners in each of the population groups. The research question for the purpose of this article is whether there are differences between the minority group and the majority group in three specific areas: the rate of self-employed in the work force, the income level of the self-employed compared to the income level of the wage-earners, and the level of education of the self-employed compared to the level of education of the wage-earners.

Numerous studies have examined the subject of wage-earning workers and the self employed throughout the world. David & Blanchflower (2004) carried out a study that was based on surveys performed in a number of OECD countries. In that study, the first section examined each of the countries separately, and the second section examined all the countries together in a group context. The results of this study showed that gender was one of the factors that affected the self-employment rate. More men are self-employed, although between the years 1994 to 2002, the gap between the number of self-employed men and self-employed women decreased. Age is another factor that affects the rate of self-employment. The rate of self-employed increased relative to the increasing age of participants in the study but only up to a certain level (up to age 54 in 1994 and up to age 61 in 2002), after which the number of self-employed began to decrease. The effect of education on the self-employment rate is less clear. In most countries in Europe increased education is linked to a decrease in the self-employment rate. However in the USA, the opposite occurs – the self-employment rate increases together with the increased level of education. The same result was received when the data was examined using a continuous variable of age, and also when the data was examined using dummy variables for various age groups. The outcome is also not uniform for the question of self-employment rates in ethnic minorities. In some countries in Europe, the self-employment rate among ethnic minorities is higher than in the general population. However, in the USA there is less self-employment among Afro-Americans and Hispanics, apparently because of a lack of initial financial liquidity. In other countries a lack of financial liquidity may also be the factor that prevents people from
becoming self-employed. Many wage-earning employees report that they would prefer to be self-employed. The question to be asked was why they did not become self-employed. There are those who maintain that people do not report what is actually good for them. But the findings indicate that the self-employed are more satisfied with their work. Therefore the question that still remains unanswered is why so few wage-earning employees become self-employed.

2. International Comparison

According to Blanchflower (2004), a comparison of self-employment rates between countries or between periods, necessitates differentiating between self-employed farmers and the self-employed in other areas because during recent decades, the number of self-employed farmers has decreased in the majority of countries. Furthermore, usually, in those countries that are more developed, the methods of cultivation have improved thereby requiring a smaller number of farmers. This process does not stem from social or economic reasons which we seek to examine but rather from technological developments in agricultural cultivation. And if we check the self-employment rate including farmers, we will find that in the majority of countries there has been a decrease in self-employment over the years. If we consider those who are self-employed but are not farmers, in some countries we can actually see an increase in the numbers.

An interesting question to ask is "Does having a large number of self-employed (in this case the majority of whom will be small business owners) benefit the economy?" Many countries support "small" independent businesses based on the thinking that this is the way to promote economic development particularly in the weaker layers of society. According to this approach, small businesses can create jobs with a smaller investment. However, the study by Davis, Haltiwanger and Schuh (1996, p. 57) claims that while small businesses do indeed generate many new job opportunities they also cause the loss of many old jobs because the average lifetime of small businesses is shorter. It is therefore unclear whether the existence of numerous small businesses at the expense of large businesses does actually increase the rate of employment. However it is clear that the larger businesses do actually create more stable jobs. An article by Wagner (2004) which examined the subject of entrepreneurship1 found that the better the financial state of the families the more likely they were to become entrepreneurs. Examination of the effect of education on entrepreneurship revealed that low and high levels of education reduced entrepreneurship; in other words, the highest level of entrepreneurship can be found in the population with an average level of education. The study led by Wagner also compared the rate of entrepreneurship in different countries. The study examined, among other aspects, the correlation between the rate of entrepreneurship and the GNP, and found that a U-shaped2 correlation linked the two parameters. The implication of this correlation is that in poor countries the rate of entrepreneurship is high apparently because work opportunities for wage earners are limited. Consequently, an increase in the GNP (and an increase in employment opportunities) reduces the number of entrepreneurs. However, at a certain GNP level the rate of entrepreneurs once again increases, seemingly because in these countries the funds required to establish a business are more readily available.

Gindling and Newhouse (2014) studied the subject of wage-earners and the self-employed in developing countries. In these countries the main problem is how to extract the poor farmers from the cycle of poverty. According to this study, this goal can be achieved in two stages. In the first stage, the farmers need to be helped to become independent in non-agricultural areas, and only in the second stage do they need to be helped to become wage-earners. The significance of this finding is that being self-employed can be a stage in the progression of economically weak groups on the way to becoming integrated into the workplace. Andersson and Wadensjö (2003) found that in Sweden and Denmark, the rate of self-employment among immigrants is much higher than in the rest of the population. Additionally, they found that the income of self-employed immigrants is lower than that of wage-earning immigrants. They reached the conclusion that immigrants who chose to be self-employed did so because they were experiencing difficulties finding employment as wage earners in jobs with a reasonable pay rate. The study by Zulema (2013) which examines the rate of self-employment among immigrants in the USA paints a different picture. According to this study, the rate of self-employment among new immigrants is lower than the rate of self-employment in the general population, but this rate grows over time. Zulema maintains that over time the changes in the rate of self-employment among immigrants may indicate the level of their integration in American society at least in terms of their economic status. The study refers to three integration options:

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1 The study by Wagner looks at entrepreneurs, in other words, people who set up new businesses. It does not deal with the number of self-employed who are already operating.

2 Similar results were found in an article by van Stel et al. (2003)
1. Independence as a process of integration in the mainstream: the immigrant undergoes a final stage of joining the mainstream of the society in a process that is consistent and final. In the area of independence, this process is one in which the rate of self-employed converges with the accepted rate in the general population. In this process there should not be any difference between men and women.

2. Independence as a process of downward integration: the number of self-employed remains lower than in the rest of the population. The lack of integration is more extreme among the men and consequently the rate of self-employment will be even lower.

3. Independence as a hindrance to integration: the immigrants have traits that are suitable for becoming entrepreneurs and self-employed (immigrants that come to the USA from Korea are a case in point). Consequently the rate of independence among them is greater and perhaps even grows over time. This process delays integration because they are less integrated in the work place, and focus on their own occupational areas.

Other studies drew different conclusions. George (1986) found that in the 1970s and 1980s the rate of self-employment among immigrants in the USA was higher. Shahor (2014) found that in Israel the rate of self-employment in the minority sectors was higher. However, it is possible that also in Israel the convergence of the rate of self-employed minorities with the rate of self-employed in the main social sector (in other words, the Jewish sector) could indicate economic integration. There is another interesting finding in the study done by Zulema (2013) which indicates that the influence of age on the self-employment rate has an inverse U shape; in other words, the rate of self-employment is lower among the young and the elderly, and is higher among the middle-aged generation.

This study focuses on Israeli citizens living inside the Green Line (Israel's border until 1967 as determined by the United Nations). The majority of citizens within these borders are Jewish (80%), and there is a large minority of Arabs (the remaining 20%). Within the population of Arabs who are Israeli citizens (and are therefore included in the this study), the vast majority are Muslims; approximately 10% of the Arab population are Christians, which in many ways (birth rate, level of education, etc.) differentiates them from the Muslim group. In socio-economic terms, the state of the Arab minority is inferior. One of the components contributing to the low socio-economic status that is addressed in this study is the inferior state of Arab sector employment, and in particular the wages earned for work performed. Epstein, Gharrah and Cohen (2001), Hasson Abu Assabah (2004), Hasson and Kariyeini (2006) found employment inequality which has its origins in the lack of employment options in the Arab settlements, and the difficulties encountered by Arabs when they attempt to become part of the workforce in Jewish settlements. Additionally it was found that despite the improved education of the Arab workforce, they are unable to realize their full potential in the Israeli work force. Friedman and Zussman (2008) found that between the years 1987 to 2005, the difference in the hourly rate of pay paid to Jews and Arabs had actually increased. There are a number of approaches that could explain the differences in the rates of pay received by the different employee groups:

1. Human Capital approach – this approach, presented by Becker (1993), claims that an employer operating in a competitive market who aims to increase the profits as much as possible, will pay the employee according to their marginal output. This approach maintains that if an employee with human capital produces more than an employee without human capital, the employee with the human capital should be earning a higher wage.

2. Sex Segregation approach (Haberfield 1990) – this approach focuses on the characteristics and attributes of the labor market (whereas the Human Capital approach focuses on the employee and their attributes). In this approach, the wage is paid according to profession and not according to employee. Some professions are more important to the employer than other professions and positions. According to this approach, Jews will earn more than Arabs if the jobs that they are performing are among those for which the employer pays a higher rate.

3. Another possibility is that of discrimination against one of the sectors in the population (in this case, against Arabs): According to the human capital approach, discrimination occurs when the average wage of the Arabs is lower than that of the Jewish population even though the average human capital of the Arabs is similar to that of the Jews. According to the sex segregation approach, there is evidence of discrimination when lower wages are paid for professions performed by Arabs.

In all three cases, the end result is that Arabs find it difficult to become integrated into the Israeli workplace as wage-earning employees. One way to circumvent this difficulty is to join the self-employed sector, where the person does not have to "show their papers", and their income is determined by their ability to meet the needs of their customers. It can therefore be assumed that the rate of self-employment in the Arab sector will be greater, and that the disparity in wages earned between Jews and Arabs in the self-employed sector will be smaller than the disparity in the wage-earning
sector.

3. Empirical Study

The data for this study were taken from the income survey for 2011 (the most recent survey available at the time of writing of this article). The first stage involved examining the average traits of the various population groups, divided according to status in the workplace (wage-earners or self-employed), ethnic group (Arabs or Jews), and gender (male and female). Table 30 below lists the rate of self-employment among all the workers in each of the different groups.

Table 30: Self-Employment Rate among All Workers in Each Population Group

<table>
<thead>
<tr>
<th></th>
<th>Arabs</th>
<th>Jews</th>
<th>Arab to Jewish Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>0.145</td>
<td>0.156</td>
<td>0.931</td>
</tr>
<tr>
<td>Women</td>
<td>0.061</td>
<td>0.079</td>
<td>0.779</td>
</tr>
<tr>
<td>Total</td>
<td>0.121</td>
<td>0.117</td>
<td>1.04</td>
</tr>
</tbody>
</table>

As can be seen in Table 30, among the men there is very little difference between the Arabs and the Jews. Among the women, the difference the Arabs and Jews is greater. However, it is important to note that the data in this table show the self-employment rate for all workers. The number of working women is small therefore the data for this group is likely to be problematic. Table 31 below shows the income of the self-employed in relation to the income of wage-earners according to the same groups.

Table 31: Self-Employment Rate among All Workers in Each Population Group

<table>
<thead>
<tr>
<th></th>
<th>Arabs</th>
<th>Jews</th>
<th>Arab to Jewish Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-employed Income (Men)</td>
<td>7,884</td>
<td>11,540</td>
<td>0.683</td>
</tr>
<tr>
<td>Wage-earner Income (Men)</td>
<td>5,948</td>
<td>11,146</td>
<td>0.534</td>
</tr>
<tr>
<td>Self-employed to Wage-earner Ratio</td>
<td>1.33</td>
<td>1.04</td>
<td></td>
</tr>
<tr>
<td>Self-employed Income (Women)</td>
<td>4,748</td>
<td>7,318</td>
<td>0.649</td>
</tr>
<tr>
<td>Wage-earner Income (Women)</td>
<td>4,734</td>
<td>6,858</td>
<td>0.683</td>
</tr>
<tr>
<td>Self-employed to Wage-earner Ratio</td>
<td>1.01</td>
<td>1.07</td>
<td></td>
</tr>
</tbody>
</table>

The interesting point in Table 31 is the fact that the income earned by self-employed Arab men is much higher (33%) than the income earned by wage-earning Arab men. This result could indicate that it is difficult for male Arab workers to become integrated as wage-earners in the Israeli labor market, and therefore are more successful as self-employed. Table 32 below shows the number of years of education for each group.

Table 32: Years of Education

<table>
<thead>
<tr>
<th></th>
<th>Arabs</th>
<th>Jews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years of Education Self-employed (Men)</td>
<td>11.76</td>
<td>13.93</td>
</tr>
<tr>
<td>Years of Education Wage-earner (Men)</td>
<td>11.64</td>
<td>14.18</td>
</tr>
<tr>
<td>Ratio of Self-employed to Wage-earners</td>
<td>1.01</td>
<td>0.98</td>
</tr>
<tr>
<td>Years of Education Self-employed (Women)</td>
<td>11.46</td>
<td>15.07</td>
</tr>
<tr>
<td>Years of Education Wage-earner (Women)</td>
<td>13.29</td>
<td>14.17</td>
</tr>
<tr>
<td>Self-employed to Wage-earner Ratio</td>
<td>0.86</td>
<td>1.06</td>
</tr>
</tbody>
</table>

The interesting conclusion to draw from Table 32 is the fact that among the men, there is no significant difference in the level of education between the wage-earners and the self-employed. This is noticeable in light of the fact that the income

---

3 The sample for this survey includes 37 self-employed Arab women compared to 220 self-employed Arab men, 1302 self-employed Jewish men, and 679 self-employed Jewish women.
earned by the self-employed Arab is significantly higher than the income of the Arab wage-earners. The fact that there is no difference in the level of education raises the possibility that the Arab men are not managing to utilize their level of education in the general labor market, and consequently are succeeding more as self-employed. The only group showing a significant difference between years of education of the self-employed and years of education of the wage-earners is the group of Arab women where the level of education of the self-employed women is the lowest of all the groups. In the men's group, we can see that the level of education of the Jewish men is the highest (which could be the reason for the difference in income); however, the disparity between self-employed and wage-earning men in both groups (Arab and Jewish) is negligible. As mentioned previously, the number of self-employed Arab women in the sample is very small, thereby making it difficult to reach conclusions regarding this group. For this reason, from this point forward, the study will focus only on the men.

Another way to check the level of education is by reviewing the diplomas that the workers received from the last educational institute.

Table 33: Data (in %) for Diplomas Received from Last Educational Institute

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Type of Diploma</th>
<th>Arabs</th>
<th>Jews</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Self-employed</td>
<td>Wage-earner</td>
</tr>
<tr>
<td>Low</td>
<td>Elementary</td>
<td>31%</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>High School</td>
<td>21%</td>
<td>24%</td>
</tr>
<tr>
<td></td>
<td>Matriculation</td>
<td>16%</td>
<td>20%</td>
</tr>
<tr>
<td>Middle</td>
<td>Non-Academic Tertiary</td>
<td>13%</td>
<td>6%</td>
</tr>
<tr>
<td>High</td>
<td>BA</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td></td>
<td>MA + PhD</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>

As can be seen above, in the Arab sector the rate of self-employed males with low education is lower than the rate of wage-earners with the same level of education. In the Jewish sector the situation is reversed – in the Jewish sector, the rate of self-employed males with a low level of education is higher than the rate of wage-earners with the same level of education. If we look at those with a middle level of education (non-academic tertiary education), we will see that the situation is switched around. In the Arab sector, the rate of self-employed males with non-academic tertiary education is much higher than the rate of wage-earners in the Arab sector. At the high levels of education the rate of self-employed and the rate of wage-earners in the Arab sector is similar. The data in this table demonstrates that the trend among Arabs with education to become self-employed is stronger than the trend among Jews with the same education.

Table 34: Rate of Self-Employed in Jewish and Arab Sectors by Field of Occupation

<table>
<thead>
<tr>
<th></th>
<th>Self-employed Arabs</th>
<th>Self-employed Jews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>0.04</td>
<td>0.07</td>
</tr>
<tr>
<td>Industry</td>
<td>0.09</td>
<td>0.07</td>
</tr>
<tr>
<td>Electricity &amp; Water</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Construction</td>
<td>0.25</td>
<td>0.12</td>
</tr>
<tr>
<td>Car Mechanics</td>
<td>0.30</td>
<td>0.18</td>
</tr>
<tr>
<td>Food</td>
<td>0.02</td>
<td>0.03</td>
</tr>
<tr>
<td>Transport</td>
<td>0.09</td>
<td>0.09</td>
</tr>
<tr>
<td>Banking</td>
<td>0.02</td>
<td>0.03</td>
</tr>
<tr>
<td>Real Estate</td>
<td>0.11</td>
<td>0.25</td>
</tr>
<tr>
<td>Management</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Education</td>
<td>0.01</td>
<td>0.03</td>
</tr>
<tr>
<td>Health</td>
<td>0.02</td>
<td>0.05</td>
</tr>
<tr>
<td>Services</td>
<td>0.05</td>
<td>0.08</td>
</tr>
</tbody>
</table>

As can be seen in the table above, the two areas in which there is a significant difference between the Jewish and Arab sectors is car mechanics and construction. The Arabs specialize in both these areas (55%) which both require non-
academic tertiary education.

4. Factors that Influence Wages (Checked Using Regression)

In this section, we will examine two questions. The first question is what are the factors that affect the difference between self-employed income and wage-earner income. The second question is what are the factors that affect the difference between the income of self-employed Jews and the income of self-employed Arabs. In this case too, the sample refers only to men. Observations of people who are not working, or of people who are working both as wage-earners and as self-employed were not included in the sample. Additionally, observations were not included for workers who had an unclear level of education. In the end, the sample consisted of 9220 observations.

The dependent variable in the model is income earned by the workers (self-employed and wage-earning workers). The independent variables are:

1. Dummy variable for self-employed worker
2. Dummy variable for self-employed Arab worker
   When these two variables are used together in the regression, the coefficient of dummy variable for self-employed worker shows the difference between wage-earning worker and Jewish self-employed worker; and the coefficient of self-employed Arab worker shows the difference between self-employed Jewish and self-employed Arab.
3. Years of education: according to the accepted hypothesis workers with more years of education will receive a higher income.
4. Dummy variable for marriage: based on previous studies, it can be assumed that the income of married men will be higher.
5. Year of birth: based on previous studies, income and age are linked in a U-shape. This variable will therefore appear twice – once linearly, and the second time to the power of 2. Although there is concern about a link between the marriage variable and the year of birth, the correlation coefficient between them is only -0.48.
6. Type of diploma received from last educational institute: this item refers to the diploma received by the worker from the last educational institute in which he studied.

The possibilities are: graduation from elementary school, graduation from high school, certificate of matriculation, graduation from a non-academic tertiary educational institute, Bachelor of Arts (BA), Master of Arts (MA), Doctor of Philosophy (PhD). The type of diploma is expressed in the regression by using a sequence of dummy variables. Each institution is allocated a dummy variable. Workers for whom this institution is their last place of study will therefore receive the value “1” while all the other workers will receive a value of “0”. It is known that when using a sequence of dummy variables one group must be left without a variable. In the regression of this study, the group without the variable was the workers whose last diploma received was from graduating elementary school (the lowest level of education possible).

Note that all these variables check the condition of the workers, while the purpose of this study is to check the differences between the self-employed and the wage-earners and between Arabs and Jews. Therefore, in addition to the six variables mentioned above, two more groups of variables were added to the regression:

A. Each of the variables from 3 to 6 were multiplied by a dummy variable for a self-employed worker.
B. Each of the variables from 3 to 6 were multiplied by a dummy variable for a self-employed Arab worker.

In order to understand the effect of the doubled variable, we will take the example of the education in years variable. In the regression, if the three following variables that appear (1) years of education; (2) years of education multiplied by the dummy variable for self-employed; (3) years of education multiplied by the dummy variable for Arab self-employed; then the coefficient of years of education will show the effect of years of education on wage-earners, the second variable will show the difference between the effect of years of education on the wage-earners and their effect on Jewish self-employed, and the coefficient of the third variable will show the difference between years of education of a self-employed Jew, and the years of education of a self-employed Arab.

Analyzing these variables in a different way shows that the total of the first two coefficients (the coefficient for the number of years of education, and for the number of years of education of the Jewish self-employed) demonstrates the effect of the number of years of education on the income of self-employed Jews. Using the same method of analysis but

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4 The difference between the wages earned by Jewish wage-earners and wages earned by Arab wage-earners is subject matter for another study.
5 (Year of Birth)²
with three coefficients (adding to the previous total the third coefficient for the years of education for Arab self-employed) shows the effect of years of education on the income of self-employed Arabs.

The same effect will be produced by multiplying each of the other variables by dummy variables. Table 35 shows the outcome of the regression. Variables with a level of significance of over 5% were omitted from the regression, and are therefore not included in the table. It can be said the variables that do not appear in the table do not affect the income.

Table 35: Factors Affecting Income (Regression Results)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years of education</td>
<td>634</td>
</tr>
<tr>
<td>Number of years of education of self-employed</td>
<td>-299</td>
</tr>
<tr>
<td>Number of years of education of Arab self-employed</td>
<td>-197</td>
</tr>
<tr>
<td>Self-employed (Dummy variable)</td>
<td>4,257</td>
</tr>
<tr>
<td>Year of birth</td>
<td>22,012</td>
</tr>
<tr>
<td>Year of birth to the power of 2: (Year of birth)^2</td>
<td>-5.6</td>
</tr>
<tr>
<td>Married (Dummy variable)</td>
<td>1,814</td>
</tr>
<tr>
<td>Matriculation</td>
<td>833</td>
</tr>
<tr>
<td>BA (Dummy variable)</td>
<td>4,225</td>
</tr>
<tr>
<td>MA (Dummy variable)</td>
<td>6,178</td>
</tr>
<tr>
<td>PhD (Dummy variable)</td>
<td>8,173</td>
</tr>
<tr>
<td>Intercept</td>
<td>-21,553,745</td>
</tr>
<tr>
<td>Adjusted R-squared</td>
<td>0.23</td>
</tr>
</tbody>
</table>

The most interesting conclusion in terms of this study involves the effect of the number of years of education on the income of self-employed Jews in comparison to the effect on the income of self-employed Arabs. As can be seen, the coefficient for the variable "Number of years of education of self-employed" and also the coefficient for the variable "Number of years of education for self-employed Arab" are negative. These results are significant because they show that the effect of the number of years of study on the income of self-employed Arabs is smaller than the effect it has on the income of self-employed Jews.

This result can indicate that educated Arabs find it difficult to integrate into the Israeli labor market as wage earners and therefore many Arabs with higher education are self-employed. The outcome is that many Arabs with higher education are self-employed in occupations that are not particularly high-paid. Consequently, in the Arab sector the number of years of study does not greatly influence the level of income. As shown in table 32, the ratio between the average income of the self-employed and of wage-earners in the Arab sector is 0.683 compared to 0.534 in the Jewish sector. It is probable that the fact that Arabs with higher education are self-employed rather than working as wage-earners is one of the factors that contribute to this situation.

If we review the other coefficients, we will find that the coefficient for the dummy variable "Married" is positive. In other words the income of married men is greater. No difference was found in this field between self-employed and wage-earners or between Arabs and Jews (dummy variables for marriage according to groups that were not significant). This is similar to the results of studies that were carried out in other parts of the world. If the effect of age is checked, it is possible to see that the coefficient Year of Birth is positive and that the coefficient of Year of Birth to the power of 2 is negative. This is significant because the link between the year of birth and income is an inverted U shape (the maximum income is received at age 51). Also on this point we did not find any difference between wage-earners and self-employed or between Jews and Arabs. This result matches the results of studies carried out in other parts of the world. In the list of dummy variables for different types of diplomas, it is possible to see that as we go higher up the list of diploma type the coefficient also increases; in other words, the income increases. Also here we did not find a significant difference between wage-earners and self-employed, or between Jews and Arabs.

Another way of viewing these results is to calculate the coefficient totals. The total of the coefficients for the first two variables ("years of study" and "years of study of self-employed") is 634 – 299 = 335, and the total of all three variables ("years of study", "years of study of self-employed", and "years of study of self-employed Arabs") is 634 – 299 – 197 = 138. In both cases, the total of the coefficients is positive, but the total that includes the coefficient for the variable "years of study of self-employed Arabs" is smaller.
5. Conclusion

One of the important problems that the world must deal with today is the integration of ethnic minorities in the general labor market which is usually dominated by the ethnic group which comprises the majority in the country. One of the subjects addressed in this context is the way in which the workforce of each of these two groups is divided between wage-earners and the self-employed. In this framework the study examined whether there are differences between the minority group and the majority group in three areas: the rate of self-employment in the work force, the level of income of the self-employed compared to the wage-earners, and the level of education of the self-employed compared to that of the wage-earners. The study examined these questions against the Israeli economy where the minority group includes the Arab community while the majority group consists of the Jewish community. Although the minority group in this study does not consist of immigrants, in many ways their situation is similar to that of immigrant groups in European countries.

The results of the study indicate that the rate of self-employment in the majority and the minority groups is almost identical. However, in contrast with this finding, significant differences were found in the area of income and the effect of education. In the majority (Jewish) group the income earned by the self-employed and by wage-earners was almost the same, whereas in the Arab (minority) sector the income of the self-employed was higher. It is important to note that the income of the Jewish group is much higher in both the self-employment sector and in the wage-earners sector. It therefore seems that the relative advantage of the Arabs in the self-employed sector is derived primarily from weakness in the wage-earners sector. In another result that reinforces the conclusion regarding education it is interesting to see that the effect of education on the income of self-employed Arabs is less than the effect of education on the income of wage-earning Jews. This result could indicate that educated Arabs experience difficulties integrating into the Israeli labor force as wage-earners and consequently many Arabs with higher education are self-employed. According to the conclusion that can be derived from these results, the Arab sector has a relative advantage in the self-employment sector that stems from weakness in the wage-earning sector. The government must therefore, at least in the short term, encourage the self-employment sector of the minority group thereby enabling them to increase their income and to improve their socio-economic situation. Studies carried out in other countries found that the main problem in this area is the lack of financial liquidity and their inability to receive credit. It is important to find ways that will enable the minority group to overcome these obstacles. In the long term, ways need to be found that will also enable minority groups to become effectively integrated into the labor market as wage-earners.

References


The Interdisciplinary Possibilities of Literary and Visual Creation: The Case of Jurga Ivanauskaite

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Abstract

This article deals with the phenomenon of Jurga Ivanauskaitė (1961-2007), considered to be one of the most interdisciplinary and poly-sided Lithuanian women writers and artists. As an artist, as well as a writer, she was impressed by the works of Hieronymus Bosch and Peter Bruegel, and modern surrealists works, such as those of Salvador Dali, Paul Delvaux, Giorgio de Chirico, and especially René Magritte. She felt a deep closeness with the Mexican painter Frida Kahlo. The main thesis of this study is that, mainly, the encounter with modern Western visual art allowed the writer to break the rules of the established limits of national Lithuanian literature and escape the closeness of the Soviet mentality and create the new paradigm of “town literature”, based on openness to the world and experiment. Mainly, an interdisciplinary upbringing encouraged Ivanauskaite to search courageously for new modes of expression in literature and visual painting, as well as in her life style.

Keywords: Jurga Ivanauskaitė, interdisciplinary, surrealism, Lithuanian literature

1. Why Jurga Ivanauskaitė Can be Considered an Interdisciplinary Writer?

Jurga Ivanauskaitė was a prose write, poet, essayist, playwright and artist. She wrote twenty books: two collections of short stories Pakalnučių metai (The Year of the Lilies of the Valley, 1985), Kaip užsiauginti baimę (How to Raise One’s Own Fear, 1989); seven novels: Mėnulio vaikai (The Children of the Moon, 1988), Pragaro sodai (The Gardens of Hell, 1992), Ragana ir lietus (The Witch and the Rain, 1993), Agnijos magija (Agnija’s Magic, 1995), Sapnų nublokšti (Gone with the Dreams, 2000), Placebas (Placebo, 2003), Miegančių drugelių tvirtovė (The Fortress of Sleeping Butterflies, 2005); four personal essay collections Ištemtas Tibetas (Tibet in Exile, 1996), Kelionė į Šambalą (The Journey to Shambhala, 1997), Prarasta pažadėtoji žemė (The Lost Promised Land, 1999), Kelionių alchemija (The Alchemy of Travels, 2003), two collections of poems Šokis dykumoje (The Dance in the Desert, 2004) and Odė džiaugsmui (Ode to Joy, 2007), a collection of interviews Švelnūs tardymai (The Gentle Interrogations, 2005), two books for the children Stebuklingųji spanguolė (The Miraculous Cranberry, 1991) ir Kaip Marsis žemėje laimės ieškojo (How Marsas looked for the Happiness on Earth, 2004), diary Viršvalandžiai (Overtime, 2008, published post mortem), the collection of plays Nežaiskite su Mėnuliui (Don’t Play with the Moon! 2008, published post mortem) and the book of meditation Angelo rūbas (The Angel’s Dress, 2011, published post mortem). Also the collection of three former essays books on her travels in India and Tibet was published as Tibeto mandala (The Tibetan Mandala, 2004). Her play Don’t Play with the Moon!, in which she followed the principles of Antonin Artaud’s theater of cruelty and Oscar Wilde’s insights in his play Salome, was produced by the State (currently National) Drama Theatre in 1987. She also created the decorations for the stage. She had never fulfilled her dream of becoming a movie director and some of her first novels written as movie scripts where her beloved actors from Andrei Tarkovsky’s movies were able to play. She also used to make photographs and is famous as
a writer-traveller. In 1999 she gave an exhibition of photography show called Tibet - a Different reality. Her creativity and world perception were influenced not only by literary contexts (Jack Kerouac, Saulius Tomas Kondrotas, Ričardas Gavelis) but also by surreal art (Hieronymus Bosch, Pieter Bruegel, Salvador Dalí, Paul Delvaux, Giorgio de Chirico, Särūnas Sauka and especially – René Magritte), classical art (El Greco, Mikalojus Konstantinas Čiurlionis old sacral painting and others), cinema (Luis Buñuel, Ingmar Bergman, Andrei Tarkovsky), theatre and music (John Lennon, Jim Morrison, Philip Glass, Arvo Pärt), philosophy (Albert Camus, Jean Paul Sartre) and other theoretical literature. The works of Mircea Eliade and Carl Jung formed Ivanauskaitė’s interpretation of the relationship between the East and the West. Ivanauskaitė also adopted some of Jung’s principles of existential auto-therapy – she actually reiterated Jung’s idea of drawing mandalas to restore spiritual harmony. She was also interested in the life and works of exceptional female mystics such as Hildegard of Bingen and Simone Weil. Jurga Ivanauskaitė was one of the most intellectual Lithuanian writers of the twentieth century and of the turn of the twenty-first centuries. Her works have been translated into thirteen languages, including English (2002b, 2002c, 2004e, 2010, 2011b, 2013a), Latvian (1998, 1999b, 2000b, 2001a, 2006b, 2013b), Polish (2001b), Hungarian (1997c), Russian (2002f), Estonian (1997b), German (2002d, 2002e, 2005), Swedish (2005c), French (2003c), Croatian (2003e, 2004f, 2008), Czech (2006c), Italian (2010c, 2013c), and Slovenian (2014b).

On the other hand, she was also an artist. In 1980 she graduated from M.K.Čiurlionis Art School. In 1985 she completed her studies at Vilnius Art Academy, where she majored in graphic arts. When she graduated, she received the diploma of a poster artist, following in the footsteps of her father, a Russian scenery and poster artist in Leningrad (currently Saint-Petersburg), Igor Ivanov. As a teenager visiting Leningrad with her class, she became acquainted with her father’s surrealistic works. She illustrated her own books and some by other others. Ivanauskaitė’s visual works as well as her literary creation from the early period are significantly influenced by surreal symbolism, in some cases - interwoven with Japanese art. The literary works are stylistically dominated by a playful witty surrealism reminiscent of René Magritte, while the literary text is constructed with the question ‘what if?’ in mind (The Year of the Lilies of the Valley). When she started to write literature she abandoned visual art. But ten years later when traveling in India Ivanauskaitė returns to visual art: she draws Mandalas, a cycle of 110 mandalas. She approaches this cycle by way of realizing their conceptual meaning, similarly to Jack Kerouac’s character Japhy from the novel The Dharma Bums. Her actions follow Carl Jung’s assumption of the mandala as a harmonizing auto-therapy. The cycle Mandalas is an example of Jung-esque surrealism in which the existential, especially death fears, experienced by the artist-writer are entwined with the pressure of a foreign culture and its deities, the reflections of Western surrealism, and her own creative wit.

Although Tibeto mirusijų knyga (The Tibetan Book of the Dead, 2002), a cycle of nine paintings, was created upon when the artist-writer’s return to Lithuania, on the mental level it still symbolizes the running of Tibetan imagery in her creative periphery. This cycle reveals the different planes of existence that were among the pillars of support to Ivanauskaitė’s worldview.

During the post-Tibetan period, Ivanauskaitė creates a cycle of unique visions, Angelariumas (The Angelarium, 2005), in which she reaffirms the idea of an ecumenical longing for sanctity that covers different faiths. Some of her angels have stepped from the pages of the Koran, others from the Kabbalah, still others were inspired by Biblical symbolism. They are gorgeous and playful, and at times it seems they were created in a light-hearted mood. They are unusually, almost cosmically, magnified in comparison to the small figures of young red-haired girl as possible painter’s alter ego and animals below. Conversely, they are, in their own way, prophetic. The technique used in making them brings to mind the tradition of Easter palms, or verbos, of the Vilnius region. The angels are painted or glued together from dried flowers, leaves and blades of grass familiar to Ivanauskaitė. She said: “Regular colours don’t suit angels. So I made them as collages of the many varieties of colours and ‘fabrics’ of herbs and flowers that I collected. I referred to the Kabala and read the Koran, and I realized that angels are the only entity that unites all religions” (Jarvis 2005:25). In some aspects of her world perception (her love for nature and animals, or her experiments in self-portraits) the writer’s visual works can be compared to those of the Mexican painter Frida Kahlo.

In the book Jurgos Ivanauskaitės fenomenas: tarp surrealizmo ir egzistencializmo (The Phenomenon of Jurga Ivanauskaitė: Between Surrealism and Existentialism), a textual comparison of the two creators of seemingly different parameters, those of Frida Kahlo and Jurga Ivanauskaitė, is made, keeping in mind that all such comparisons become powerless outside the text. The inspiration for this comparison came from the writer herself, who in the final stage of her life felt an existential affinity with the Mexican painter. This affinity Ivanauskaitė herself might have called the phenomenon of ‘synchronicity’. Ivanauskaitė’s posthumously published diary, Overtime, can be seen as her response to the diary of Frida Kahlo that Ivanauskaitė had ordered in Spanish. She hoped to one day read it in the original, but didn’t have enough time left to learn the language.
Why did the artist one day exchange the brush for the pen? Ivanauskaitė recognized that she always felt a deep longing for literature: "My paintings until now have been very literary; I like to include into them not only a brief plot, but the entire narrative as well – the story, the heroes – in order to make them a bit similar to the animated cartoon films where everything is moving from point A to point Z, where it changes from the beginning to the end" (Baranova 2014: 193).

The Lithuanian painter Leonardas Gutauskas also made the switch from painting to literature. He reflected upon it by saying, "In a painting everything is simpler for the reason that when you painted the picture, it dies. You painted for example a tree and it would not be able to grow for thousands of years, nobody would cut it, nobody would feel it. And my angel (as I used to paint) had a raised sword that would not be let down for thousands of years. But literature is constantly boiling, moving, living, changing shapes. It is immortal. Not for the reason that literary work is good. It is in principle immortal all the time, as a geyser" (Baranova 2014: 193).

2. Discussion of the Problem

In the book presenting Baltic writers for English-speaking readers, it is stated that Ivanauskaitė is "the most popular contemporary Lithuanian writer reflecting the approximation of ‘high’ and popular cultures in the post-modern world. Lithuanian literary criticism finds her controversial, as a discoverer of new paths, and as too popular an author. Apart from her literary work, she was also an outstanding personality in public life: a journalist, a public figure (the active member of the Lithuanian Tibet Support Group). During the last years of her life, she spoke openly about the struggle against cancer in a way that was rather unusual in Lithuania" (Daugirdaitė 2009: 109). On the other hand her novel The Witch and the Rain (1993) was considered as rather rebellious because it opened up a new perspective on the exploration of feminine sexual passion. "Because of the novel’s open eroticism and because Ivanauskaitė depicts a Catholic priest having sex with a young woman, the city council of Vilnius restricted the distribution of the book. The act only ensured its popularity. The novel was seen by some as offensive because it mocked religious and moral sensibilities in a country with a strong Roman Catholic tradition" (Jonušys 2002: 306). In spite of Ivanauskaitė’s popularity among readers, she experienced a deep feeling of loneliness, the sense of being neglected by the critics and disdained by contemporary writers. "My writers - colleagues openly demonstrate hostility to me", she said in one of her interviews (Baranova 2014: 504). When she was ill and struggling for life, she went to have surgery in Sweden and was left with one lung and unable to move. The writer Renata Šerelytė - colleagues openly demonstrate hostility to me", she said in one of her interviews (Baranova 2014: 504). When she was ill and struggling for life, she went to have surgery in Sweden and was left with one lung and unable to move. The writer Renata Šerelytė, providing criticism of prose from 2005, when Ivanauskaitė’s novel The Fortress of Sleeping Butterflies was also published, expressed the opinion that she did not understand how it was possible to write about Ivanauskaitė’s work at all. Ivanauskaitė read this and wrote to her friend: “I suggest you to also buy the journal Metai and read about the prose of 2005. Especially the “piece” by Renata Šerelytė. We both are the enemies of the nation and literature and for this reason it is already time for us to leave for the cemetery” (Urbonaite 2015: 369).

writes: “Ivanauskaitė <…> into the textile of the language weaved on equal rights the songs of Western groups, idyllic and a bit sentimental, the nostalgic, provincial, natural background she had changed into a dynamic, exotic and sinfully seducing town”. Philosopher G. Mažeikis notices Ivanauskaitė’s courage to balance herself near the limit and to intersect and, by this to meet the breathing of the possible other world, the courage to open herself to the unknown (Mažeikis 2012: 46).

Ivanauskaitė in 2005 received the highest literary award in Lithuania, the National Prize, for the openness of her creation to the world and for the cultural diversity in Mandala of Tibet (2004) and for the sensation of shifting values in her novels. The phenomenon of Ivanauskaitė reveals a new lifestyle characterized by an openness to the world, but not to any specific culture, and the ability to respond to symbols of any culture, be they from the West (surreal art, rock music, modern literature by Rainer Maria Rilke, Franz Kafka, Thomas Mann, Herman Hesse and others), from the ‘Near’ East, or Russia (Fyodor Dostoyevsky, Aleksandr Blok, Joseph Brodsky, Anna Akhmatova, Marina Tsvetayeva and others), or from the Far East (Japanese engravings, Tibetan Buddhism, etc.), or from the ‘third world’ countries (Egypt, Peru). Ivanauskaitė’s literary breakthrough was writing cosmopolitan literature for both adults in The Tibetan Mandala trilogy, in novel Gone with the Dreams and essay book The Alchemy of Travels and also for children in the book How Marsis Searched for Happiness on Earth.

The presumption of our investigation is the following: the features of Ivanauskaitė’s literary creation can be understood only by taking into account the interdisciplinary mode of her creativity and her openness to visual culture. Her creation oversteps the distinction “popular or elite” and cannot be reduced to any simple formula. Her works are based on a permanent search for a new creative code. Each book is different from the previous one. Nevertheless, it is possible to distinguish in her works some repeating signs.

3. Surreal and Existential Signs in Pre-Tibetan Creation

‘A writer isn’t a writer man; he is a machine-man, and an experimental man <…>’(Deleuze, Guattari 1986: 7), wrote Gilles Deleuze and Felix Guattari in their book Kafka: Pour une Littérature Mineure (Kafka: Toward a Minor Literature). In both literature and life a writer produces signs. This study aims to decipher and interpret the signs created by Jurga Ivanauskaitė. The signs that were found are classified as surreal or existential. Surreal signs in her creation are expressed in the paradigms of dream, ecstasies, impossible reality, redoubleness, alternative realities. Existential signs reveal themselves as loneliness, fear, estrangement, death, journey, love until death (meiliamirystė), suffering, passion for life and the feeling of numinosum. These signs are not created by her, but deciphered. As it was asked and answered by Deleuze: “Why has Masoch given his name to a perversion as old as the world? Not because he “suffered” from it, but because he transformed the symptoms” (Deleuze 1995: 143). The symptom of masochism always existed but was unnamed; Masoch just made his diagnosis in his fiction. “Masoch’s a great symptomatologist”, concludes Deleuze (Deleuze 1995: 142).

In the same manner Ivanauskaitė diagnoses the sources of existential anxiety by giving them literary and visual form. A sense of existential apocalyptic fear, first perceived in the novella The Year of the Lilies of the Valley, becomes prominent in the author’s second collection of short stories How to Raise One’s Own Fear. Ivanauskaitė decrypts a wide array of possible signs of fear. The apocalyptic atmosphere is connected to the various unexpected possibilities of an overturned reality: a liquid from the sea sets organic creatures on fire, a red dress sticks to the body and melts it. Like in Sartre’s novel La Nausée (Nausea), the dread of a spontaneous change in the world (being in itself, en soi) can be felt (as Sartre wrote, ‘it is out of laziness that the world is the same day after day’).

Ivanauskaitė grew up in a family with literary traditions. Her grandfather Kostas Korsakas was the director of the Literary Institute of the Lithuanian Academy of Science during the Soviet period and her grandmother Halina Nastopkaitė-Korsakiene wrote reminiscences and short stories. Her mother was an art critique and Ivanauskaitė was expected to become an artist as her father. But unexpectedly in 1982 she started to publish her novels and in 1985 her first book, The Year of the Lilies of the Valley, appeared full of surreal signs of impossible, double and alternative realities. In the short story of the same title as the book The Year of the Lilies of the Valley, a group of young people is traveling to Pskov and decide to rest in the field of the lilies of the valley as if they were ‘flower children’. Pskov was the old Russian town where some esoteric religious experience was practiced in orthodox churches and where some Lithuanian youth searching for an alternative experience used to make pilgrimages to. The young characters in Ivanauskaitė’s story discussed spiritual forces, spirit games and Kant’s categorical imperative, Japanese art, the music of Bach, the painting of Chagall, incarnations of Buddha, and Santayana’s conception. Suddenly on the road they saw a funeral procession. After visiting Pskov they rested in the suburbs of the town. While they were sleeping, the main narrator noticed: “Suddenly a sharp
pain pierced my right hand. I opened my eyes and lifted my head. I was surrounded by nothing else but lilies of the valley. Again, I felt a pain in my right palm. I looked and I was horrified to see two seedlings rising from my hand. Shocked, I jumped to my feet – my friends were bursting with the lilies of the valley. It was as though they were nailed to the floor by delicate, tinkling stems: they couldn’t move’ (Ivanauskaitė 2013a: 156). The unexpectedness of the plot in these short stories, like a surreal upturn of reality, is very close to Magritte’s thought experiments in his painting. Belgian surrealist René Magritte (1898-1967) encouraged creativity of philosophical thought in his painting. Magritte proposed an “optimistic” version of surrealism, based not on the unconsciousness or dreams but on the unexpected overturning of reality. His paintings are examples of the plausible inversions of formal logic and ordinary meaning, leading in each case to a paradox. In the short story When will Godot Come? (Ivanauskaitė’s first story from this collection), characters from Samuel Beckett’s play Waiting for Godot meet with Magritte’s character – the man with the black coat and hat. The young writer asks a provocative question: What if Godot came at last? What would he be like? Possibly as a character from Magritte’s paintings. The paradoxical intrigue of Ivanauskaitė’s short stories is based on the interweaving of surreal signs from painting and from literature. The story The Day That Never Happened is also based on a rather “Magrittian” question: “What if New Year’s Day never came?” formulated in the very beginning of the plot: “Just look at the calendar and you’ll see for yourselves. That day simply did not exist!” (Ivanauskaitė 1997d: 193). The story is recalled from a young man’s perspective. In the day that never came he met the girl who made him sick with her talks about supreme love. He hated her and scolded her naïvety and left the room but when he returned he found her in blood and disaster. The room was full of feathers. The fragile creature moaning in his bed appeared to have wings and feathers. The narrator glanced at his own hands and noticed that tangled feathers and iridescent dust clung to his blood-covered hands and arms. “I broke her wings <…> sooner or later someone would have done it”, concluded the narrator (Ivanauskaitė 1997: 201). The writer in this story turned upside down the expression ‘to break the wings’, transferring it from language into reality. The question “What if our words unexpectedly turned into real events?” is also very close to Magritte’s thought experiments.

Ivanauskaitė’s literary work also has a social-historical meaning as in the novel The Children of the Moon (1988) she reconstructs the consciousness and lifestyle of certain subcultures ( punks, hipsters) of the Lithuanian youth in the 1990s. The writer’s choice to include diverse areas of culture into her erudition-enhancing works bears witness to the formation of an unofficial alternative system of self-education among a certain group of young people in the second half of the twentieth century which was not drawn from the contents of official Soviet institutional programs.

The study reveals certain creative parallels between the works of Jack Kerouac, the inspiration behind the beatnik movement, and Ivanauskaitė. The most prominent of these are the interpretation of the phenomenon of travel as a search for God, and turning towards Eastern Buddhism (see The Dharma Bums by Kerouac). Unlike Kerouac, who only studied Buddhism in the library, Ivanauskaitė turned this interest to an existential level: she started to travel herself searching for Buddhism in India and Tibet.

In the novel The Children of the Moon, the surreal symbols lose their apocalyptic power. The author returns to reality and examines the alienation of urban youth through the lifestyle of the punk and hipster generation. Communication is dominated by monologues; the characters are defined by a search for ecstatic experiences, balancing on the edge of madness, self-destruction, educating oneself in music, and a nomadic lifestyle. As noticed Vytautas Kubilius, “Ivanauskaitė is the only one Lithuanian writer who experienced stronger influence of the hippie movement, which had reached the Baltic countries in the 1960s. Heroes of her novelias, drama and the first novel The Children of the Moon (1988) wear their hair in combs, play noisy rock music (“Music was flaying in the room like ball lightning”), inject “intoxicating solution” in their veins, are proud to be “schizophrenic”. They gather in the same cafes in Castle street, but do not feel above the aura of the past and culture of Vilnius. “our generation is the generation of cosmopolitans, and I do not consider it a disaster”, says one of the heroes of The Children of the Moon. They adore the Beatles and Kerouac, read the Kamasutra, The Tibetan Book of the Dead, Seneca, sometimes Mačernis. But they do not believe in anything. They feel a vicious destructive power hiding in the core of the world which is woken by somebody’s strong biological field (in a museum butterflies set themselves free from stands, break the display cases and fly around). Black, scorching, invisible waves, independent of will and consciousness, are moving among people. Heroes of the novel, depressed by universal dissonance (“I feel so bad”), bang their hands against a wall, wishing to crumble into “tiny tiny pieces”. The world is irrepressibly falling into an abyss – nuclear death, and we will go off in a moment. Fear of self-destruction (“We are half a kilometre away from the epicentre of explosion”) undermines any will to arrange one’s life, which will end in a minute” (Kubilius 1997: 503). The heroes from The Children of the Moon are listening to The Beatles or The Doors music, talking about Mikalojus K. Čiurlionis and Salvador Dali art. Ivanauskaitė, in a personal essay written during her travels in India, returns to Dali’s ideas about reincarnation. Some episodes of the dreams in Ivanauskaitė’s early novels
could be seen as a pictures painted in the style of Salvador Dali. The girl from the novel The Children of the Moon narrates the dream she has every night: she is running as quickly as possible, breaking a dazzling red rush and strikes against her beloved. In the continuing action remains the picture of Salvador Dali, as if it started to move and become a movie: she is slipping from the hands of her beloved, turning into some liquid as transparent as water. “Afterwards everything is poured over by yellow; I disappeared, and the huge dark green bird with shining eyes is landing on your heard. Your body from his weight or stroke started to split; from the top of the heard all your body is cracking and starts to crumble into small shivers, flying in all directions as if by a sling of centrifugal force, without sound, with the yellow shining in gloomy twilight (Ivanauskaitė 2004: 135). Gintautas Mažeikis notices that at the end of the Soviet period the surrealism and figure of Dali appeared as a manifestation of the psychological liberation for alternative youth (Mažeikis 2012:60).

The novel The Gardens of Hell (1992) was written between 1989 and 1990, at the time of the collapse of the Soviet system, and was published after the re-establishment of independence. It is a novel of the junction of two eras. Conversely, the novel points to the alienation of members of subcultures as an aspect of historic reality and their inability to find their spiritual bearings in the new reality. Furthermore, a new creative element is introduced as Ivanauskaitė brings the metaphysical collision of good and evil into the literate space. Domantas, the main character, immolates himself believing that he represents the dark forces of the Antichrist and hell. The writer’s preference for fire as a means of self-destruction becomes more pronounced. Having adopted the binding approach of feminist literature to speak openly “about the most intimate things in life”, in her novel The Gardens of Hell Ivanauskaitė described the outbursts of woman’s passion, losing senses over a man’s scent, trembling body, emotional ecstasy while making love in a messy hotel or even in the WC or in flying aircraft. Raging, losing one’s mind, being sexual – this is the calling of a modern woman, who freed herself of the bonds of Puritanism. Only love and death exist to rock stars. There are no more essential values which could fill the abyss between these two elements of existence. Heroes of the novel experience the feast of spiritual revival, pasting posters inviting to the first meeting of Sąjūdis, however the feast is short. As soon as a handsome singer ums away from one of his four girl-friends, she decides, “Everything’s finished”, “I want to die”. Even in bed with another man and whispering the name of the beloved who deserted her, she wished to destroy herself and vanish irrevocably. As noticed Kubilius, “Ivanauskaitė’s narrative is easy – flowing and impulsive, branching off into dialogue parts – confessions of lovers, like in Kūčinas’ novels. Her word, however, is not so open to the attributes of the outward reality and phraseology of the spoken language. It focuses on inner self-observation, lingers in the space of psychological, philosophical and cultural notions, foreboding that threatening demonic powers are hiding on the other side of visible shapes. Having distributes points of view and the rights of narration to a number of characters, the novelist constructively twists the stories of their lives into a integral compositional ball, maintaining the atmosphere of emotional feeling or even inner identity. Hippie-like emotional exaltations, aesthetized neuroses, psychoses of self-destruction of the characters are pushing their way the scales of the highest tension, and Ivanauskaitė is made to theatricalize the plot situation (incurable cancer, a suicide), to turn to fairly sentimental representation “ (Kubilius 1997: 504-555).

The novel The Witch and the Rain, (1993) brought the author international acclaim. It is translated and published into Latvian (1994, 2013b), Russian (1995), Estonian (1997b), German (2002d, 2004), Croatian (2003e), Swedish (2005c), Czech (2006c), Italian (2013c), Slovenian (2014) languages. The novel has a contemporary point of departure, but it also flashes back hundred of years to stories old by medieval witch (personage M.V.) and by Mary Magdalene. The various aspects of a wild, bewitching, disastrous woman’s love have a persuasive intensity, expressed in an accomplished literary text. An innovative linkage of time dimensions, removed from each other by centuries but united by the aspect of female metaphysical longing for love, connects the novel with the symbolism of archetypes as defined by Carl Jung. The novel reveals that the modern woman is unable to perceive herself as dissociated from the past that archetypically inserts itself into the history of man-woman relations. Jung's assumption of Unus mundus (Latin for 'one world') holds the novel together. All three stories of The Witch and the Rain take place in a vertical timeline and stand out as fundamental, archetypical points that define female metaphysical longing. The literary critique Laimantas Jonušys noticed a paradox in this novel: "in the narrative of the story the men appear like gods and the women are submissive to them, but on the psychological level as a matter of fact important are only women, the men as personages for the author appear only as objects, as a point of measure. In this sense one can understand and the image of Christ – the author hardly could be blamed for profanation. Of course, the Christ created by Ivanauskaitė could appear as too human, doubtful, sad, but, it seem more provocative appears the image of Mary Magdalene, connected with the topic of this book – novel about the women's love, about bewitched, intoxicating, killing passion, about woman's sexuality" (Jonušys 1995: 15-16). In this novel woman is just a 'chalice of sin", deserving condemnation; she searches through love for her place in God and finds it. The Apostle Peter drives Mary Magdalene away from Christ: “You are a woman, and they are not worthy of living”. According the Old Testament a libertine should be stoned to death. Jesus, however, washes her feet.
and says: “only love will make you free.” Kubilius notices, that this is the novel’s main idea, developed in several planes of the plot: woman’s right to God’s mercy is not less than of a priest or a monk who are also sinners. “The romantically fatal passion to the only man is accompanied here by light-minded intercourse with any stranger and lesbian caress, while the despair of a deserted woman – by nightmarish hallucinations and visions of mediaeval horrors a if transferred from Hieronymous Bosch’s painting” (Kubilius 1997: 505).

Ivanauskaitė, in her writing, visual art, and life style, had broken the established rules of provincial culture based on the rural experience. She turned against the stream and, following the prose of Saulius Tomas Kondrotas and Ricardas Gavelis, created the path of Lithuanian literature “from the city”. She turned the masculine sexually-free style of life expressed in Henry Miller’s or Jack Kerouac’s novels upside down and wrote Agnija’s Magic in a similar style but from the woman’s perspective. The novel Agnija’s Magic (1995) sees a different trajectory of self-consciousness in the main female character Agnija. Unlike the women of The Witch and the Rain who die for love, Agnija has a more ‘masculine’ attitude that manifests itself in her choice of leading an active and erotically unrestrained lifestyle. Agnija is Amsterdam-bound as a photographer for her first Western exhibition. As a character, she is quite self-aware and ironic, endowing herself with a multitude of names; e.g. Agnija-the-Naïve, Agnija-the Cynic, Agnija-the Sexpot, Agnija-the Philosopher. On the cover of the first edition of the novel, a fragment of the Belgian surrealist Paul Delvaux’s picture The Man in the Street (1940) was reproduced. The man in Delvaux’s picture is very similar to Magritte’s heroes with black official suits, but absent in the chosen fragment. Only women are left. In her poem dedicated to Delvaux, Ivanauskaitė wrote: “The nudes, astonished by the whiteness of their naked bodies/In their glassy eyes/the luminary of madness/the moon is reflecting” (Ivanauskaitė 2007a: 101).

Ivanauskaitė in the novels The Witch and the Rain and Agnija’s Magic tried to grasp the natural essence of woman. One can find here many erotic scenes, oriental motifs, travelling adventures and wonderful pictorial scenes. Speedy rhythm of the life, strained mentality, longing to have and to give oneself up and at the same time - torturing question: is it possible to feel stable grounds of faith ? As Vytautas Rubavičius noticed, Ivanauskaitė in the novel Agnija’s Magic “presented the most comprehensive literary phenomenology of a body; to discuss it with the Jungian metaphors of collective unconsciousness and the echo of Henry Miller’s works would be very helpful” (Rubavičius 2007: 96).

This novel also reveals the author’s interest in the mystical forces of the world. Violeta Kelertas interprets the novel as a case of postcolonial literature. She notices in it two incompatible desires: a sexual quest and an exalted spiritual state, combined with an attraction to the exotic, which express themselves in strange paradoxes: in trying out a new landscape, in trying out a new man, in experiencing a new country, Agnija attempts to experience a new belief system. These incompatibilities result in the novel’s peculiar mixing of genres – the travelogue turns into an erotic text, after that – to a religious one, “non-traditional for the Western reader. For example, at the end of Agnija’s Magic there is almost an appendix – a description of Buddhist theology and a list of rules to live by according to this faith. This is proselytizing, in a way. It invites followers. Back in Vilnius, Agnija has been interested in black magic and voodoo, but after traveling to India, she succumbs to the influence of Buddhism” (Kelertas 2006: 453). Finally, Agnija’s Magic differs from the other three pre-Tibetan novels due to its self-liberating nature. It has no apocalyptic finale of self-destruction; no one dies or commits suicides. In this novel Ivanauskaitė begins drawing the symbols of her travels into her literary space. On the other hand, the horrors from Hieronymous Bosch’s painting are deep inside Agnija’s consciousness. She compared her impression of Amsterdam with visions from a Boschian picture: “The Boschian Hell, whose horrible wheels are turning in the narrow street of the old medieval town, full of flowers, the presentiments of death, music, trivial laughter and desire” (Ivanauskaitė 2006a: 14).

Even if Ivanauskaitė had stopped writing, as she said she would to fully embrace Buddhism, her two collections of short stories (The Year of the Lilies of the Valley, How to Raise One’s Own Fear) and her four novels (The Children of the Moon, The Gardens of Hell, The Witch and the Rain, Agnija’s Magic) would have already made their mark on Lithuanian literature as modern classics of urban literature that range from the surreal to the existential.

4. The ‘Tibetan’ Works: A Journey towards Oneself

In 1994 Ivanauskaitė took her first trip to India and studied Buddhism at Dharamsala, gaining the impetus to start a new page in her literary work. This work covers Ivanauksaitė’s creation between 1996 and 2000: three essay books (Tibet in Exile,1996; A Journey to Shambala, 1997; The Lost Promised Land,1999), one novel (Gone with the Dreams, 2000) and the collection of poems The Dance in the Desert (2004).

One can propose several conceptual explanations for Ivanauksaitė’s phenomenon of travel: situational-social,
psychological, fate-related, ecumenical, and anthropological-genetic. We think that the most accurate is the cultural-spiritual explanation which emphasizes the journey as a certain quest for spiritual experience and the opportunity to construct oneself in the face of otherness. The otherness enchants the writer’s imagination with the opportunity for manifold – spiritual, existential and even physical – renewal.

Ivanauskaitė’s book Tibet in Exile (1996) is the first book of The Tibetan Mandala, reflects the author’s desire to understand the concept symbolism of a foreign culture and to erase the habit of creative writing. To a large extent it reminds the reader of a beginner’s guide to Buddhism and provides information on the various aspects of Tibetan culture, religion and history. However, the suppressed creative spiritual intensity of the writer breaks through as reflective essayist prose. As notices Howard Jarvis “Until the first of these, absolutely no books on Tibet had been available in the Lithuanian language. A collection of traveler’s tales and in sights into religion, political situation and everyday reality of Tibetans living in exile in Northern India, Tibet in Exile delves into the soul of one of the world’s most profoundly spiritual societies. It even has a personal foreword by the Dalai Lama, whom Ivanauskaitė has met on several occasions. Lithuanian readers seem to relate well with the subject of Tibet. The idea of a distant mountain kingdom chimes in with the romantic ideals of the Lithuanian character, while its fate of invasion and exile connects directly with Lithuanian memories of occupation and harsh, often religious persecution” (Jarvis 2005: 24-25).

In the second book from the journey The Journey to Shambhala, (1997) this reflective essayist prose reaches its top form. In this book the experiences of the narrator can be viewed from several different angles. On the one hand, she is a proactive person who travels, changes her location, and makes unexpected decisions. On the other hand, she is a seeker who is still searching for the secret codes of this culture and attempts to penetrate its depth both in theory and in practice, even if it puts her at risk. An erudite, the writer wants to become an expert of her chosen path, she studies the plentiful sources that explain and interpret the tradition in question. Third, she is who she is – an individual, a psychological human being. Her subconscious works like an engine and sends her unexpected, at times traumatizing, impressions and signals. Fourth, she is a writer, who not only describes the characteristics of this culture, but also how it affects the seeker herself. Fifth, she constantly withdraws and sees reality from the sidelines, as she would take in a visual art or, more accurately, a film. In this way she activates her thoughts and perceives the situation and herself in a greater depth and from a different angle than it would be possible from the confines of everyday domestic life. All these interwoven aspects and the tensions that arise from their connections are presented in an intriguing and challenging narrative which seems to be written by the author herself, or by the journey as a unique fragment of life. In reality, the narrator wants to be objective, to see the world without the veil of illusion and understand everything the way it is; she is aware of all other possible variations and dispersions of the ego. In a way, The Journey to Shambhala is the most convincing of the author’s works. As notices Regina Rudaitytė, “Symbolically, the writer’s journey to Shambhala becomes an inward journey, a sacred journey to one’s own hidden self in search of spirituality with the aim of changing oneself and assuming a different, according to Ivanauskaitė, a superior identity. This change presupposes an absolute refusal from egotism, the annihilation of one’s ego and the “obliteration of personal history” as a means of attaining happiness and bliss, nirvana “So what if my ego quizzically whispers to me that I used to like French cooking or Chinese delicacies, vintage red wine, and that I used to hobnob with refined aesthetes? But then and there I felt a void, I felt that something was always missing, while here and now, cutting the bird-like toenails from Lama’s unwashed feet I am feeling happy. Maybe this is the bliss which only the obliteration of personal history can bring about. Here nobody is interested either in my native country or city, language, profession, social position, either in my family, age or my real name. I am simply Nobody having come from the Nowhere country where time should probably be named Never” (Rudaitytė 2009: 119).

In this book Ivanauskaitė describes many of her personal experiments with Buddhist spiritual practice and insights, both inspiring and tormenting. She felt intense inner conflict between her Western background and her very new experiences of living and being instructed by lamas in Ladakh and Nepal. As recollected Jarvis: “even when it is time to leave, the conflict between physical and spiritual is still there: ‘Upon leaving Ladakh, I feel as if I have to be separated from a person whom I love madly. I want to say farewell by making some tangible gesture, so I can feel a physical closeness. But what I embrace, clasp to my breast, kiss – the mountains, the deserts, the air, the light, the silence? ‘”(Jarvis 2005: 25).

A reference guide to authors and their work Baltic Writers: Estonia, Latvia, Lithuania provides an information, that: “during the period of the National Revival, Ivanauskaitė turned to Christianity, but later became a Buddhist, and in 1994, on the eve of a journey to India, she declared she would stop writing fiction, as it was not compatible with Buddhist practice. However, at the end of her life she returned both to her literary work, and to Christianity’ (Daugirdaitė 2009: 110).

First of all, Ivanauskaitė returned to literary writing not at the end of her life, but at the very beginning of her first
journey; during her travels she was sending essays that were published in the newspaper Lietuva. While traveling she also finished her pre-Tibetan book Agnija’s Magic in 1995 and in 1996 she published her essays in a book Tibet in Exile. The Dalai Lama wrote the preface for this book. During her travels she also published her greatest collection of essays, Journey to Shambhala (1997), based on her experience traveling in India, and the third book from the trilogy The Lost Promised Land (1999) about her trip to Tibet. Even her later novel Gone with the Dreams (2000) was based on her traveling experience, as well as her later published collection of poetry The Dance in the Desert (2004). In the book, the author reveals the various possible trajectories of metaphysical longing by way of short poetic meditations. These miniatures are included in the book The Lost Promised Land as ostensible manuscripts of Pema Dechen. The author also plays the role of literary critic and interpreter by telling the reader what she thinks of her own poetry. Rudaitė notices that when traveling, “she <…> questions the poststructuralist view of the world created by discourse which, however, according to Ivanauskaitė, ‘is not the sole reality but only a narrow subjective space created by ourselves.’” (Rudaitė 2009: 119). Of course she questions, but on the other hand, it is not very difficult to notice that Ivanauskaitė never stopped creating this discourse regardless of her declarations.

Secondly, the provided research revealed that Ivanauskaitė never exchanged Christianity for Buddhism or the other way round. Though during the period of the fight for national independence she was christened by Monsignor Kazimieras Vasiliauskas, Ivanauskaitė was not a zealous church visitor. In video material she confesses that she experienced transcendence somewhere else, for example in the forest, because in the church it used to disappear suddenly. She read the Bible, the Koran and the basics of the Kabbalah and explored the tradition of Buddhism. In all religions she sought out the mystic intrigue of the secret signs and numinosum. On the one hand, the writer was intrigued by ‘witchery’ and magic while on the other hand, her search was fuelled by a strong longing for the sacred. She could discern some signs of sanctity in pagan culture (the culture of stones, for example). The two-fold tension between believing and not believing is also reflected in the diary Overtime, in which visions and a mystic experience of closeness with God are replaced with doubts and scepticism. The fundamental intrigue of the phenomenon of Ivanauskaitė is the fact that she never fully identified herself with any world-view or conception and, regardless of or because of this, felt a constant metaphysical longing for uninterested love, sanctity, absolute gentleness, unity, and perfection. In search for numinosum Jung as well as Thomas Merton and Master Eckhart were her spiritual leaders.

5. The ‘Post-Tibetan’ Works: Social Motifs

When Ivanauskaitė returned to Lithuania after her travels, she experienced a deep feeling of loss. “I suffer from an overwhelming feeling of nostalgia”, she says. “I can’t even watch images of Tibet or the Himalayas on television, when my friends call to tell me they’re on. My heart would be broken”, recollects Jarvis (Jarvis 2005: 24). But she never abandoned her work and continued writing. During the post-Tibetan period (2000-2007), she published a collection of essays based on her trips to other countries, The Alchemy of Travels, and the interview book The Gentle Interrogations, (2005), as well as two more novels: Placebo (2003) and The Fortress of Sleeping Butterflies (2005), a fairy-tale for children How Marsis Searched for Happiness on Earth, succeeded to finish her last poetry collection Ode to Joy and left unfinished her diary Overtime, published by her mother Ingrida Korsakaitė after the writer’s death, without any mention of her traveling experience in India and Tibet.

In the collection of essays The Alchemy of Travels (2003) she proves her essay-writing skills yet again. She uses irony, self-irony, wit and laconic speech; she discusses issues in a seemingly care-free, playful way, but manages to reach their roots. Following Jung’s example, she calls this writing method ‘synchronicity’, but it can also be seen as a certain phenomenology.

The first post-Tibetan novel Placebo (2003) meets the reader as a detective story: the main heroine is killed or kills herself on the first page. However this does not preclude her from telling stories and making comments from beyond the grave, from a peculiar intermediate state of death, by flying and looking around. She is surprised by her own death, asking questions: “how long had it been already? A day? A week? A month? A year? A decade? “(Ivanauskaitė 2004:11). On the other hand this book, as noticed Gintaras Beresnevičius, is almost a documentary historical book in which one recognizes all the scandals, misunderstandings, pleasures and enjoyments, follies and realities of the Lithuanian in the beginning of 21-irst century. Novel Placebo looks like a literary parody of consumerism. The tone of the narrative is ironic. Five different planes are interwoven in the novel. The first is the afterlife plane of the fortune-teller Julija. The second plane of realistic everyday life is split into two parts: the introspective musings of the characters, which, although characteristic of Ivanauskaitė, is less apparent in this novel than in her pre-Tibetan works, and the social space, which is an entirely new element. There is also the cosmic reality of reincarnations, thoughts, and experiences of the cat Bastête,
as if from the novel Gone with the Dreams. Finally, the fifth plane is the dimension of the Centre or that of the creators of the Placebo. In this novel Placebo is a substitute for reality. The underlying intellectual intrigue of the novel is that we exist not in reality but in its substitute the qualities of which are created, changed or otherwise controlled by some more powerful force, the so-called Centre. Julija “was lured to Placebo five years ago not by an insatiable thirst for money, but by a passionate with to do battle with the wealthy, self-satisfied and satiated. An antipathy towards politicians and anarchist beliefs meant any form of government was inherently bad. Julija confirmed to herself that she had an inborn, perhaps karmic, genetic predisposition toward those types who are perched at the top of he social pyramid, deciding the fate of the people and country. Politics always (except for the brief “Singing Revolution” interlude) seemed to her as the same old dreadful and cynical farce” (Ivanauskaitė 2004: 12). Here Ivanauskaitė once again approaches the concept of the world-reformer, conceived by Ričardas Gavelis in his novel Vilniaus džiazi (Jazz of Vilnius). As notices Gintaras Beresnevicius “It is a post-modern novel with an underlying metaphysical implications; however, it is also a continuation of perhaps the last 15 years of Lithuanian novels, because here I can see both Glisono kilpa and Tūla, (novels by Jurgis Kunčinas – J.B.) and, of course Vilniaus pokėris with “Them” by Ričardas Gavelis” (Beresnevicius 2004: 9).

In 2005 Ivanauskaitė published her second and last post-Tibetan novel, The Fortress of Sleeping Butterflies (2005) in which she intertwines some major themes: human trafficking, social help and the age of the apocalypse. The novel breaks down into two narrative planes, the internal and the external. The internal plane is moderated by the introspective thoughts of the main character Monika. The external narrative is centred upon her social project of resocialization of former prostitutes. Trafficking in women (“butterflies” as they are called by country folk) is described in the novel without any didactic shade, thought with sympathy and empathy, questioning the role of the “victim”. As noticed Giedrė Kazlauskaitė “an important social (as well as existential) theme dictates the free, evangelically humane declaration of the authors positions, to turn back and look at man in dirt and trouble, misery, and the senselessness of life” (Kazlauskaitė 2006: 86).

This narrative was used by Lithuanian film director Algimantas Puipa, who directed a film of the same name The Fortress of Sleeping Butterflies (2012) in which the internal plane was suspended and Apocalypse disappeared. Meanwhile, the apocalyptic atmosphere of this internal plane in Ivanauskaitė’s novel brings it close to the archetypical symbols in the film Melancholia (2011) directed by Lars von Trier. The main protagonist Monika constantly feels the pulsation of Murderer Star. Unlike her last two novels, Gone with the Dreams and Placebo, this novel is devoid of the afterlife and cosmic dimensions. But cosmos have turned into the threat of the Apocalypse. The primary reality unrolls in Monika’s consciousness. Monika reflects: “Galaxies will start decomposing, and the degenerated stars will be bumping into each other, while their corpses and their broken pieces will be falling into black holes. Scientists make predictions that these developments will only start in approximately sixty billion years from now. But maybe scientists made an in significant error, and the Degradation era is starting tonight. And maybe the Suicide Star that I can observe so clearly is the first herald of these Apocalyptic developments” (Ivanauskaitė 2011b: 69). These are the moods and the possible thought of Justine from Melancholy by von Trier. Ivanauskaitė wrote it in 2005. Trier created the movie in 2011. It is obvious that the novel written by Ivanauskaitė he never red. Ivanauskaitė if were alive would have called this parallels following Carl G.Jung as synchronicity. As notices Kazlauskaitė, reflecting upon Monika’s inner states in the novel: The Fortress of Sleeping Butterflies “the symptoms of a woman suffering from depression are exact and characteristic, the psychological nuances are accurate (Kazlauskaitė 2006: 87).

Ivanauskaitė’s last book Ode to Joy (2007), coincided with the author’s death – it appeared the day she died. It is a collection of poems written over a significant period of time, and only seven of those poems are new. In a way, it closes the cycle of her creation, as Ivanauskaitė began her creative path with poems published in the magazine Moksleivis when she was at school. Having returned to poetry, the writer felt the fragile nature of a poem and made an effort not to violate it: she did not overdo it or push it too far. Her poems are of moderate length; they are neither overburdened with metaphors nor pretentious. Had she not exchanged poetry for prose, and continued writing poems as she did at school, Ivanauskaitė might have made her mark in our cultural context as a Lithuanian Wilsawa Szymborska: the poetry of both is moderate, ironic, intellectual, and capable of describing fundamental issues (or creating existential symbols) in a concise form. Ivanauskaitė simply did not write enough poetry. In her poem Morning. Another Incarnation she wrote: “Having risen from the dead /I hang around the seashore, /gather/pocketfuls of seashells/and listen, oh I listen/to the humming of the sea waves/until I’ve forgotten/the drumming of earth/onto my coffin lid” (Ivanauskaitė 2010: 2). The translator of her poems into English Paul Perry reflects: “What I feel when I read her work is the presence of a compassionate and longing voice, one which has a seductive intimacy to it, a voice which will tell the hard truths, but which has an ironic twist to it also.<…>In it, she faces her own mortality with a steadfast stare and a brave wit and irony “ (Perry 2010: xi-xii).

However, the format of a poem was too constricting for her, as was that of the novella. Considering the scale of her
passion for life, the small genres could only be temporary endeavors. They were too delicate. Thus Ivanauskaitė published only two books of poetry, two of short stories, one collection of interviews, and two books for children. Yet she left seven novels, only the first two of which were a little shorter. The other five are books of impressive length. Vytautas Kubilius was right when he said that Ivanauskaitė was a writer of fervent spiritual tension.

In one of her interviews she formulated the two-sidedness of their creation: "Writing and painting are two different things. Writing is a very exhausting and tormenting activity: while writing you constantly feel tension, you feel how your unconsciousness is boiling, working. During the nights when I am writing a novel I see texts coming to me in my dreams. A terribly tiresome and exhausting process: all day you are writing and afterwards all night you are further laying out the words. Pictures for me are pure meditation. After meditation you quietly fall asleep. All day you are painting, but when your work is finished – that’s all. The burden falls off your shoulders and nothing else is tormenting you (Baranova 2014: 194).

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The Analysis of Poverty Variables in the Balkan Region- the Case of Kosovo

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Abstract

Poverty continues to remain a major challenge during the whole period of transition, since the collapse of communism and which is continuing even today. In this article, the macroeconomic trends in the Balkan region are treated in synthesized way, with a special emphasis on Kosovo for the years of transition. In addition, the paper is focused on some economic indicators that have direct or indirect impact on labour market policies and employment policies. The trend of these indicators is analyzed in terms of nominal and real convergence, aiming at the progress of the Kosovo economy during the years of transition in the process of integration into the current level where it is located, as well as the challenges that it faces in meeting other standards in political and economic system. The focus of this analysis are the employment policies as well as the structural reforms, institutional reforms of the labour market, policies for the reduction of the unemployment rates, generating of new work places, taking into account the fact that in Kosovo the unemployment especially at young people is very high. The purpose of this study is to identify the current state of poverty, considering that the state should take some measures to reduce its level by being based on market instruments of labour and employment policies, migration, remittances and their impact on the labour market, its structuring and their components in the Balkan region, but with particular focus on Kosovo. Poverty is a cycle that is repeated constantly and has negative impacts not only on the economy of a country but also on the lives of its citizens. Its causes are as complex as poverty itself. On the other hand, poverty reduction is as a result of economic growth. In the reduction of poverty, government plays a very important role. So, the government with its policies can cause an increase in the economic growth and then reduce the poverty level. The situation, instead of being relaxed, nowadays, it is experiencing difficult times. This is happening because the world today is undergoing through a global financial crisis which had started in the United States in 2008 and which has spread all around the globe. It can be said that this global financial crisis has been the longest that this world has recognized. For this reason, to the government of a country is added one more task, which is even more difficult, that through its policies to do the impossible in order to overcome this crisis and to send the respective country towards economic development, and thus to reduce poverty.

Keywords: Poverty, Global Crisis, Government Policies, Economic Development, International organizations, the World Bank, Donors

1. Introduction

Poverty is a phenomenon that cannot be easily determined. It is more a multidimensional concept and that its definition and measurement requires hard work and many data. A more intuitive concept is the concept of absolute poverty, which usually refers to an absolute idea of deprivation of the basic requirements for survival. Another concept of poverty is that of relative poverty, according to which, the poor are considered those who lack a certain amount of income derived from the average or medial of income in a given society. Relative poverty and income inequality shows how various divisions of social levels are made.

Poverty, as a multidimensional and complex phenomenon, is not related only to income or consumption (considered as monetary dimension of poverty) but also to non-monetary dimensions such as education, health, gender equality, water supply etc. These dimensions are also included in the Millennium Development Goals- MDGs.

However, there is not a perfect measure of poverty, different measurements of poverty are complementary and its choice will depends on the reason for what it will be used. National measurements of a country cannot be used for comparisons among countries because of differences in the design of surveys. To enable these comparisons, there should be calculated the international poverty line (World Bank gives the calculations of the poverty lines as 1.2 and 4 dollars per day) which shows how to achieve the same standard of living in any country.

In this paper, we deal with some monetary measures of poverty indicators as well as with some non-monetary measures. In the second part, a special attention will be on the description of these poverty indicators in some countries of the Western Balkans. In the third part, will be provides special analyses for the case of Kosovo.

Since the end of the armed conflict in 1999, the progress on the improvement of living standards in the Republic of
Kosovo, including the solid macroeconomic performance, has been slow and unequal. Immediately after-war period, Kosovo experienced rapid economic growth and the GDP grew at three digit numbers, which was greatly affected by the donors as reconstruction efforts. In addition, Kosovo was also able to face the global financial crisis of 2008-2009 better than most other countries in the South East Europe (SEE). In fact, Kosovo and Albania were the only countries in SEE that in 2009 recorded positive growth of GDP.

Sociologists, when they talk about poverty, think that they should debate just within the way of living. However, today, poverty is divided into: relative poverty and absolute poverty.

Relative poverty indicates that a person or a group of persons are poor in comparison with others, or in comparison with what is considered to be a fair standard of living, or the level of consumption in a given society. While absolute poverty suggest that people are poor in comparison with what is considered to be the standard of minimum requirements. E.g. while in the developed countries a poor person is relatively poor in our country then the same person can be regarded as poor in absolute terms. This means that poverty, namely its types, differ from country to country. However, both types are present.

2. Monitoring Indicators of Poverty

Poverty monitoring indicators are divided into two groups: monetary indicators and non-monetary indicators of poverty.

2.1 Monetary indicators of poverty measurement

Monetary indicators measure the poverty level in monetary terms by either using the level of consumption, incomes or expenses. Many analysts argue that if the consumption information is obtained by monitoring the households, which is very detailed, then it may be a better indicator of poverty measurement than if it will be measured by using the level of incomes. Monetary indicators of poverty measurement are widely recognized and belong to the family of indicators developed by Foster, Greer and Thornecke which are recognized as FGT indicators (Foster, Greer and Thorbecke, 1984). They are described as follows:

- Head-count index or percentage of poverty is calculated as the ratio of the number of persons who are below the poverty line to the total number of population. It is an indication that is simple to compute but that presents two problems: firstly, a reduction of the level of income of the poor people does not show us how much poor are the poor, and secondly, this indicator does not describe the distribution of income among the poor.
- The poverty gap index, measures how far the income or consumption of an individual is from the poverty line. It is a measure that shows how "bad" is the poor. This indicator is better than the percentage of poverty. But, even this indicator has its disadvantages; it is unaware of the number of individuals below the poverty line and by the way on how the income is transferred among the poor.
- Poverty severity index, called differently also as Foste-Greer-Thorbecke Fost index, measures the severity of poverty by putting it in power of square and averaged income gap between the oppressed and the poverty line. This indicator is of particular importance because it takes into account inequality among the poor.
- All these three indicators are reported from the national statistical agencies and are used by the state authorities as tools to monitor changes of poverty over time.

2.2 Non-monetary indicators of poverty

On the other hand, non-monetary indicators of poverty (or indicators of basic needs) are based on the idea that poverty is associated with the deprivation of certain basic needs such as education, health, food-nutrition, supply with water etc. Some of these indicators, as most widely used, are:

- Education Indicator: in terms of this indicator can be mentioned the rate of illiteracy among adults, the rate of enrolment, the average years of schooling, etc.
- Health Indicator: are included indicators such as life expectancy at birth, infant mortality rate, the percentage

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of women who receive health care, etc.

- **Indicators of Food-Nutrition**: such as underweight indicator which can be measured by anthropometric measurement of weight per age, height per age and weight per height etc.
- **Water supply, sanitation and public services**: such as the percentage of households that have water supply, regular supply of electricity, heating, etc.

3. **The Level of Poverty in some Balkan Countries**

As mentioned above, poverty can be measured at global, national or local level. There is not a perfect measure of poverty; various measures are complementary to each other.

In addition, poverty is not only a problem of developing countries but it is present also in developed countries. In developing countries, poverty highly widespread and is characterized with hunger, lack of living resources, unemployment, illiteracy, epidemics, lack of medical services and water shortages. However, in developed countries, poverty is characterized by social exclusion, rising of unemployment and low wages. In the table below, are provided the data on monetary indicators of poverty for some countries of the Balkan region.

**Table 1**: The level of poverty in some Balkan countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>Percentage</th>
<th>Deepness</th>
<th>Severity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>2005</td>
<td>18.5</td>
<td>4.0</td>
<td>1.3</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>2001</td>
<td>19.5</td>
<td>4.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>2001</td>
<td>12.8</td>
<td>4.2</td>
<td>1.9</td>
</tr>
<tr>
<td>Croatia</td>
<td>2004</td>
<td>11.1</td>
<td>2.6</td>
<td>1.0</td>
</tr>
<tr>
<td>FRY Macedonia</td>
<td>2003</td>
<td>21.7</td>
<td>6.7</td>
<td>2.8</td>
</tr>
<tr>
<td>Romania</td>
<td>2006</td>
<td>13.8</td>
<td>3.2</td>
<td>1.1</td>
</tr>
</tbody>
</table>

**Source**: World Bank (Poverty Assessments)

**BOSNIA AND HERZEGOVINA** – Bosnia and Herzegovina is one of the states of the Former Republic of Yugoslavia, which gained independence in 1992. Then very soon, in 1995, it was engulfed by the civil war which among other things led to the reduction of revenues. The measurement of poverty level is based on the use of consumption as an indicator of welfare. The data obtained from the World Bank in 2001, regarding the level of poverty in the Republic of Bosnia-Herzegovina, showed a percentage (headcount index) of 19.5, which means that 19.5 percent of the population live below the poverty line. In addition, the World Bank study (2003) included a detailed analysis of the spatial dimensions of poverty in Bosnia and Herzegovina (World Bank, 2003) 3.

Poverty mainly refers to household heads with three or more children. This group of households head represents a large proportion of the poor (which is 69 percent of the total). Another social group, which represents a high degree of poverty, is the group of refugees and of displaced (34 percent of this group are below the poverty line). Most of the poor did have neither the second nor the third-level of education (90 percent of total). The same analysis has shown that most poor families with children were families who were depended on one person who has incomes for living (56 percent). Spatial analysis of poverty monitoring has shown that rural or semi-rural areas have suffered from higher rates of poverty (20 percent to 24 percent for rural and semi-rural areas, respectively) compared to urban areas (14 percent). The civil war in Bosnia touched many rural communities, who were forced to migrate within a state towards semi-urban or urban zones. As a result, the figures of urban areas include also the refugees from rural areas of Bosnia.

The overall conclusion was that local economic conditions played an important role in the determining of poverty level of families, however, this analysis does not include any information at the community level, making it impossible to clarify the reason why certain areas show high levels of poverty.

In addition, poverty represents a threat to a large proportion of the population in the European Union, according to Eurostat data. In Bulgaria, 42 percent of Bulgarians face this danger, and then follow Romania with 41 percent, Latvia (38 percent), Lithuania (33 percent) and Hungary (30 percent). Less affected by poverty are the Czech Republic (14 percent), Sweden and the Netherlands (15 percent), Austria, Finland and Luxembourg (from 17 percent).

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In 2010, 115 million people or 23.4 percent of the population in the 27 member states of the EU, face the risk of poverty and social exclusion. This means that they are exposed to at least one of the future risks: the risk of poverty with incomes smaller from 60 percent of the national average income receipt of social assistance, serious deprivations material (failure of account payment, clothing, heat, consuming protein) and poor work potential of adult members in the household (under 20 percent of the overall potential of the previous year).

BULGARIA - In Bulgaria we have the period 1995-2001, which was characterized with three integrated studies of Bulgarian families. From the last study were taken the below data which belong to the year 2001. In order to measure the level of welfare (and poverty) in Bulgaria, was used the level of consumption, as the basis to measure the level of poverty.

According to this indicator, the poverty in 2001 was 12.8 percent (World Bank, 2002). Bulgaria had a profile of classes which were hit by poverty, which characteristic resembles also other European countries that have recently or are in the process of entering the EU. Big families, living in rural areas and which have small children and low education, and also the ethnic groups such as Roma, have increased probability of becoming part of the poor class.

Large families which are about 30 percent of the population, account as 60 percent of the poverty. The percentage of the poor in rural areas (23.7 percent) is almost four times higher than in urban areas (5.9 percent). Research results show that there is a strong link between poverty and education (individuals who have low levels of education are only 36 percent of the population, are of 18 years old and higher, but they account for approximately 80 percent of the poor). The main problem for the Bulgarian economy during the transition period was the non good performance of the labour market which was characterized by high levels of unemployment and also of the poverty.

CROATIA – The development process of Croatia was significantly impacted from its separation from the Yugoslavia and also from the civil war which happened in the after month. Recent research, by using different methods for measuring the standard of living, ranked Croatia in an better position compared to other new countries of the EU (Matkovic 2007).

This does not mean that the Croatian economy does not have any problem to worry about. Inefficient government policies, especially slow fiscal policy, led to the decrease of the level of competition and increased the unemployment level, which in turn impacted the levels of inequality. This proved to be a major problem for the Croatian economy.

According to World Bank’s estimates, the level of poverty in Croatia is relatively low (World Bank 2007). Approximately, 11 percent of the population is poor while a further 10 percent of population is at risk of being poor in the sense that their average consumption is less than 25 percent of the poverty line. According to the estimates made by the World Bank, based on the observation of the household budget, most of the poor (3/4) lived in households where the head had only primary education or even less, because these people either had jobs with very low pay or had no job at all. A significant proportion of the poor (40 percent) lived in a household where the head of the household was retired. Statistics suggest that the unemployed poor accounted for a small percentage of the total poverty, but this is a passive working age.

A portion of the poor in Croatia are classified as "new poor", a sub-class which was created during the transition period. This group includes small farmers, retirees, and those who are employed in the processing agriculture industry. If we speak with spatial terms, rural region and central rural region of Croatia appear to have higher rates of poverty (almost twice the average risk of poverty).

FORMER YUGOSLAV REPUBLIC OF MACEDONIA – The information presented for this country of the Balkans belong to the Living Standards Study developed in 2002-2003. According to the calculations made, 21.7 percent of the population live below the poverty line but are characterized with a uniform distribution across the regions of the country (World Bank, 2005).

The percentage of poverty is higher in rural areas rather than in urban areas, with growing trends around Skopje. The poverty rate is also higher in large families and in those families with many young children, specifically more in those families which have a total number of members of four (which is the model number of members in a household in Macedonia) poverty rate increased more. Said in other words, 34 percent of all households that have six or more members live in poverty. Having a large number of children, who are too young to provide assistance in growing the revenues of the family, has a direct impact on poverty. It cannot be said that there are large differences in the proportion of the poor based on the gender of the household head (in 2003, 21 percent of male-headed population were poor, compared with 17 percent female headed). There is a negative relationship between level of education and poverty.

Looking from the prospect of poverty correlated with indicators like education, unemployment (23 percent of the unemployed are poor), employment by data indicated that in Macedonia there is a strong correlation between them and the poverty line.6

ROMANIA – For Romania, the World Bank has recently developed two major studies on poverty. The first study was published in 2003 and the second study in November 2007 (World Bank 2003 and 2007 respectively). It can be easily suggested that in Romania there is a clear link between the economic growth and the reduction of poverty, the improvement of the economy after 2000 brought poverty reduction figures. One of the most important determinants of poverty in Romania, as elsewhere, is the level of education. In Romania, the poor rate among adults with high school is very low (0.7 percent in 2006); however, the lower level of education then there is higher the degree of poverty. A related issue was that the poverty rate also depends on the status of the work. The risk of being poor was much higher among the self-employed farmers (32 percent) and the unemployed individuals (27 percent) in 2006. Is noted a considerable regional differences in terms of poverty by working status.7

In terms of poverty in Romania, there are significant regional differences. For example, in 2006 (the latest data), it is suggested that the poverty rate in urban areas was 6.8 percent, while the respective figures for rural areas was 22.3 percent. The regional analysis reflects in large measure this fact; regions with large urban centres generally have lower rates of poverty. Thus, the Bucharest region presents the lowest percentage of poverty (4.5 percent). The highest poverty can be found in the North-Eastern region (20.1 percent) and in South-West region with 19 percent. Larger households (five or more) had a greater probability (three times higher) of being poor compared to small ones. The young people were in greater risk compared with other age groups to be poor. As in some other Balkan countries, the risk of being poor is much higher for Roma. In the case of Romania, the percentage of the poor is much higher for Roma people. In the case of Romania, the percentage of poor Rome was four times higher than the national average in 2006.

Due to the global economic crisis, the poverty rate in Romania, this year, will rise to 7.4 percent from 5.7 percent as it was last year. In one report published by the World Bank, was suggested that the poverty rate in the Balkan country includes the number of people living on less than three dollars a day.8

It is anticipated that this year, the number of Romanians who will live in poverty threshold will be increased from 1.22 million from what it was last year to 1.6 million this year. The numbers of children, who will suffer because of poverty, will grow for almost for 3 percent, from 250,000 as it was last year to 360,000 this year. In recent years, due to economic growth, the number of poor in Romania was significantly reduced from 2.1 million in 2007 to 1.2 million last year. Poverty mostly hits the children and farmers, who together make up around 55 percent of the entire population, which has been hit by poverty.

The World Bank has criticized the Romanian system for social protection, because it spends the least per capita for social protection among European Union member states.9

In the EU, 27 per cent of children under 18 years old in 2010 had been exposed to the risk of poverty or social exclusion, versus 23 percent of the population of working (age from 18 to 64) and 20 percent of the elderly (over 65 years). Children are mostly hit in all the 20 member countries, where the greater percentage exists in Romania (48.7 percent) and Bulgaria (44.6 percent), while in Finland is 14.2 percent, in Sweden 14.5 percent. Greater risk of poverty for the elderly is in Bulgaria (55.9 percent) and Romania (38.9 percent).

ALBANIA – As the previous government, during the period was talking for a financial stability, the opening of new jobs, figures which already confirm the contrary. The increase of the public debt beyond any limit, increase of financial gap, unrealization of the income, lack of credit to the economy, can all inevitably lead to a painful factor- that of rising poverty. If the yesterday's government never accepted this fact, figures already confirm this, even though they come from a statistical institution that has little confidence in the accuracy of the figures. But without going beyond this perception, the figures which were released yesterday from the Institute of Statistics (INSTAT) show an increase in poverty in the past five years. According to the Living Standards Survey, for the year 2012 the level of poverty in Albania had reached 14.3 percent, while in the end of 2008 it was 12.4 percent. INSTAT makes it known that there are more than 400

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thousand Albanians who live on less than 4,900 leks per month. In growth, have resulted also the extreme poverty or inability to meet basic nutritional needs. According to INSTAT this data reached 2.2 percent, from 1.2 percent as it was in 2008. The city with the highest rate of poverty is Kukes with 21.8 percent, while with lowest rate of poverty is Vlora with 11.7 percent. In addition, except the increase of poverty, what stands out more is its shift from rural to urban areas, a phenomenon that, according to INSTAT, can be explained by internal displacement of the population.

Poverty, according to the figures for the part of the population where the real monthly consumption per capita is under 35 euro (2002 prices), has increased from 12.4 percent in 2008 to 14.3 percent in 2012. In previous years, poverty has declined from 25.4 percent in 2002 to 18.5 percent in 2005 and 12.4 percent in 2008. This means that about 28,896 individuals, in addition to 373,137 poor individuals in 2008, have fallen into poverty. Extremely poor population, defined as individuals who have difficulties at meeting the basic food needs, has increased from 1.2 percent in 2008 to 2.2 percent in 2012. Extreme poverty fell from 4.7 percent in 2002 to 3.5 percent in 2005 to 1.2 percent in 2008. In 2012, poverty has increased in both urban areas (2.2 percent) and in rural areas (2.3 percent). Other indicators of poverty have also experienced growth since 2008.

Two other alternative indicators, except the poverty level (percentage of poor), are the poverty gap and severity of poverty. The poverty gap has increased from 2.3 percent in 2008 to 2.9 percent in 2012. The increase of poverty has been associated with increase of the regional poverty. Unlike the year 2008 when the mountain areas were the only ones with a slight increase of poverty, the year 2012 has been specifically the mountainous areas that have recorded the reduction in poverty figures. In these areas, poverty has declined from 26.6 percent in 2008 to 15.3 percent in 2012. However, this decline may be also due to the movement of population, which is still continuing nowadays, from the mountainous areas to other regions. Consequently, the hosting regions may share the burden of these movements, which may be among the reasons that bring a general increase in poverty. For example, in coastal -seaside areas, which have the greatest increase in poverty, 17.6 percent of the population is poor compared to 13 percent in 2008. Tirana has experienced a significant increase of poverty. Compared to 2008, the percentage of the population considered poor has increased from 8.7 percent in 2008 to 12.6 percent in 2012. These are the arguments of INSTAT for the increased poverty in certain areas, but there is a common denominator which is that the level of poverty is increasing at very frightening degree, which requires a deep reflection on future economic and social policies in order to generate new jobs and to mitigate these indicators.

Poverty in Albania is measured through monetary indicators of consumption, given the fact that Albania is a country characterized more as an agricultural economy and with a high degree of informality (INSAT, World Bank, 2006). We may be acquainted with the characteristics of the poor by examining the frequency of poverty, by looking at geographic or demographic concentration as well as education profile of the poor. Knowledge of the characteristics of the poor is important because they inform and assist policy makers to design various programs to help people in need. Poverty in Albania has inverse relation with the degree of education. Families with many children and elderly are closer to the poverty line. Families, where key family head is young and uneducated, are more vulnerable to poverty. Contrary, when the households have heads is in emigration, are not characterized by a high risk of falling into poverty.

4. Monitoring Indicators in Kosovo

The problem of poverty is one of the biggest problems which today are presented in all around the world. We are witnessing the fact that besides many developments that are taking place in the world today, especially in socio-economic terms, Kosovo is not excluded from this part of the world. The recession crisis, the problems with unemployment, poverty, numerous protests, the creation of new movements as a result of dissatisfaction among others, are some of the problems that are being faced by the contemporary society today, despite the fact that this society is regarded as a society which has been living with the higher level of luxury that the history can ever remembers.

However, this trend of problems is also following the state of Kosovo. In the long mileage of challenges and problems that Kosovo has been facing, is included also the phenomenon of poverty. Early sociologists have tried to give prognosis on this phenomenon and as such measure the poverty with the concept of necessary resources/tools for

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existence. From this, it is implied, that poverty in logical sense can be understood as a status or condition of people who lack basic resources/tools for living.

This elaboration can be one of the many definitions of poverty and that presents a cancer for society, especially for the Kosovar society, considering the fact that every year to the Kosovo are added almost over 35 thousand young people who are able to work. As such, about 60 percent of Kosovo society structure consists mainly from the young people aged 15-35 years.

Since the period after the war and until to date, although there has been continuous decrease and increase of poverty, the term poverty has been a term that has preoccupied our society. According to the World Bank Report "Southeast Europe- Economic Development Report" the unemployment rate in Kosovo is around 45.4 percent. While, according to KSA12, the unemployment rate is 35.1 percent, in urban areas is 28.5 percent and in rural areas is 40.1 percent. In addition, for males is 32.0 percent, for females is 44.4 percent and for the young people (age 15-24) is 60.2 percent. In addition, from a survey conducted by WB & KSA & UKaid regarding the workforce is noted that: "Only 23.9 percent are employed". But, according to reports of UNDP, Kosovo has over 43 percent of the unemployed; 34 percent live poverty with less than 1.42 Euros per day, and about 18 percent in extreme poverty with less than 94 cents per day **13**.

According to World Bank data, around 200 thousand citizens of Kosovo live in extreme poverty, with only 1.20 euro per day. The statistics published from the Statistics Agency inform that around 30 percent of Kosovo's population, or more than 600 thousand Kosovars, spend the day with only 1.70 Euros. In 2011, the highest level of poverty is found among the unemployed, retirees and people with disabilities.

Referring to the composition of the poor population, it can be seen that nearly 30 percent of poor adults are unemployed. Over the two years, the poverty rate has been reduced for people whose main activity is the work with pay for 11 percentage points. The highest increase of poverty is observed among self-employed persons (6 percentage points) and among unpaid family workers (3 percentage points).

Despite the fact that the statistics every time changed, there is a decrease or increase in the data provided, the term poverty and unemployment exists in everyday vocabulary and is part of our society in Kosovo that apparently to not find the door to leave or at least to mitigate this phenomenon. This situation also reflects the fact that Kosovo is the poorest country not only in the region but also in Europe. To this statement, best answers the fact of the data provided from MMPs that "the number of registered unemployed in social work offices is around 272 thousand", even though in reality this figure could be even higher.

However, the increase was modest, subdued by a worsening climate for investment, decrease of foreign direct investment, weak governance and weak rule of law, and increased criminal behaviour (World Bank 2010). Remittances, that comes from the people who live abroad, have also declined during the start of the crisis. Therefore, Kosovo remains the poorest country in South Eastern Europe (SEE). In 2009, the GDP per capita of € 1.760 (World Bank 2010) is the lowest in SEE, and as such places Kosovo as one of the poorest countries in Europe. Improving the employment figures is key towards the reduction of the poverty and increase of the living standards through faster growth and more inclusive14.

This report is focused on absolute poverty by comparing the living standards against a poverty threshold, which is held stable in real conditions in time and space. Poverty threshold is updated over time in order to be corrected for changes in prices. In this report, consumption has been used as a measure of welfare or individual property. Household consumption is calculated as the total value of household’s spending on groceries and non-food items such those provided in the Survey of Household Budget Surveys (HBS). This survey is a national representative survey which is conducted on yearly bases and included evaluation of any food produced at home and consumed by the household. By adhering to the past practices in Kosovo, spending on long-term items and on leases are excluded from the consumption. The HBS surveys of 2009, 2010 and 2011 are based on a new framework sample of 2008, thus, the data are comparable for the three years. The living standards regarding the current value of a household consumption depends on the size of the family and also on the demographic structure of the household**15**.

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For this reason, the household consumption is divided by the number of adult equivalents in the family to calculate the welfare indicator, which is equivalent consumption for the adults.

**Figure 1:** Poverty and extreme poverty by residence (%) 2009-2011

In this report, have been used two boundaries of poverty, a poverty line that is considered adequate to meet the basic needs and a lower line for extreme poverty. After adjustments/corrections for inflation, poverty lines and extreme poverty are:

- 2011: € 1.72 and € 1.20 per adult equivalent per day
- 2010: € 1.61 and € 1.07 per adult equivalent per day
- 2009: € 1.55 and € 1.02 per adult equivalent per day

The Poverty rate per capita measures the percentage of the population where the consumption of equivalent for adults is lower than the set poverty threshold. Based on HBS 2011 is estimated that 29.7 percent of Kosovo’s population live below the poverty line while 10.2 percent of the population live below the extreme poverty line16 (Figure 1).

Comparing the data for the three years, it can be seen that the poverty rate is reduced by 5 percentage points from 2009 to 2010 and has increased marginally from 2010 to 2011 for 0.5 percentage points. The increased poverty in 2011 is within the margin of error in the sample of the HBS, which means that basically the poverty has not changed from 2010 to 2011. Poverty rates in three years are higher in rural areas except for the data for the extreme poverty of 2009 which suggest that is higher in urban areas (Figure 1).

**Figure 2:** Poverty gap index for poverty bourdon and extreme poverty 2009-2011

**Source:** HSB 2009-2011

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The poverty gap measures the depth of poverty and takes into account also the percentage of the population that lives below the poverty line but also the size of the difference between the poverty line and the average consumer to the people found below the poverty line. Compared to the level of poverty, the advantage of the poverty gap is that computes identifies the changes in welfare that takes place below the poverty line, as is the case when households become less poor but not enough poor to cross the poverty line. From 2009 to 2010, the depth of poverty based on overall poverty has decreased while it has significantly increased from 2010 to 2011.

Similar trend has characterized the changes in the depth of extreme poverty. The depth of poverty is higher in rural areas in 2010 and 2011 while the opposite occurred in 2009. The depth of extreme poverty is almost the same in urban and rural areas.

Kosovo is ranked as ninth among the 25 poorest countries in the world, while it is in the first place (as the poorest country) in Europe. Regarding the world ranking, Afghanistan remains much wealthier and with more employed people compared to our country. The list is led by Zimbabwe, as the poorest and with most unemployed people in the world. While Kosovo ranked as the ninth has the index of poverty of 50.6 and the unemployment rate of 45.3 percent.

For the poorest country in Europe, the report suggests that the average annual income per capita is $7,400. The report that was published from the Business Insider, includes 197 countries from Afghanistan to Zimbabwe and provides information for the Poverty Index for 2013. The report suggests that remittances in Kosovo come mainly from Switzerland, Germany and the Nordic countries and they are estimated to be about 18 percent of GDP. "Even though Kosovo's economy had an important process in the transition to a market-based system, unemployment continues to remain a major problem," as reported by the Business Insider.

After the Zimbabwe, the following countries in the list of the poorest countries in the world is Liberia in the second place, Burkina Faso as the third place and then continuing with Belarus, Turkmenistan, Djibouti, Namibia, Nepal while Kosovo is ranked in the ninth place. In better condition than Kosovo, in terms of less unemployment for 20 percent, then in the tenth place in the list is Syria, after it comes Sudan, then Lesotho, Kenya, Senegal, Marshall Islands, Afghanistan, Swaziland, Haiti, Yemen, Bosnia and Herzegovina, Gaza Strip, Maldives, Iran, Mauritania and Mali is ranked in the 25th place which was widely mentioned recently for recognition of Kosovo.

Recent information that was present recently regarding the new wave of Kosovars that have migrated to the other countries, namely in Hungary with opportunities to deport in the other countries, undoubtly this is a sign of alarm that the Kosovar society has problems and challenges. These problems and challenges are exacerbated even more especially with the various statements that Kosovo has a job ... but, cannot be worked or there is no work?! We do not want to deal with such statements, but we want to deal with the substance of the statement in order to analyze the situation.

The need for a better life preoccupies the Kosovar society and every citizen and this best associates us with the poem of our great author Migjen, according to whom "misery is morsel which is not digested". Therefore, emigration is seen as a key competent to alleviate the poverty level and the unemployment rates, as well as creating better socio-economic conditions. Broadly speaking, in Kosovo there is no work and if there would be work, with no doubt people would work. However, the work is missing and the only solution from the youth of Kosovo is seen the emigration as a search for better life (although it is known these states have their own problems).

Anyway, if we go back to the topic in question, where the Kosovars wave of immigrants who went in Hungary mostly and who were banned by the authorities, some of the emigrants also stated that they were mistreated by the Hungarian state shows clearly the problems of Kosovo society - especially with poverty. All these problems must certainly wake from sleep the Kosovo institutions, in order to undertake mechanisms to alleviate the situation of poverty and the problem of unemployment in Kosovo. On the contrary, Kosovo institutions will face various problems, especially in the visas liberalization process, but in the same time also to create a better image of the state.

Regarding the consequences of poverty, they can be numerous such as deep psychological pessimism, anxiety, depression. The side effects can also be severe such as suicide, which according to data from the war and until nowadays in Kosovo have occurred about 768 suicides, some of them undoubtedly are also associated with problems of poverty. Then, the consequences may be reflected in the crisis of values, morality, problems with the process of identity.

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the frequency of domestic violence. The consequences can push people toward theft, various crimes, prostitution, and many actions of negative phenomena.

In conclusion we can say that poverty in Kosovo is not a product of the poor, but is the product of the political elite that apparently did not find the solution to this problem which cannot be prevented. If the adequate measures and mechanisms are not taken then we may easily come to the above mentioned problems.

Therefore, Kosovo institutions, together with the international partners, would need to: establish employment policies and economic development; local governments should provide support for foreign investors in order to have investments; especially to be done the proper management of public property. Then, to be created vocational training programs that will generate new work places and not for the people to complete the training and then to roam the streets.

Another element is also the forms of a program, as is the case with developed countries, in which citizens collect bottles and other things and send these wastes to the recycling companies in order to profit. Furthermore, this program may also have other positive effects, especially in the preservation of the environment and its management, as well as many other elements that can impact on concrete recommendations.

Thus, in this paper ware presented the data for the level of poverty in some countries of the Balkan region. The description was made in terms of monetary and non-monetary poverty measures. The level of poverty is measured using the consumer monetary indicator. According to these non-monetary indicators, in all these countries existed almost a same correlation with other indicators such as education, unemployment, number of members in a family, ethnic groups (Romania, Bulgaria), etc. To measure the poverty in Kosovo, is defined a level of real consumption which is regarded as the “poverty line”, under which persons are considered as poor. In this brief description of poverty in Kosovo, is shown that poverty has increased significantly both in urban and rural areas. Poverty is in the inverse correlation with the level of education. Families, where the key holders are young and uneducated, the unemployed are more vulnerable to poverty, while households whose head is in emigration, are not characterized with high risk of falling into poverty. All these changes are explained with the role played by economic growth, migration, organization of rural production as well as programs for economic and social support

5. Conclusion

Poverty is a complex phenomenon that is related not only to income or consumption, considered as monetary dimension of poverty, but is also related to non-monetary dimensions such as education, health, gender equality, water supply etc. Poverty can be measured at the global, national or local level. There is no a perfect measure of poverty, various measures are complementary, whose solutions depends on what it will be used. This study presents a brief description of some important indicators of monetary and non-monetary measure of poverty in Kosovo, Albania and some other Balkan countries.

In 2009, approximately more than a third of the population (34 percent) lived below the absolute poverty line of € 1.55 for an adult in daily equivalent while 12 percent lived below the extreme poverty line of 1.02 €. The poverty gap index was 9.6, indicating that on average a person in Kosovo realizes only 72 percent of the poverty line. The poverty lines in rural and urban areas are almost equal but vary widely across seven regions of Kosovo. In the latest reports of the World Bank regarding the poverty assessment, the level of absolute poverty in consumption is significantly lower than reported by HSB 2005-06. Although the two surveys cannot be compared reliably, it is likely that at least some of the apparent poverty reductions are real when calculating the modest increase in GDP per capita and the observation that the inequality during this period has remained relatively low and unchanged.

Kosovo has a young population who is disproportionately poor so that over 40 percent of young people are under age 20 while 60 percent of the poor are younger than 30 years (compared to 38 and 56 percent of the total population under these ages). There is a strong link between education and poverty while for those who have completed the secondary and high school is much less likely to be poor compared to those who have not completed this education. Poverty rate per capita in 2009 was 38 percent among those who had only finished the primary school, compared with 28 percent of those who had completed the secondary school and 11 percent of those with higher education.

But only education is not enough. There is a need for more and better works. Almost half of the workforce in Kosovo is unemployed, and the unemployment is strongly linked with the poverty. The unemployed people in Kosovo are disproportionately young and female with the better level of education compared to the general population but not as good as those who have regular employment. The creation of good work places in order to reduce unemployment - not only for the current group of young people that can work, but also for the general population which is still in school - is the primary challenge towards the reduction of poverty in Kosovo.
6. Recommendations

Considering the experience of recent shocks and the global crisis, below are some specific recommendations for the countries in order to better be prepared for the crisis.

Two entities in Bosnia and Herzegovina should continue their efforts to improve the targeting of their safety nets and to make the administration of social assistance more efficient and more transparent. Regular monitoring of social impacts is prevented by the lack of annual data on poverty and its distribution.

Macedonia, which had a pro-active status during the recent global crisis on expanding its coverage of safety nets, should continue its efforts to harmonize and consolidate the gains and to establish and develop more the capacity of the safety nets to protect poor families in times of crisis. The increasing current agricultural subsidies aimed at increasing the productivity growth of the sector and exports of agricultural products but are likely to be an inefficient way to protect poor families from the effects of food price increases.

Montenegro, which during the last crisis has increased its budget, oriented towards social assistance, has a fairly rigid threshold for eligibility in the program of last resort, should address the lack of flexibility in the program (and the payment of children that are associated with the main program) in times of crisis.

Serbia was pro-active during the recent shocks of food by seeking moderation of food prices by banning exports, but these seem to have found little success, while its social assistance as a last resort continued its long-term trend of expansion coverage. To make the most effective responses to a food shock, efforts to increase the flexibility of the social assistance system seems to seek to improve both the coverage of the poor and the size of benefits, in accordance with recent reforms.

Albania should continue its recent reforms to tighten the eligibility criteria for social assistance as a last resort, information systems management and supervision. Regular monitoring of social impacts is undermined by the lack of annual data on poverty and its distribution.

Poverty in Albania has multidimensional character. It is not only identified with unemployed or with families living in economic poverty, but it also represents categories which are excluded from the fundamental right to have a flat, adequate food, heating and clothing in winter, work in accordance with physical skills and education level, school close to home, access to health services, protection from predation and violence, right and voice to demand the rights.

Kosovo, which has a well-targeted program but with limited coverage of the poor, should continue investing in increasing not only the amount for large families with children but also in expanding the coverage of the program.

Although Kosovo had smaller consequences from the recent financial crisis compared to most other countries in Europe, it continues to be one of the poorest countries in Europe.

HBS survey of 2009 shows similar rates of poverty in urban and rural areas, although this conclusion is sensitive to the choice of poverty line.

Kosovo's population is extremely young, and young children are disproportionately poor.

Education and employment are closely related to poverty status. In general, the high level of unemployment in Kosovo is another important influence on high levels of poverty.

Poverty remains a concern for Kosovo politics as poverty rate is among the highest in Europe. Identifiable groups of the population are excluded from society about “different types of deprivation and barriers, which alone or together, inhibit full participation in areas such as employment, education, health, housing, culture, access to the right the benefit of family support as well as training and employment opportunities”.

Undoubtedly, the poverty in Kosovo society is an issue that is present every person living in Kosovo, especially at those who are without work, without income or are uninsured. In this context, I believe that the problem of poor people and the ratio between them and the rich is not just an economic issues or a technical problem that can be solved immediately or that it can be handled only by written just different plans of action in order the fight poverty.

The Republic of Kosovo is far from meeting the Millennium Development goals, which aimed at reducing significantly the global poverty, to increase the level of education, gender equality and health by 2015.

References


