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Internal Migration and its Impact on Regional Development in Macedonia

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Internal Migration and its Impact on Regional Development in Macedonia

Ana Temova

Abstract- The economic growth is as much a synonym for each country's success. With the ongoing world globalization process, development of different areas in developing countries has undertaken significant role in increase of the economic growth, as well as in improving the overall life quality for the residents in the particular country. Unfortunately, the balanced development isn't often achieved, and the growing disparity causes internal migration which in the long-run deteriorates the opportunities for development of less developed areas. People living in less developed areas see developed ones as places with better opportunities for improving their welfare which includes jobs, income, education, health care, service infrastructure and social status. Macedonia as a developing country aims to be a part of the catch-up development process together with developed countries. This development goal of the country encourages internal migration which on long run causes differences in development among the regions. Preventive measures like decentralization and capital infrastructure policy are necessarily needed for establishing balanced regional development on long run.

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I. Introduction

Each country which aims to achieve living standards that would satisfy basic and upper needs of its citizens has serious task to establish balanced growth among different development areas. Inequalities in development can easily produce internal migration with shifting people from less developed areas to developed ones. Developed areas are seen as living places with better opportunities for education, health care, jobs, income, higher economic and social status.

Internal migration can be explained through the number of people shifting from one area to another within the country. This number can seriously change the origin of the economic, social, environmental and sustainable environmental picture in the countries in certain time.

This research has the purpose to analyze the causes of imbalanced growth among the regions in Macedonia, and to identify the conditions for their future balanced growth. The results should help the country to form set of policies that would support sustainable long-term economic and social development.

II. Internal Migration In Developing Countries

Internal migration as a long-term life orientation has the status of trend among people. It is induced as a result of certain economic and environmental factors. [1] When it occurs, it becomes serious reason for decomposition of countries' structure and stability. As a process in developing countries, it attracts the attention of the researchers because it has the power to transform the economy from agricultural or traditional into industrial and service oriented. In that sense, people who migrate have nothing to lose, but have bigger chances to win in their battle for achieving higher living standards. [2]

As a flow it gives significant information about benefits, costs and lost in areas where it occurs, saying a lot about the economic stability and sustainability of certain country with those outflows areas.

It occurs under the influence of push and pulls factors. [3]

Push factors known as negative factors in an area cause people to leave their origin living place and move to another area with better living conditions. [4] They are listed as high unemployment, low income payments and other unsatisfactory living standards within the area.

These factors are real and perceived by the resident people and opposite of their desire to have secure social and economic status. People migrate mostly for economic causes. The higher is the difference in business opportunities among different areas, the higher the number of people who migrate from less developed to more developed areas.

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[1] Sassen, S. (1988). *The mobility of labour and capital New York*. Cambridge University Press.

[2] Stark, O., & Bloom, D., E. (1985). The new economics of labour migration. *American Economic Review, 75*

[3] Portes, A. (2010). Migration and social change: Some conceptual reflections. *Journal of Ethnic and Migration Studies, 36.*

[4] Arizpe, L. (1981). Why people move: Comparative perspectives on the dynamics of internal migration. *Paris: The Unesco Press.*

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Pull factors are everything opposite from the push factors. As positive they attract people to come to better living area. They represent better quality life conditions which are desired and expected to be found by resident people in another area. They are driving motivation for people's movement. [5]

III. Rural Versus Urban Development

Many developing countries have the challenge to manage the balance between rural and urban growth while following the economic growth trace of developed ones. They usually use short term strategies or ad-hoc decisions putting the focus on rural push or urban pull growth. Rural areas have the role of push factors because of the internal migration, and urban ones have the role of pull factors considering better living and economic conditions in their existence.

Solid infrastructure, decreased unemployment, availability of the public services, usage of all disposed renewable resources, domestic productions and export orientation are basics for efficient and productive rural and urban growth. Well managed connection and coordination among these elements can improve life functionality in rural and urban areas as separate growth entities. [6]

Rural and urban development and their balance in the economy become serious task for developing countries. Many of them fail in achieving the balance because of their long term orientation to industrialization. Rural growth can stimulate and support the urban growth, and vice versa. The urban growth is seen as a key generator for rural growth, especially for accessing services and resources and equal usage of public goods.

Governance on local level can do so much to ensure rural and urban growth. The crucial question is whether this governance enables making decisions on local level. Urban centres of small and large types have been and still are in the primary focus of the regional country's politics, but growing potential of agricultural industry mustn't be considered anymore only as marginalized rural potential. [7]

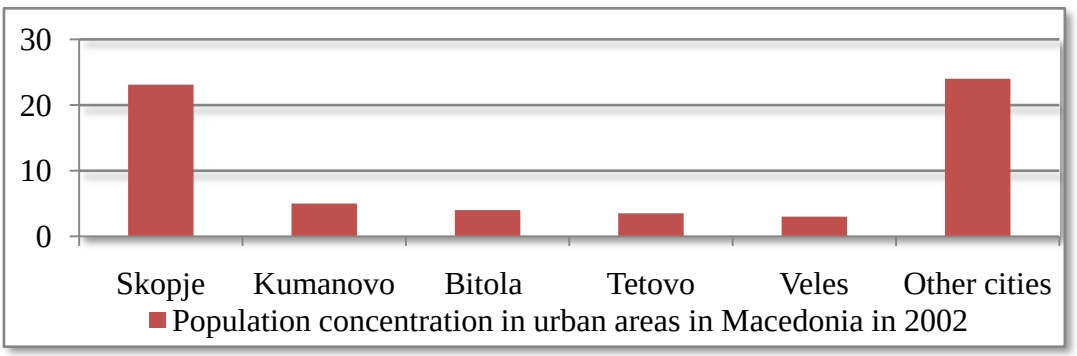
IV. Case Study Of Macedonia

In the past two decades, as in many developing countries in the Balkans, the situation in Macedonia followed the path of an increasing gap between rural and urban areas. According to the World Bank's analysis for Macedonia [8] in 1990 urban population represented 57.8% of the total population, in 2000-62.9%, while in 2010 it reached the highest peak of 67.1%. On contrary, in 1990 rural population represented 42.2% of the total population; in 2000-37.1%, while in 2010 it reached the lowest peak of 32.1%. The situation in 2014 changed due to decrease in urban population representing 57.1% and increase in rural population representing 43% of the total population.

V. Trends Of Internal Migration

As it is presented in Figure 1, according to the latest population census in Macedonia in 2002, the biggest population concentration is situated in urban areas:

- 23.1% in Skopje,
- 5% in Kumanovo,
- 4% in Bitola,
- 3.5% in Tetovo,
- 3% in Veles
- 24% in other cities with fewer inhabitants (max to 15,000 people per city).



Source: SSORM, Census of population, households and dwellings in the Republic of Macedonia, 2005, p. 20-25.

Figure 1

[5] Brettel, C., B., & Hollifield, J., F. (2008). *Migration Theory. Talking across disciplines*. New York: Routledge.

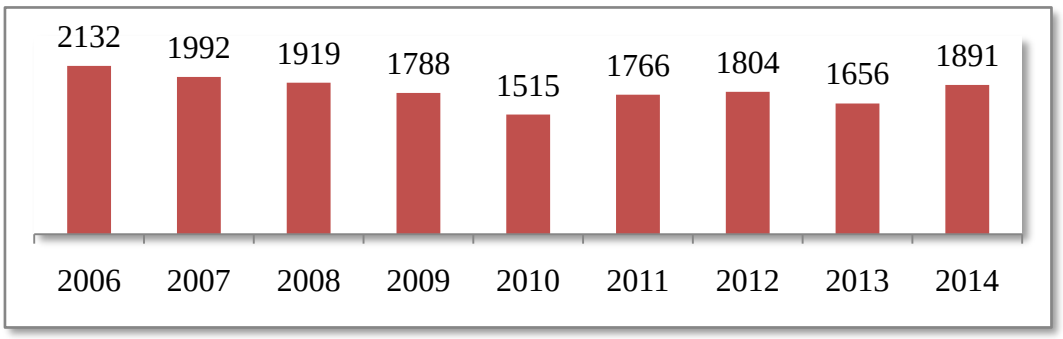
[6] Krüger, F. (1998). Taking advantage of rural assets as a coping strategy for the urban poor. *Environment and Urbanization 10*(1).

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[8] World Bank (n.d.). *Countries and economies*. Retrieved October 1, 2016, from http://data.worldbank.org/country.

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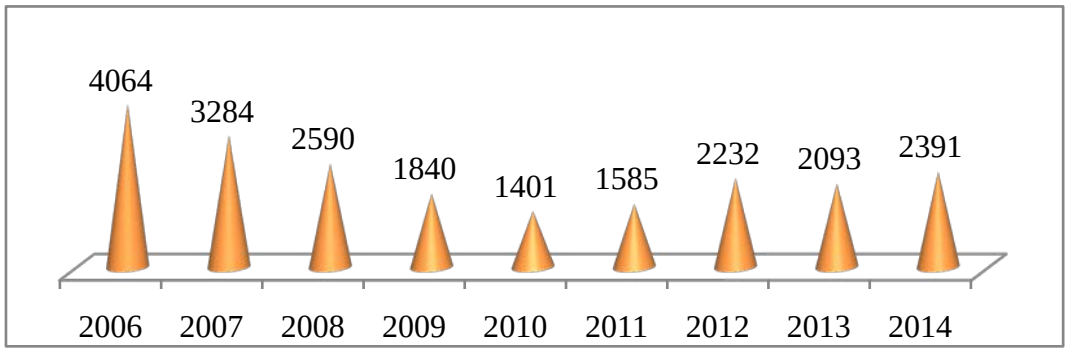
There are several factors for internal migration translated into bigger satisfaction of the living standards that people have in urban areas rather than in rural areas. Above all, the main causes which force people to migrate to urban areas are proper educational institutions, access to primary health care, employment and higher income.



Source: SSORM, Sustainable development, 2015, Table 4.5.1.

Figure 2

According to Figure 2, over the years, there is a constant process of internal migration from rural to urban areas. After the evident decline in internal migration in 2010, 2011 was marked with rise in migration due to existing better living environments and development of industrial and service activities in urban areas. After the cyclical movement of internal migration in the following years, 2014 shows an upward trend which must be viewed as a clear signal that certain instruments and measures should be taken in reducing this type of migration.



Source: SSORM, Sustainable development, 2015, Table 4.5.2.

Figure 3

Figure 3 indicates that the sustainable upward trend of migration in Skopje after 2010 is a result of overall services and business that are concentrated in the capital, and are of significance for the residents. If there had been serious decentralization of the same activities in other urban and less urban areas, the overall picture would have been different. Such tendency of increased migration to Skopje also indicates a lack of social infrastructure in other areas.

VI. Differences In Regional Development

There are eight statistical regions in Macedonia:

The **Vardar Region** covers 16.2% of the total area representing the central part of Macedonia extending along the river Vardar and Ovche pole Valley. It is ranked as the last one according to the number of people living there. It is geographically suitable for production of wine.

The **East Region** covers 14.2% of the total area that is concentrated in the Far East part of Macedonia along river Bregalnica. Winter and alternative tourism exist like potential sources for tourist business. It has geographical preconditions for cultivation of fruits and vegetables. The cultivation of rice is specifically available in the fields of Kochani.

The **Southwest Region** is settled in the far southwest part of Macedonia. It covers 13.4% of the total area. It is recognizable as a region with great hydroelectric potential which is partly used by the hydroelectric plants Globochica and Shpilje. Ohrid as a historical and cultural town and Ohrid Lake as one of the biggest natural treasure in the country gives this region a predisposition for tourism development.

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The **Southeast Region** is situated in the far southeast part along the river Strumica and lower reaches of the river Vardar. This region has a potential for tourism development with the lake Dojran especially because of its revitalization in the last several years. With great agricultural potential, it is known for its quality fruits, vegetables and industrial crop products which give this region a serious geographical benchmark for further quality production. The total land area is estimated at 10.9%.

The **Pelagonia Region** is in the south part of Macedonia along the Valley of Pelagonia and the lake Prespa with 18.9% of the country's total area. It has an advantage for agricultural development with solid hydrographical potential. It is the biggest electricity producer because of the coal existence. There are wider possibilities for tourism with presence of the Prespa Lake, the tourist town Krusevo, as well as the National Park Pelister.

The **Polog Region** is widespread at the northwest part of the Republic of Macedonia with 9.7% of the total area. The Polog Valley creates great opportunities for agricultural activities, while Mavrovo Lake is used for building hydroelectric plants that give this region significant hydroelectric potential. Winter tourism with existing winter resorts has also a promising perspective for this region.

The **Northeast Region** is in the far northeast part of Macedonia. It covers pretty small area with estimated 9.3%. As a region it has a favourable condition for development of food industry. Mountain Osogovo is known for the mineral deposits.



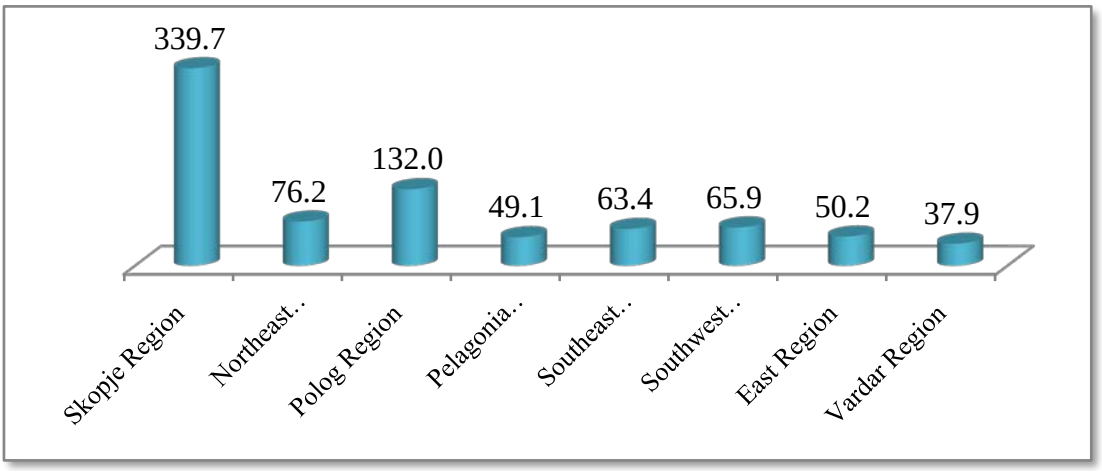
Source: SSORM, Regions of the Republic of Macedonia, 2015, p. 12.

Figure 4

The **Skopje Region** exists in the far northeast part of Macedonia and as smallest region in comparison with other regions it covers 7.3% of the total country's land area. It is in the far northeast part of Macedonia. Translated in people living there, it is the most populated region in the country. Most of the industrial, business and service activities are settled there. The solid infrastructure is also one of the characteristics of this region. Skopje as a capital of the country represents the most significant administrative, economic, educational, social and cultural centre where most of the people gather and live. That's why the trend of increased internal migration is the most presented in Skopje.

According to the population density by regions presented in Figure 5, Skopje region is the most densely populated region in the country with 336.7 inhabitants per km^2 of the total population, while the Vardar region is the least populated region with 38 inhabitants per km^2. In 2013, State Statistical Office (SSORM) estimated approximately 44% of rural population. Skopje region manifested increase in population number with nearly 80% of the total population. All rural areas are characterized with decrease in population number, as well as with the biggest number of illiterate population with the highest percentage of poverty (48%). The lowest rate of poverty is registered in Skopje with 12%.

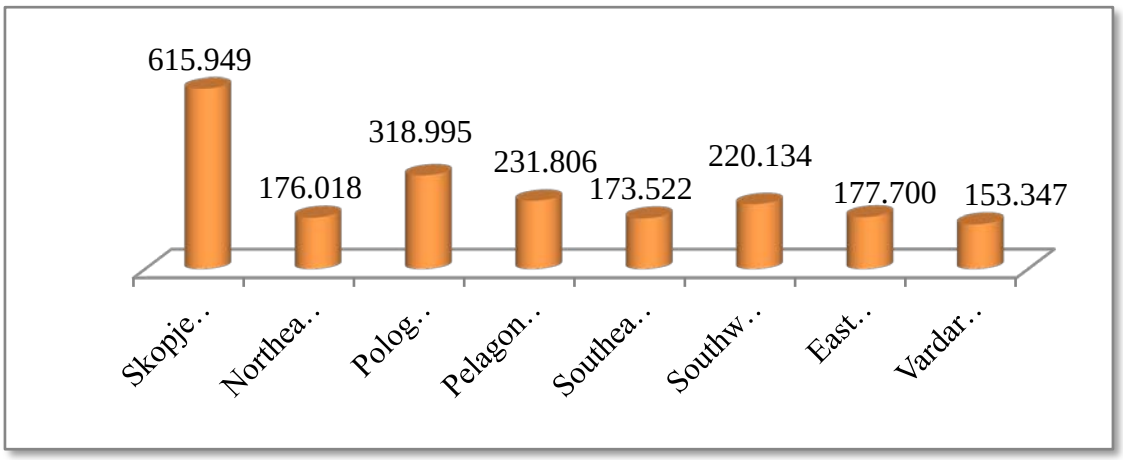
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Source: SSORM, Regions of the Republic of Macedonia, 2015, p. 15.

Figure 5

Population density in Macedonia depends mostly on population growth, internal migration and quality of existing living conditions. One of the factors with the biggest influence is surely the attraction of a certain region in economic sense. People will always strive to move to the region which offers necessary support in availability of basic services, education, solid infrastructure, working possibilities and organized local communities. As it can be seen in Figure 6, it is evident that most of the people see Skopje region as the most hopeful place to find all the aforementioned living conditions. According the population, Skopje Region is first; Polog Region takes the second place, and at the end is Vardar Region.



Source: SSORM, Regions of the Republic of Macedonia, 2015, p. 15.

Figure 6

VII. Regional Disparities

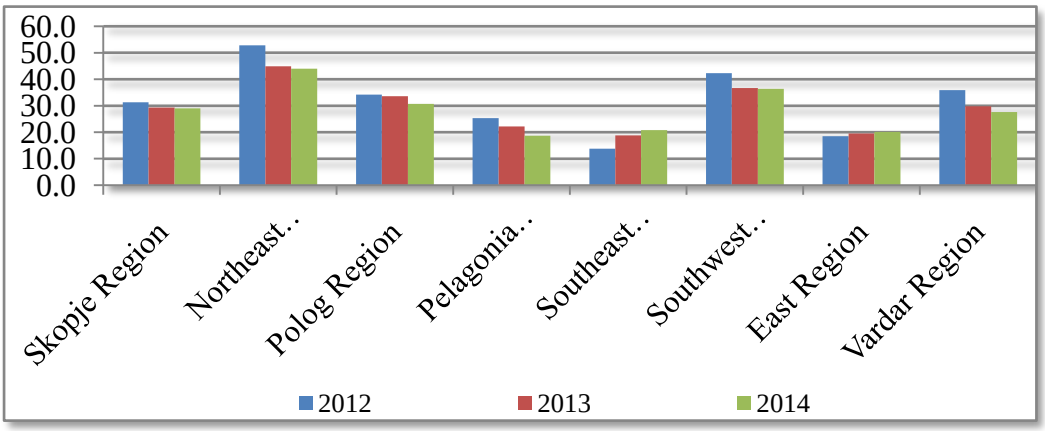
Internal migration is caused by regional disparities in Macedonia. Regional disparities indicate the differences that exist in demographic, economic and social development between urban and rural areas, or among different regions in the country. Some of the regional disparities can be seen by two indicators: [9]

- rate of unemployment by regions and
- GDP per capita by regions.

Relatively high unemployment rate above the European average in all regions in Macedonia as it is shown in Figure 7 is another indicator that further measures what should be undertaken that would necessarily lead to revival of the abandoned rural and less urban areas like providing certain infrastructural facilities that would be of capital importance for the citizens and the country.

[9] State Statistical Office of Republic of Macedonia (n.d.). *Regions of the Republic of Macedonia,* 2015. Retrieved November 20, 2015, from http://www.stat.gov.mk/

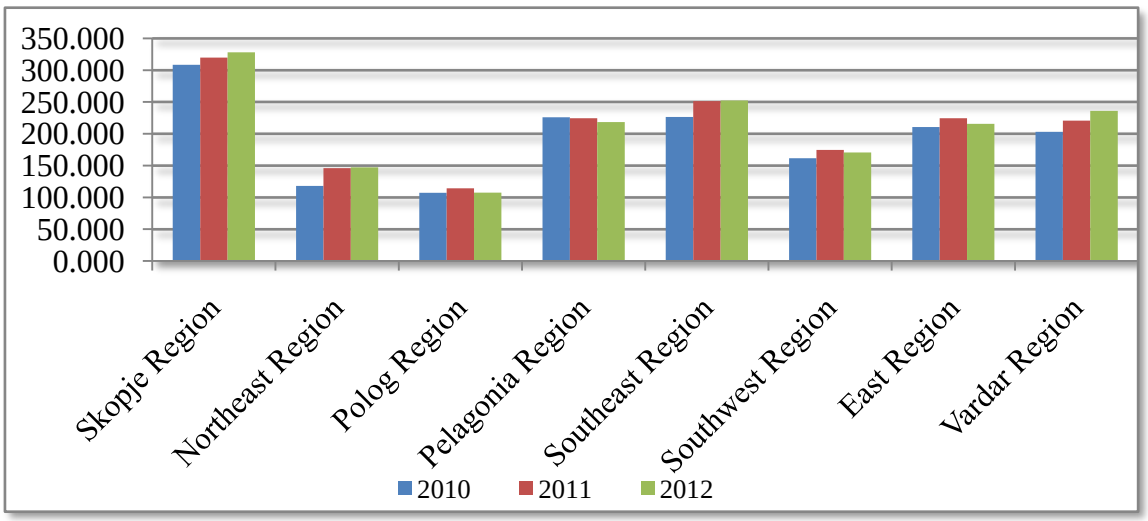
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Source: SSORM, Regions of the Republic of Macedonia, 2015, p. 35-36.

Figure 7

Figure 8 shows that Skopje Region is characterized with the highest GDP per capita in the country, while Polog Region with the lowest GDP per capita. As it can be seen, GDP manifests different data in each region. Such differences in GDP per capita may be due to the difference in GDP per capita in certain region where residents live and GDP per capita in other region where the same residents work. For example, when a single employee works in one region, but lives in another region, there is a trend of increasing GDP in the region where the person is employed, and tendency of reducing GDP where he lives.



Source: SSORM, Regions of the Republic of Macedonia, 2015, p. 48.

Figure 8

VIII. Preventive Regional Policies From Internal Migration In Macedonia

With internal migration as a trend, Macedonia with no delay has to anticipate, predict and undertake preventive measures on time before it occurs, as well as to take corrective measures if it occurs. Migration trends create people's needs which have to be met and satisfied that also determines the frames of sustainable economic and social growth of the country.

Authorities have to take into consideration important areas of action policies for balanced economic and social growth such as policy of decentralization and of capital infrastructure.

a) Policy of Decentralization

Policy of decentralization understands transferring competences parts of the centralized function of institutions on local level (municipalities). Strengthening the local communities would reduce their dependence from the government financial support with subventions and other benefits, i.e. reducing the influence of the top – down strategy. Regional development cannot be made up mostly by local

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governance and cannot be of concern only for residents living in those areas needing decentralization. [10]

It is important to identify those areas that possess basic capabilities for successful development, and to involve them in further development process. For start, the identification of these areas should be responsibility for local policy makers, while managing with infrastructure, organization and coordination should be responsibility for the higher levels of governance. Bottom – up strategy of action can make the process of decentralization possible. [11]

This policy includes:

- Local communities reflect social capital,
- Human capital is in the focus of the new regional development,
- Decentralization has the status of precondition for successful development,
- Coordination and collaboration between public and private sector,
- Some of the decisions for financing should be made on local level,
- Local communities can represent the needs and requirements of their residents to the central government and
- Labour market can be better understood on local level.

With implementation of decentralization policy, less developed areas can be further developed according to their geographical, climate and natural characteristics. For example, certain region can do best economic performance in growing vegetables or fruits, other region in food or wine production, etc. In order to support these activities, the relationship between the central government and municipal authorities should work on satisfactory higher level. Each municipality should be in a position to propose certain quality financial projection to the central government. This proposal should be justified by the municipality with realistic projections for the future economic results and employment of people. Human potential in rural areas can be raised through business centres' development and local social networking promotion.

b) Policy of Capital Infrastructure

The most important precondition of the capital infrastructure policy is existence of capital objects that contain quality roads' development like:

- Highways for establishing connection with neighbouring countries,
- National roads for establishing connection between municipalities or between urban and less urban and rural areas, and
- Local roads for establishing connection among the smaller centres within the urban and rural areas.

Roads with solid quality structure are necessary for faster export of the agricultural products taking into account that these products can be easily spoiled. This road connection will ease the possibility for certain municipality to accomplish its economic development program, and at same time to decrease the internal migration of all less developed areas to the capital, Skopje.

Furthermore, those areas where windmills and solar energy are possible to be established should be put on the national agenda for rational use of energy. Roads and renewable sources must be considered as serious external infrastructural investments that can bring benefits.

Still, the existence of external infrastructure wouldn't be enough for the country to prevent itself from internal migration. Young people's migration from rural to urban areas and often abroad is in increase due to the quality of living in rural areas which isn't on satisfactory level. This trend causes serious decrease in the number of labour force in rural areas. Development policies of rural areas and capital investments in infrastructure in terms of the National Strategy (2014-2020) should encourage the entrepreneurship in those areas in order to return the young population to live and work in the places where they previously lived. [12]

According to the National Strategy (2014-2020), rural population has limited access to basic services like educational, health, transport, telecommunication and cultural services. Although authorities made some improvement in that sphere, still great part of the population there has limited or no access to these type of services. Great road distance between rural and urban areas has also got a negative impact on the availability of these services.

Policy of capital infrastructure can also help in decreasing internal migration. There is a necessity for establishing internal infrastructure in rural and less rural areas. Only Skopje as capital has complete internal infrastructure. Internal infrastructure in rural and less rural areas would provide necessary conditions for normal daily living. Thus, several measures can be proposed:

[10] Durlauf, S. (2002). On the empirics of social capital. *Economic Journal*, *112, 483.*

[11] Hofferth, S., Boisjoly, J., & Duncan, G. (1999). The development of social capital. *Rationality and Society*, *11*.

[12] Ministry of Agriculture. Forestry and Water Management. (2014). *National strategy for agriculture and rural development, (2014-2020).* Retrieved December 15, 2014, from http://www.mzsv.gov.mk/

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- Construction of kindergartens,
- Construction of schools,
- Construction of clinics or mini hospitals with medical staff,
- Construction of pharmacies,
- Water supply network,
- Sewerage network and
- Paved road.

It can be expected that in due time the internal migration can be significantly decreased if the authorities provide minimum needed conditions for normal quality living in rural areas.

IX. Conclusion

For the Macedonian regional development it can be concluded that the state with its governmental institutions has the crucial role for implementation of all necessary policies and measures. Not less important, but with low authority for involvement in country's development strategy are non-governmental institutions and civil society. These stakeholders together have to have solid linkage and cooperation with the government when it comes to state issues that are of fundamental importance for the residents.

One of the preconditions for having successful linkage between economic growth and internal migration is building and making quality infrastructure. For quality life in rural areas is necessary to have basic public services access. This aspect is closely connected to certain strategic decisions on national level. Although it is usually seen as sensitive area for local authorities because of the time and money that should be invested in building it, at same time they should be aware of its importance for local and regional development.

Internal migration from rural to urban areas is a serious signal that a misbalance exists among the regions in Macedonia. Skopje Region with the highest GDP and level of density population by regions can serve as one additional fact for the aforementioned measures for economic regional development.

Encouraging greater economic activity in other regions besides Skopje Region should attract people to return to their currently less developed areas. Institutions must undertake economic incentives which will raise the awareness of Macedonian residents that besides Skopje, they can also live in other urban and rural areas.

This may be feasible only under the assumption that less developed regions will exist with all necessary conditions for quality living.

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