

# 1 Internal Migration and its Impact on Regional Development in 2 Macedonia

3 Ana Temova<sup>1</sup>

4 <sup>1</sup> Stopanska Banka AD Skopje, Macedonia

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## 7 **Abstract**

8 The economic growth is as much a synonym for each country's success. With the ongoing  
9 world globalization process, development of different areas in developing countries has  
10 undertaken significant role in increase of the economic growth, as well as in improving the  
11 overall life quality for the residents in the particular country. Unfortunately, the balanced  
12 development isn't often achieved, and the growing disparity causes internal migration which  
13 in the long-run deteriorates the opportunities for development of less developed areas. People  
14 living in less developed areas see developed ones as places with better opportunities for  
15 improving their welfare which includes jobs, income, education, health care, service  
16 infrastructure and social status.

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18 **Index terms**— internal migration, developing countries, macedonia, policy of decentralization, policy of  
19 capital infrastructure, regional development.

## 20 **1 Introduction**

21 Author: MBA, Faculty of Economics, University of Ljubljana -Ljubljana, Slovenia. Author: MSc, Institute  
22 of Economics, University "St. Cyril and Methodius" -Skopje, Macedonia. e-mail: anatemova@gmail.com This  
23 research has the purpose to analyze the causes of imbalanced growth among the regions in Macedonia, and to  
24 identify the conditions for their future balanced growth. The results should help the country to form set of  
25 policies that would support sustainable longterm economic and social development.

## 26 **2 II. Internal Migration In Developing Countries**

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

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

35 3 Push factors known as negative factors in an area cause people to leave their origin living place and move to  
36 another area with better living conditions. 4 They are listed as high unemployment, low income payments and  
37 other unsatisfactory living standards within the area.

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

42 **3 Volume XVII Issue IV Version**

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44 Global Journal of Human Social Science -Year 2017 ach country which aims to achieve living standards that  
45 would satisfy basic and upper needs of its citizens has serious task to establish balanced growth among different  
46 development areas. Inequalities in development can easily produce internal migration with shifting people from  
47 less developed areas to developed ones. Developed areas are seen as living places with better opportunities for  
48 education, health care, jobs, income, higher economic and social status.

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

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

55 **4 III. Rural Versus Urban Development**

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

61 Solid infrastructure, decreased unemployment, availability of the public services, usage of all disposed renewable  
62 resources, domestic productions and export orientation are basics for efficient and productive rural and urban  
63 growth. Well managed connection and coordination among these elements can improve life functionality in rural  
64 and urban areas as separate growth entities. 6 Governance on local level can do so much to ensure rural and  
65 urban growth. The crucial question is whether this governance enables making decisions on local level. Urban  
66 centres of small and large types have been and still are in the primary focus of the regional country's politics, but  
67 growing potential of agricultural industry mustn't be considered anymore only as marginalized rural potential.

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

72 **5 7**

73 IV.

74 **6 Case Study Of Macedonia**

75 In the past two decades, as in many developing countries in the Balkans, the situation in Macedonia followed the  
76 path of an increasing gap between rural and urban areas. According to the World Bank's analysis for Macedonia  
77 8 V. There are several factors for internal migration translated into bigger satisfaction of the living standards  
78 that people have in urban areas rather than in rural areas. Above all, the main causes which force people to  
79 migrate to urban areas are proper educational institutions, access to primary health care, employment and higher  
80 income.

81 **7 Trends Of Internal Migration**

82 **8 Figure 2**

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

88 **9 VI. Differences In Regional Development**

89 There are eight statistical regions in Macedonia:

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

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

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

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

106 The Pelagonia Region is in the south part of Macedonia along the Valley of Pelagonia and the lake Prespa with  
107 18.9% of the country's total area. It has an advantage for agricultural development with solid hydrographical  
108 potential. It is the biggest electricity producer because of the coal existence. There are wider possibilities for  
109 tourism with presence of the Prespa Lake, the tourist town Krusevo, as well as the National Park Pelister.

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

114 The Northeast Region is in the far northeast part of Macedonia. It covers pretty small area with estimated  
115 9.3%. As a region it has a favourable condition for development of food industry. Mountain Osogovo is known  
116 for the mineral deposits. According to the population density by regions presented in Figure ??, Skopje region is  
117 the most densely populated region in the country with 336.7 inhabitants per km<sup>2</sup> of the total population, while  
118 the Vardar region is the least populated region with 38 inhabitants per km<sup>2</sup>. In 2013, State Statistical Office  
119 (SSORM) estimated approximately 44% of rural population. Skopje region manifested increase in population  
120 number with nearly 80% of the total population. All rural areas are characterized with decrease in population  
121 number, as well as with the biggest number of illiterate population with the highest percentage of poverty (48%).  
122 The lowest rate of poverty is registered in Skopje with 12%.

## 123 **10 Figure 5**

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

## 131 **11 Regional Disparities**

132 Internal migration is caused by regional disparities in Macedonia. Regional disparities indicate the differences  
133 that exist in demographic, economic and social development between urban and rural areas, or among different  
134 regions in the country. Some of the regional disparities can be seen by two indicators: 9 ? rate of unemployment  
135 by regions and ? GDP per capita by regions.

136 Relatively high unemployment rate above the European average in all regions in Macedonia as it is shown in  
137 Figure ?? is another indicator that further measures what should be undertaken that would necessarily lead to  
138 revival of the abandoned rural and less urban areas like providing certain infrastructural facilities that would be of  
139 capital importance for the citizens and the country. Internal Migration and its Impact on Regional Development  
140 in Macedonia

141 Figure 7

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

148 Figure 8

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

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

**155 12 Policy of Decentralization**

156 Policy of decentralization understands transferring competences parts of the centralized function of institutions  
157 on local level (municipalities). Strengthening the local communities would reduce their dependence from the  
158 government financial support with subventions and other benefits, i.e. reducing the influence of the top -down  
159 strategy. Regional development cannot be made up mostly by local VIII. Preventive Regional Policies ??rom  
160 Internal Migration In Macedonia a)

161 governance and cannot be of concern only for residents living in those areas needing decentralization. 10 It  
162 is important to identify those areas that possess basic capabilities for successful development, and to involve  
163 them in further development process. For start, the identification of these areas should be responsibility for local  
164 policy makers, while managing with infrastructure, organization and coordination should be responsibility for  
165 the higher levels of governance. Bottom -up strategy of action can make the process of decentralization possible.  
166 11 ? Local communities reflect social capital, ? Human capital is in the focus of the new regional development,  
167 ? Decentralization has the status of precondition for successful development, ? Coordination and collaboration  
168 between public and private sector, ? Some of the decisions for financing should be made on local level, ? Local  
169 communities can represent the needs and requirements of their residents to the central government and ? Labour  
170 market can be better understood on local level.

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

179 ? National roads for establishing connection between municipalities or between urban and less urban and rural  
180 areas, and ? Local roads for establishing connection among the smaller centres within the urban and rural areas.

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

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

188 ? Highways for establishing connection with neighbouring countries, Still, the existence of external  
189 infrastructure wouldn't be enough for the country to prevent itself from internal migration. Young people's  
190 migration from rural to urban areas and often abroad is in increase due to the quality of living in rural areas  
191 which isn't on satisfactory level. This trend causes serious decrease in the number of labour force in rural areas.  
192 Development policies of rural areas and capital investments in infrastructure in terms of the National Strategy  
193 (2014-2020) should encourage the entrepreneurship in those areas in order to return the young population to live  
194 and work in the places where they previously lived. 12 Volume XVII Issue IV Version I

**195 13 Policy of Capital Infrastructure**

196 The most important precondition of the capital infrastructure policy is existence of capital objects that contain  
197 quality roads' development like: 12 Ministry of Agriculture, Forestry and Water Management. (2014).

**198 14 National strategy for agriculture and rural development,  
199 (2014-2020).**

200 Retrieved December 15, 2014, from <http://www.mzsv.gov.mk/> According to the National Strategy (2014-2020),  
201 rural population has limited access to basic services like educational, health, transport, telecommunication and  
202 cultural services. Although authorities made some improvement in that sphere, still great part of the population  
203 there has limited or no access to these type of services. Great road distance between rural and urban areas has  
204 also got a negative impact on the availability of these services.

205 Policy of capital infrastructure can also help in decreasing internal migration. There is a necessity for  
206 establishing internal infrastructure in rural and less rural areas. Only Skopje as capital has complete internal  
207 infrastructure. Internal infrastructure in rural and less rural areas would provide necessary conditions for normal  
208 daily living. Thus, several measures can be proposed: It can be expected that in due time the internal migration  
209 can be significantly decreased if the authorities provide minimum needed conditions for normal quality living in  
210 rural areas.

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## 211 15 Conclusion

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

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

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

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

228 This may be feasible only under the assumption that less developed regions will exist with all necessary  
conditions for quality living. <sup>1 2 3</sup>

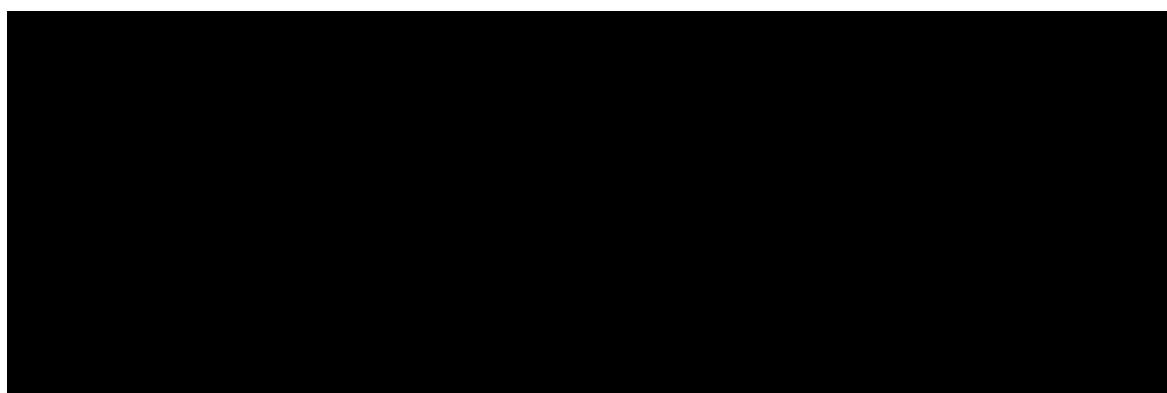


Figure 1: Internal

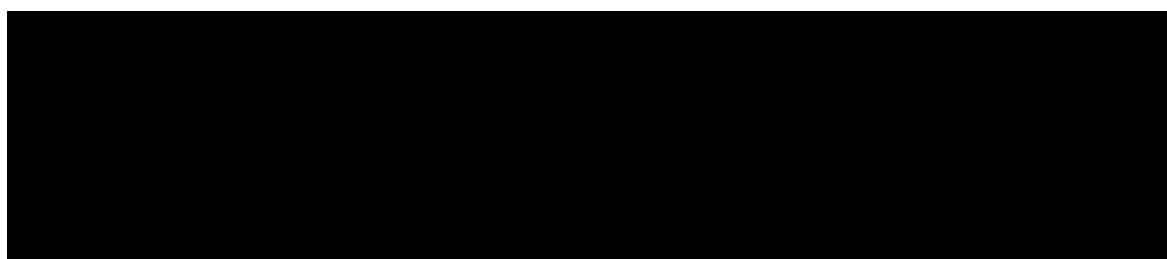


Figure 2: 7



Figure 3:

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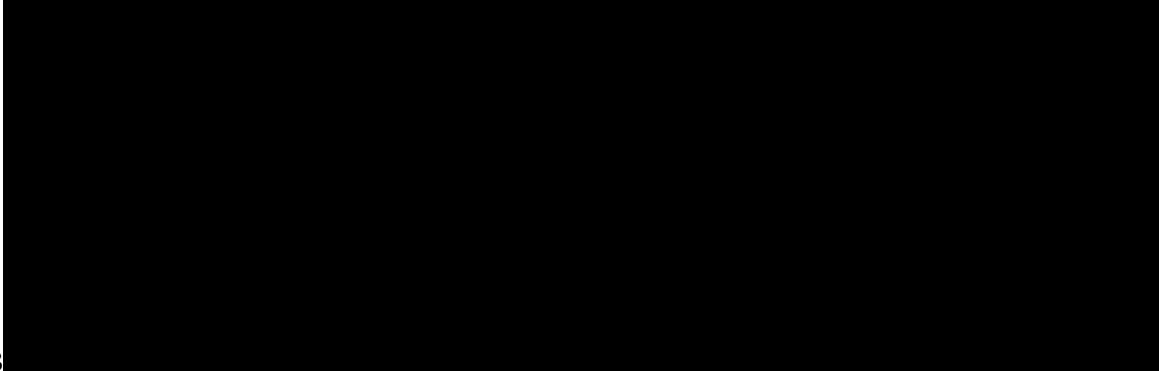


Figure 4: Figure 3 3 2006

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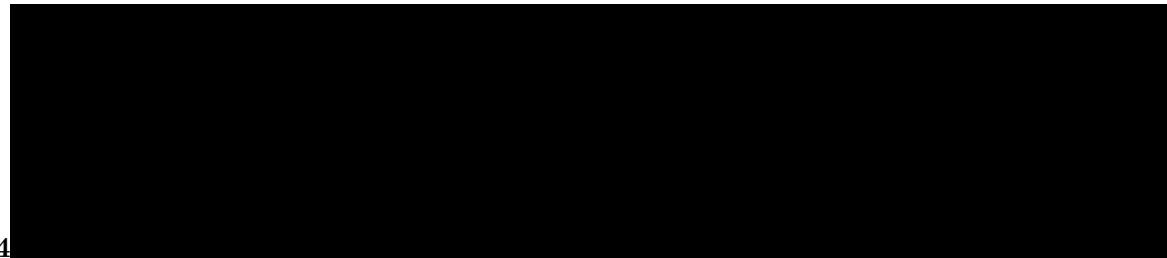


Figure 5: Figure 4 Source

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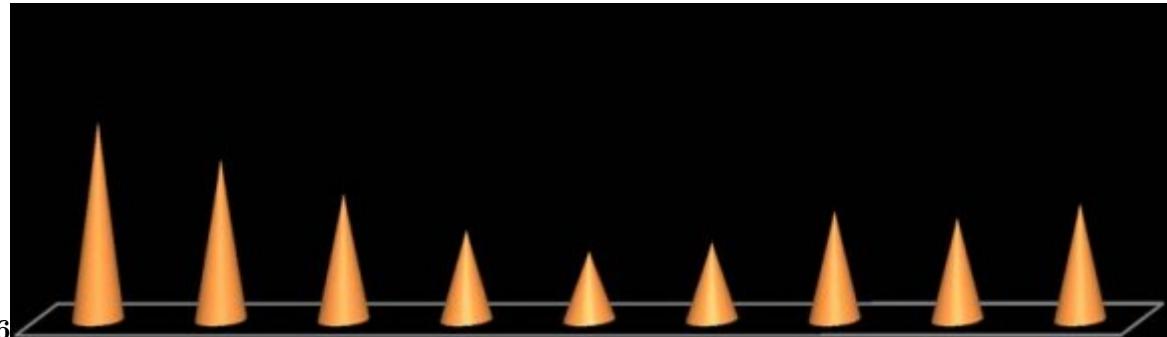


Figure 6: Figure 6



Figure 7:

<sup>1</sup>World Bank (n.d.). Countries and economies. Retrieved October 1, 2016, from <http://data.worldbank.org/country>. © 2017 Global Journals Inc. (US)

<sup>2</sup>© 2017 Global Journals Inc. (US)

<sup>3</sup>Year 2017 © 2017 Global Journals Inc. (US)



Figure 8:

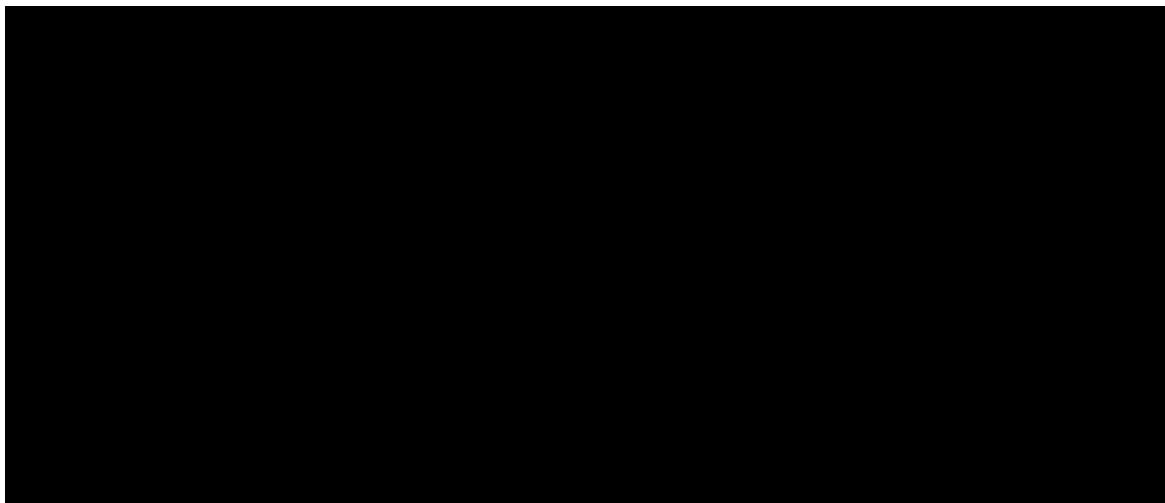


Figure 9:

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.

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%

Figure 10: in other cities with fewer inhabitants (max to 15,000 people per city).



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