

# **Developing future scenarios of demographic, migratory and labour market processes in Serbia:**

## **Foresight findings**

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## Executive Summary

The foresight exercise was held in Kanjiža on 12 and 13 December 2013 in the Institute for Education and Culture “Cnesa” and was organized in cooperation of the national partners: Institute of Social Sciences, Statistical Office of the Republic of Serbia and the municipality of Kanjiža. The participants consisted of three groups: experts, decision makers, and representatives of migrants/civil society. Each group identified key drivers of migration and labour market in the near future of Serbia through to the three parallel brainstorming sessions on the first day. During the second, through the discussion of all participants, five key drivers were selected according to priority, and were afterwards put into binary matrix. The moderators then divided the participants into two groups. Based on the matrix, one had to create a positive scenario and the other a negative on the country level up to 2025. Finally, each of these groups applied the previously developed macro-level scenario to a specific person and her life, which resulted in two individual stories.

Perception of the participants in regard to migration and labour market processes in Serbia largely coincides with quantitative indicators presented in the SEEMIG country report on dynamic historical analysis of longer term migratory, labour market and human capital processes (reference). All three groups chose almost the same key factors, which, in their opinion, influence their own future and future of Serbia, even though the definition used varies. They recognized that political stability, economy, institutional background, and system of values in the society represent key drivers of migration and labour market in the near future. The issue on the EU accession is included in the political stability and economic growth.

The group that made a positive scenario was impressed by the ability to perceive the future of Serbia from a completely different point of view than the one that was dominant during the last two decades. Such an approach resulted in the following scenario:

Political stability would provide positive conditions for improvement in economy resulting in growth in the fields of agriculture, energy, and industry. The education system will go through intensified process of reforms and modernization in accordance with EU standards. Businesses would be easier to initialize due to simplified bureaucratic regulations. Increase in economy would encourage the return of emigrants who left the country in the recent period. Also, it is expected that Serbia will become attractive for foreign students as it was the case before the 1990s. Awareness would be raised concerning all kinds of diversities that would result in restoring of system of values.

It seemed that it was much easier for this group to make a negative country scenario given that the negative realization of key drivers of migration and labour market has been shaping reality in Serbia for a long period of time. Thus the presence of linear trends in the following scenario is not unexpected.

Political instability would lead to a decrease in economy, which in turn would cause poverty in the society. As always, poverty is the first step to the downfall of values, such as culture, moral, ethics, etc. Corruption would be increased. The education system, health and social protection systems would start to regress. The country would be further disintegrated. The feelings of insecurity, lack of perspective, impotence would be commonly experienced. Emigration flows would increase while fertility rates would decrease mainly due to postponement of births. The process of population ageing would be intensified.

A single hero, a young nurse who is an internally displaced person from Kosovo and Metohija, was chosen by participants of the foresight workshops to depict individual scenarios, and she was put into both positive and negative country context. In the positive country scenario, she lives in Serbia with her husband, agronomist returnee from Holland, and has three children by 2025. She is involved

in family agricultural business. In the opposite country scenario, she emigrates to Italy in order to join her husband, who is a car mechanic. She is employed in a nursing home for the elderly and has two children by 2025 with no intention to return to Serbia.

These life stories can be transformed into direct messages to decision makers, which is one of the basic aims of the foresight exercise. Persons from the province of Kosovo and Metohija who were internally displaced across the country since 1999, are integrated in their new local communities. The realization of the positive country scenario on individual level would bring back young emigrants enriched with working experiences and new knowledge from developed economies, who have enough incentive for launching small business in Serbia. Also, from a demographic viewpoint, this scenario would help young couples to achieve their norms of reproduction. Finally, the positive country scenario shows that individuals would be more encouraged for job mobility as compared to the heritage from the socialist period.

The no return migration outflows from Serbia to the overseas destinations (USA, Australia) that renewed during the 1990s are considered a general pattern of emigration from the country; thus, while searching for employment, in the conditions of negative country context, emigrants from Serbia will strive to permanently settle down even in close European destinations, such as Italy, unlike the case of working emigration (guest workers) to Germany between 1960s and 1980s. Consequently, intensified population ageing will bring new challenges in medical sector, elderly care system, and pension system.

Both personal stories are illustrative enough to clearly demonstrate difference between two opposite futures in regard to migration, human capital and labour market in Serbia in the forthcoming period. They could be inspiring for policy makers to realize the importance of migration issue and its implications in order to act. It seems to us that this foresight exercise, as a qualitative approach, could provide additional insights to quantitative methods in forecasting future of the country.

## 1. INTRODUCTION

This report presents the results of the foresight exercise carried out as part of the SEEMIG project in Serbia in December 2013. The participants of the exercise were carefully identified and invited by SEEMIG team from Serbia: Institute of Social Sciences, Statistical Office of the Republic of Serbia and the Municipality of Kanjiža. The invited individuals consisted of experts, decision makers, and representatives of migrants/civil society who were asked to think together in order to identify key drivers of migration and labour market in the near future of Serbia and to develop positive and negative country scenario up to 2025. A hero was chosen to depict both macro-level scenarios which resulted in two individual life stories.

### 1.1. Foresight as a method

Foresight exercise is a qualitative analytical method which uses a holistic approach in order to answer questions which cannot be phased down to numerical information. It develops scenarios which consider a range of plausible futures and how these could emerge from the realities of today. They recognise that people hold beliefs and make choices that lead to outcomes. Scenarios ask “what if?” questions to explore alternative views of the future and create plausible stories around them. They consider long-term trends in economics, geopolitical shifts and social change, as well as the motivating factors that drive change. In doing so, they help build visions of the future. Scenarios help decision makers reconcile apparent contradictions or uncertainties, such as how political change in one region impacts global society. They also have the potential to improve awareness around issues that could become increasingly important to society, such as increased urbanisation, greater connectivity or loss of trust in institutions. Organisations using scenarios find it easier to recognise impending disruptions in their own operating environment, such as political changes, demographic shifts or recessions (European Commission, 2014).

Foresight exercise in the framework of SEEMIG can be characterised as a qualitative approach, which intends to make sense of future perceptions, expectations and fears of citizens of Serbia. Its activities are designed to address critical questions, which might significantly shape the future of the country in the coming years. In a way it is a preparation for the future. Foresight exercise reinforces thinking about future steps to be taken, if a specific scenario became reality. Other foresight studies on the topic of migration or labour market developments in Serbia were not known to the authors of this report. Thus, the foresight exercise in Serbia could solely be based on the experiences of other countries.

### 1.2. Main findings of SEEMIG foresight exercise

Participants of SEEMIG foresight exercise recognized that political stability, economy, institutional background, and system of values in the society represent key drivers of migration and labour market in the near future of Serbia. Strong economy, education system in line with modern demands, and return of emigrants who recently left the country are the main pillars of the positive

country scenario while political instability and weak economy would lead to regression in the vital systems of the country intensifying emigration and population ageing according to the negative scenario.

The only opportunity in the positive country context in regards to migration and labour market might be return of recent emigration. Thus, the main role of the state could be not to develop special incentives for return migration, but to expand its engagement in the activities that would offer equal opportunities.

Increasing permanent emigration of prime-age workers from the country could be a serious challenge for the health and social protection systems in the negative scenario. In that sense, policy makers would have to focus on rising demands in medical sector, improvements of elderly care system, and to reforms of pension system due to low labour-force base.

Personal life stories based on the binary opposite futures of the country can be used as an illustrative tool in order to unambiguously demonstrate to stakeholders all the relevant implications that different futures might have in regard to migration, human capital and labour market in Serbia in the forthcoming period. They could be inspiring for policy makers to realize the importance of migration issue and its implications in order to act. Furthermore, it seems that this foresight exercise, as a qualitative approach, could provide additional insights to quantitative methods in forecasting future of the country.

### **1.3. Structure of the report**

After introduction, in Chapter 2, a brief description of general political and socio-economic conditions in Serbia since 2000 is given. Also, the main characteristics of international migration after 1989 are reported. Chapter 3 gives necessary information on the methodological details in regards to organizing and conducting the foresight events in Serbia, including description of the process and profiles of the participants, and to analyzing material. Chapter 4 provides results of the foresight exercise in Serbia. Brainstorming and brain-mapping sessions in the framework of the workshop 1 resulted in the key drivers of migration and labour market in the country until 2025. Workshop 2 represents the synthetic stage of the foresight that provides selection of the key drivers and development of the country and individual scenarios. In the final chapter named Synthesis and conclusions the main findings of the foresight exercise held in Serbia are summarized. In addition, the opportunities, threats and policy implications by the two opposing scenarios are listed.

## 2. COUNTRY CONTEXT

Dynamic historical analysis of longer term migratory, labour market and human capital processes in Serbia was the outcome of Work Package 3 of the SEEEMIG project (ISS, 2013). Some of the main findings relevant for the country context in the foresight exercise are presented in this section.

### 2.1. Political and Socio-economic Overview

After the political changes in 2000 and complete lifting of severe international sanctions, comprehensive political and economic reforms in the country began, as well as intensification of Euro-Atlantic integrations that resulted in the membership negotiations' with EU, which started in January 2014. The last decade is also a period of intensified increase in GDP per capita (the level of 1980 was achieved in 2005) which again started to decrease with the beginning of the global economic crisis in 2009. High increase of unemployment was recorded from 2010 to 2011, when the number of unemployed persons increased by almost one fifth reaching 670,000. Unemployment rate in Serbia in 2011 (23%) was three to four times the rate of main destination countries of Serbia's emigrants.

### 2.2. Development of international migration

During and after the wars in the Western Balkans in the 1990s Serbia became one of the main destinations for refugees from Bosnia and Herzegovina and Croatia (more than 600,000 according to refugee registration in 1996). Right before and during the NATO military campaign in 1999, over 200,000 persons from Serbian southern province Kosovo and Metohija were internally displaced in the rest of the country. Net migration balance of the country varied roughly between -10,000 and -15,000 persons per year during the last decade. Migration trends in Serbia in the recent period have a negative impact on population development, as they result in a decrease of the population size of the country, reduction of total number of births, reduction of labour resources and have an adverse effect on the age structure of the population.

Immigrants in Serbia mainly consist of refugees from former Yugoslavian republics and internally displaced persons from Kosovo and Metohija. The share of foreigners originating outside former Yugoslavia is negligible. Emigrants from Serbia are typically younger than the population in the country. Those working in traditional European destinations mostly have low education, while brain drain is considered to be important part of the emigration flows to overseas countries, which is renewed since the 1990s.

Population and labour force decline and ageing, both clearly identified characteristics of contemporary Serbia could not be avoided even by the most optimistic scenario of future demographic and labour market processes. In the following decade, before expected accession to the EU, net migration losses might reduce slightly. Short lasting high volume emigration could be a realistic future for Serbia just after the EU accession as it was the case in Poland after 2004, but in the longer term a turn towards positive net migration is considered to be a plausible scenario.

A sufficiently developed consciousness in the political and public discourse on the significance of the migratory phenomenon does not exist in Serbia, nor are the potentials of including migrations in development programmes for the country's revival completely recognized, including demographic revitalization, and particularly the requirement to comprehensively act in this sphere is underdeveloped. The migration component of population change is not present in political, economic, academic nor general public discourse. If migration is mentioned at all, it is typically regarded in a negative context. The brain drain has become synonymous for emigration as the echo of the 1990s. The reasons for the misrecognition of the immigration potential should be sought in traditionalism, unfavourable economic and social situation, general insecurity, the country's isolation, and similar, but also due to lack of information.

### 3. METHODOLOGY

#### 3.1. Workshops

##### 3.1.1. When and where were the workshops conducted

The foresight exercise was held in Kanjiža on 12 and 13 December 2013 in the Institute for Education and Culture “Cnesa” and was organized in cooperation of the national partners: Institute of Social Sciences, Statistical Office of the Republic of Serbia and the municipality of Kanjiža. Each partner had taken up on themselves to organize the participation of one of the three groups necessary for the exercise.

##### 3.1.2. How were the workshops conducted

The partners came to the conclusion that it would be most effective to do the exercise on two consecutive days, as it was deemed highly improbable to have people from Belgrade come to Kanjiža more than once or twice. That is why the three brainstorming sessions of the workshop 1 were done parallelly on one day. The three groups (experts, decision makers and representatives of migrants/civil society) were asked to define the drivers, i.e. key factors, which, in their opinion, influence the future of Serbia in relation to migration and labour market. As the sessions came to an end, the moderators asked for volunteers who would present the results of the brainstorming to all participants of the exercise. The second day, dedicated to development of the matrix and scenarios in the framework of the *workshop 2*, began with those short presentations. Through discussion of all participants, five key drivers were selected according to priority. The moderators then divided the participants into two groups. One had to create a positive scenario and the other a negative one on the country level. During the final part of the *workshop 2*, each group of participants applied the previously developed macro-level scenario to a specific person and her life, which resulted in two individual stories.

##### 3.1.3.1 Workshop 1: Brainstorming and brain-mapping sessions – arriving at key drivers of migration

Before the brainstorming, the participants were briefly introduced with SEEMIG and were told about the course of the exercise. The participants were asked to read the consent form and sign it if they agreed with its terms. All the participants signed it apart from one, who said that he was not authorized to do it, but gave his permission to use the information he provided from the recordings. After that, they were divided into three groups: decision makers, experts and representatives of migrants/civil society, which worked in parallel sessions.

Working part of the brainstorming sessions was opened by a question asking about the drivers that participants found to be important for future of migration and labour market in Serbia. Initially, the participants were somewhat reserved, as they have never before taken part in a foresight exercise. As the workshops progressed, most of the participants had their say on various topics. They were

mostly very talkative and their approach to the method was quite positive. Each group had a dominant speaker, but the moderators were prepared to handle such situations. There were no other issues.

### **3.1.3.2 Workshop 2: Synthesizing (Selection of main drivers, Development of matrix, Formation of mixed groups, Development of scenarios )**

Workshop 2 of the foresight exercise that gathered all the participants began with the reports of the brainstorming results by the representatives of the three groups, who explained the most important conclusions of their former group from the *workshop 1*. The drivers influencing future migration and labour market in Serbia according to each of the three groups were then listed on flipcharts. Then, through discussion of all participants, five key drivers were selected according to priority, and were afterwards put into binary matrix in order to create positive and negative scenarios. The moderators faced no difficulties when dividing the group so all three groups were equally represented. One group was instructed to first create a negative national scenario, and then an individual life story based on such a country context. Similarly, the other group had to create a positive national scenario, and then an individual life story based on such a country context.

The atmosphere was good during these sessions, participants were relaxed and gave input, argued their thoughts, gave creative comments. There were no issues that required major interventions from the moderators.

## **3.2. Participants**

Each national partner had taken up on themselves to organize the participation of one of the three groups necessary for the exercise. The Institute for Social Sciences, as a research facility, invited the experts group; Statistical Office of the Republic of Serbia invited the decision makers' group, and Kanjiža, as the local partner, invited the group of migrants/civil society. The participants were chosen according to their connection to the topics of migration and labour market.

There were nine participants in the group of migrants/civil society on the first day. On the second day, three of them were absent. In the expert group there were seven of them on both days, and in the decision makers' group there were eight of them on the first day, and had one absentee on the second.

The age span of the participants was between early twenties to mid fifties. Mostly all of them were born in Serbia. Still, some were born on the territory of former Yugoslavia, but now have Serbian citizenship. A number of them are members of the Hungarian minority group. When it comes to their experiences, they differ from group to group. The experts have relevant experiences in demography, social geography, sociology, economy, psychology, political studies and human rights. Decision makers came from the Ministry of Labour, Employment and Social Policy, Commissariat for Refugees and Migration, Ministry of Foreign Affairs, Border Police, Ministry of Interior, Office for Human and Minority Rights, Asylum Protection Centre, Centre for Social Work of Kanjiža and Migration Officer of

Kanjiža. The group of migrants/civil society was represented by students who studied and plan to continue studying abroad, retired with children abroad, local branch of Red Cross, social workers who work with illegal immigrants, non-governmental organization Group 484 dealing with migration issues.

### **3.3. Approach to material analysis**

In order to analyze the foresight exercise material, the moderators used photographs of the flipcharts, notes made by moderator assistants, and listened to audio recordings. Very important part of the analysis referred to the team discussions (moderators and assistants) that took part after the foresight exercise was finished.

### **3.4. Problems and difficulties**

The problem which was the most prominent during the organization of the exercise was ensuring the participation of representatives from the three necessary groups. It was our experience that people tend to be a little reluctant to take part in project-based events. Another challenge with this event was to convince the people from Belgrade to come to a small town that is two and a half hour drive from the capital.

All the participants signed the consent form apart from one, who said that he was not authorized to do it, but gave his permission to use the information he provided from the recordings. There was no immigrant/national of a foreign country out of the area of former Yugoslavia present at the exercise, because Serbia hosts a negligible share of foreigners.

The moderators did their best not to influence the participants and followed the instructions from the Foresight Exercise methodology.

## 4. RESULTS OF THE FORESIGHT EXERCISE

### 4.1. Key drivers of migration

The results of the parallel brainstorming sessions of workshop 1 were presented by three groups: experts, decision makers and migrants/civil society. Participants were encouraged to talk about the factors which might surprise them due to their recent low probability, yet, which might significantly impact the course of their future.

#### 4.1.1. Experts

The first part of brainstorming session in the expert group resulted in a number of factors that have been identified as important in terms of migration and labour market in Serbia until 2025. The issue of (un)employment and labour market provided a basis for the following discussion and the flow of ideas. It turned out that the key drivers were recognized at the very beginning of the exercise. Political stability in the country soon emerged as the core determinant for development of economy and labour market and consequently for direction and intensity of migration. In those terms, the group qualified contemporary Serbia as a society without a vision in migration policy which paved the course of discussion.

Participants were also encouraged to talk about the factors that do not seem to be much probable at the moment but that could be significantly important for Serbia in the forthcoming period. For example, the group also discussed the current EU accession process of Serbia in the context of possible destabilization in the EU-28. In spite of the vivid considerations of such a factors, none of experts thought that low probability surprising events could be expected in the next 12 years. Furthermore, the very open communication that resulted in the atmosphere of free associations did not result in particularly different ideas among the participants. It seemed that experts were pretty confident and consistent regarding the relevant drivers of migration and labour market.

Economic growth and political stability of the country were recognized as mutually connected factors of the highest importance for the future migration and labour market in Serbia. Then, special attention was devoted to development of human capital in the conditions of population ageing and outdated education system in the country. This opened an issue of bureaucratic barriers that stifle entrepreneurial initiative and could be an important trigger for a decision to emigrate. At the same time, this driver was debated as an obstacle for those aiming to enter the Serbian labour market. The discussion then focused on other fields of institutional framework that were recognized as important from the aspect of future migration. In that sense, participants highlighted the weaknesses of health and social security systems, and particularly the absence of national migration policy.

Natural environment was discussed as a specific factor that could influence migration to some extent given that participants evaluated geographic location and natural resources of Serbia as quite valuable. Since experts do not expect that Serbia in the near future could attract significant number of immigrants, this factor was not further elaborated. Greater attention was focused on migrant

networks and chains in the traditional destination countries for emigrants from Serbia, as the participants in this group agreed about dominant emigration perspective in the period until 2025. The issues on political leadership, and accession to the EU were also considered as relevant factors for the directions and size of future migration flows. In a way, these questions interlaced during the discussion since experts thought that the European future of Serbia clearly depends on political leadership. When it seemed that the saturation point of the brainstorming was reached, the list of factors was finalized. The debate in the mind mapping stage resulted in four key drivers: economic growth, political stability, institutional framework, and human capital.

#### 4.1.2. Public officials

Within the scope of ideas presented in the group of decisions makers, a large number of significant factors have been set forth, which, according to the participants' opinions, have effect on the present and immediate future of Serbia and its citizens. Namely, a series of macro, mezzo and micro factors have been listed which are especially important from the aspect of migration, labour market and human capital.

Some of the listed factors were not expounded or discussed, but were understood to be essential and all participants tacitly agreed upon them. Among others, these were: functioning of the system, fully established institutions, respect of human rights, foreign investment in the economy, revival of agriculture, making use of natural resources, the level of living standards, the feeling of personal security as well as reaffirmation of the middle class, tradition of emigration and domination of the materialistic system of values.

Indicating certain factors was followed by lengthy argumentation on their importance. Thus, factors defined as the degree of tolerance to the chaos in the surroundings, power/helplessness to bring changes in society, the importance of foreseeing the future and possibilities of planning were noted on the board.

Factors, such as the quality of education, health protection availability, transparency and employment criteria as well as barriers for investments and corruption were considered with great emotions and with concrete examples, including those of personal nature. There are some quotations:

*"I have to take private lessons because teachers are not doing their job."*

*"In state pharmacies there are no drugs that are provided by health insurance."*

*"Membership in political parties is the most important factor in getting a job."*

The greatest discussion in the group was about the accession of Serbia into the EU as very significant for determining the future of the country from the aspect of emigration/immigration and the labour market. The opinions of the participants did not differ in view of emphasizing this factor as an important one, but the reality of Serbia's accession, the sustainability of the EU and conditions for integration into the EU were considered.

Participants at this stage moved from the technique of brainstorming to mind mapping, where the listed factors were summarized and clustered into five key drivers of future migration and labour market in Serbia: stable political system, economic development, social development, change in the system of values, accession to the EU.

#### 4.1.3. Migrants/civil society

The group of migrants/civil society started the discussion with highlighting the importance of the IT sector in a country's economy, and that it is not present in Serbia in a sufficient level. In the opinion of the participants, young people see it as a good opportunity for starting virtual businesses and developing new business models which can be successful regardless of the country it is registered in. They believe it could represent a significant economic factor which would enable the young to stay in their own country. Unfortunately, they do not believe that the state sees an opportunity in that matter.

As there were students in the group of migrants/civil society, first hand experiences could be heard regarding what students feel the state's attitude is towards people with high level of education. Brain drain and brain waste were the most frequently used terms to describe the current situation in the country. They shared that many of their friends and/or colleagues contemplated leaving in order to find employment where their skills and education would be appreciated because they felt that they could not achieve that in Serbia. Given the state the country is nowadays, they do not see perspective for the future. Some of these quotes might illuminate their frame of mind:

*"Expertise should come before membership to a political party"*

*"People with insufficient skills are in important positions"*

*"Competitions for work positions are usually just a formality, those positions are already filled by people who have connection to the employer"*

*"The salaries are low and the work conditions are bad"*

All the participants felt that the legal regulations in connection to employment are not respected in Serbia. The issues that were mentioned were the "exploitation" of workers in the private sector- small wages, long hours, no social or health benefits; not enough national incentive for starting private business- too many unnecessary requirements, frequent inspections, unrealistic financial obligations; over-employment in the private sector, people who lack skills are in important positions. That is why people choose to go to countries they think have systematic solutions for these issues.

In the opinion of the group youth and education are not given enough emphasis on national level. This leads to brain drain, brain waste and insufficient development of respective skills. Educated youth leaves, leaving those with questionable skills filling in their places causing long term damage in various sectors. Disappointment in this makes young students seek employment abroad.

Participants do not feel the self-government, as the autonomous system of governance of local communities, supports citizens. People are not involved in making important decisions that concern

the municipality. The ideas the citizens have are not heard. Most of them feel that local administration has only its own interest in mind until the elections. The general feeling is that the municipality<sup>1</sup> does not do enough to deal with unemployment in the sense of creating favourable conditions for attracting investments. There is a general opinion that if new investments come to the municipality, the local self-government would have more funds which could be directed to scholarships for talented pupils and students, to social packages which would help young people who wish to start families, care for the elderly households, improvement of municipal infrastructure.

What the group feared the most was that the combination of the aforementioned factors is something that will eventually drive the young people away from the country. Some of them, the enthusiastic enough, will try going to a bigger town in hope that the job opportunities will be closer, just to realise that it is no different than in small towns, that you need connections. When they realise that they cannot make livelihood in the country, they will go abroad, where they will settle down, start families and the chances of their children coming back to Serbia will be miniscule. When their own country does not care about their future, they will make it elsewhere. Still, most of the group representatives said that they could imagine young people returning if the conditions improve. Most of them felt that they would have assets which would be valuable for further development of the country.

Finally, in the brain mapping stage, participants altogether selected four main drivers that they consider to be the most important for migration and labour market in Serbia until 2025: Local Self government as a factor of support to citizens, IT sector (virtual business, employment, and new business models), Legal regulations in connection to employment (regulations dealing with the rights of workers to social and health benefits, keeping of the working hours, paying for overtime, right to annual vacation, etc.), and Youth/education.

#### 4.1.4. Comparison of key drivers

As it can be seen in the table below, all three groups chose almost the same factors, even though the definition used varies. All of them mentioned *political stability*, either on national or local level. Also, *economy* was emphasised. *Institutional support* was mentioned, although some groups went a bit further and chose concrete areas such as social and legal rights. *Human capital* from the aspect of education system and migration flows was listed as one of the key drivers in the expert group. Similarly, *youth and education* were recognized as valuable human resources in the group of migrants/civil society. *System of values* both on micro and macro level, that needs to be restored after its collapse in the 1990s, actually influences all the drivers. It is a category which is somewhat

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<sup>1</sup> The political system in Serbia is based on multi-party parliamentary democracy. Serbia has a National Assembly, a President of the Republic and a government. The National Assembly is the supreme representative body and the holder of constitutional and legislative powers in the Republic of Serbia and comprises of 250 deputies elected in direct elections. The President of the Republic represents the unity of the Republic of Serbia and represents the country at home and abroad. The president is elected in direct elections, for a term of five years. The government is the holder of executive power in the Republic of Serbia. Local government is organised on the principle of local self-government through municipal or town assemblies, councils and administrative bodies.

elusive and it refers to intangible values such as culture, moral, ethics, but which shape the community as a whole. Its collapse represents money dictating the trends, poor taste in culture, hunger for scandals and no wish for facing the real situation. *Accession to the EU* was mentioned by all three groups. Participants of the group of migrants/civil society felt that the time span was insufficient for it to become a key factor. Experts thought that the EU accession as a factor is included in the political stability and economic growth. In Table 1 selected key drivers in each group are listed by priority.

**Table 1** Key drivers of migration and labour market in Serbia according to the three groups

<b>Drivers</b>	<b>Experts</b>	<b>Public Officials/Decision-makers</b>	<b>Migrants/Civil society</b>
<b>Driver 1</b>	Political stability	Stable political system	Local self-government as a factor of support to the citizens
<b>Driver 2</b>	Economic growth	Economic development	IT sector (virtual business, employment, new business models)
<b>Driver 3</b>	Institutional background	Social development	Legal regulations in connection to employment
<b>Driver 4</b>	Human capital	Change in the system of values	Youth/education
<b>Driver 5</b>	-	Accession to the EU	-

#### 4.2. Matrix of key drivers

Development of the matrix took place in the framework of the workshop 2. As the follow-up activity of the brainstorming session held in the workshop 1, participants under the guidance of the foresight facilitators, reviewed the factors which they ranked previously, and all together selected four, which they considered to be the most important by merging the findings of the three groups: experts, decision makers, and migrants/civil society. Then, with the help of the moderators they were encouraged to put the drivers into a matrix of binary opposing scenarios.

It was not hard to agree through the debate about the common factors that will be put in the matrix of key drivers due to general similarity among the groups in regard of main factors that were selected as the most important for the future migration and labour market in Serbia. Yet, it is obvious that the selected factors by the group of migrants/civil society are more particular or have importance on local level in comparison to the group of experts and decision makers.

**Table 2** Matrix of the binary opposing scenarios

<b>DRIVERS</b>	<b>POSITIVE SCENARIO</b>	<b>NEGATIVE SCENARIO</b>
<b>Political stability</b>	Stable political situation	Instable political situation

<b>Economic development</b>	Strong economy	Economic recession
<b>Human capital as a resource</b>	Negligible brain drain and brain waste	Brain drain and brain waste
<b>System of values</b>	Restored system of values	Degraded system of values

#### 4.3. Development of scenarios (macro-level analysis)

During the creation of national scenarios (positive and negative) in mixed groups, the participants walked through the phenomenon of migration and labour market in Serbia until 2025, keeping in mind the key drivers' matrix as guidelines. The discussions began with the influence of political stability and economy. Special emphasis was put on the system of values. Institutional background and bureaucracy were discussed, as well as education, health care and social systems. The process of developing scenarios in both groups was fluent. If a participant had a suggestion, he/she was listened to, and if someone disagreed, it was discussed until the entire group accepted the final proposal. The scenarios were not broken down to two suggested periods (2013-2020 and 2020-2025) because the participants could not make such a clear time distinction in terms of key drivers' effects to migration and labour market in Serbia.

##### 4.3.1. Positive country scenario

The group that made a positive scenario was impressed by the ability to perceive the future of Serbia from a completely different point of view than the one that was dominant during the last two decades. Such an approach resulted in the following scenario:

Political stability would provide positive conditions for improvement in economy resulting in growth in the fields of agriculture, energy, and industry. The education system will go through intensified process of reforms and modernization in accordance with EU standards. Businesses would be easier to initialize due to simplified bureaucratic regulations. Increase in economy would encourage the return of emigrants who left the country in the recent period. Also, it is expected that Serbia will become attractive for foreign students as it was the case before the 1990s. Awareness would be raised concerning all kinds of diversities that would result in restoring of system of values.

##### 4.3.2. Negative country scenario

It seemed that it was much easier for this group to make a negative country scenario given that the negative realization of key drivers of migration and labour market has been shaping reality in Serbia

for a long period of time. Thus the presence of linear trends in the following scenario is not unexpected.

Political instability would lead to a decrease in economy, which in turn would cause poverty in the society. As always, poverty is the first step to the downfall of values, such as culture, moral, ethics, etc. The corruption would be increased. The education system, health and social protection systems would start to regress. The country would be further disintegrated. The feelings of insecurity, lack of perspective, impotence would be commonly experienced. Emigration flows would increase while fertility rates would decrease mainly due to postponement of births. The process of population ageing would be intensified.

#### **4.4. Development of personal life histories within scenarios (“heroes”, micro-level analysis)**

A single hero was chosen to depict individual scenarios, and she was put into both positive and negative country scenarios. Our hero is a 24 year old nurse who lives in Kraljevo (the regional centre in the heart of the country), but moved there from Orahovac (town in Kosovo and Metohija) as an internally displaced person. She is an only child. She works in a kiosk. She is single and lives with her parents in a flat.

##### **4.4.1. Personal life history in the context of positive country scenario**

Olga gets a job in Mataruska banja (spa close to Kraljevo), in a medical rehabilitation centre, established by Milan George Jovanović from American diaspora. She completes a course of chiropractic and gets a better job position. Her husband is an agronomist, a returnee from Holland, specialized in organic plants production. They have 2 children by 2018, and a third by 2022. Olga leaves her job and they build their house from which they start their organic based agricultural business.

##### **4.4.2. Personal life history in the context of negative country scenario**

Olga works in a kiosk. She falls in love with a car mechanic who is employed. They get married and live with her parents. When she is 28 they get their first baby, and can no longer live with her parents. They start thinking of moving abroad. First her husband goes to Italy and start working in the field. Then Olga and the child joined him. She soon gets a job as a caretaker in a nursing home for the elderly. They get their second child. Both kids grow up as Italians. Olga and her family do not return to Serbia.

## 5. SYNTHESIS AND CONCLUSIONS

Experts, decision makers and migrants/civil society represented the three groups that participated in the foresight exercise. Perception of the participants in regard to migration and labour market processes in Serbia largely coincides with quantitative indicators presented in the SEEMIG country report on dynamic historical analysis of longer term migratory, labour market and human capital processes (ISS, 2013). All three groups chose almost the same key factors, which, in their opinion, influence their own future and future of Serbia, even though the definition used varies. They recognized that political stability, economy, institutional background, and system of values in the society represent key drivers of migration and labour market in the near future. The issue on the EU accession is included in the political stability and economic growth.

Increase in economy, education system in line with modern demands, and return of emigrants who recently left the country are the main pillars of the positive country scenario that experts, decision makers, migrants and representatives of civil society defined in this exercise. In the negative country scenario, political instability and weak economy lead to regression in the vital systems of the country. Emigration flows increase while population ageing intensifies.

Since the participants do not see Serbia as an immigration destination for foreigners in the next 12 years, the only opportunity in positive country scenario in regards to migration and labour market might be return of emigrants who have recently left the country. The rationale is that expected economic growth will not be strong enough to induce significant immigration flows from abroad by 2025 given very low current level of the economic development. If return of emigrants becomes reality, it could produce a sort of tension in the labour market. To some extent, it could make residents feel concerned for their job positions because returnees will be rich with working experiences and new knowledge from developed economies. The main role of the state could be not to develop special incentives for return migration, but to expand its engagement in the activities that would offer equal opportunities.

Given the dramatic events that happened during the 1990s in Serbia, the negative country scenario seemed to be more familiar to the participants of the foresight exercise than the positive one. Thus, the linear development of the unfavourable processes in the negative scenario did not come as a surprise. Participants see emigration as almost exclusively negative phenomenon since the recent outflows from the country consisted mainly of young and well educated persons unlike the typical outflows of guest workers based on the bilateral country contracts between the 1960s and 1980s, which primarily targeted low-skilled segment of unemployed people. In addition, the number of foreign workers in Serbia is currently negligible which did not give enough elements for thinking of immigration as the counterbalancing factor for labour shortages in the conditions of negative scenario.

Increasing permanent emigration of prime-age workers from the country, as presented in the negative country scenario, could be a serious challenge for the health and social protection systems

in the conditions of intensive population ageing. Pension system sustainability could be particularly in danger. Major tasks for the policy makers in that sense would be to deal with rising demands in medical sector, to improve elderly care system, and to reform pension systems due to low labour-force base.

**Table 3** Synthesis table of opportunities, threats and policy implications by the two opposing scenarios

	<b>Opportunities</b>	<b>Threats</b>	<b>Policy implications</b>
<b>Positive country scenario</b>	Return of recent emigration	Concerns of residents for their job positions in the labour market	Measures important to facilitate return
<b>Negative country scenario</b>		Increasing permanent emigration of prime-age workers from the country  Intensifying of population ageing	Pension system sustainability in danger  Improve elderly care system  Demands in medical sectors rise

A single hero, a young nurse who is an internally displaced person from Kosovo and Metohija, was chosen by participants of the foresight workshops to depict individual scenarios, and she was put into both positive and negative country context. In the positive country scenario, she lives in Serbia with her husband, agronomist returnee from Holland, and has three children by 2025. She is involved in family agricultural business. In the opposite country scenario, she emigrates to Italy in order to join her husband, who is a car mechanic. She is employed in a nursing home for the elderly and has two children by 2025 with no intention to return to Serbia.

These life stories can be transformed into direct messages to decision makers, which is one of the basic aims of the foresight exercise. Persons from the province of Kosovo and Metohija, who were internally displaced across the country since 1999, are integrated in their new local communities. The realization of the positive country scenario on individual level would bring back young emigrants who have different work experiences and new knowledge from developed economies, who have enough incentive for launching small business in Serbia. Also, from a demographic viewpoint, this scenario would help young couples achieve their norms of reproduction. Finally, the positive country scenario shows that individuals would be more encouraged for job mobility as compared to the heritage from the socialist period.

The no return migration outflows from Serbia to the overseas destinations (USA, Australia) that renewed during the 1990s are considered as a general pattern of emigration from the country; thus, while searching for a job in the conditions of negative country context, emigrants from Serbia will

strive to permanently settle down even in close European destinations, such as Italy, unlike the case of working emigration (guest workers) to Germany between 1960s and 1980s. Consequently, intensified population ageing will bring new challenges in medical sector, elderly care system, and pension system.

Both personal stories are illustrative enough to clearly demonstrate difference between two opposite futures in regard to migration, human capital and labour market in Serbia in the forthcoming period. They could be inspiring for policy makers to realize the importance of migration issue and its implications in order to act. It seems to us that this foresight exercise, as a qualitative approach, could provide additional insights to quantitative methods in forecasting future of the country.

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