

Programs of Serbia for compulsory integration of Kosovo's industry during 1989-1991

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Abstract

Although regarded as the richest region of the Yugoslav Federation with large and various minerals, promising a swift development of Kosovo, it turnout to be its weakest point due to the others greedy. The 80s marked the economic decline of Kosovo. Following the death of Yugoslavian leader Tito, many nationalistic movements claiming separation from the federation took place. Particularly, Republic of Serbia had pretensions to put under its rule most of the federation's units. Initially, it started with Kosovo who was an equal part of the Federation as other republics and it continued with pretensions to other republics. As such, cruel wars were unavoidable. Serbia, although known as the initiator of the conflicts, won almost nothing, while local ethnic Albanians in Kosovo, even though in majority, were denied all the rights. Serbia was mainly interested for the Kosovo's economy and therefore started to be involved slowly in various ways, often even forcibly by removing Albanian managers and workers of the Kosovo's public companies and putting them under its rule. Such developments marked an economical decline throughout Kosovo, especially of the industry sector. Such a decline took place for a decade and its consequences are evident even nowadays.

Keywords: Kosovo, Serbia, industry, economy, assets,

Introduction

As part of the economy in Kosovo, the industry itself played a vital role at all the times by being the region economic development main carrier. The repressive measures undertaken by Serbia during 1989-1991, influenced the economic collapse of Kosovo as constitutive part of the Yugoslav federation. Almost all the achievements, although not much in figures, slowly began to fade away. Even though officially with the highest normative acts (Constitution) of FSRY the rights of each federal republic and province (nations and nationalities) were clearly predetermined as well as the equality in enjoying and exercising social and economical independence, the socio-political units of the federations (republics and provinces) were also given the right to posses particular means and tools so as to adapt the economic developments to their own needs and objectives (Shiroka 1997, 75). But, the economic system of Yugoslavia never gave a chance to Kosovo to exploit its own resources for its internal development and wealth. Situation got worst at the eve of federation collapse as the federal authorities kept exploiting Kosovo resources and went silent at the years when Serbia was preparing to put Kosovo under its full political and economical

ruling.

Jointly with efforts to lift down Kosovo's constitution, Serbia worked to incorporate Kosovo's economy to the one of Serbia fully. By avoiding any constitutional way, Serbia adopted a Law on Employment Relations under Special Circumstances. As such, it gave an opportunity to Serb authorities to restrict the so called self-governance right to Kosovo by opening a room to impose temporary administrative measures to economic enterprises in Kosovo (Stavileci 1991, 34).

That time Kosovo's natural resources were evaluated at billions of tons. Knowing that, Kosovo would serve as a colony with large benefits to Serbia. However, such an approach went wrong at its very first steps. While preparing for a war, Serbia started oppressing the ethnic Albanian majority in different manners. It started by closing the factories and discharging thousands of Albanians workers forcibly. Such developments led to a rapid drop off of the industrial production. The mining sector was the one to prevail and be the locomotive of the development in Kosovo. (Vjetari Statistikor i KSA të Kosovës 1985, 71) It was followed by the energy sector, agriculture and textile production (Vjetari Statistikor i KSA të Kosovës 1985, 197). However, Serb managers accused Albanian workers for the failures of the companies. Miners and their Albanian managers were the first one to witness the repressive actions due to their participations at the strikes and demonstrations against the rulers. Those who were not evicted expressed solidarity to other colleagues pending their return to the jobs. But, the situation deteriorated further by a massive eviction from the jobs that led to production decrease or closure of the mines.

By avoiding classical colonialist demeanours against Kosovo and its public, Serbia started to transform and privatise Kosovo's companies as well as merging them with similar companies of Serbia. One of the first companies to experience such approach was the Tube Factor in Ferizaj by being merged with the Metallurgical Compound of Smederevo in Serbia in November 13th, 1990. As reported by the that time daily in Serbia, 'Politika', the integration took place in an extraordinary meeting while the initial decision was taken one month earlier in Ferizaj (Politika 14.11.1990).

That was just a first stroke and was followed by transfer of the resources and assets from Kosovo's companies to the ones in Serbia. With the economic and social legislation of FSRY, all the assets were under public ownership. The transformation process of socially owned capital began in 1989 as the enterprises changed the ownership from socially owned to state-public ownership as it happened with "Electroeconomy", "Trepça", Kosovo Telecom, and Railways.

The Constitution of Serbia left no powers to Kosovo and Vojvodina but to Serbia. Courts of Kosovo were another target of Serbia because were seen an obstacle to its programs to fully grab and integrate Kosovo's economy. The next stroke of Serbia against Kosovo took place on July 30th, 1991 with adoption of the Law on Courts. Law on Courts abolished and invalidated the Supreme Court of Kosovo, the Elementary Courts as well as the Court on Unified Labour (Fetahu, 2011, 181).

That law set that all the cases filed to the labour courts prior to the date of law enforcement (1.1.1992) and the archive of the Supreme Courts of both provinces shall now be taken and preceded by the Supreme Court of Serbia, while the trade and industry cases and archives shall be subject to the High Commerce Court in

Belgrade (Bujku, 1991). Facilities and the other capital became a property of Republic of Serbia or were transported to Serbia directly. By undertaking that, Serbia took over the factories as well as all the state-owned assets of Kosovo. By adopting the decision "Implementation of the special circumstances in Kosovo" (1990), Serbia provided itself an opportunity to undertake whatever political and police actions at any time and under any given circumstance. The Commerce Chamber of Serbia, the Development Fund, the Agency for Capital Evaluation and relevant ministries of Serbia turned out to be the owners of the nearly each and every economic resources of Kosovo.

The influence and the consequences of the political pressure were ruinous to the Kosovo's economy by resulting in production decrease as well as in financial collapse. This influenced a decline of the quantity of the industrial production in 1988 followed with a bigger one in 1989, respectively in 1990 (Bujku, 1991). As such, Kosovo's industrial intensity was counted as the one of the year 1978 and it continued dropping off further due to the ongoing political developments in Kosovo (Bujku, 1991).

By enforcing the forcible executive/administrative measures, Serbia reached to discharge Albanian managers of the public enterprises, started the ethnic cleansing of the manpower, forcible integration of the enterprises and grabbed the assets of the companies. Albanian workers reacted to such endeavours of Serbian authorities. According to the Province Commerce Authority, they did not agree to the developments and stood up against such endeavours enforced according to the laws of Republic of Serbia. (Province Commerce Authority, box 7, file 17). Dismissal of the Albanian workers had a longterm impact for the Kosovo's industry, lot of profitable factories got closed, plenty facilities and equipments transferred to Serbia, inadequate Serbian managers were appointed to the key positions just to oppress local ethnic Albanians to run off jobs on their own will. Just for the period between from 1990 till August 1991, Serbia enforced administrative measures in about 300 organisations and it dismissed from them about 286 Albanian managers (Stavileci 1991, 51).

Enforcement of such administrative steps to the banking system left Kosovo without any financial capital. The legal framework endorsed and adopted by the Parliament of Serbia powered the Serbian minority in Kosovo as the single user of all the goods even though they represented only 10% of the local population while being supported by the police authorities. Such measures were endorsed to all public companies, to media (RTP), to academic and health ones and so on. Openings of many new banks were not aimed to investments but to collect and accumulate as much as possible the cash in Kosovo. Kosovo became an absorbing market for Serbian products with high prices due to deficient competition (Gjendja e ekonomisë së Kosovës pas lufte, tetor 1999, 4).

The termination of public investments influenced advancement of the economy but despite the fact that the taxes and other charges were collected regularly. Shortage of investments affected the industry mostly, particularly the energy sector, metallurgy and other branches of raw material production (Verli 2000, 357). The only investments to take place were those for the refugees from other part of the federation by building new settlements for them so as to change the ethnic composition

of Kosovo's population. Due to that discrimination and having no other sources of incomes, Albanians found migration as the only solution. Closure of the jobs at 90s and in some cases reallocation of workers became a fashion and whatever refusal to that turned out in dismissal automatically.

Regardless of predictions that the economic measures of the year 1990 would advance Kosovo's economy, the real situation went conversely. Huge decrease of the production was witnessed, huge deficits with trade exchange with foreign countries also and followed with unseen price and living costs increase. The industry of Kosovo had small increase while the year 1990 was recorded with losses and stagnation in agriculture (Bujku, 1991). According to that time data from the labour unions and factories itself losses were evident and almost no factory reached the given objectives. As mentioned, import started prevailing exportation. Number of the factories working with losses started increasing, including factories that used to be the main locomotives of the region development such as "Trepça" with its branches, "Kosova", Construction Company "Ramiz Sadiku", Leather-Shoes factory in Peja, mining company "Golesh" in Magura, Shock Absorber Factory in Prishtina and so on.

According to that time data of the year 1989, intended for bankruptcy there were 119 companies of Prishtina region with 14.032 workers, 35 companies with 6592 workers in Prizren region, 52 companies with 13.588 in Mitrovica, 22 companies with 2048 workers in Ferizaj region, 23 companies with 9792 workers in Gjilan region, in Gjakova region 20 companies with 5988 workers and in Peja region 73 companies with 5903 workers (Fetahu, 2014, 87).

Conclusion

Although the Federation attempted for an overall economic development, Kosovo and its resources were a huge challenge. In Kosovo took place low-cost investments in branches that were seen as most profitable for the economy of Yugoslavia. Investments were aimed mainly in mineral resources of Kosovo because other units of the Federation used them as the raw material for their final products. Kosovo itself benefited just symbolically. Kosovo region had noted best progress at 60s and 70s but later on it had stagnations and fall-downs in economy.

Kosovo's resources were used by almost all other parts of the federation in years. However, with the new political developments followed with riots, Republic of Serbia aimed to put the region under full authority and to use it as its own colony with huge benefits. To this aim, Serbia took straight actions and endeavours by changing the entire Kosovo's political and market system; it removed whatever obstacle and refusal by the local population by dismissing the workers, removing them from the duty, arrests and other maltreatments.

However, such policy of merging the Kosovo's companies with the ones in Serbia and in liquidation of some other remaining companies was nothing else but a failure. The Belgrade authorities' prediction failed as the drastic and rapid economic decline occurred leading to the closure of many famous factories and mines. As such, the living standards of the local Albanian population worsened and pushed them to seek jobs and survival toward western European countries.

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