BALKAN BAROMETER 2015

Public Opinion Survey

Regional Cooperation Council

SEE2020
SOUTH EAST EUROPE 2020

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Analytical report

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BALKAN BAROMETER 2015:
Public Opinion Survey

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INTRODUCTION

The Regional Cooperation Council (RCC) Secretariat coordinated the development of the regional growth strategy titled "SEE 2020 Strategy: Jobs and Prosperity in a European Perspective". The strategy was adopted by Ministers of Economy of seven South East European economies (Albania, Bosnia and Herzegovina, Croatia, Kosovo*, Montenegro, Serbia and The Former Yugoslav Republic of Macedonia) on 21 November 2013. Inspired by the EU`s 2020 Strategy it seeks to boost prosperity and job creation and to underscore the importance of the EU perspective to the region`s future. The SEE 2020 Strategy contains eleven specific targets covering the following five pillars:

- Integrated growth - by deeper regional trade and investment linkages and policies enhancing the flow of goods, investment, services and persons.
- Smart growth - by commitment to compete on value added, promoting knowledge and innovation across the board.
- Sustainable growth - by enhancing competitiveness, entrepreneurship and a commitment to greener and more energy-efficient development.
- Inclusive growth - by skills development, employment creation and labour market participation by all, including vulnerable groups and minorities.
- Governance for growth - by improving the capacity of public administrations to strengthen the rule of law and reduce corruption so as to create a business-friendly environment.

With the intention to engage more closely the general public and the business community in the context of the SEE 2020 Strategy, the RCC has commissioned a comprehensive survey on attitudes, experiences and perceptions, which was carried out in December 2014, in all seven economies covered by the Strategy.

This report presents the results of this survey and includes two main components, which are The Public Opinion Barometer - a survey of public opinion of South East Europe (SEE) citizens, and the Business Opinion Barometer - a survey of business sentiment. The report provides data and analysis on various topics covered by five pillars of SEE 2020 Strategy, including life/business satisfaction, assessment of general trends and attitudes on EU integration and regional cooperation.

The surveys were conducted face to face with 1000 respondents per each economy,

*This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.

with the total being 7000 respondents for Public Opinion Survey aged 18 and older, and for Business Opinion Survey 200 companies per each economy of different size and different business areas, which are not majority-owned by the state or government. A technical note concerning the methodology of survey is annexed to this report.*

The Balkan Barometer report is envisioned to become an integral part of the SEE 2020 monitoring system, along with the other components of Annual Implementation Report, such as the SEE 2020 Scoreboard and SEE 2020 Competitiveness Outlook. The Balkan Barometer surveys will be conducted annually in order to assess how these sentiments are changing and what progress is being made.

* Throughout the report values in percentages were calculated using the decimal rounding so there is a chance of fluctuations +/-1% in categorical variables (with 3 or more response categories).

MAIN FINDINGS

The Public Opinion Survey has looked into the current sentiment and the expectations of the public in Southeast Europe. Besides general assessment of the situation, the main pillars of the SEE 2020 Strategy have been covered.

The findings paint a stark picture of a set of economies that have not been doing well and are not expected to do much better in the future. On top of that, they are burdened with difficult problems in all the covered areas of growth: integrated, smart, sustainable and inclusive growth, as well as governance for growth..

The Balkan Public Sentiment Index (BPSI) reports a sentiment that stands at around one third of the best possible – and the expectations are not much better than the assessment of the current state of affairs.

The main problem in the region is lack of employment and the general economic situation stemming from it or connected to it. The paradox of this region is that the issues of employment and unemployment, which have been persistent since the start of the transition, do not feature prominently in the successive elections. This seems to have been changing very recently, but still the political and security issues tend to dominate the electoral agenda. Otherwise, it would be hard to explain the toleration of very high levels of unemployment for many years, if not decades.

Lower welfare, incomes, and financial security must be the consequences of persistently depressed labour markets. The social and cultural problems also accumulate. Though the perceptions of the poverty risk and the lack of basic necessities are not catastrophic, they are certainly worrying. There is no doubt that solutions to political and developmental issues need to be urgently found for economic growth to accelerate.

There is general support for regional and EU integration, though not without some scepticism. The latter is a reflection of the belief that the EU is not supplying, or supplementing the supply of the public goods that the economies in the region are deficient in: security, stability, justice and, most of all, welfare. The last is on the top of the list of expectations from the EU integration. This is in part due to the prolonged crisis in the EU itself and to the stalled process of enlargement.

Regional trade and financial integration is looked at as one of the solutions to economic problems. The CEFTA is firmly entrenched in the conditions for economic improvement. The expectation is that regional economic cooperation will be enhanced and improved. Though, in some respects, market integration seems to go against some of the more protectionist beliefs of the public.

The region remains a migrant one. Given the situation on the domestic labour markets, the relevant market to look for a job is still the world, even before the region itself. Intra-regional mobility is limited to ethnic and traditional destinations. Still, there might be increased opportunities for intra-regional mobility especially because of low language and other informal barriers.

Smart growth clearly has a chance in this region because there is a widespread understanding that skills and their acquisition are the answer to securing employment, increasing job security, and improving welfare. This contrasts rather starkly with the mostly weak investments in education and in innovation, what is characteristic to most of the SEE region.

In the area of sustainable growth, there is an emphasis on roads and their improvement, while clearly the more glaring deficiency is the lack of railways. Similarly, there is a perception that a sustainable environment is needed, but there is scant indication that this is being translated into policies, regulations and the needed investments.

There is a somewhat inconsistent perception of the inclusiveness of societies. In most economies, people feel well integrated and accepted by their societies, while they also tend to feel excluded from the labour markets due to the importance that connections and luck play in getting a job and advancing in one's carrier. This differs from what is known from statistical sources and the studies about the types and levels of inclusion, or rather exclusion, where age, skill, gender, loss of job, minority status and disability tend to correlate with higher rates of unemployment.

Finally, the overall assessment of the governance is that it is bad rather than good: in terms of corruption, transparency, efficiency, and responsiveness. That certainly correlates with other evaluations of the state of good governance in the region. That is one crucial obstacle for growth and development.

The overall conclusion is that a comprehensive, sustained, regional and EU-oriented policy effort is needed in all the SEE region in order to speed up growth and development.

BALKAN BAROMETER 2015
PUBLIC OPINION SURVEY RESULTS
Regional Overview

SOUTHEAST EUROPE: STILL A LOT TO DO

In the crisis that started in late 2008, Southeast Europe (SEE) has been faced with a recession or a growth halt and with persistent challenges in most markets, especially in the labour market. The larger economies experienced particularly difficult times, i.e. Croatia, Serbia and Bosnia and Herzegovina, The Former Yugoslav Republic of Macedonia, Kosovo* and Albania have done better, with Montenegro somewhere in the middle.

Table 1: Growth rates

Source: wiiw

	2009	2010	2011	2012	2013	2014	average
Albania	3.4	3.7	2.5	1.6	1.4	1.5	2.4
Bosnia and Herzegovina	-2.7	0.8	1.0	-1.2	2.5	0.5	0.1
Croatia	-7.4	-1.7	-0.3	-2.2	-0.9	-0.6	-2.2
Kosovo*	3.6	3.3	4.4	2.8	3.4	5.0	3.8
The Former Yugoslav Republic of Macedonia	-0.4	3.4	2.3	-0.5	2.7	3.5	1.8
Montenegro	-5.7	2.5	3.2	-2.5	3.3	1.3	0.4
Serbia	-3.1	0.6	1.4	-1.0	2.6	-2.0	-0.3

Table 1 shows the growth rates. Croatia has had an average growth rate of minus 2.2 percent from 2009 to 2014. Serbia had minus 0.3 and Bosnia and Herzegovina achieved a growth rate of 0.1, while Montenegro a growth rate of 0.4. Better growth rates were seen in Albania 2.4, Kosovo* 3.8 and The Former Yugoslav Republic of Macedonia 1.8.

Table 2: Unemployment rates, LFS

Source: wiiw

	2009	2010	2011	2012	2013	2014	average
Albania	13.8	14.0	14.0	13.4	15.6	18.0	14.8
Bosnia and Herzegovina	24.1	27.2	27.6	28.0	27.5	27.5	27.0
Croatia	9.1	11.8	13.5	15.9	17.2	17.3	14.1
Kosovo*	45.4	45.1	44.8	30.9	30.0	30.0	37.7
The Former Yugoslav Republic of Macedonia	32.2	32.0	31.4	31.0	29.0	28.0	30.6
Montenegro	19.3	19.6	19.7	19.7	19.5	19.0	19.5
Serbia	16.1	19.2	23.0	23.9	22.1	17.6	20.3

Table 3: Unemployment rates of young people, ages 15-24

Source: Eurostat and national statistics.

	2007	2008	2009	2010	2011	2012
Albania	20,1	27,2	27,2	0	23,6	27,9
Bosnia and Herzegovina	58,6	7,3	48,9	57,6	57,5	62,8
Croatia	24	21,9	25,1	32,6	36,1	43
Kosovo*						60,2
The Former Yugoslav Republic of Macedonia	57,7	56,4	55,1	53,7	55,3	53,9
Montenegro	38,8	30,4	35,6	45,5	37	41,1
Serbia	43,7	35,2	41,6	46,2	50,9	51,1
Bulgaria	15,1	12,7	16,2	23,2	25	28,1
Romania	20,1	18,6	20,8	22,1	23,7	22,7
Greece	22,9	22,1	25,8	32,9	44,4	55,3
Spain	18,2	24,6	37,8	41,6	46,4	53,2
Portugal	16,6	16,4	20	22,4	30,1	37,7
Slovenia	10,1	10,4	13,6	14,7	15,7	20,6
Austria	8,7	8	10	8,8	8,3	8,7
EU-28	15,5	15,6	19,9	20,9	21,4	22,9

In terms of the unemployment rate, shown in Table 2, it increased significantly in most economies, remained stable in Montenegro, but decreased in The Former Yugoslav Republic of Macedonia and Kosovo*. The levels are, however, exceptionally high. Table 3 shows unemployment rates amongst young people from 2006 to 2012. For comparison purposes, the figures show other Balkan economies, the Southern European EU member states, also Austria and Germany together with the average for the EU 28.

There is no doubt that it is exceptionally hard for a young person to find a job in this region.

Finally, Table 3 shows the development of real wages from 2009 to 2014. Wages have fallen every year by 0.7 percent on average in Croatia and 0.1 percent in Serbia. Growth of real wages has been slow in other economies except in The Former Yugoslav Republic of Macedonia, 3.4, and Kosovo*, growing at even 10.8 percent.

Table 4: Average real monthly wages, net

Source: wiiw. Note: For Albania real gross monthly wages.

	2009	2010	2011	2012	2013	2014	average
Albania	2.9	-7.0	1.5	0.2	7.4	0.2	0.9
Bosnia and Herzegovina	5.6	-1.0	-1.4	-0.7	-0.1	1.5	0.6
Croatia	0.2	-0.5	-0.4	-2.6	-1.5	0.3	-0.7
Kosovo*	23.3	12.3	13.4	-0.8	-1.2	17.5	10.8
The Former Yugoslav Republic of Macedonia	25.0	1.4	-2.4	-2.9	-1.6	0.6	3.4
Montenegro	7.6	2.9	-2.0	-3.3	-3.8	0.3	0.3
Serbia	0.2	0.7	0.2	1.1	-1.5	-1.5	-0.1

Looking towards the future, prospects are not improving very fast. Serbia and Croatia are facing either recession or very slow recovery this year and perhaps some improvement in the next couple of years. Bosnia and Herzegovina may benefit from the reconstruction after last year's flood, while rather slow growth is expected in the medium term. Of the other economies, The Former Yugoslav Republic of Macedonia should continue to grow faster than the rest, expected to experience some growth acceleration in the medium term. Still, given the low level of employment, the forecasted growth rates are below the potential ones.

According to the estimates made by WIIW, the range of growth rates in the medium term is between 0 to 3 percent per year.

Until the 2020 horizon, a significant turnaround is possible only with some radical changes. Beyond those covered in the SEE 2020 Strategy, probably the three most important ones are further improvement in regional stability, an acceleration of EU integration, and strengthening the rule of law and democratisation. Those would reduce the regional and national risks that stand in a way of improved investments prospects.

There are also significant challenges in economic policies. The crisis has been so severe in some economies because of accumulated imbalances both externally and domestically. Trade and current account deficits have been very large and have gradually come down in most economies. There are still significant problems in the banking and corporate sectors due to high levels of non-performing loans which reflect the liquidity and solvency problems in e.g. the construction sector and state owned enterprises. They require restructuring that may prove to be difficult to accomplish in the context of high unemployment. This is done in an austere fiscal and monetary environment, which makes it difficult to implement.

The opportunities are that the European environment will improve with gradual growth recovery. Also, that EU institutions will strengthen and speed up investment and structural changes. With most of the exports from the SEE going to the EU market, that would help the transition to more export-driven growth in the region, which is certainly needed. In addition, regional investments in transport and the energy, discussed at the process that started with the Berlin Conference on the Western Balkans (28 August 2014) and complemented by Western Balkans Six ministerial meetings, could also be very helpful. In general, improved regional cooperation is expected to positively affect economic situation of the region.

The negative risks are connected with continued turbulences in the EU and in Europe that may delay the integration process and cause delays in domestic political and economic transformation. In most economies, democratic decision making has stabilised, however, there are still constitutional and political changes and improvements that are needed for improved democratic legitimacy and responsiveness.

Social risks exist due to low employment and high unemployment. A particularly vulnerable group is the youth population, with unemployment rates up to 50 percent in some cases, but also the long-term unemployed, which make up a significant part of those searching for a job. The effects of the lack of jobs are profound and have long term negative consequences. In the past, elections were won and lost on other issues, with those regarding the labour market playing a small role. This has been changing and thus political responsiveness to social issues should be expected to increase.

The overall sentiment in this region has been gloomy for quite a long time. This is the consequence of the long-term economic deterioration and regress. The effects have been profound and they are clearly reflected in the prevalent desire to emigrate and work and live elsewhere. The period until 2020 can be the beginning of a turnaround.

Public Opinion Sentiment Survey

BALKAN PUBLIC SENTIMENT INDEX

In order to monitor changes over time about public present sentiment and optimism, GfK was asked to design the Balkan Public Sentiment Index (BPSI) which is composed of the following five questions:

1. How are you satisfied with the way things are going in your place of living? (answers: 5 point scale)
2. How are you satisfied with the financial situation of your household? (answers: 5 point scale)
3. How are you satisfied with the economic situation of your place of living? (answers: 5 point scale)
4. What are your expectations for the next year? Do you think that in 12 months your financial situation will be better, worse, the same.
5. What are your expectations for the national economy? Do you think that in 12 months the state of the economy will be better, worse, the same.

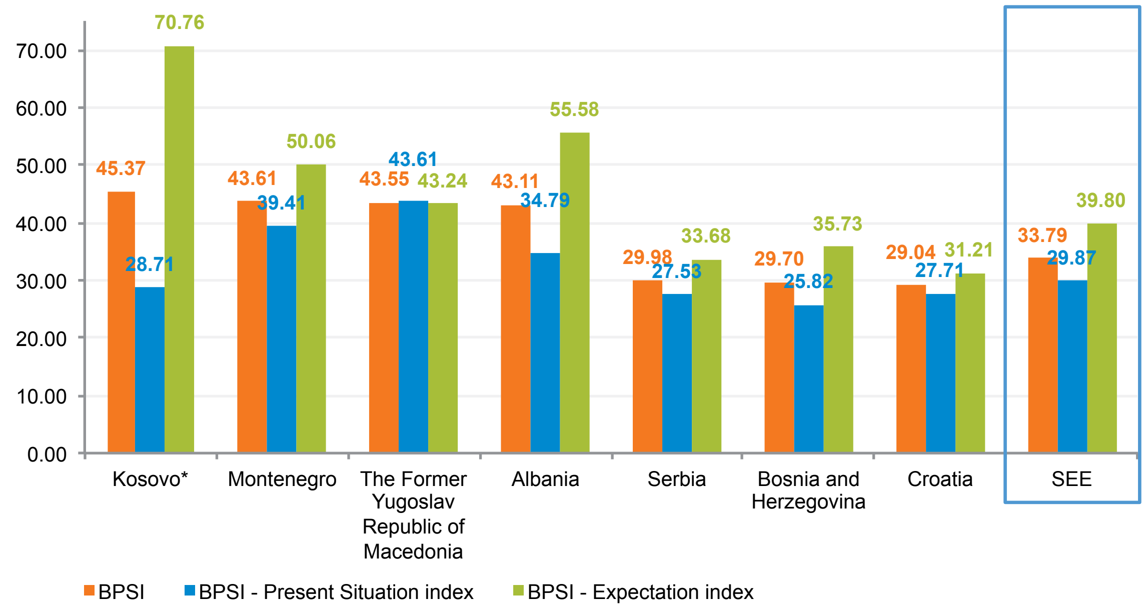
BPSI represents a measure of the current and future state/expectations regarding the general and economic situation and the situation of individual households. It is a measure that helps to monitor changes in time on the SEE regional level and the level of individual economies.

The index is constructed with the answers on five-point scales scored as follows: I'm completely dissatisfied - 0 points, I'm mostly unsatisfied – 25 points, neither satisfied nor dissatisfied – 50 points; I'm mostly satisfied – 75 points, I'm completely satisfied – 100 points. Answers for the Q4 and Q5 are scored as follows: better – 100 points, worse – 0 points, the same – 50 points. After responses are recoded, average value is calculated for the whole SEE region as well as for each economy separately. The index values are expressed on a scale of 0 to 100.

BPSI was further divided on the two sub indexes with the aim to monitor separately the present sentiment among population as well as their expectation for the future or their degree of optimism.

a) BPSI – Present Situation index
b) BPSI – Expectation Index

Figure 1: Balkan Public Sentiment indeks (0-100 scale)



(Slight) Improvement is Expected

It is not unusual that expectations are more optimistic than the assessment of the current state of affairs. Large discrepancies like the one in the case of Kosovo*, which is highly optimistic, are often observed in other new economies, in the earlier stages of EU accession (this was the case with Croatia initially and also Montenegro in the recent past).

Somewhat better sentiments in Montenegro, Albania and The Former Yugoslav Republic of Macedonia, both about the present and the future, are consistent with better or improved economic performance relative to the past and to the other economies in the region (see the tables and the figures above). Still, these economies are not overly optimistic, except Albania, while The Former Yugoslav Republic of Macedonia has expectations aligned with its current state of satisfaction, in other words much faster improvement is not expected.

Other economies show realistic assessment of their current development and some slight optimism, which may in fact suggest an assessment of a rather high risk of future disappointment. In the case of Serbia, Croatia and Bosnia and Herzegovina, this probably reflects the uncertainty about the policy strategies that have been implemented or are being expected to be adopted (see Figure 1).

Overall, these are rather depressed sentiments throughout the region, which certainly are in accordance with the data on performance.

Parallel to creating an index the changes of which can be tracked in time, it is important to determine what and to what extent effects the index itself the most, i.e. the investigated sentiment and level of optimism. Considering how the SEE 2020 Strategy consists of five pillars, each of which covers a specific area and has set goals, this part of the analysis aims at determining how much each of the pillars (as an independent variable) effect the BPSI (dependent variable), with the aim to invest more effort into obtaining set goals of „more important" pillars. Besides the five defined pillars, the analysis also includes the part relating to regional cooperation.

In order to conduct the described analysis, we first verified the reliability of the chosen questions (Reliability analyses) from the questionnaire (those questions the structure of which did not support an analysis were excluded) with the help of the Cronbach's Alpha coefficient of 0,83 (on a scale of 0 to 1). With the help of this coefficient, we determined that the reliability of the chosen variables (questions) is very good, i.e. that the correlation between the chosen questions is high, which leads to the conclusion that they measure the same phenomenon.

After that, a regression analysis was used (with the help of a Shapley value) to determine the influence of each of the chosen questions on the BPSI. For further analysis, the questions chosen were the ones that, in most economies, have an above average importance (influence on BPSI). The list of all of the questions that entered the analysis are presented on the next page. On the basis of the conducted analysis, we can say that the chosen questions are the best predictors for the BPSI, i.e. they best represent each individual pillar.

The Figure 2 show the influence of each individual pillar on the BPSI for the SEE region, and for each individual economy. Besides that, in order to determine the priorities in the realization of the SEE 2020 Strategy, the importance relation of individual pillars on the BPSI was shown, as well as the value of the pillar itself (see Figure 3 and 4). The value of the pillar was calculated on the basis of rescaled answers to questions that make up each individual pillar. On the basis of four quadrants (influence on the BPSI x value of individual pillars of the index), it is possible to determine which pillars have an above average influence on the BPSI, and their current state (index value).

The average pillar importance was calculated with the formula 100 (total importance) / 6 (number of pillars) = 16,6. While for the average index value, a value of 50 was taken (on a scale from 1 to 100).

Questions that were used for each individual pillar in the analysis.

GOVERNANCE FOR GROWTH

1. How satisfied are you with public services in general in your place of living?
2. Do you have confidence in courts and the judiciary in your place of living?
3. Do you agree or disagree that in your place of living the law is applied and enforced effectively?
4. Do you agree or disagree that your government fights effectively against corruption?
5. How would you grade (from 1 to 5, 1 meaning very poor and 5 excellent) the following: Price of public services (e.g. issuance of personal documents, judiciary costs etc).

REGIONAL COOPERATION

1. Do you agree that the relations within SEE are better than 12 months ago?

INCLUSIVE GROWTH

1. How satisfied are you with health services in your place of living?
2. How satisfied are you with social life in your place of living?
3. How satisfied are you with your present job?
4. Agreement with the statement: I feel that there is a risk for me that I could fall into poverty.
5. How confident would you say you are in having a job in two years' time?

SUSTAINABLE GROWTH

1. How satisfied are you in general with the quality of the transport infrastructure (please take into consideration all transport types together: public transport, quality of roads, railways, airports) in your place of living?
2. How satisfied are you with utility services (water and sewage, electricity, gas supply, telephone, internet) in your place of living?

SMARTH GROWTH

1. How satisfied are you with the quality of schools/education system in your place of living?

INTEGRATED GROWTH

1. Do you agree with the following statements?:

A. Products and goods of your economy can compete well with products and goods from other economies in the region (Albania, Bosnia and Herezegovina, Kosovo*, The Former Yugoslav Republic of Macedonia, Montenegro, Serbia)

B. Products and goods of your economy can compete well with products and goods from the EU.

C. Economy has benefited a lot from free trade (which is carried out in the region since 2006 within CEFTA).

Figure 2: Pillar's impact on BPSI

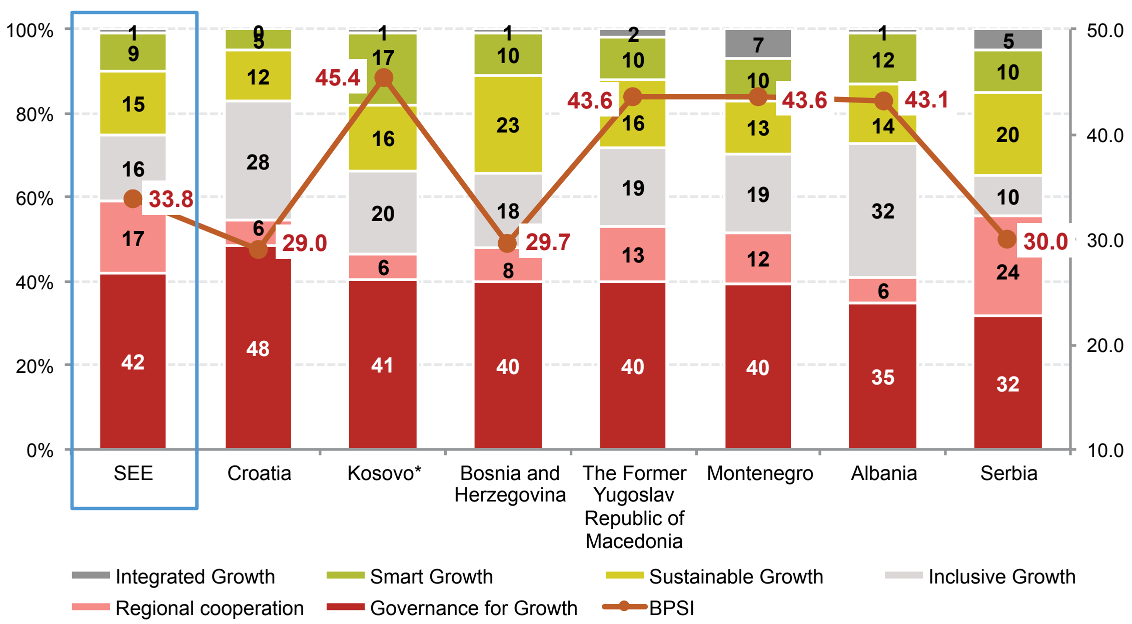


Figure 3: Pillar Importance vs. Pillar value (SEE region)

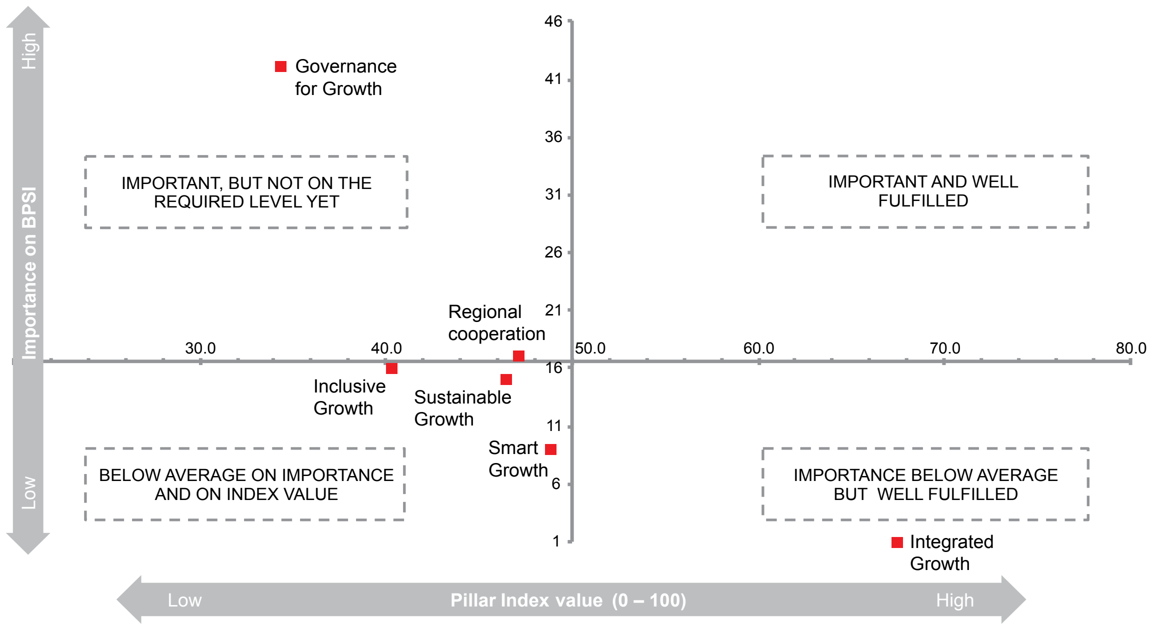
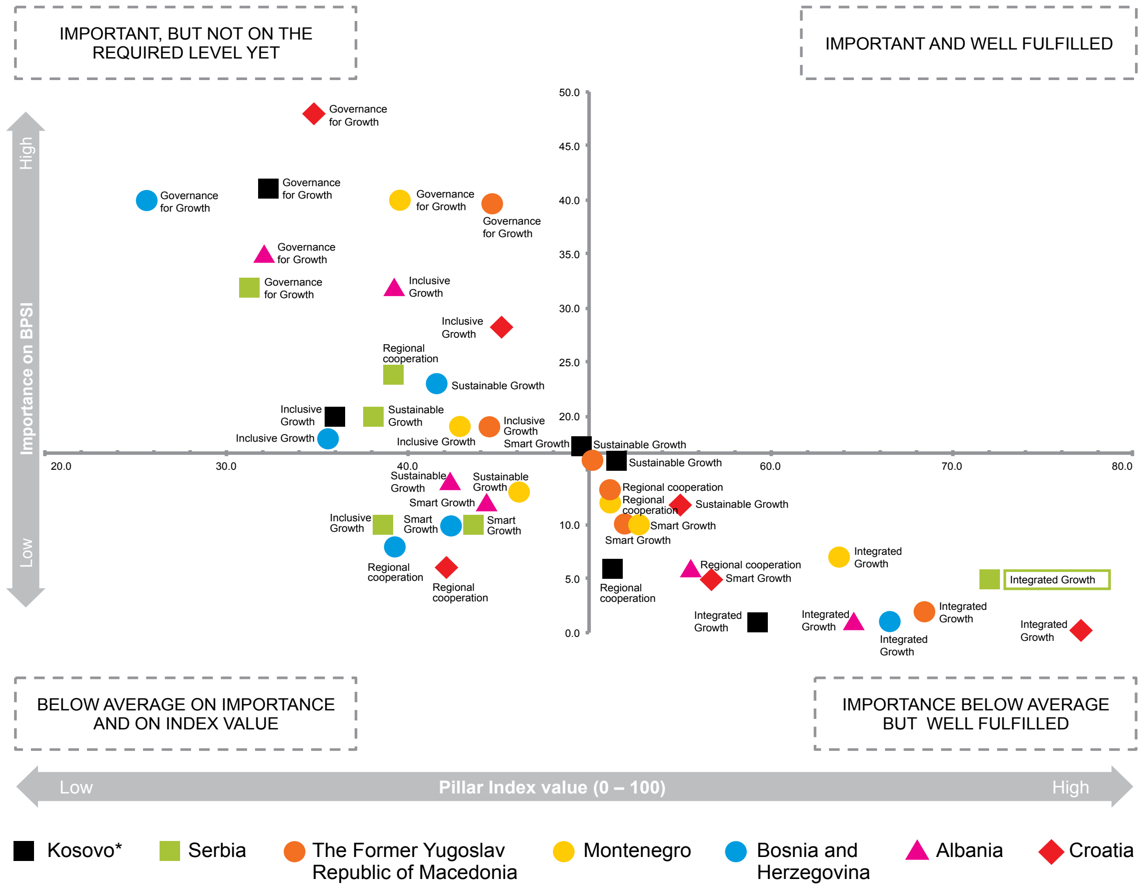


Figure 4: Pillar Importance vs. Pillar value (seven economies)



Contribution of the Pillars

Of all the five pillars, including Regional Cooperation, Governance for Growth has the greatest impact on the total BPSI with a share of 42% of impact at the level of the entire SEE region. Although there are differences in the impact of this pillar in some economies, it is still dominant in all economies, that is, it has the greatest impact on overall sentiment index. However, at the same time this pillar shows the lowest values (25.6 to 44.7) in comparison with all other pillars, which implies that working on increasing its value in all economies is a priority. Given the structure of the variables that make up Governance for Growth, priority may be given to working on public services, both on the quality, and the prices, to combating corruption, working to increase confidence in judiciary, and to increase the awareness in population that the law applies to all inhabitants equally. Improving these parts of society will indirectly cause an increase in BPSI, that is, satisfaction of the population in the SEE region. The lowest value of the pillar Governance for Growth has been present in Bosnia and Herzegovina (25.6) where the satisfaction with public services among persons is the lowest, they have the lowest confidence in the courts and the judiciary, and only 15% of the population share the opinion that the law applies equally to everybody. On the other hand, the value of this pillar is the highest in The Former Yugoslav Republic of Macedonia (44.7).

Looking at the impact of other pillars in the SEE region, it could be concluded that the following three pillars have almost an equal impact on total satisfaction of the inhabitants of this region: Regional Cooperation, Inclusive Growth and Sustainable Growth. Of these, Inclusive Growth has the lowest value. Inclusive Growth is the very pillar which shows the greatest variation of impact on BPSI in certain economies: from 10% in Serbia, to 32% in Albania. Of all the variables that make up the Inclusive Growth, job-related variables have by far the greatest impact on satisfaction : satisfaction with current job, and the risk of poverty. In Albania and Croatia, where there is the greatest impact of Inclusive Growth on the overall index (Albania - 32%; Croatia - 28%), solving the problem of unemployment, the risk of poverty, and to a lesser extent improving the health system and social life can have an impact on about one-third of the total satisfaction of the population.

Regional Cooperation and Sustainable Growth are two pillars with almost equal influence on BPSI and similar values. Regional Cooperation is the most important in Serbia (a 24% impact on BPSI), and the least important in Croatia, Kosovo* and Albania (6% each). However, although this is the most important pillar in Serbia, yet its resulting value (39.2) is among the lowest in comparison to the rest of the region. Albania is the opposite where the influence is low (6%), but as much as 65% of the population believes relations in the SEE region are better if compared to what they were 12 months ago. Sustainable Growth, that is, the satisfaction with the quality of transport infrastructure and utility services has the strongest influence on BPSI in Bosnia and Herzegovina (23%) and Serbia (20%). Although the influence is the greatest in these two economies, the value of the pillars is the lowest (Serbia - 38.1, Bosnia and Herzegovina - 41.6) which requires the greatest commitment in these two very economies in terms of transport and utility services in order to increase overall satisfaction.

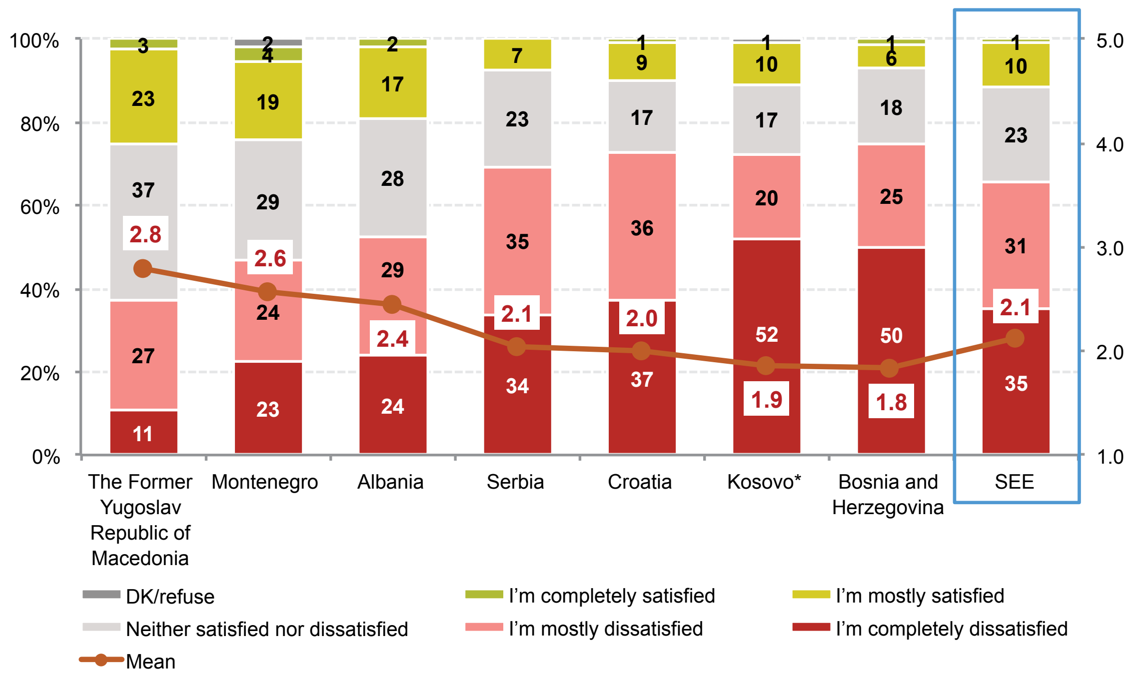
Smart Growth, whose foundation in the analysis comes down to satisfaction with the quality of education, is the main contributor to the total satisfaction in Kosovo* (17%) and contributes the least in Croatia (5%). In other economies its impact amounts to 10%. While in Croatia educational system has the least impact on overall satisfaction, the greatest impact is achieved because the value of the pillar is the highest (56.7).

The pillar with the least impact on overall satisfaction (1% at the level of SEE), but with the largest values (67.4 on average) is Integrated Growth which involves the relation between domestic products and the products of the region or the EU, as well as the benefits of CEFTA. It is obvious that domestic products are perceived as high-quality as well as those who are able to compete with products from the region or the EU. However, this has no impact on the satisfaction of inhabitants in the region.

In order to increase the value of the BPSI in the following period, especially in Serbia, Croatia and Bosnia and Herzegovina where it is the lowest, firstly it is necessary to improve the aspects that relate to public services, judiciary, and corruption. In addition, in Croatia it is necessary to increase employment and reduce poverty risk, while in Bosnia and Herzegovina the next priority is transportation infrastructure and utility services, and in Serbia relations in the region together with the said transport and utility services.

LIFE SATISFACTION AND ASSESMENT OF GENERAL TRENDS

Figure 5: How are you satisfied with the way things are going in your economy?



Satisfaction with the way things are going in the region is below the average which is 3.0 (see Figure 5). 66% people in the whole region are dissatisfied and only 11% are satisfied.

The most satisfied with the way things are going are people from The Former Yugoslav Republic of Macedonia (mean is 2.8 in comparison with SEE mean of 2,1). This result is significantly different from all other economies except Montenegro.

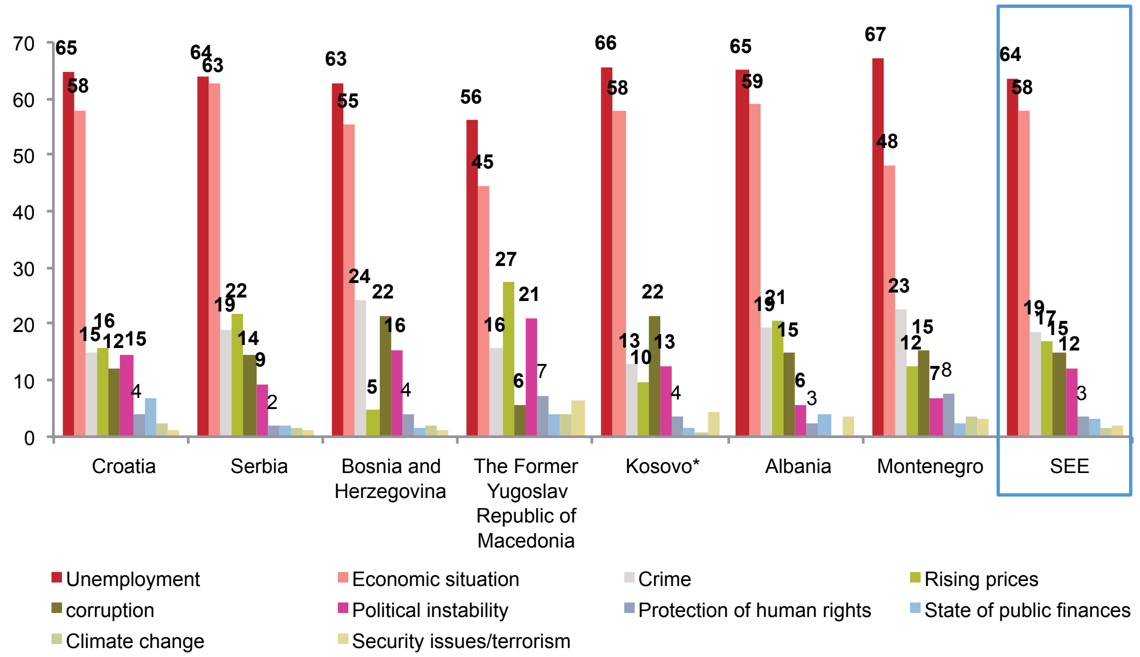
The highest dissatisfaction is among people from Bosnia and Herzegovina and Kosovo*. Among them are even a half who are completely dissatisfied with the way things are going (Bosnia and Herzegovina mean is 1.8, Kosovo* mean is 1.9). In Bosnia and Herzegovina and Serbia there are only 7% of people who are satisfied (completely or mostly). The result in Bosnia and Herzegovina is significantly different from all other economies except Kosovo*.

The main problems in the SEE region are unemployment and economic situation (see Figure 6). The economic situation, as the main problem, is specified in the lowest percentage in The Former Yugoslav Republic of Macedonia and Montenegro.

In The Former Yugoslav Republic of Macedonia people consider rising prices and political instability to be more important problems than in other economies. On the other hand, corruption is for them a less important problem (6%, SEE – 15%).

The largest number of people recognized crime as problem in Bosnia and Herzegovina (24%) and in Montenegro (23%), while corruption is mentioned the most often as the problem in Bosnia and Herzegovina (22%) and Kosovo* (22%).

Figure 6: What do you think are the two most important problems facing your economy?



Issues and the policy agenda

Even if unemployment and economic difficulties are at the top of problems that region faces the latter, in any case, did not play a key role in the past elections. This is probably the key political and policy paradox in the region. This is changing and thus the state of the labour market is expected to play a much larger role in future elections. By contrast, the public does not perceive the state of public finances as such an important problem, while this dominates the policy agenda in almost all the economies. This disconnect is similar to the one regarding the lack of political importance of low employment and high unemployment.

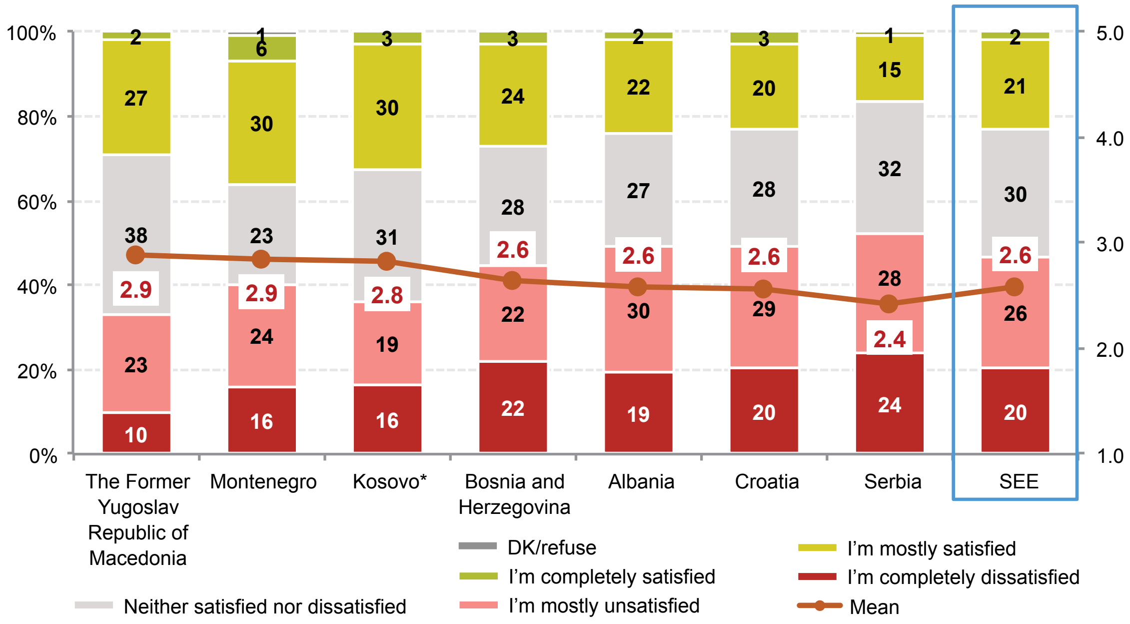
Strangely enough, inflation is seen as an relatively important problem, though it has been contained in most economies for some time now. Serbia was an exception, while the rate of price increases has been very low or even negative throughout the region, including Serbia in the last year. That is probably due to falling wages and other incomes.

The distribution of opinions on other issues shown in Figure 6 is consistent with what are taken to be the main challenges that the region face. Stability is clearly more of a problem in The Former Yugoslav Republic of Macedonia and Bosnia and Herzegovina, and also in Kosovo*. It features in Croatia too, though probably due to the dissatisfaction with the main parties rather than for security reasons.

High concern with crime also reflects the inefficiencies of the rule of law and a more general concern with the existing justice. Again, this is a persistent worry, as it comes out in most surveys.

Finally, the concern with corruption is also not unexpected given what is known about it from various reports and other sources. How much of a policy force it is depends on whether bad economic performance is connected with it. In prolonged recessions or stagnations, blaming corruption for bad welfare deterioration is almost inevitable.

Figure 7: How are you satisfied with the financial situation of your household?



If we take into consideration a scale from 1 to 5, which respondents used to estimate satisfaction with their financial situation and observed results for the whole region (2,6), we can conclude that satisfaction is below the average (3.0). On the region level the most people are dissatisfied (46%). Almost one third of them are neither satisfied nor dissatisfied and only 23% are satisfied (see Figure 7).

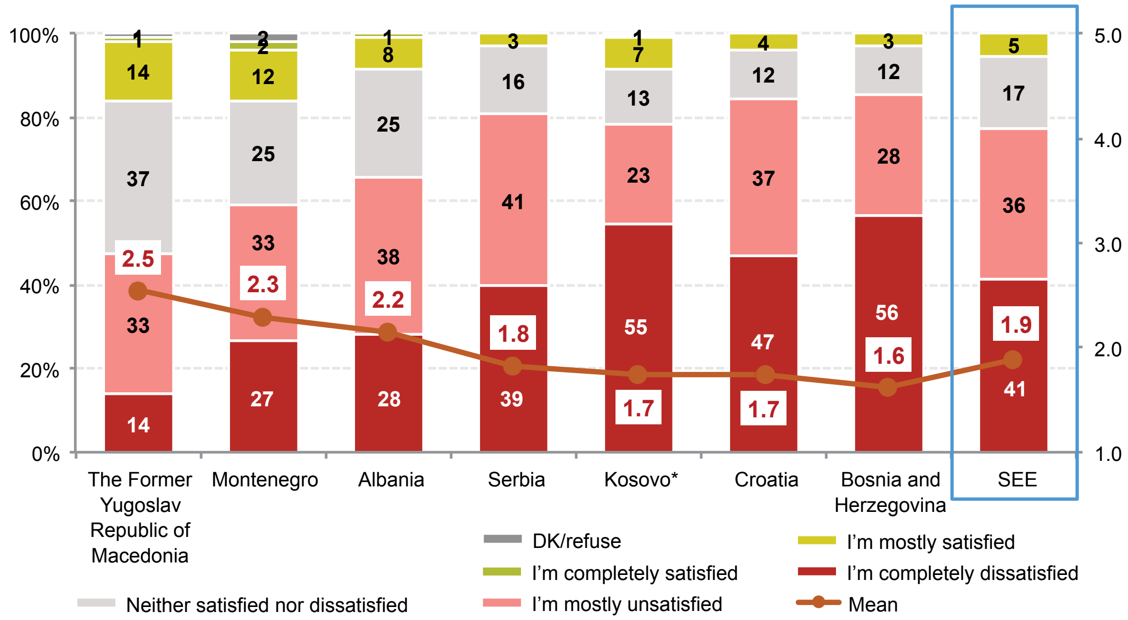
In general, people in the SEE region are more satisfied with the financial situation of their households (SEE mean is 2,6) than with the way things are going in their places of living (SEE mean is 2,1). People from Serbia have significantly lower satisfaction with financial situation in their households in comparison with the rest of the region (52% people are dissatisfied).

The less dissatisfied with financial situation in their household are people from The Former Yugoslav Republic of Macedonia (they are significantly more satisfied than people in Croatia, Serbia, Bosnia and Herzegovina and Albania).

In comparison with all measured satisfaction, the lowest satisfaction is observed for the economic situation in certain cases (SEE mean is 1.9) (see Figure 8). The lowest satisfaction was measured in Bosnia and Herzegovina, Croatia and Kosovo*. Approximately half of population is completely dissatisfied with the economic situation and more than 80% of people who are dissatisfied.

People from The Former Yugoslav Republic of Macedonia (mean is 2.5) are significantly

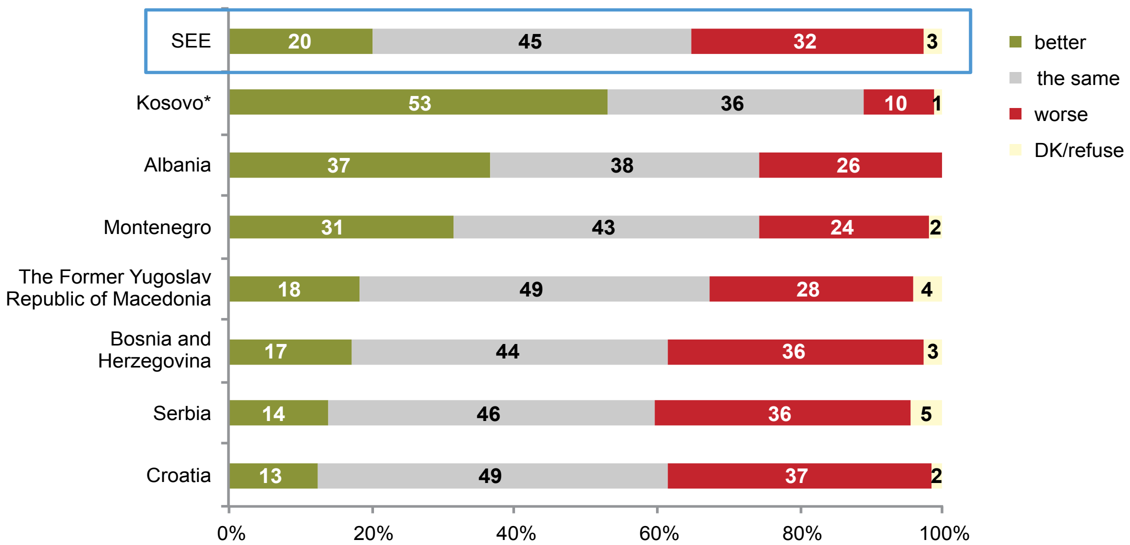
Figure 8: How are you satisfied with the general economic situation?



more satisfied with their economic situation than other people in the region except Montenegro.

If we compare expectations for the own financial situation and expectations for the national economy, we can see that greater optimism is present when it comes to their own finances. Namely, approximately the same percent of the SEE population expect better situation for their financial situation (20%) and for the national economy (18%), but a larger number expect worse situation when it comes to national economy (46%) than to own finances (32%). The highest difference between these two issues

Figure 9: What are your expectations for the next year? Do you think that in 12 months your financial situation will be:



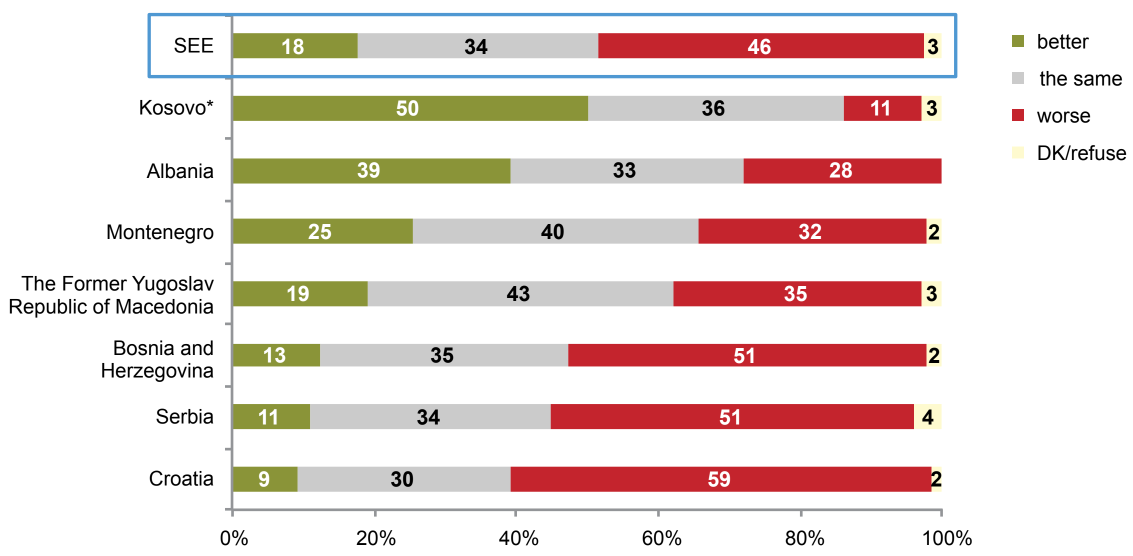
is noticeable in Croatia, Serbia and Bosnia and Herzegovina (see Figures 9 and 10).

People from Kosovo* are greater optimists – more than a half of population (53%) expect better financial situation in the next 12 months and only 10% expect worse situation (see Figure 9). Until very recently, people of Kosovo* have been more concerned with political developments rather than economic ones, which created a sense of success that might well explain this optimism. However, this is in contrast with the challenging economic conditions that triggered recent migrations from Kosovo*.

Besides people from Kosovo*, in Albania and Montenegro there are also more people who believe in better future than those who believe in worsening financial situation.

Among Croatians there is the lowest number of people who are optimistic about their future: only 13% of them expect better situation for the next year, but 37% expect worse financial situation.

Figure 10. What are your expectations for the national economy? Do you think that in 12 months the state of the economy will be:

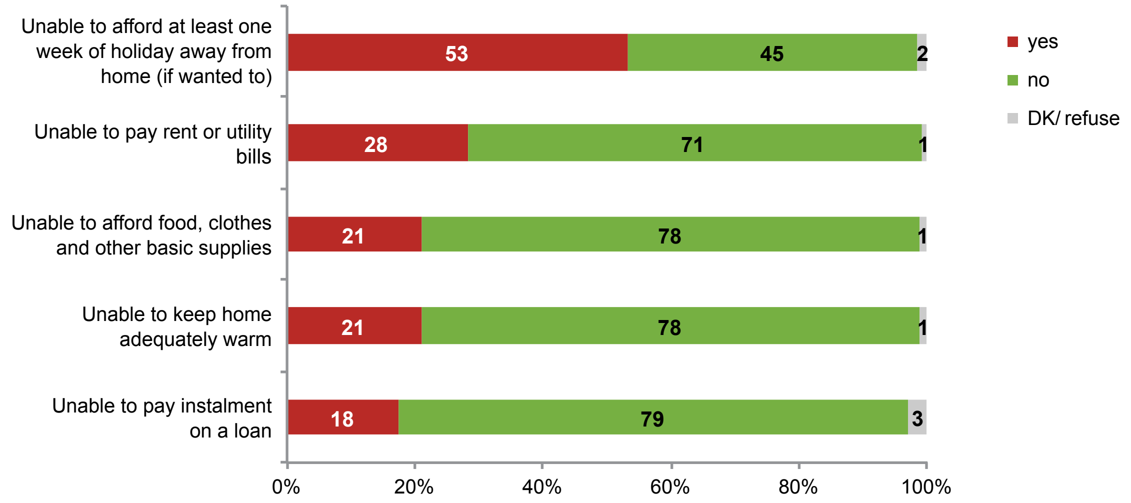


When it comes to future national economy, we have the same range of economies as for own financial situations: greater optimists are people from Kosovo* (50% expect better national economy, 11% worse), the lowest level of optimism is among the Croatian people (see Figure 10).

In Croatia there are even 59% of people who expect worse national economy in the next year and only 9% believe that national economy will be better.

In Bosnia and Herzegovina and Serbia a half of the population expect worse national economy in the future while in The Former Yugoslav Republic of Macedonia and Montenegro the highest number of people do not expect any changes.

Figure 11: Did your household face the following problems (even at least once) during the past 12 months? (Results for SEE)



Among the five examined problems/obstacles, the highest number of people in the SEE was unable to afford at least one week of holiday away from home – 53%. (see Figure 11).

From 18% to 28% people from SEE region were faced with the additional four problems: 28% were unable to pay utility bills in the past 12 months, while 18 % were unable to pay instalments for the loan.

Personal and general welfare

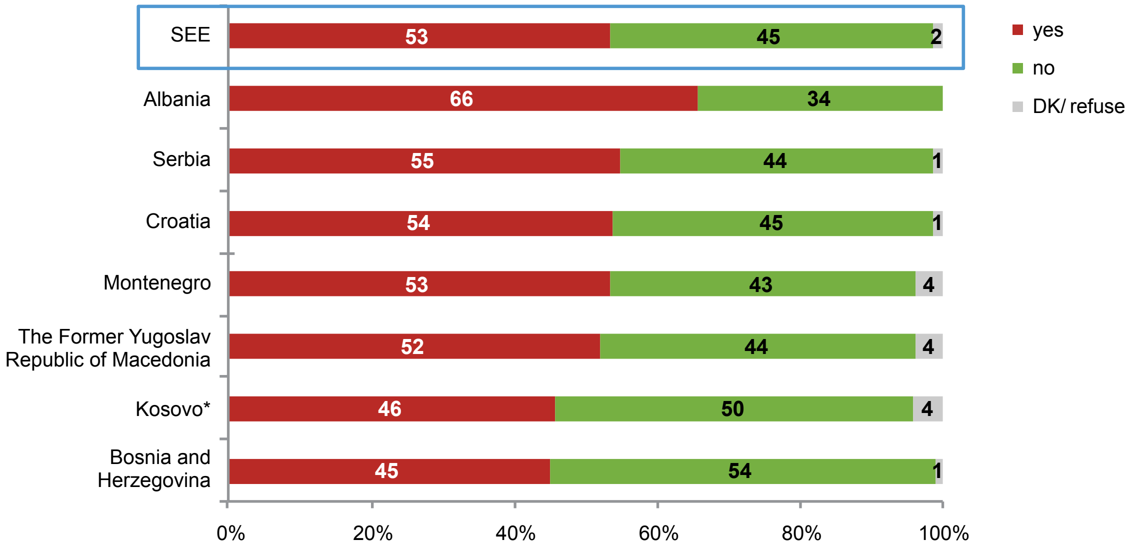
The assessment of the personal financial situation and the expectations for its development is better than for the economy as a whole (see Figures 7 and 8). This misalignment is probably a reflection of the general dissatisfaction with the policies pursued by the governments.

There is more optimism in Kosovo*, Albania, Montenegro, and The Former Yugoslav Republic of Macedonia, which is consistent with the developments since the start of the global economic crisis and also with the forecasts for growth in the short and medium term. These economies are expected to have growth rates of around 3 percent in the medium term, compared to close to 1 percent for most other economies. If anything, The Former Yugoslav Republic of Macedonia is more pessimistic than the statistical reports on growth and employment would suggest.

There is a large disconnect between the assessment of personal welfare and that of the economy in Bosnia and Herzegovina, Kosovo*, and Croatia, while in Serbia there is more of an alignment. This is in accordance with the fact that wages and incomes are increasing, except in Croatia and Serbia, while the economies suffer from many deficiencies. In the case of Serbia, employment and income prospects have been deteriorating and will continue to do so together with the prolonged recession.

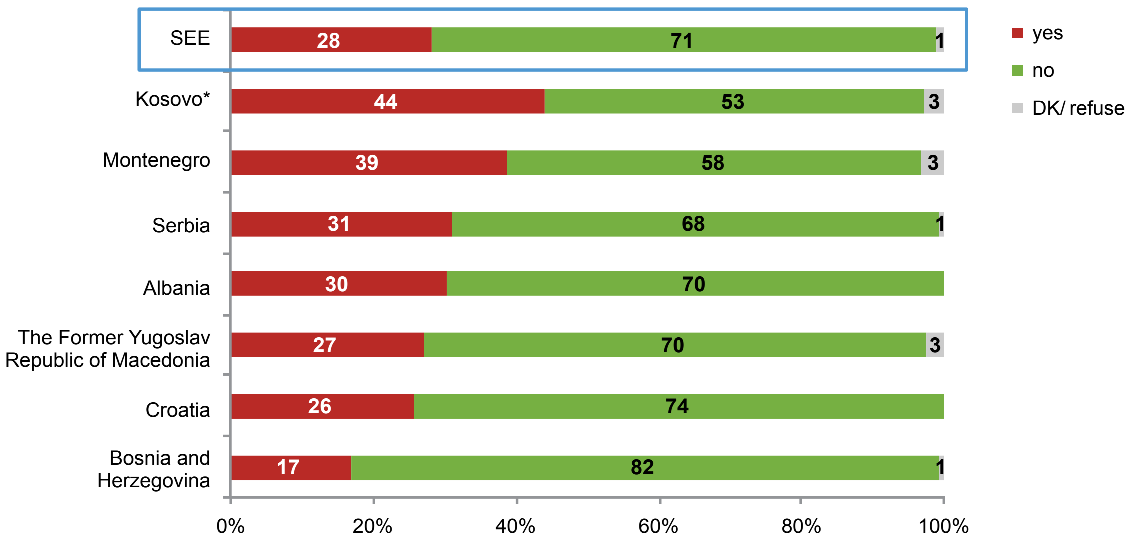
Overall prospects are seen as quite pessimistic, which is in accordance with the fact that most of the region seems stuck in stagnation and even recession. There is, however, a consistent differentiation between economies that have been doing comparatively better – The Former Yugoslav Republic of Macedonia, Kosovo*, Albania, and Montenegro – and those that have done worse – Serbia, Croatia, and Bosnia and Herzegovina.

Figure 11(a): Did your household, even once in the past 12 months, face problems in affording at least one week of holiday away from home (if wanted to)?



In five (from seven) economies a half of population were unable to afford at least one week of holiday away from home. The lowest number of people who were able to pay one week of holiday is from Albania (34%), while in Bosnia and Herzegovina this percentage is the highest (54%) (see Figure 11a).

Figure 11(b): Did your household, even once in the past 12 months, face problems in paying rent or utility bills?



The biggest problems with utility or rent bill payments had people from Kosovo* - 44% of them were unable to pay them during the past 12 months, followed by Montenegro where 39% were unable to pay rent or utility bills.

In Serbia and Albania approximately one third of population had difficulties with rent or utility payments, while in Bosnia and Herzegovina there is the lowest number of people who could not pay bills – 17% (see Figure 11b).

Figure 11(c): . Did your household, even once in the past 12 months, face problems in keeping home adequately warm?

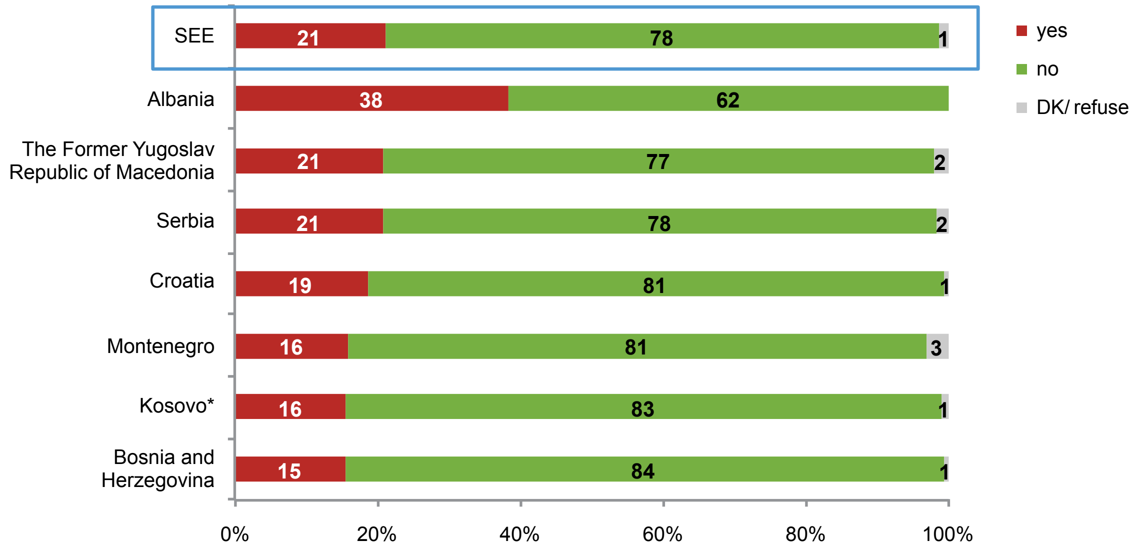
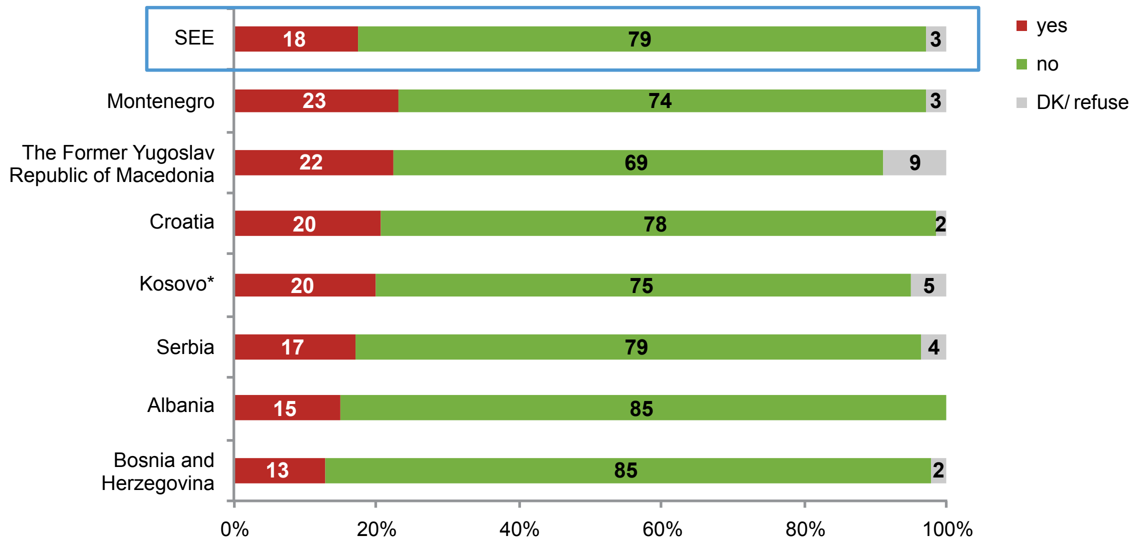


Figure 11(d): . Did your household, even once in the past 12 months, face problems in affording food, clothes and other basic supplies?



Besides impossibility to afford one week of holidays, people of Albania also has the biggest problem with keeping homes adequately warm - 38% of Albanian population were unable to have warm homes during the past 12 months (see Figure 11c).

Other economies have approximately the same number of people who were unable to keep homes adequately warm: from 21% in The Former Yugoslav Republic of Macedonia and Serbia to 15% in Bosnia and Herzegovina.

From 20% to 23% people from The Former Yugoslav Republic of Macedonia, Montenegro, Croatia and Kosovo* were unable to afford basic supplies such as food and clothes. The lowest problem with basic supplies had people in Bosnia and Herzegovina (13%), in Albania (15%) and in Serbia (17%) (see Figure 11d).

On average, 18% of people had problems with loan payment. People from Montenegro, The Former Yugoslav Republic of Macedonia, Croatia and Kosovo* face relatively higher problems in paying instalment on a loan (see Figure 11e).

Figure 11 (e): Did your household, even once in the past 12 months, face problems in payin instalment on a loan?

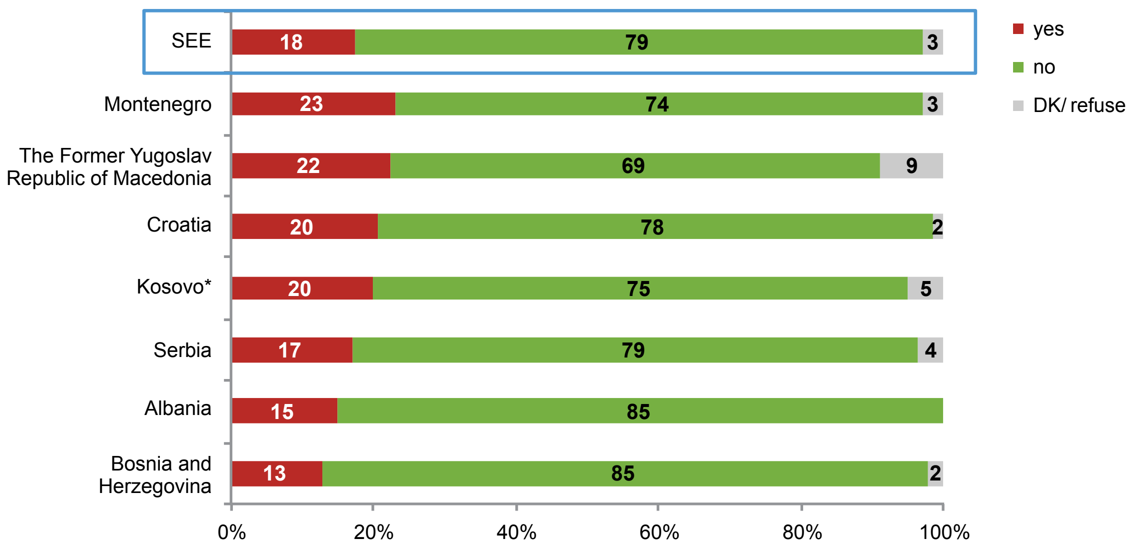
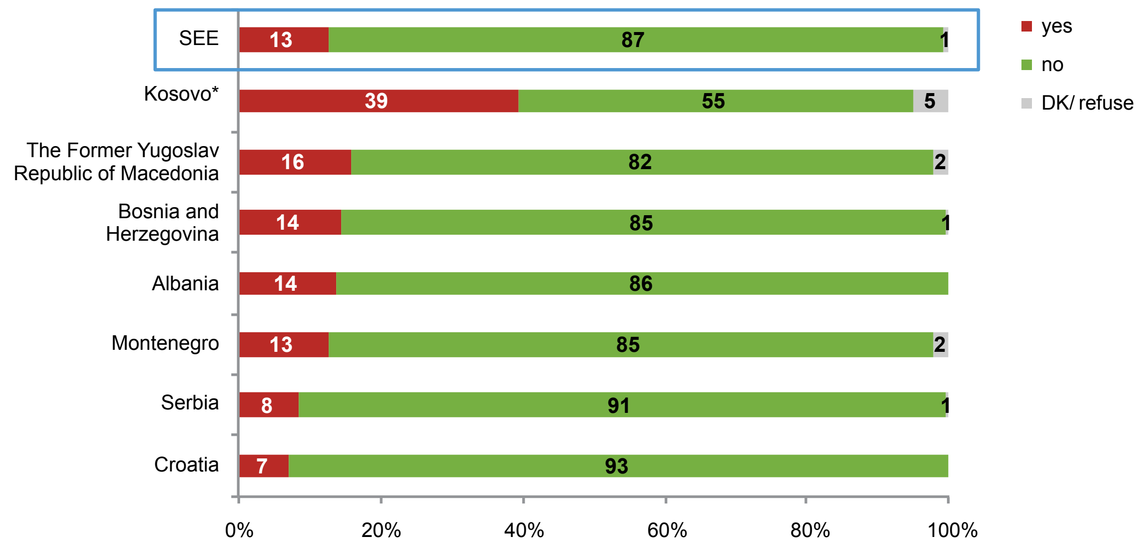


Figure 12: Did your household receive help, at least once in the past 12 months, in the form of money or goods from another individual living abroad?

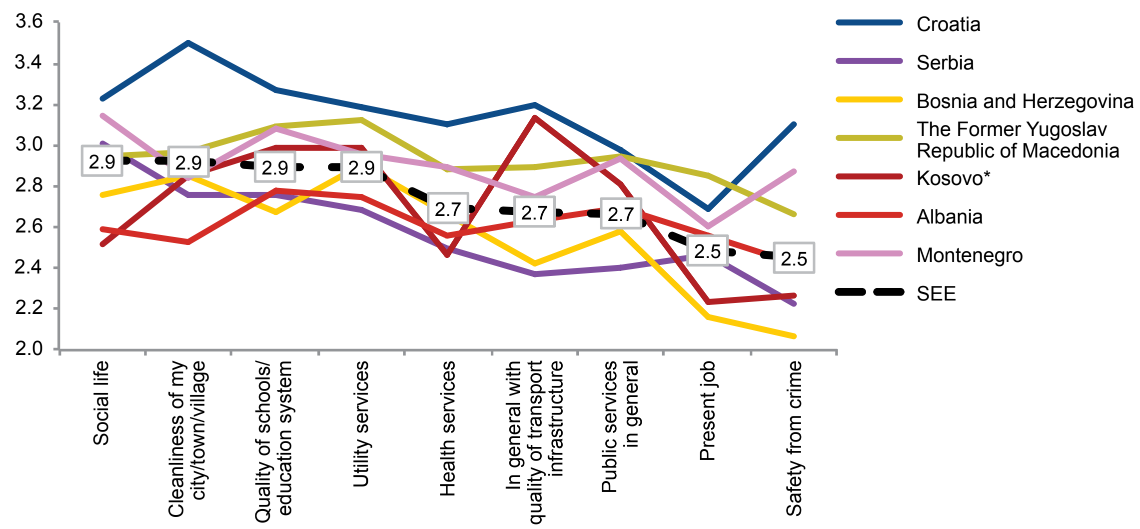


Results show that people from Kosovo* received significantly more help (in the form of money or goods from another individual living abroad) in comparison with other economies – 39% of the population (see Figure 12).

From 13% to 16% people from Montenegro, Albania, Bosnia and Herzegovina and The Former Yugoslav Republic of Macedonia also received help in the past 12 months.

The lowest number of people who received help from individuals living abroad is from Croatia – 7% and Serbia – 8%.

Figure 13: How satisfied are you with each of the following in your place of living: (1-5 scale; mean)



Results for the entire region show that people in this region are the most satisfied with social life, cleanliness of their cities, quality of education system and with utility services (mean is 2.9). The lowest satisfaction is with safety from crime and present job (mean is 2.5) (see Figure 13).

If we compare seven economies and their levels of satisfaction with nine different topics from Figure 13, we can see that Croatian people are the most satisfied with all issues except present jobs – with which are the most satisfied people from The Former Yugoslav Republic of Macedonia.

People from Kosovo* and Serbia have the lowest level of satisfaction with social life and health services. People from Albania have the lowest level of satisfaction with cleanliness of their cities.

With education system the lowest satisfaction is among people from Bosnia and Herzegovina, Serbia and Albania, with utility services among people from Serbia and Albania. Serbians have also the lowest level of satisfaction with quality of transport and public services. People from Bosnia and Herzegovina and Kosovo* are the least satisfied with present jobs and with safety of crime, together with Serbia.

No satisfaction

The least satisfying factor is the present job, and crime is the main risk (see Figure 13). Dissatisfaction with the current job is in line with the data that suggests that the level of education is higher than the produced GDP. In other words, on average, people are potentially more productive than they are in their place of work. This means that there is a major misallocation of labour resources due to declining production and the change of its structure – low skilled services taking over from manufacturing.

The high concern with crime, already mentioned before, is probably due to the dissatisfaction with the rule of law rather than with the overall level of criminal activities, though those may have been increasing.

Also, the high level of corruption probably influences the evaluation of the risk of criminal activities.

A relatively higher satisfaction with social life and with public services is not to be exaggerated as those are still mostly below average. Also, job dissatisfaction, which also, most probably, includes treatment on the workplace, makes social and public relations relatively more satisfying by comparison.

Intra-regional variations are not terribly large, and in the case of the overall higher level in Croatia, that probably just reflects its much higher GDP per capita. That, in fact, makes the satisfaction level in this economy look even worse.

Personal welfare and the state of the economy

This group of questions (see Figures 11 and 12) gives consistent results with what is otherwise known about poverty in the region and in the individual economies.

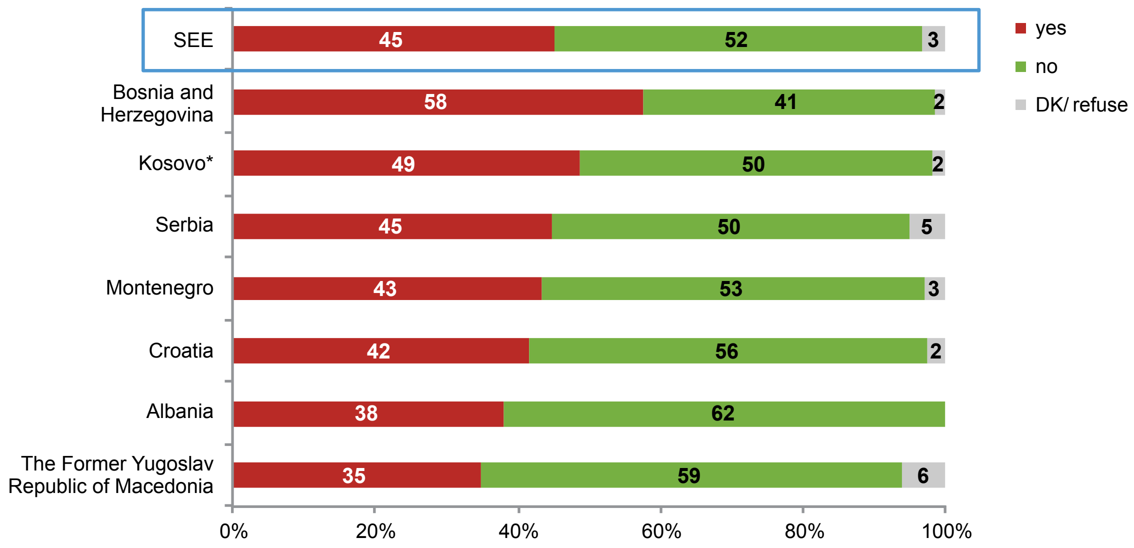
Somewhat surprising is 18% at the SEE level of those who report problems with meeting their credit obligations, given that households do not have much debt, except in Croatia, and the banks report much lower numbers for nonperforming loans in the case of households. There could possibly be some share of out-of-banks loans which may be more of a problem, but it is not known how prevalent those are.

When it comes to electricity and other utility bills, it is hard to distinguish between the ability to pay and the willingness to pay. There is widespread default on these bills and also stealing. There are also shortages and power cuts, which probably account for the high number of those that cannot ensure adequate heating.

The high numbers in all these questions in Croatia, except in the one about outside help, is more difficult to explain. In terms of GDP per capita or net wages, and also purchasing power parity terms, Croatia is much richer than the rest. So, there is probably a problem in comparability, e.g. in what is considered an adequate diet or clothing or a minimum utility fee in general. The more severe problems with loans are understandable, however, because Croatian households hold significant debts.

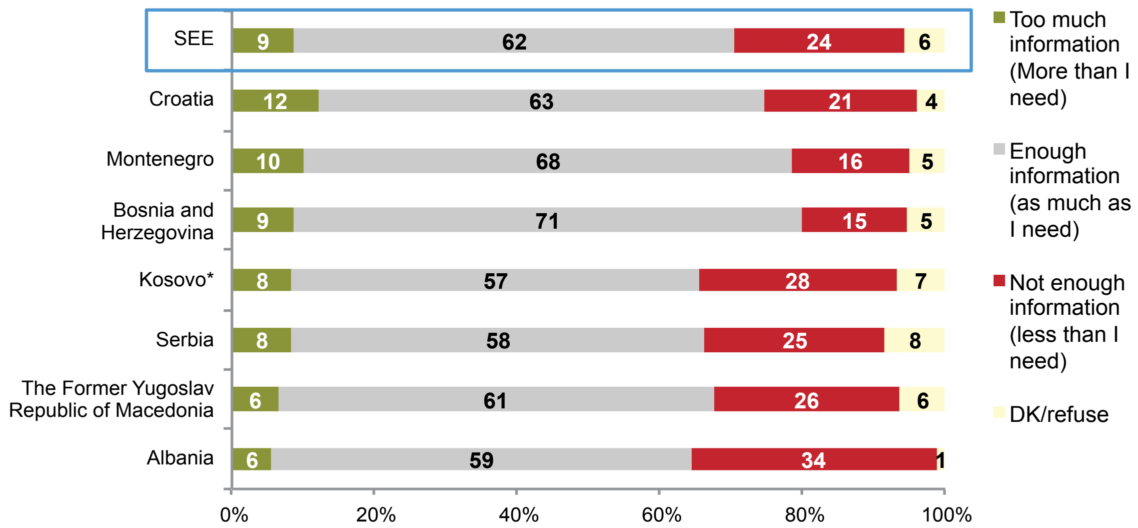
The somewhat low numbers regarding help from abroad, except in the case of Kosovo*, and also Croatia, is not in accordance with the statistics on the inflow of remittances. In particular, the dependence on them in Serbia should be higher. It may be that not all remittances are considered as help.

Figure 14: Would you consider living and working abroad?



ATTITUDES ON EU INTEGRATION AND REGIONAL COOPERATION

Figure 15: Overall, do you think you receive sufficient information about developments in other parts in the SEE region?

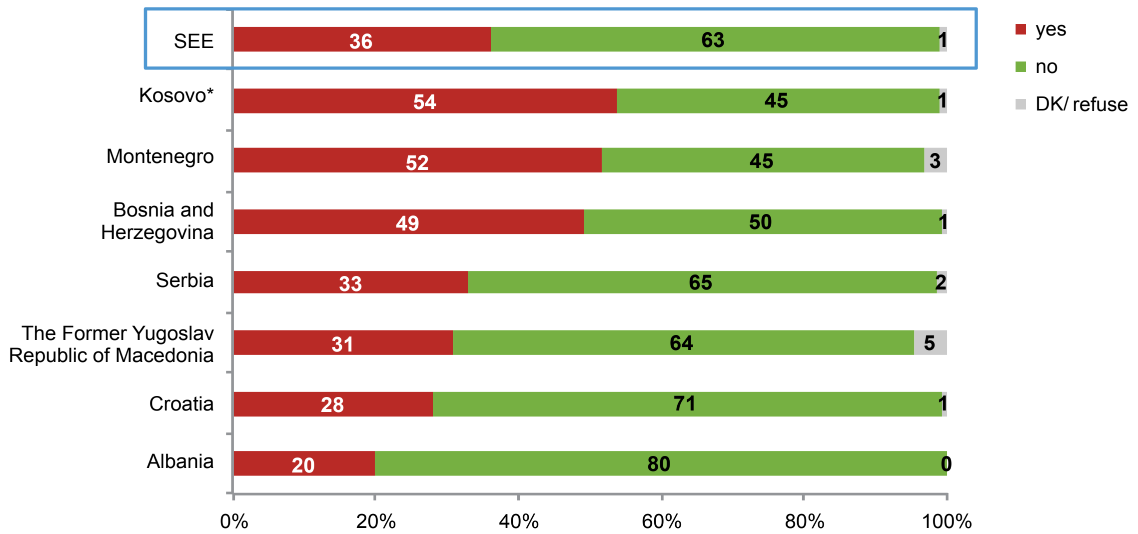


Approximately two thirds of the population of the SEE region find that they receive enough information (as much as they need) about developments in other parts of the region. 24% need more information (see Figure 15).

The highest number of those who need more information about developments in other parts of the region is from Albania (34%).

Among the people from Bosnia and Herzegovina there are the most of those who have enough information about developments in region, while among Croatians there is the highest number of people who find that they receive too much information (more than they need) – 12%.

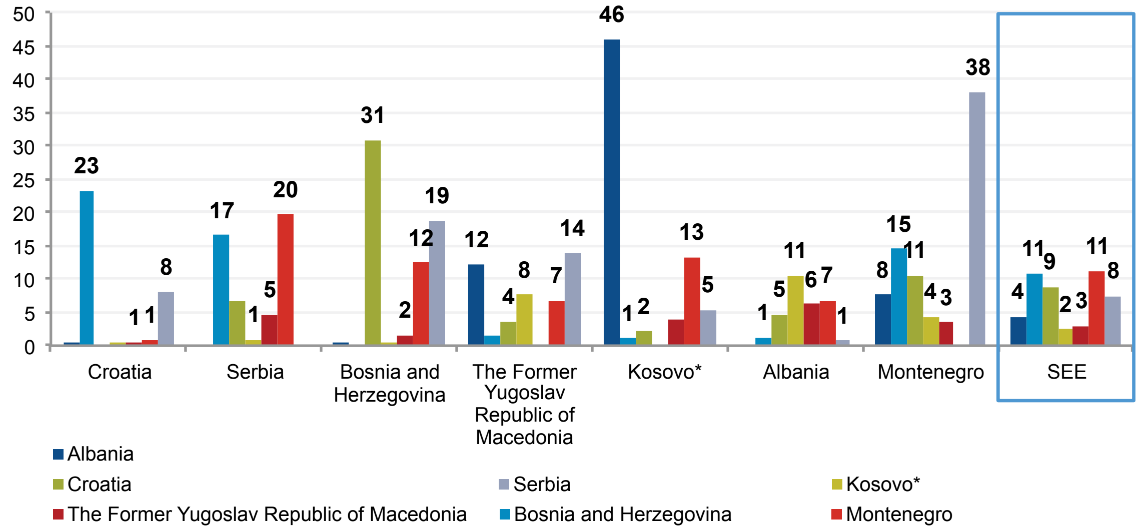
Figure 16: Did you travel somewhere in the region in the past 12 months?



In the past 12 months only one third of the SEE population travelled somewhere in the region (see Figure 16).

In Kosovo* and Montenegro the highest percentage of people travelled somewhere in the region – 54%/52%, while only 20% of the Albanian population travelled in the past year somewhere in the region.

Figure 17: Did you travel somewhere in the region in the past 12 months and if yes, where? (those who did travel in the region in the past 12 months)



If we take into consideration the whole SEE region, the most people were travelling to Bosnia and Herzegovina, Montenegro, Croatia and Serbia (see Figure 17).

People from Kosovo* and Montenegro, who travelled most frequently, usually travelled to the nearby economies: 46% of those from Kosovo* who travelled were in Albania and 38% of the Montenegro population were in Serbia.

Croatian people were travelling the most often to Bosnia and Herzegovina, Serbs to Bosnia and Herzegovina and Montenegro and people from Bosnia and Herzegovina to Croatia.

Migration and Mobility

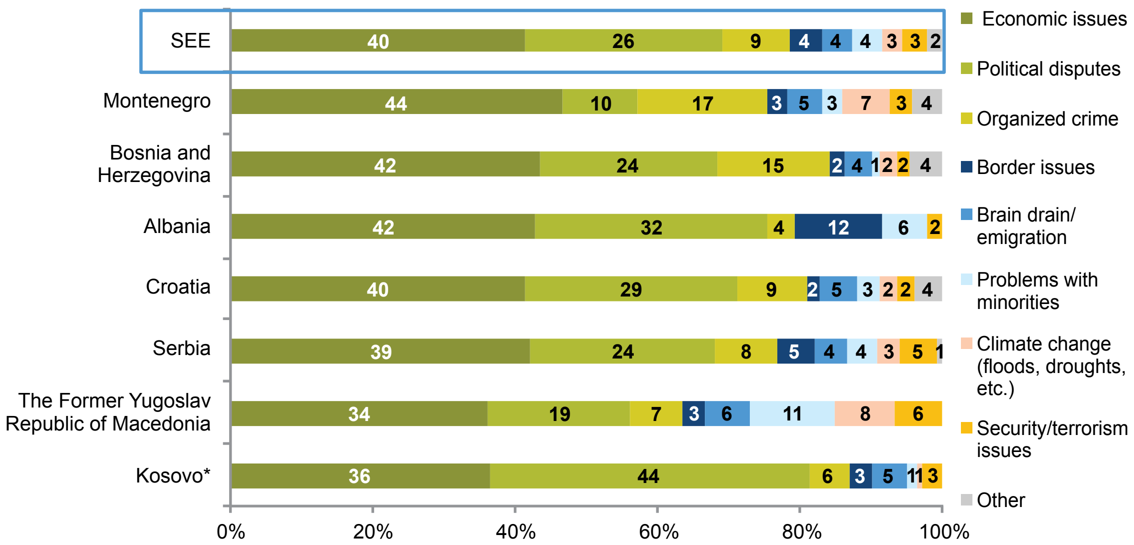
The high interest in emigration is consistent with the fact that this is a migrant region. Traditionally, the relevant labour market is the world rather than the domestic and the regional one.

It is somewhat surprising that the number of people considering emigration is rather high in Croatia (see Figure 14). The statistical data does show increased outward migration in the last few years due to prolonged recession in this economy. The leading position of Bosnia and Herzegovina is not a surprise, while this cannot be said for the position of The Former Yugoslav Republic of Macedonia at the bottom of the list. In general, these numbers are consistent with the economic trends and the tradition of outward migration.

Intra-regional migrations are more a type of mobility. The flows follow ethnic lines and inherited routes, e.g. between Montenegro and Serbia, and between Bosnia and Herzegovina and both Croatia and Serbia. Growing mobility between Kosovo* and Albania is to be expected, but it is new (see Figure 17).

In SEE, Albania is least integrated within the region. This is visible in the data on mobility and migration, but also in the overall acquaintance with regional developments. This will also be apparent from the trade later on.

Figure 18: What do you think are the most important problems facing the entire SEE region at the moment?



For the highest number of people (40%) economic issues are the most important problem in the SEE region. The second most important problem are political disputes (see Figure 18). Economic problems are seen as more pressing within the national economy (see Figure 6) than within the region, but these two sets of answers cannot be compared directly because they differ. In addition, the perception of the importance of economic problems in the regional setting is influenced by the regional political problems, which are still seen as substantial. That is why in the regional setting economic problems are seen as less pressing, though they are still the most significant ones, than in the local setting.

The significant differences are noticeable between Kosovo* and the rest of the region when it comes to political disputes (44%), between Albania and all others when it comes to border issues (12%) and between The Former Yugoslav Republic of Macedonia and others when it comes to problems with minorities (11%).

People from Montenegro and Bosnia and Herzegovina perceive organized crime as more important problem in the region than others do.

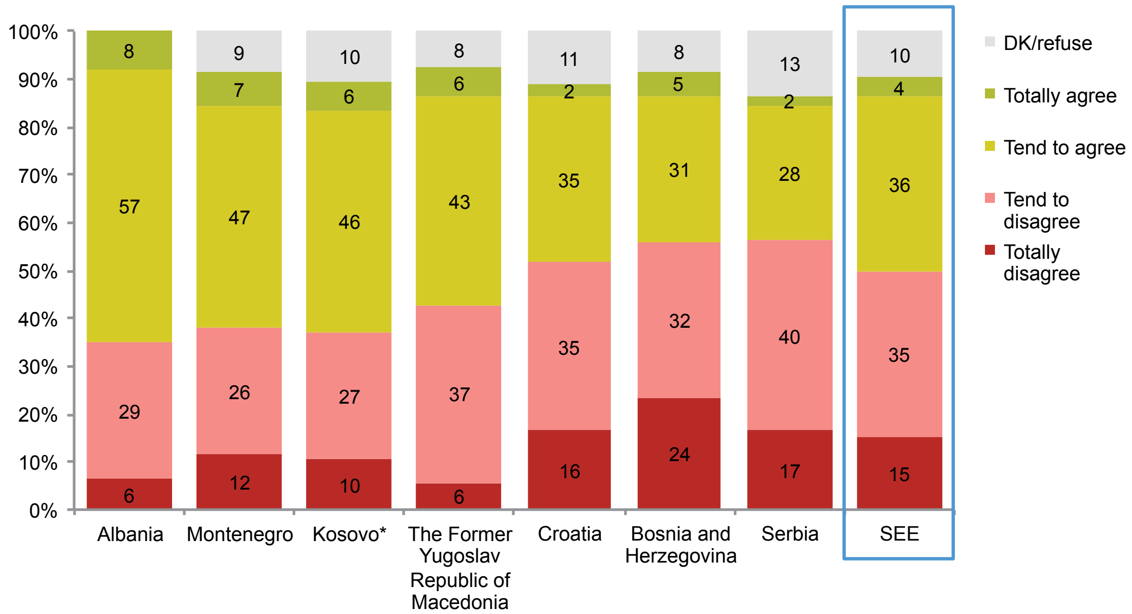
Economy and animosity

The dissatisfaction with the economy is more or less the same across the region, even if some economies have been doing better than the others (the former include The Former Yugoslav Republic of Macedonia, Albania and Kosovo*, while in the latter we find Croatia, Serbia and Bosnia and Herzegovina; Montenegro is a bit in between).

Political disputes are still important throughout the region, and then there is organised crime, probably cross-border to a not small extent. Possibly because political disputes cover also the internal borders issue, problems with the border are mostly important in Albania where probably refer to Greece, not to others in the region.

Problems with minorities feature more in The Former Yugoslav Republic of Macedonia than in other parts of the region probably because of the understanding regarding which ethnic group is to be considered a minority. Minorities themselves consider that they have problems with the majorities, which is possibly subsumed under political disputes (see Figure 18).

Figure 19: Do you agree that the relations in SEE are better than 12 months ago? (1-4 scale)

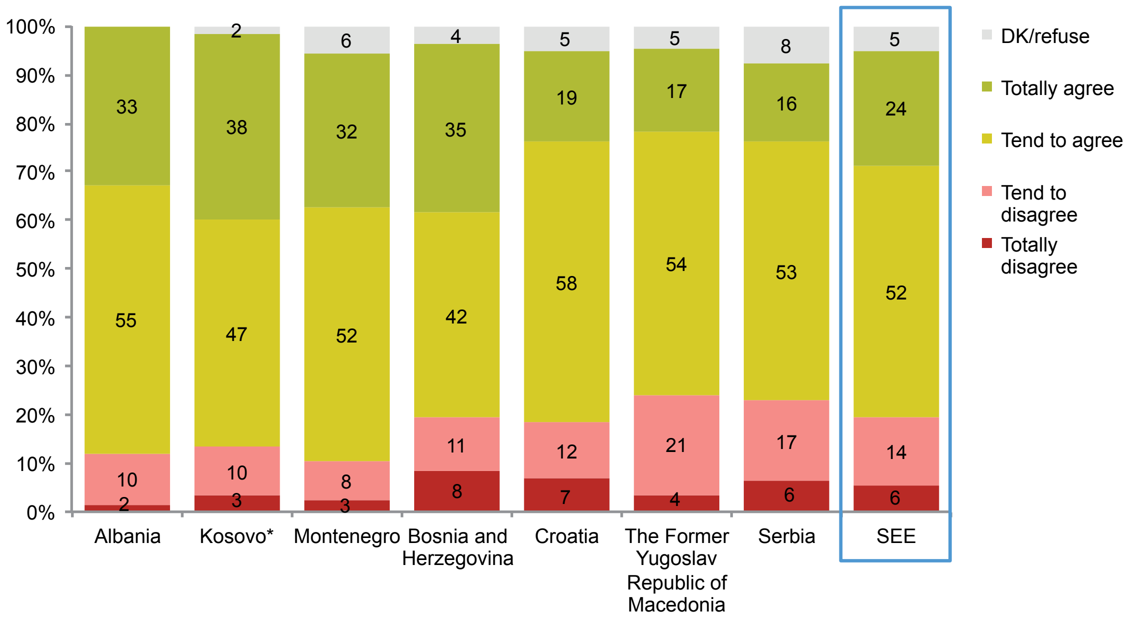


40% of the SEE population think that relations within SEE are better now than 12 months ago, while a half have the opposite opinion (see Figure 19).

Among people from Albania there is the highest number of those who think that relations are better now – 65%, while in Serbia we have the lowest number – 30%. In four economies (Albania, Montenegro, Kosovo* and The Former Yugoslav Republic of Macedonia) there is a bigger share of those who perceive present situation better than before, while in other parts of the region (Croatia, Bosnia and Herzegovina and Serbia) we have more of those who do not agree with the mentioned statement.

In four economies (Albania, Montenegro, Kosovo* and The Former Yugoslav Republic of Macedonia) there is a bigger share of those who perceive present situation better than before, while in other parts of the region (Croatia, Bosnia and Herzegovina and Serbia) we have more of those who do not agree with the mentioned statement.

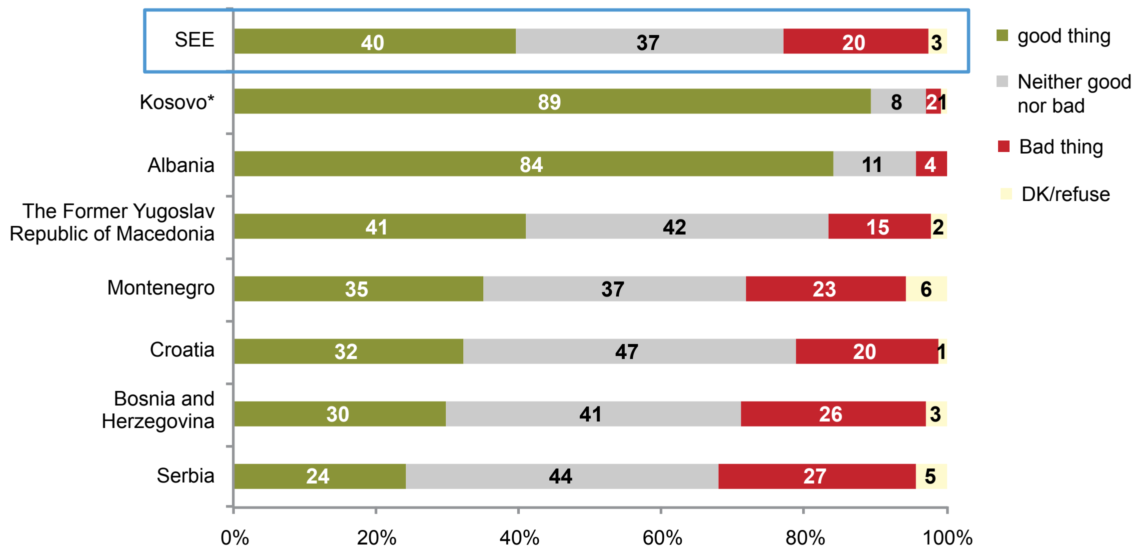
Figure 20: Do you agree that regional cooperation can contribute to the political, economic or security situation of your place of living? (1-4 scale)



The positive fact is that majority (76%) of SEE region population think that regional cooperation can contribute to a better situation in own place of living (see Figure 20).

In Montenegro we have only 11% of those who do not agree with this statement. The highest number of people who do not agree with the fact that regional cooperation can contribute to better situation is from Serbia (23%) and The Former Yugoslav Republic of Macedonia (25%).

Figure 21: Do you think that EU membership would be (is – for Croatia) a good thing, a bad thing, or neither good nor bad?



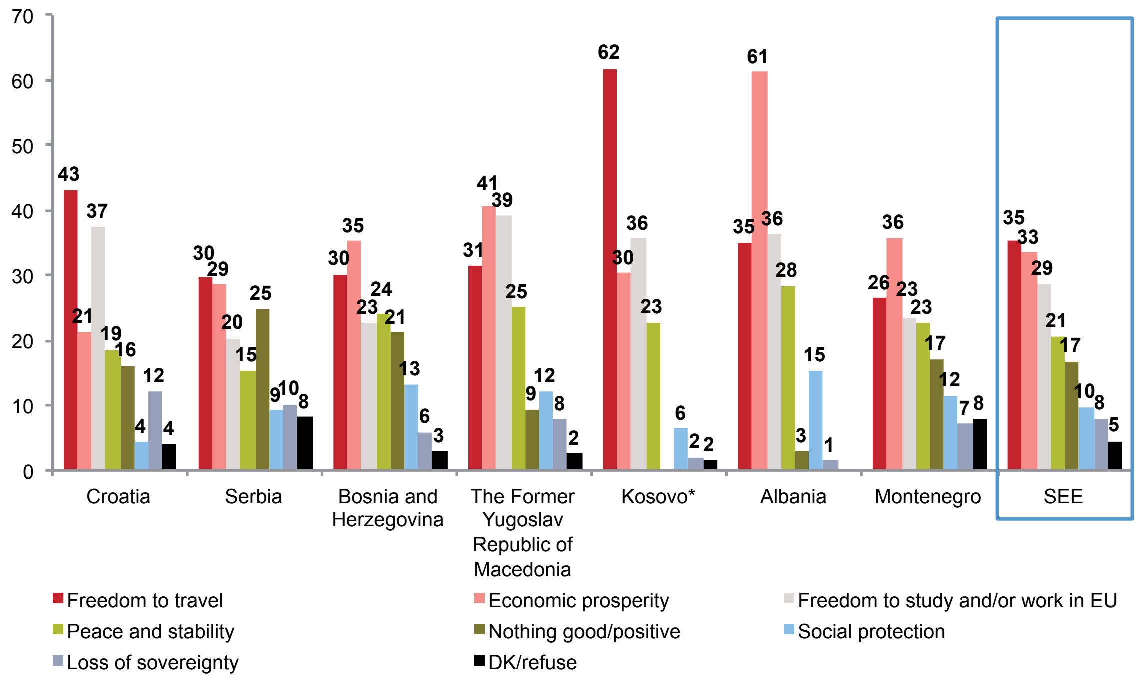
If we are observing on the SEE level, we can see that approximately the same number of people think that membership in EU is a good thing (40%) or have a neutral opinion (37%). The smallest number perceives EU membership (20%) as a bad thing (see Figure 21).

But, besides general results, we can recognize big differences between certain economies regarding their opinion about EU membership.

People from Kosovo* and Albania differ the most from others because more than 80% of them think that EU membership is a good thing.

Among Serbs there is the smallest number of those who think that EU membership is a good thing – only 24%, while 27% perceive EU membership as a bad thing. This is the only place where more people perceive EU membership as a bad thing rather than a good thing.

Figure 22: What would EU membership mean to you personally? (Max. two answers)



Freedom to travel, economic prosperity and freedom to study and work in EU are three most often mentioned EU membership meanings (see Figure 22). However, we can also notice big differences across the region about this issue.

Among people from Kosovo* dominates freedom to travel (62%) as the meaning of EU membership, while in Albania dominates economic prosperity (61%). In other parts of the region a few different meanings have a very similar percentage.

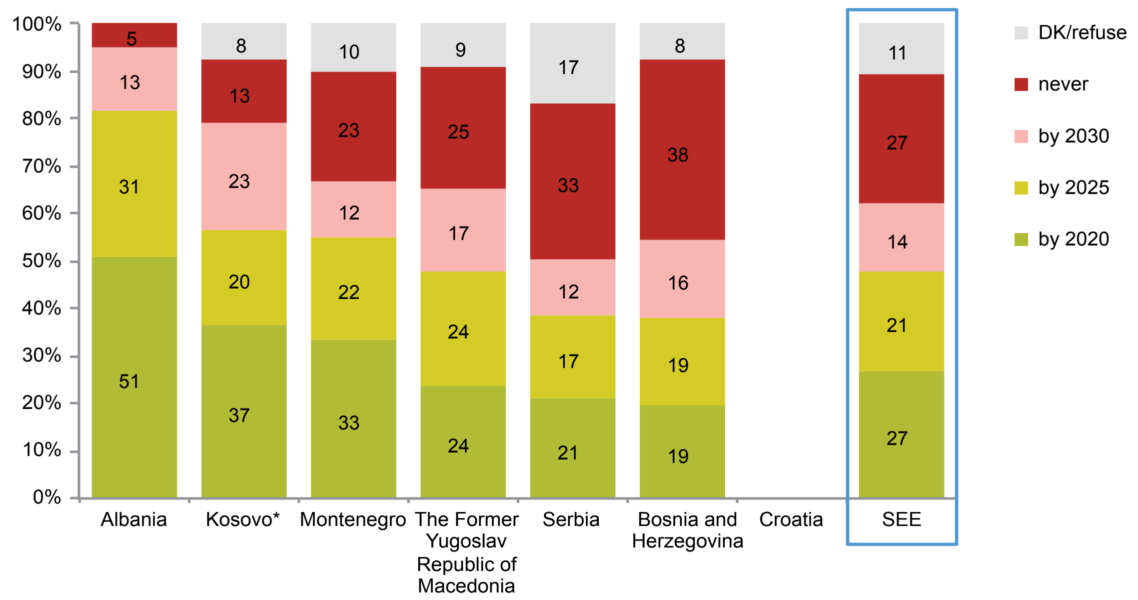
Freedom to travel is mentioned in the lowest percentage in Montenegro, and economic prosperity in Croatia.

That membership in EU will bring peace and stability and social protection most often think people from Albania.

People from Serbia in the highest percentage see EU membership as nothing good/positive – 25%.

Croatians who already have EU membership most often perceive it as freedom to travel or to study and work in EU, rather than economic prosperity.

Figure 23: In general, when do you expect the accession to EU to happen?



Although on the SEE level there is not a big difference in people's expectation about accession to the EU, at the national level there is (see Figure 23).

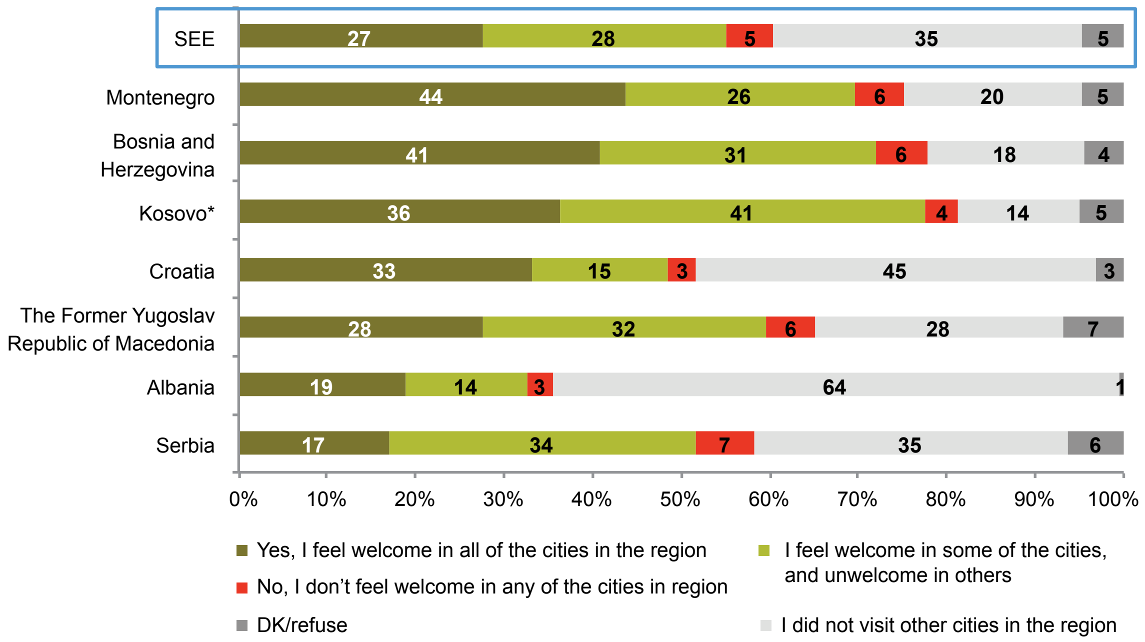
The greater optimists are people from Albania where a half of them expect Albania will become an EU member by 2020, and 31% by 2025. Only 5% think that they will never become an EU member. In Kosovo* is the similar situation, but with more people who do not believe in EU membership (13%). In Bosnia and Herzegovina almost 38% of people believe that Bosnia and Herzegovina will never become a member of EU and only 19% believe in membership by 2020.

In the SEE region we have 35% of people who did not visit any cities in the region, 27% feel welcome in all cities and 28% only in some of them (see Figure 24).

The most people who did not visit any other part of the SEE region are from Albania (64%), followed by Croatia (45%).

Among people from Montenegro and Bosnia and Herzegovina there are the most who feel welcome in all other parts of the region (44%/41%), while in Serbia there is the lowest number of them (17%).

Figure 24: Do you feel welcome abroad, when you are traveling to other cities in SEE region either for business or leisure purposes?



Enthusiasm and scepticism

The region is divided between those that could be considered enthusiastic about regional and EU integration and those that are more sceptical. The former include, for the most part, Albania and Kosovo*, while in the latter we have Croatia, Bosnia and Herzegovina, and Serbia; The Former Yugoslav Republic of Macedonia and Montenegro are somewhere in between (see Figure 21).

This is in contrast with the generally positive attitude towards intra-regional cooperation, though again the same division is visible. Clearly, the more sceptical ones see that there are still some risks emanating from within the region (see Figure 20).

Enthusiasm and scepticism towards EU integration is similarly distributed. As for the future benefits of the EU membership, Croatia is more sceptical than for example Kosovo* or Albania. Apart from these two economies, all others are more doubtful and arguably somewhat sceptical about the contribution that integration into the EU has had on the wellbeing of Croatia.

What public and personal goods is the EU expected to supply? Mobility, which also means access to the labour market, features prominently and, together with prosperity and access to education, suggests that welfare is what is believed to be the biggest contribution of EU membership.

Security – peace and stability and social protection – are the second most valued public goods, especially in economies that are facing larger problems in these areas (see Figure 22).

The answers to these two questions could also be considered to reflect the preference for the rule of law, i.e. for justice as a public good, which is also associated with the integration into the EU. But it is hard to differentiate from these answers the contributions of these two public goods – security and justice – in the appeal of the EU.

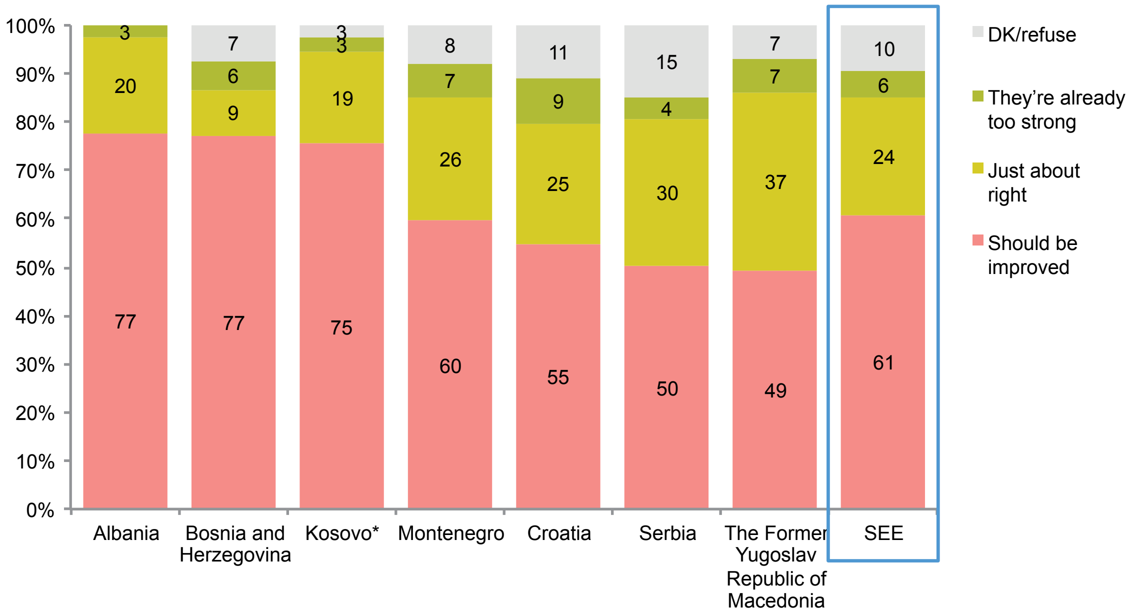
Scepticism is expressed in the answers to the questions regarding the loss of sovereignty and the general assessment that EU integration brings nothing good or positive. This could be understood as expressing worries that changes will have to be made, e.g. in Serbia, Bosnia and Herzegovina, and Croatia, changes that are not desired, and that political legitimacy may be compromised (the issue of sovereignty). Interestingly enough, the latter complaint is not very prominent in Bosnia and Herzegovina.

Scepticism is also reflected in the general view that EU integration is far off, as far off as ever, e.g. in Serbia and Bosnia and Herzegovina, while unrealistic enthusiasm is to be found in Albania and Kosovo*. Clearly, the latter economies see the EU as help in dealing with domestic and international problems, while others, e.g. The Former Yugoslav Republic of Macedonia, perceives the EU more as a hindrance due to its name dispute with Greece, an EU member.

Finally, the concerns with security and hospitality within the region varies mostly with the geography of animosity and with the direction of intra-regional mobility. As already noted, Albanians do not travel to the region all that much and feel less comfortable in it than the others (see Figure 24).

INTEGRATED GROWTH – TRADE AND INVESTMENT INTEGRATION

Figure 25: How would you describe trade and commerce links with SEE region?



Approximately two thirds of people in the SEE region think that their trade and commerce links with the region should be improved, 24% think that connection is just about right and 6% think that links are already too strong (see Figure 25).

The highest percentage of people who think that links should be improved are from Albania (77%), Bosnia and Herzegovina (77%) and Kosovo*(75%), and the lowest number of people share this opinion in The Former Yugoslav Republic of Macedonia (49%) and Serbia (50%). Among them there is the highest number of those who perceive present links as just about right.

More than a half of the SEE population (57%) agree with the fact that foreign companies will improve the situation in their own economies, while 38% do not agree with that statement (see Figure 26).

In Albania (79%) and Kosovo* (75%) there is the most of those who believe in consumer prosperity brought by entering of foreign companies in their economies.

Bosnia and Herzegovina is the only place where more people do not agree with this statement (52%) than believe (41%) in prosperity with foreign companies.

Figure 26: Do you agree that entering of foreign companies in general in your market will improve the situation for your consumers? (1-4 scale)

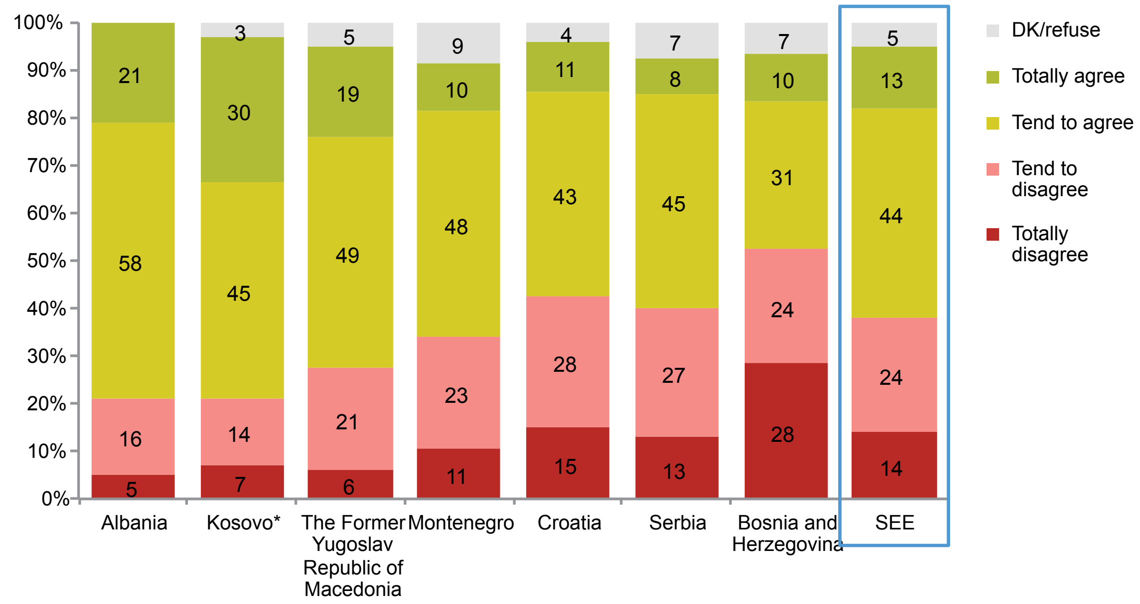
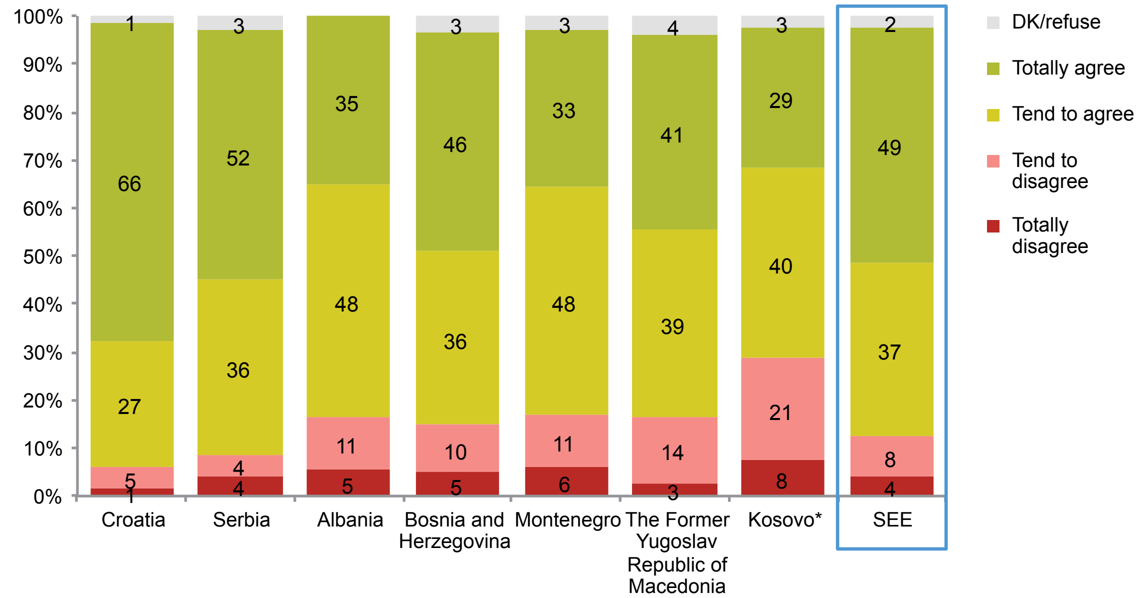


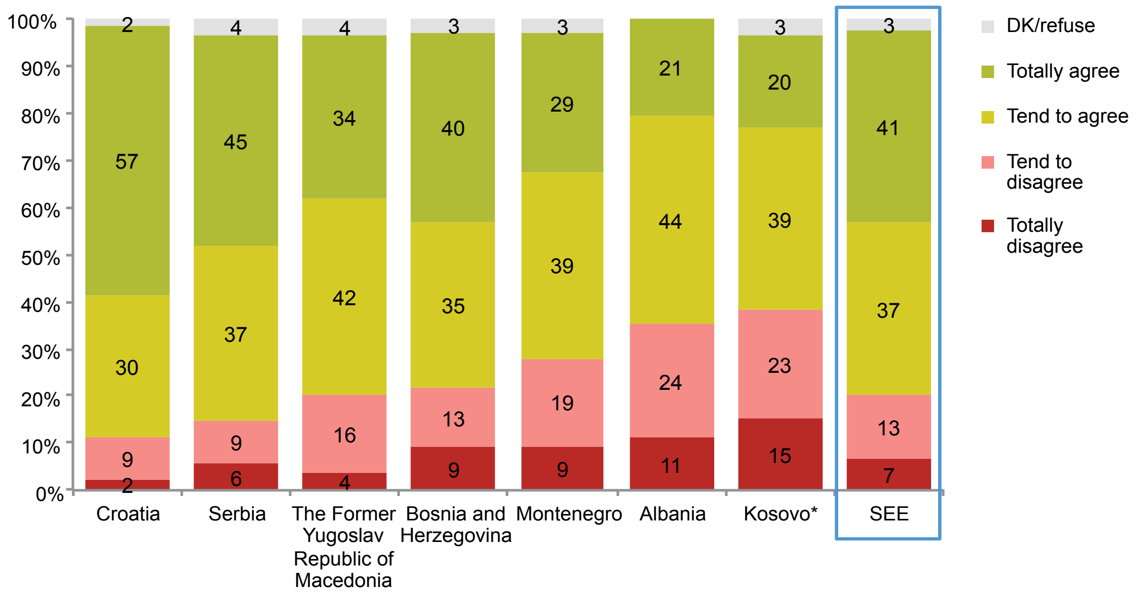
Figure 27 (a): Products and goods of my economy can compete well with products and goods from other SEE economies (Agreement level; 1-4 scale)



A big majority (86%) think that their domestic products and goods can compete well with products from other parts of the SEE region (see Figure 27a).

The lowest percentage shares the mentioned opinion in Kosovo* (69%) while in Croatia even 93% believe in quality of their products in comparison with products from other parts of the region.

Figure 27 (b): Products and goods of my economy can compete well with products and goods from the EU (Agreement level; 1-4 scale)

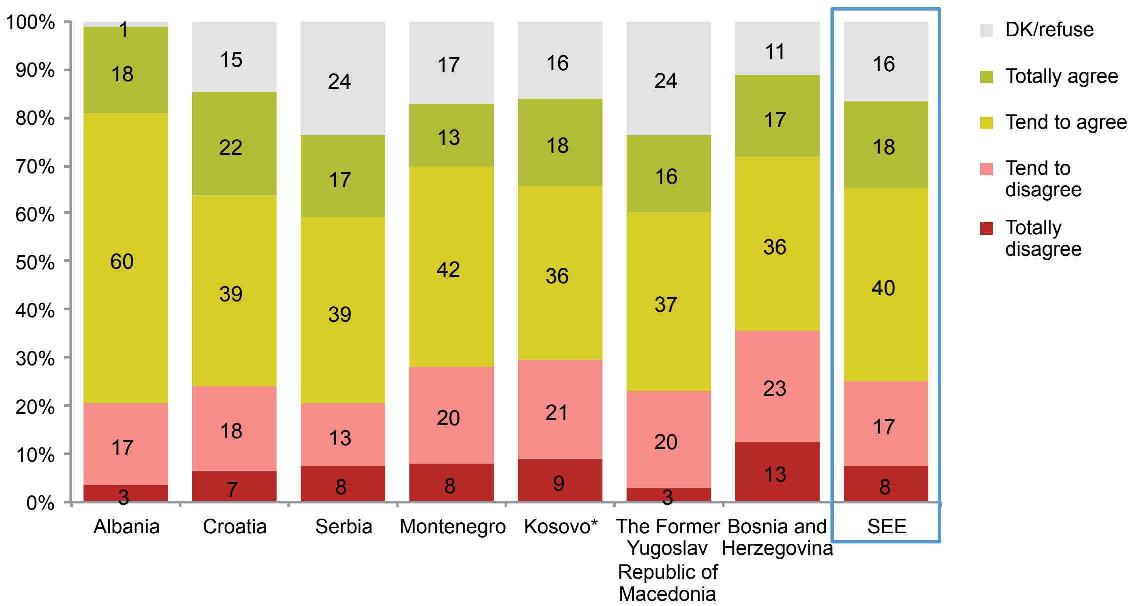


When it comes to products and goods from the EU, somewhat lower percentage of people believe in quality of their domestic products (78% on the SEE level) (see Figure 27b).

In Croatia there is still the highest percentage of people (87%) who think that their goods and products are as good as those from the EU.

In Kosovo* 59% think that their products and goods can compete well with products from the EU.

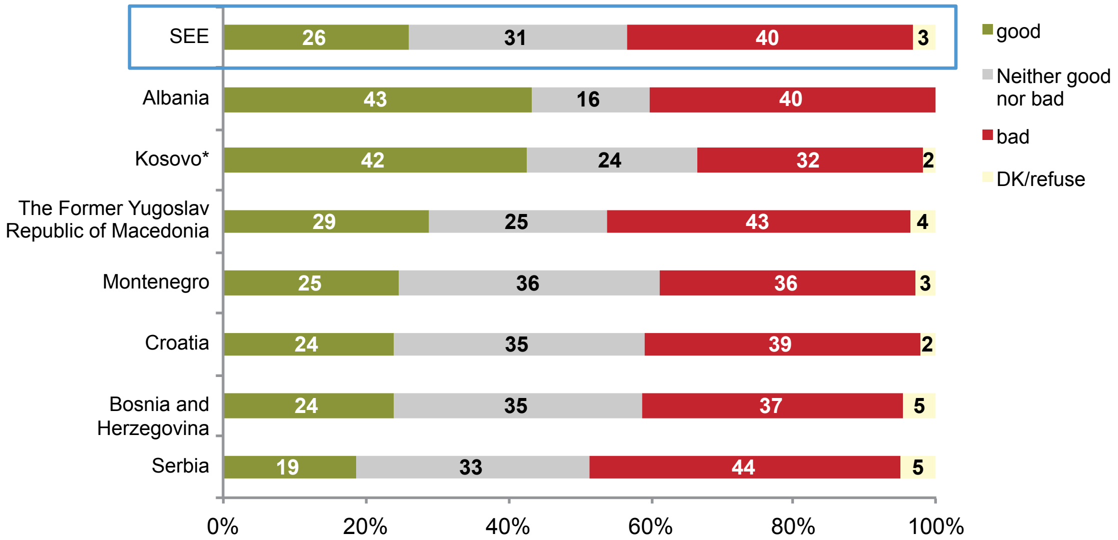
Figure 27 (c): My economy has benefited a lot from free trade (which is carried out in region from 2006 within CEFTA) (Agreement level; 1-4 scale)



On the SEE level, 58% people agree with the fact that their economies have benefited a lot from free trade, while 25% do not share their opinion (see Figure 27c).

If we compare seven economies, we can see that the highest percentage of people who agree with this statement is from Albania (78%), followed by Croatia (61%), while among people from Bosnia and Herzegovina are the highest number of those who do not agree with this statement (36%).

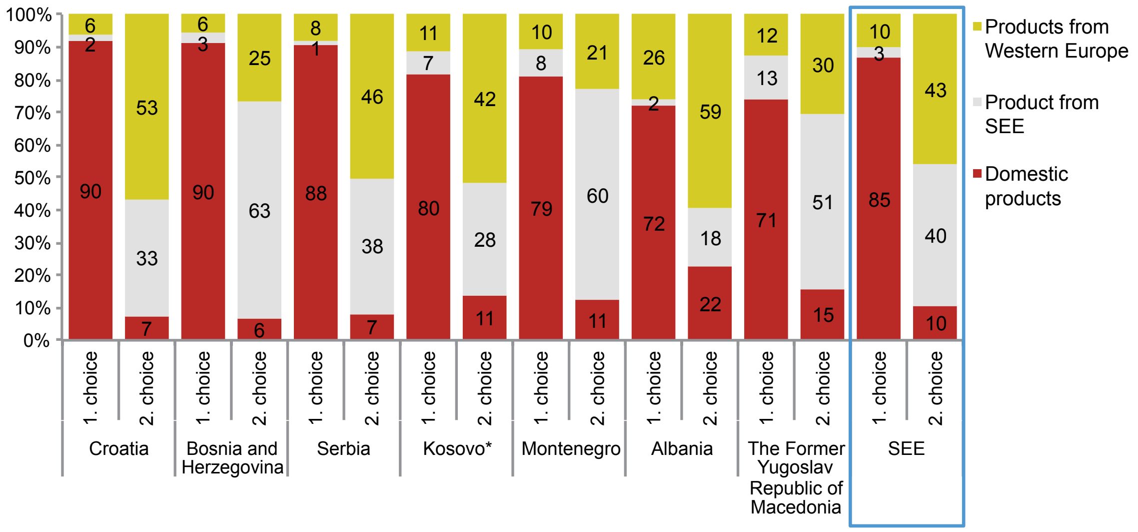
Figure 28: What do you think about people from other parts of the region coming to live and work in your city? Is it good or bad for your economy?



On the SEE level we have almost the same number of people who think that people from other parts of the region are something good for their economy (26%), and those who have a neutral opinion (31%). 40% think that this idea is bad for their economies (see Figure 28).

Only in Albania and Kosovo* there are more of those who think that people from other parts of the region are something good for their economies, while in all others dominates opinion that people from other parts of the region are bad for their economies.

Figure 29: If you have a choice of product from food and beverages from three different sources: domestic product, product from SEE region and product from Western Europe, which one would be your first choice and which would be second?



On the SEE level a big majority (85%) as their first choice prefer domestic products, while for the second choice they are divided between SEE products (40%) and Western European products (43%) (see Figure 29).

Among people from The Former Yugoslav Republic of Macedonia and Albania there is the lowest number of those who choose domestic products for the first choice (71%/72%). In Albania 26% choose products from the Western Europe for the first choice.

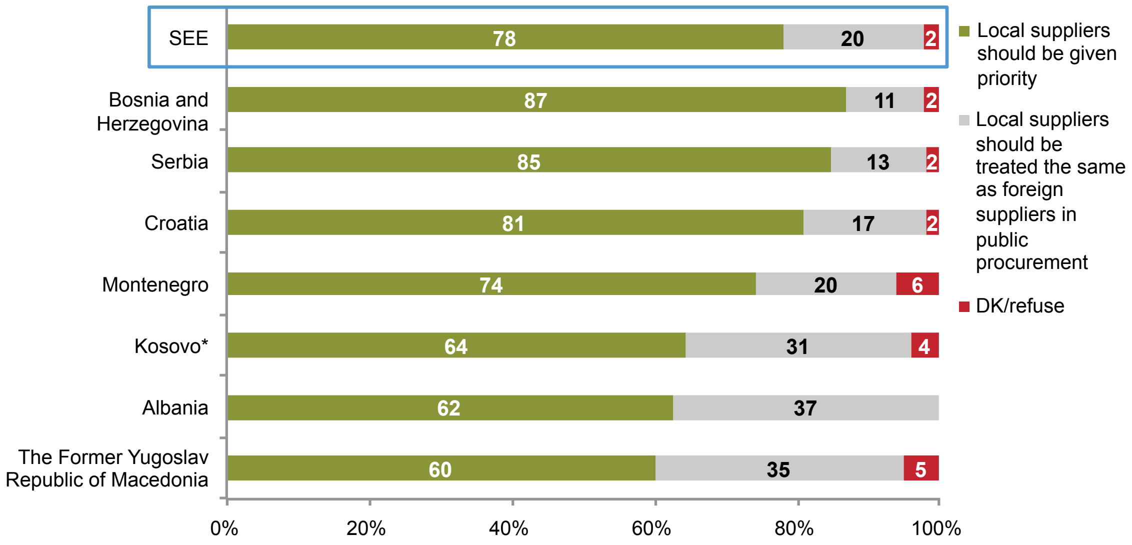
When it comes to the second choice, the difference exist among two groups of the economies: in Croatia (53%), Albania (59%), Serbia (46%) and Kosovo* (42%) dominate products from Western Europe while in Bosnia and Herzegovina (63%). Montenegro (60%) and The Former Yugoslav Republic of Macedonia (51%) dominate products from SEE economies.

Looking on the SEE level, more than three fourths have an opinion that government should give priority to local suppliers and only 20% think that local suppliers should be treated the same as a foreign (see Figure 30).

In Bosnia and Herzegovina (87%) and Serbia (85%) there is the highest percentage of those who think that local suppliers should have a priority.

Among people from The Former Yugoslav Republic of Macedonia, Albania and Kosovo* there are approximately 60% who favour priority for local suppliers and 30% who support the same treatment for both suppliers.

Figure 30: When procuring products and services, should your government give priority to local suppliers, or should they be treated the same as foreign suppliers (provided price and quality is equal)?



Good and Services

The economies that export more to the region, e.g. Serbia, The Former Yugoslav Republic of Macedonia and Croatia, seem to be happier with the current level of trade integration than the other economies that rely a lot on imports from the region but do not export all that much. Albania is most keen on improved regional trade, which reflects the fact that, in terms of trade, it is hardly present in the region (see Figure 25).

So, exporters seem to be more content with the current state of affairs and would support even further improvement, while importers are eager for improvement as they are not happy with the current state of play given that they run significant deficits with the other economies. In the latter category, Bosnia and Herzegovina and Kosovo* are the most prominent.

Bosnia and Herzegovina, Serbia, and Croatia are less welcoming to foreign companies due to some bad experiences and for specific protectionist reasons (e.g. keeping strategic companies and sectors in domestic ownership). These are also economies that have received more foreign investments than the others, with the exception of Montenegro, which depends heavily on foreign investment and that is reflected in its more benevolent attitude toward foreign companies (see Figure 26).

Albania and Kosovo* have proved rather slow in creating enterprises, while The Former Yugoslav Republic of Macedonia has been following the policy of inviting foreign investments with growing success (though overall inflow is still rather small).

Though the competitiveness of all of these economies is low or quite low, their trade deficits being quite high and persistent, their people believe in the quality of the goods they produce. When it comes to intra-regional trade, trade surplus economies like Croatia and Serbia are justified in their beliefs, but the others, with the partial exception of The Former Yugoslav Republic of Macedonia, are less successful on the regional markets (see Figure 27).

In trade with the EU, however, the belief in the competitiveness of the local production is a misperception, possibly due to the tendency to think only in terms of the few of the products that these economies succeed in exporting to the EU. Or perhaps the intended message is that these economies are potentially capable of producing everything that more developed economies produce.

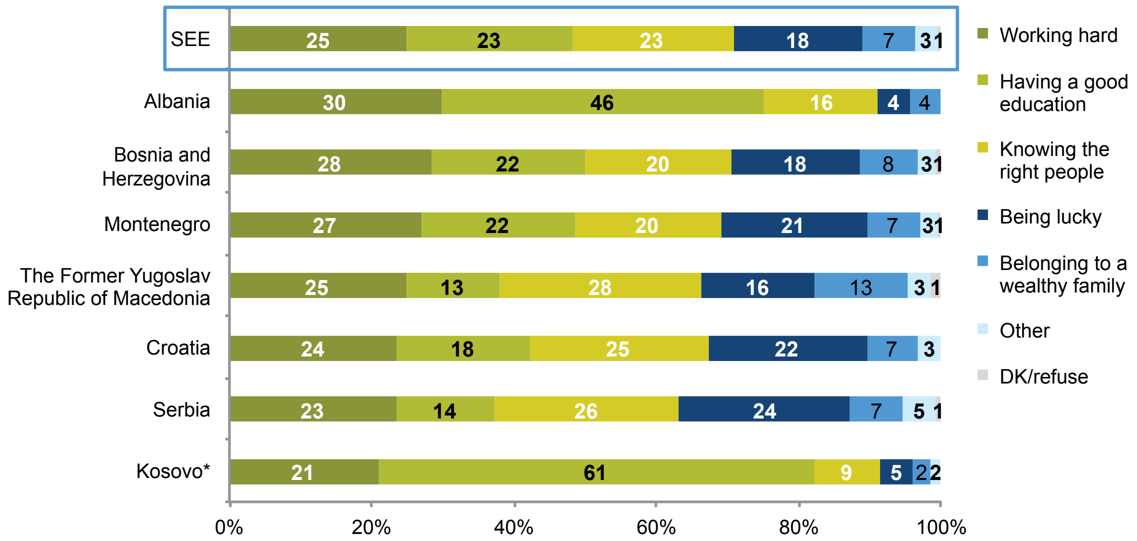
The generally positive assessment of the competitiveness of their economies, especially on the intra-regional markets, does not completely translate into a favourable assessment of the CEFTA. Still, the overall appreciation of this regional free trade agreement is quite high given that the intra-regional imbalances are also quite high and persistent. That probably reflects the assessment that the chances of making it on the CEFTA markets are still higher than on the EU or other markets.

Finally, mobility, and that means also supply of services, is not all that welcomed throughout the region, even though in previous answers specific mobility within the region was seen as a preferable alternative to staying in one's own economy. So, there is a difference when one is on the receiving end of mobility (see Figure 28).

Consumers prefer domestic to EU products and to products from other parts of the region, which probably explains why they believe that domestic production is competitive. They also believe that domestic companies should be preferred to foreign ones. These attitudes, though not to such extreme, are not that unusual in most EU economies. Domestic bias is somewhat exceptionally strong (see Figures 29 and 30).

SMART GROWTH – PERCEPTIONS OF SKILLS AND EDUCATION PERFORMANCE

Figure 31: What do you think is most important for getting ahead in life?



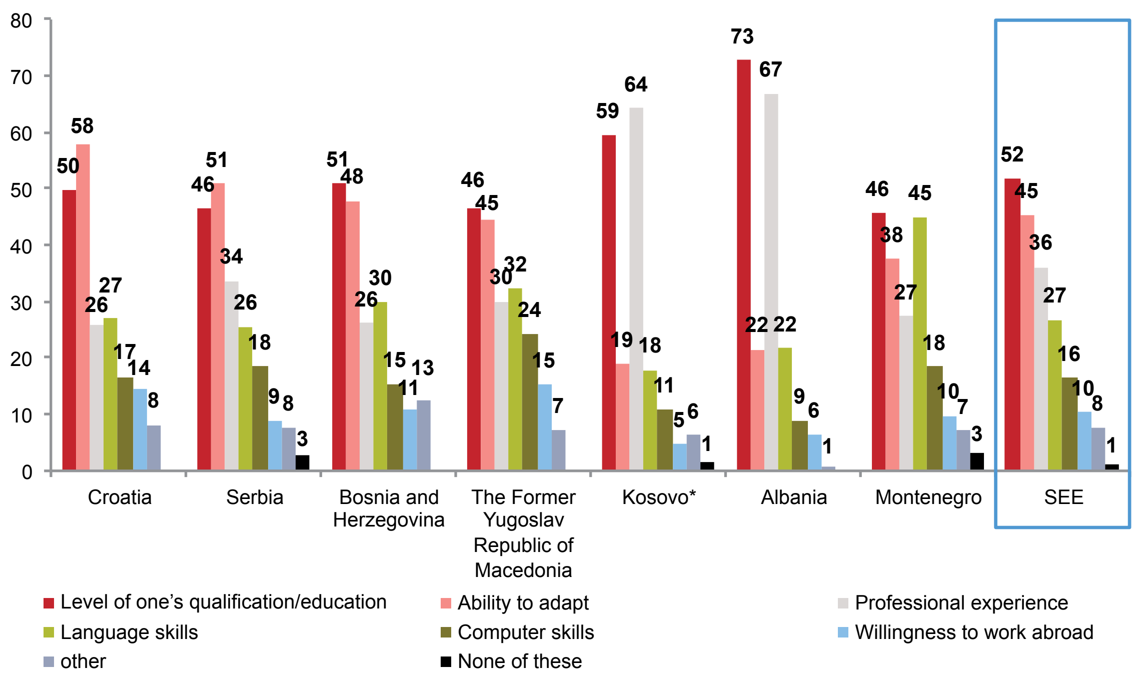
The entire population of the SEE region stated three main factors as the most important for making progress in life: hard work, good education and acquaintance with "the right people" (see Figure 31).

If we analyse all seven economies, we notice the following main differences between them: people from Kosovo* differ from all other economies because majority (61%) considers a good education to be the most important factor for making progress in life. A similar opinion was provided by people from Albania.

Among inhabitants of The Former Yugoslav Republic of Macedonia there are significantly more (13%) of those who think that belonging to a wealthy family is the most important factor for a successful life if compared to people from other economies.

In Serbia there are significantly more people (24%) (in comparison with Albania, Kosovo*, Bosnia and Herzegovina and The Former Yugoslav Republic of Macedonia) who think that good fortune is the most important factor for being successful in life.

Figure 32: In your opinion which two assets should one emphasize in order to easily find a job today? (Max. two answers)

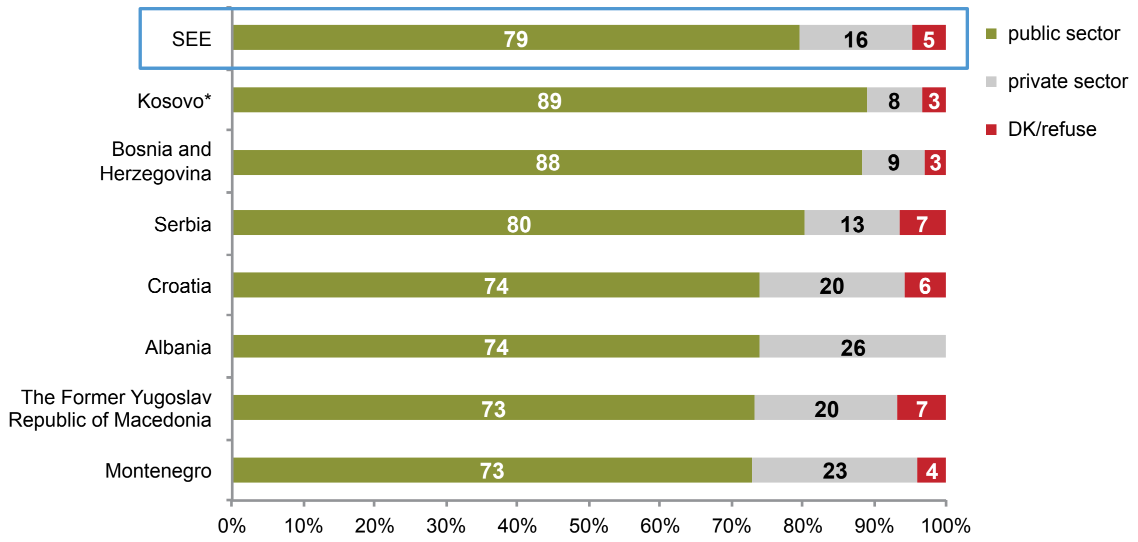


For the SEE region three the most important things which person should have in order to easily find a job are qualification/education, ability to adapt and professional experience (see Figure 32).

However, these three things are not the most important for each economy. Namely, the biggest difference could be noticed in Albania and Kosovo*, where qualification/education is perceived as the most important issue for much more people than in other parts of the region. Also, in these economies professional experience is perceived as more important issue than in others.

In Croatia ability to adapt is, with qualification/education, the most important skill in order to easily find a job today, while people from Montenegro perceived language skills (45%) as important asset more than other economies.

Figure 33: If you could choose, would you prefer to work in the public or private sector?

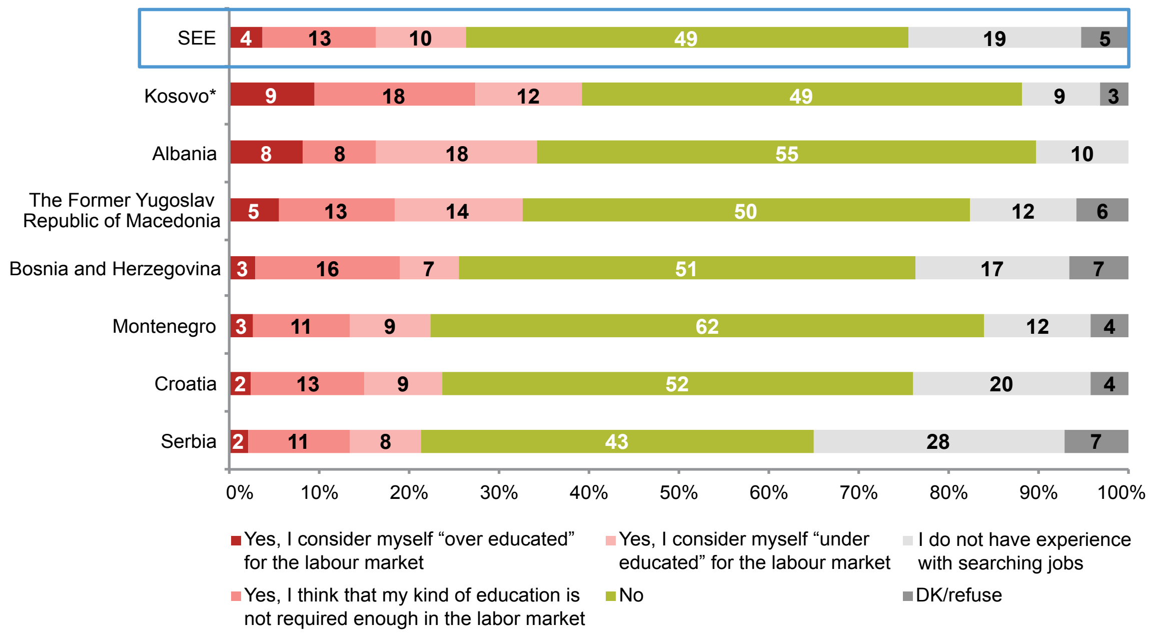


SEE population prefer to work in public sector (79%) and only 16% would choose private sector (see Figure 33).

Kosovo* (89%) and Bosnia and Herzegovina (88%) have significantly more people who would rather work in public sector than in private sector.

People from Albania are significantly different from Croatia, Serbia, Bosnia and Herzegovina and Kosovo* in terms of private sector preference.

Figure 34: Does your education level represent an obstacle in the labour market?



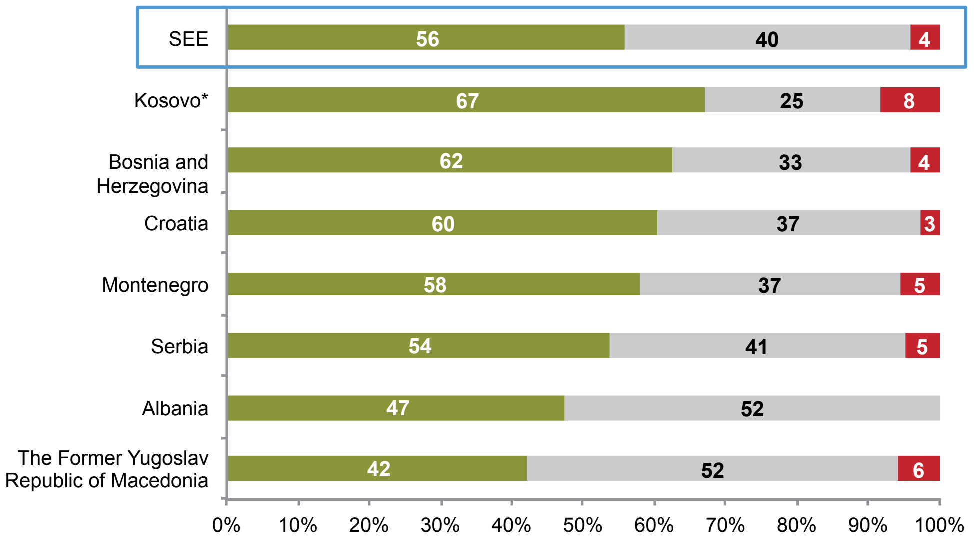
For a half of the SEE population (49%) their education is not an obstacle in the labour market, 13% think that their education is not required enough in the labour market, while 10% think that they are „undereducated". 19% do not have experience with searching jobs (see Figure 34).

Serbia is different from the others with significantly more people who do not have experience with searching jobs (28%).

In Montenegro there are the highest percentage of people who do not consider their education as an obstacle in the labour market (62%).

In Kosovo* there is the most (18%) of those who think their education is not required enough in the labour market, while in Albania are the highest number of people who evaluated themselves as „undereducated" (18%).

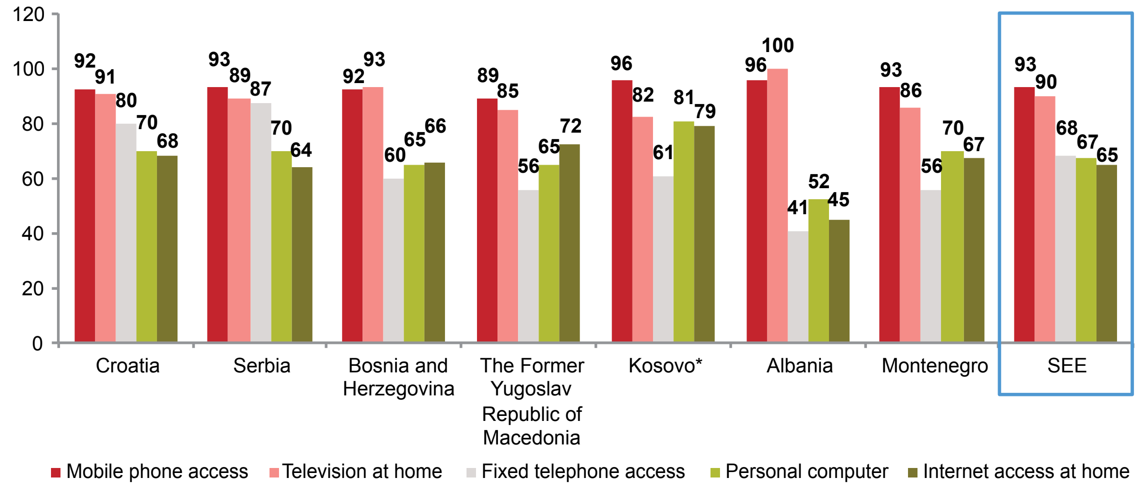
Figure 35. Would you consider attending additional education/courses to help you find a job?



Approximately a half of the SEE population (56%) are ready for attending additional education in order to find a job easier (see Figure 35).

The highest number of people who would consider attending additional education is from Kosovo* (67%) and the lowest number of those who are ready for additional education is from The Former Yugoslav Republic of Macedonia (42%).

Figure 36: Which of the following services/products your household possess?



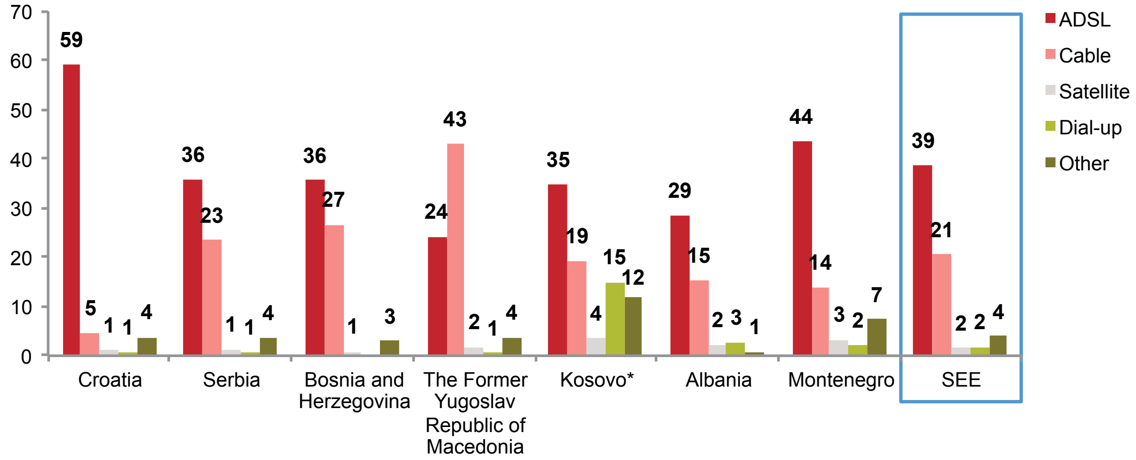
In the SEE region 93% of households posses mobile phones; 90% TV at home (see Figure 36).

Approximately two thirds of households posses personal computers, fixed telephone and Internet access at home.

Analysing results for specific economy, we can see that in Albania the lowest number of households possesses fixed telephone (41%), personal computers (52%) and Internet access at home (45%). The cause of lower PC ownership rates in comparison with the Internet access rate in some economies could be the fact that the Internet access is available via other technologies such as smart phones and laptops.

In Serbia (87%) and Croatia (80%) there is the highest number of households who possess fixed telephone, while in Kosovo* the highest number has Internet access at home (79%) and personal computers (81%).

Figure 37: What kind of Internet access do you have at home?



Majority of those who have Internet access at home use ADSL for Internet connection (39%), followed by cable connection (21%) (see Figure 37).

The Former Yugoslav Republic of Macedonia is the only place where more people use cable (43%) than ADSL (24%) for Internet connection at home.

In Croatia domination of ADSL connection is present (59%), while in Kosovo* there is the highest number of households who use dial-up (15%) for Internet access at home.

Majority of those who have television at home use cable TV (52%), while 34% use antenna and 9% satellite TV (see Figure 38).

Figure 38: What kind of television connection do you have at home? (Those who have television at home)

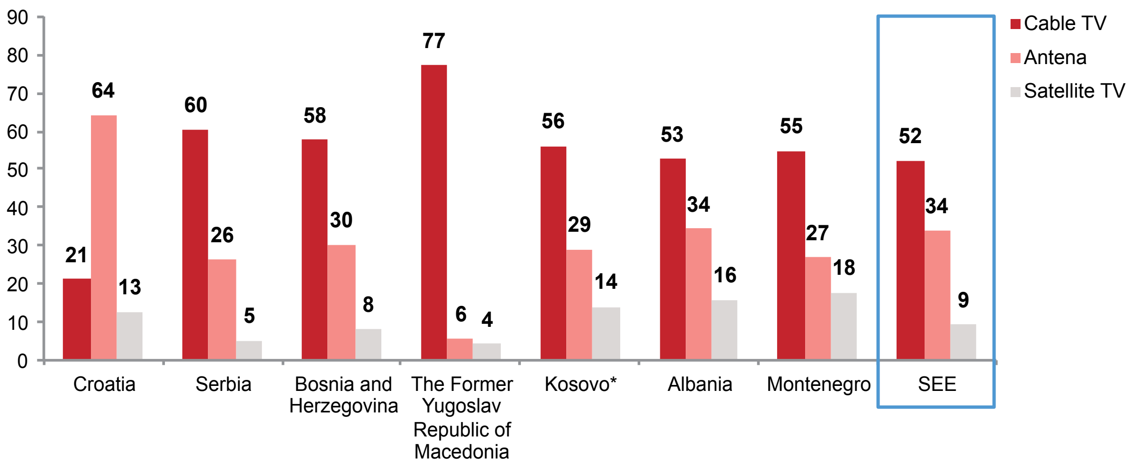
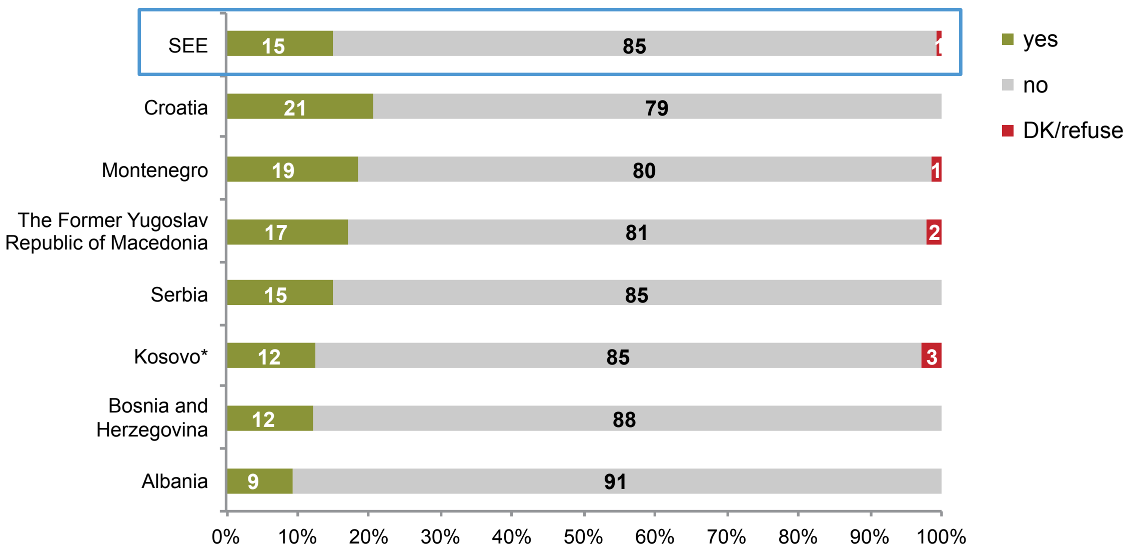


Figure 39: Did you personally buy any products or services via the Internet in the last 12 months?



In Croatia there are significantly more people (21%) who bought some products via Internet in the past 12 months than in Albania (9%), Bosnia and Herzegovina (12%), Kosovo* (12%) and Serbia (15%). (see Figure 39).

Education and Skills

Statistically, more skilled (educated) people have greater chances of being employed and of working in their own field (see Figure 39). The answers to the set of questions on smart growth suggest that there is a broadly based awareness of that fact. The data on public spending and on the labour markets in the region do not indicate, however, that there is significant increase in spending on education, both individually or by the government. In the previous answers, it came out clearly that access to education is an important motive to support EU integration. So, clearly, there is scope to invest in education directly and via active labour market policies.

The other important issue in the labour markets in the region is job security. From the overwhelming preference for public over private jobs, it is clear that security of employment is of paramount importance (see Figure 33). This goes against the fact that most jobs that have been and will be created in the future will tend to be in the private sector. However, the recent experience with large job cuts precisely in the private sector obviously make them less attractive. The preference for private sector, expectedly, fades away with age cohorts but even in the youngest cohort (18-29) it stays at very high 75%. This calls attention, among other things, at the issue of where is the potential for business and entrepreneurial spirit that is much needed to push the region on the growth pathway.

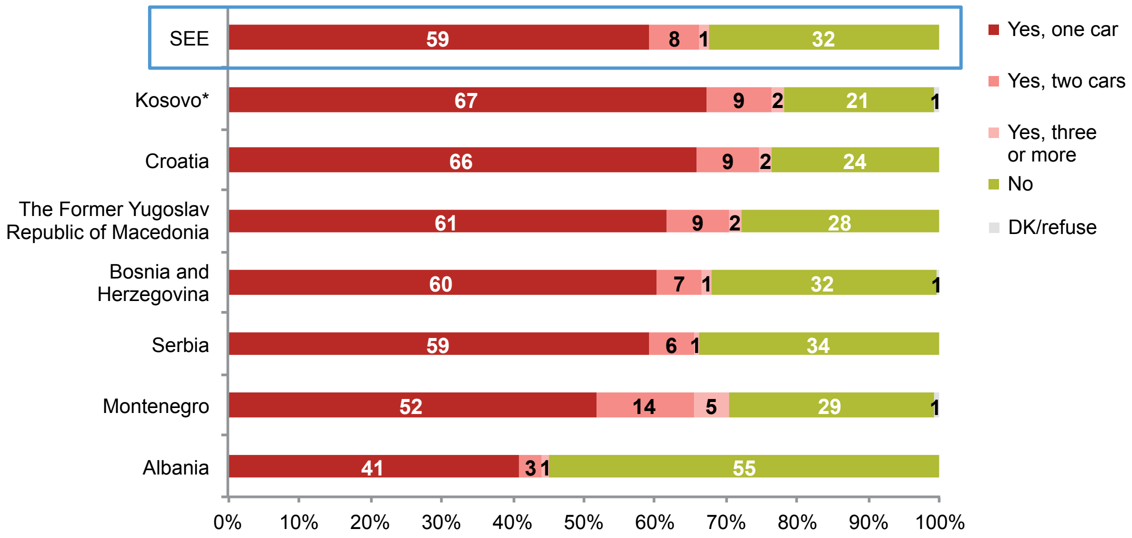
The responses indicate the existence of market mismatches (there are skills not demanded enough) and also the understanding for the need to acquire additional skills and education (see Figure 35). That suggests the need for active labour market policies which are quite underdeveloped and underfunded in the region.

The answers suggest that in a number of economies, Albania and Kosovo* are exceptions, being connected and having luck are considered important factors in getting a job. This suggests the existence of institutional, formal and informal, inertia in most post-Yugoslav economies, while that seems to exist to a smaller extent in Kosovo* and Albania (see Figure 31).

We know from surveys conducted on small and medium enterprises, which account to more than 95 percent of all firms in the region, that they are not innovative and not internationalised, which explains the low use of internet and other resources in education and work. This is also due to the fact that these economies are quite closed in terms of exports and production of tradable goods, i.e. industrial products.

SUSTAINABLE GROWTH – VIEWS ON CONNECTIVITY AND INFRASTRUCTURE

Figure 40: Does your household own a car? (company cars are not counted)



In the SEE region 68% households have cars. Among them, 59% have only one car per household and 8% more than one (see Figure 40).

In Albania there are significantly less households who have cars (45%) than in all other parts of the region.

In Kosovo* (78%) and Croatia (77%) there is the highest number of households with their own cars.

In the SEE region, 42% of population have never or almost never used public transportation (see Figure 41).

Public transportation use more often people from Kosovo* (79%) and from Albania (76%).

Although we have very similar usage in these two economies, it is different based on frequency of usage: people in Kosovo* use public transportation every day (26%) or a few times during one month (27%), while the highest number of people in Albania uses it a few times during one month (34%). A half of the population in Croatia, Bosnia and Herzegovina and Montenegro do not use public transportation.

Figure 41. How often do you use public transportation?

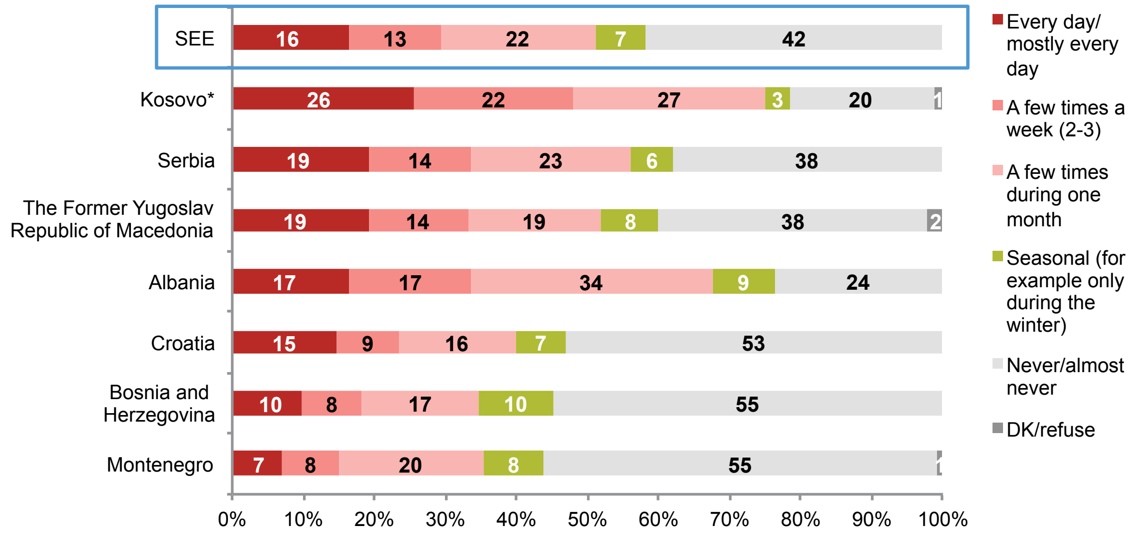
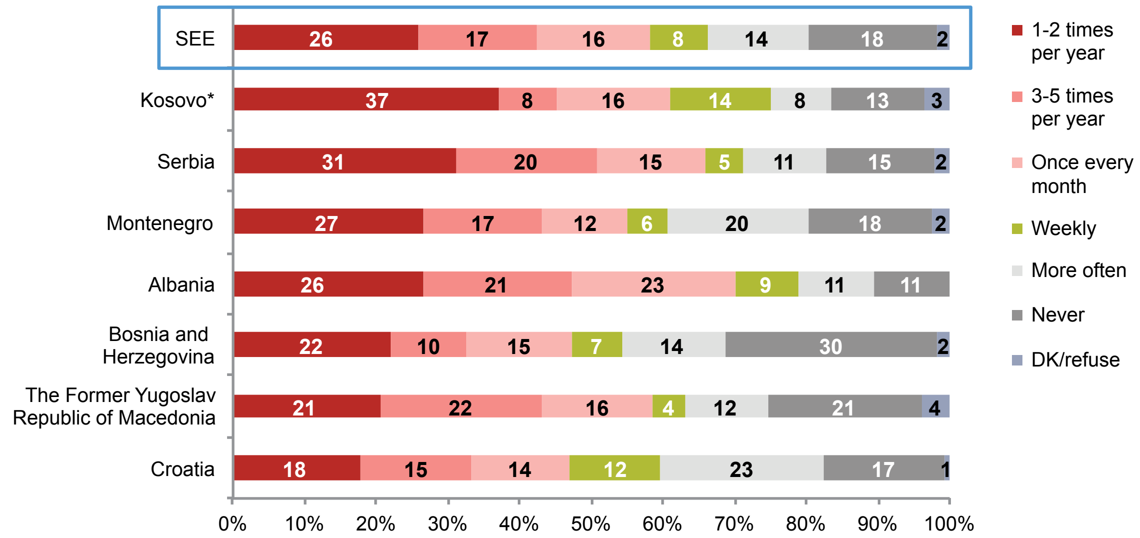


Figure 42: How often do you travel, for work or pleasure, outside of your place of residence, either domestically or abroad? (daily commute outside the city/town of residence is included).

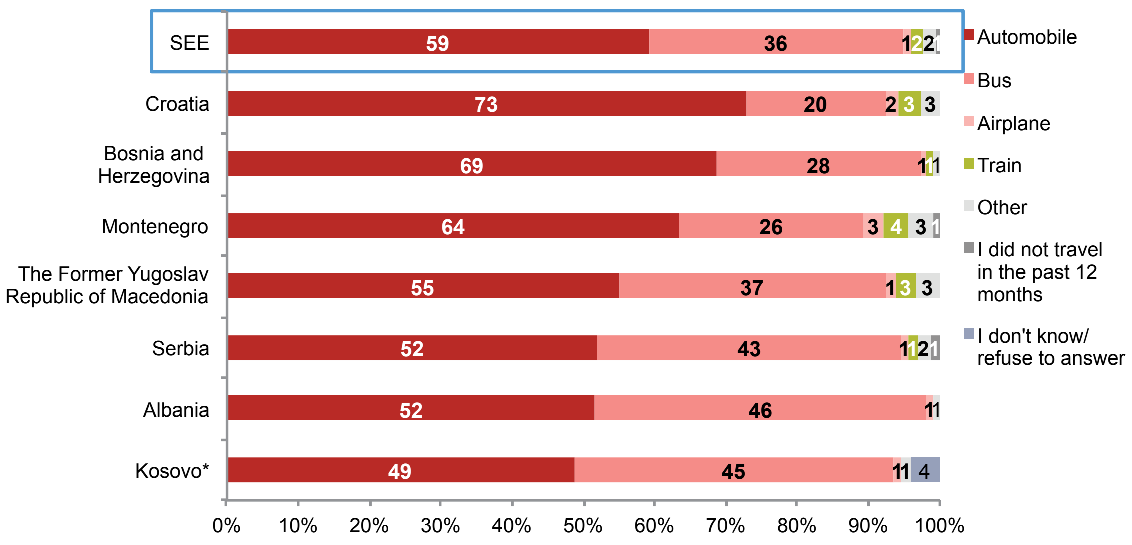


In the SEE region, 18% of population have never travelled outside of their places of residence (see Figure 42).

The highest number of people who travelled outside of their places of residence is in Albania (89%) and the lowest number is in Bosnia and Herzegovina (68%).

In Croatia people travel most frequently – 12% weekly and 23% more often, while in Serbia there are only 16% who travel weekly or more often outside of their places of residence.

Figure 43: Which mode of transport did you use most often when travelling in the past 12 months? (Those who travel outside of their residence)

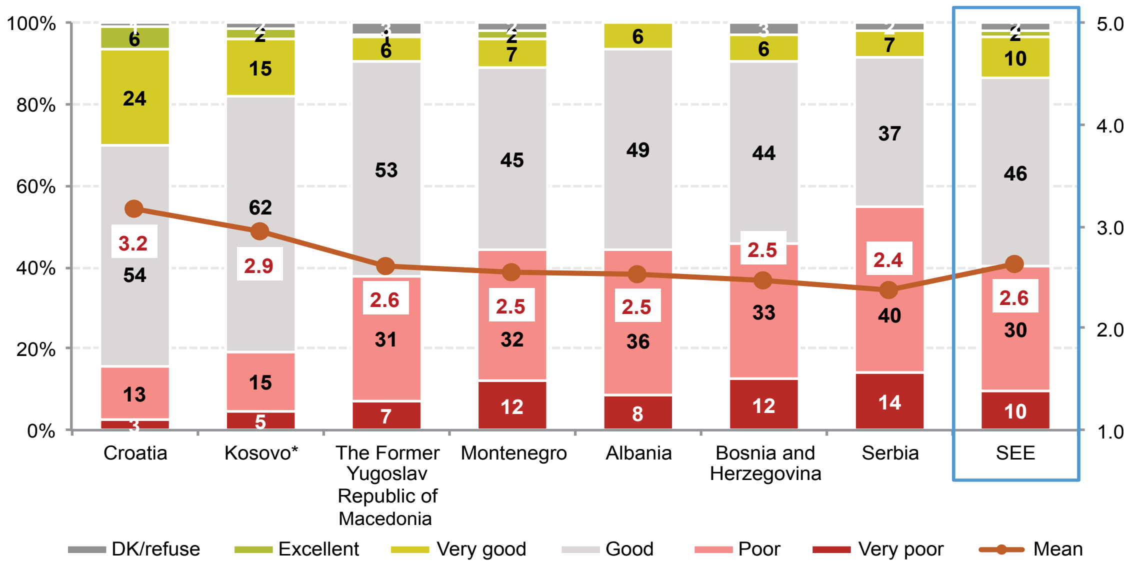


Among those who travelled in the past 12 months outside of their places of residence (80%), the majority (59%) use cars as mode of transport most often. One third most often use buses (see Figure 43).

In Croatia and Bosnia and Herzegovina, in comparison with Kosovo*, Albania, Serbia and The Former Yugoslav Republic of Macedonia, people use significantly more often car as mode of transport when they travel outside of their places of residence.

On the other hand, in Kosovo*, Serbia and Albania people use more often buses as mode of transport when they travel outside of their residence.

Figure 44: How will you estimate quality of transport infrastructure and connections within your economy? (1-5 scale)



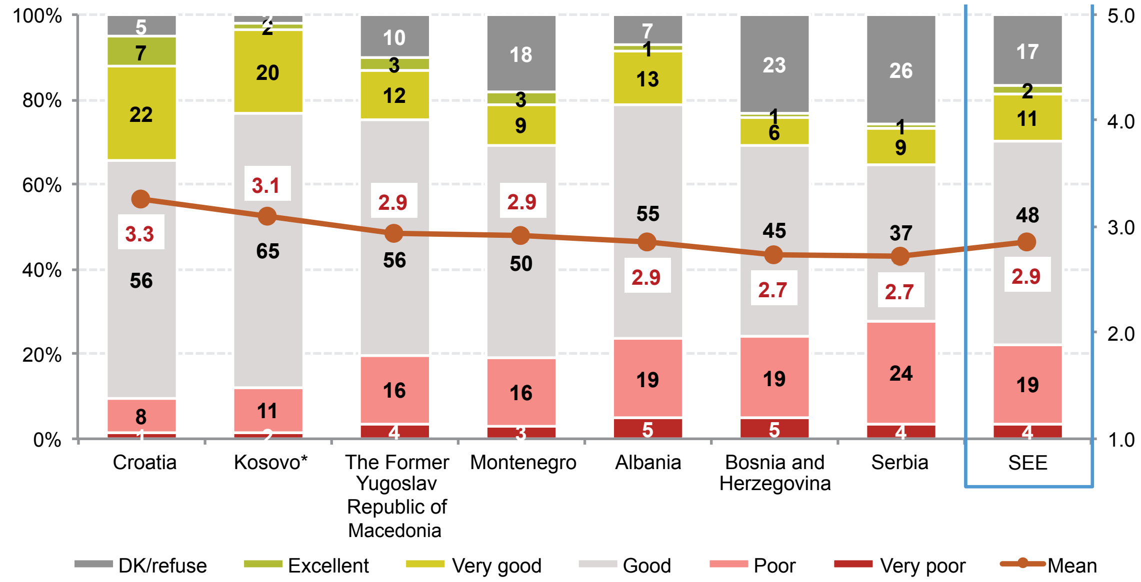
Population from the SEE region estimated quality of transport infrastructure and connections within region better (mean is 2,9) (see Figure 45) than in their own economies (mean is 2,6) (see Figure 44).

Only Croatia is the exception, where people think that their transport infrastructure is better than that in the region. Besides that, people from Croatia estimated their transport infrastructure significantly better than all other economies (mean is 3,2).

People from Serbia perceive their transport infrastructure as the worst (54% estimated it as poor or very poor).

In other economies, approximately 40% of the population believe their transport infrastructure and connections are poor or very poor.

Figure 45: How will you estimate quality of transport infrastructure and connections within SEE region? (1-5 scale)

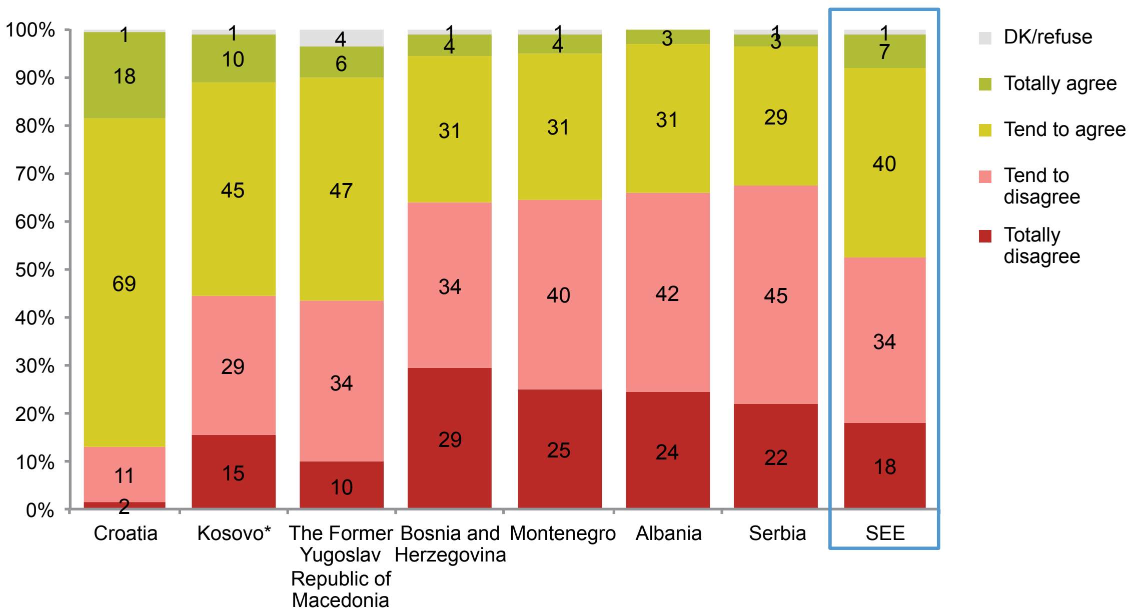


23% of the SEE population think that regional transport and connections are poor or very poor, 48% perceive it as good, while 13% estimated regional transport as very good or excellent (see Figure 45).

People from Kosovo* and Croatia estimated regional transport and connections significantly better than all other economies. Only 9% people from Croatia and 13% from Kosovo* think that transport is poor or very poor.

The lowest mark (2,7) for the regional transportation have given people from Bosnia and Herzegovina and Serbia.

Figure 46: Would you agree that travelling by road in your economy is safe?

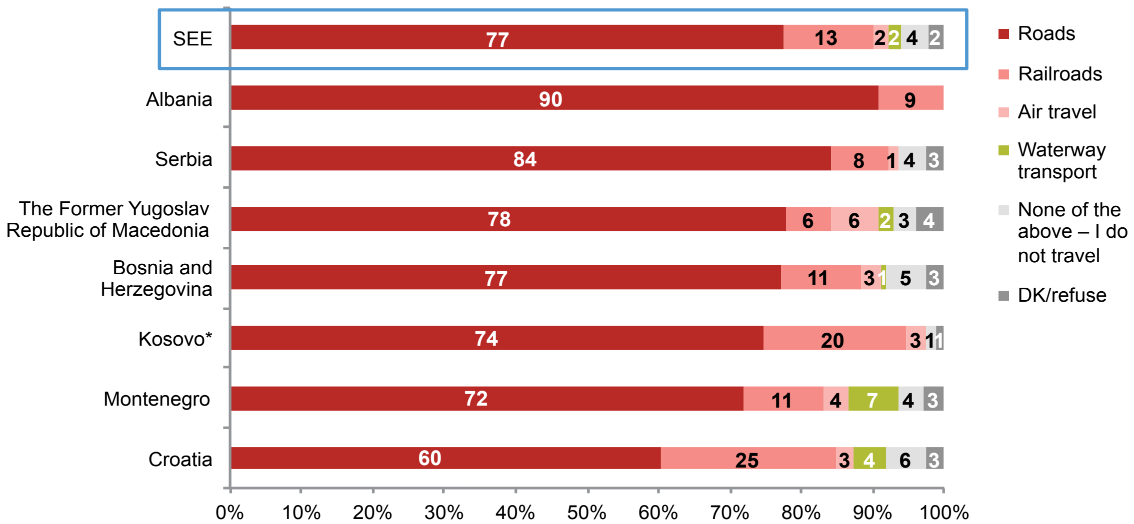


More than a half of the SEE population (52%) would not agree that travelling by road in their economies is safe (see Figure 46).

According to the obtained results, we can divide these seven economies in three categories: in the first one is only Croatia where a big majority (87%) of people agree with this statement.

In the second category are Kosovo* and The Former Yugoslav Republic of Macedonia where are more of those who agree than those who do not agree with this statement. And in the third category are Bosnia and Herzegovina, Montenegro, Albania and Serbia where more than 60% of population think that travelling by road in their economies is not safe.

Figure 47: According to your opinion, which passenger transport mode improvements would have the highest impact on the quality of your everyday life?

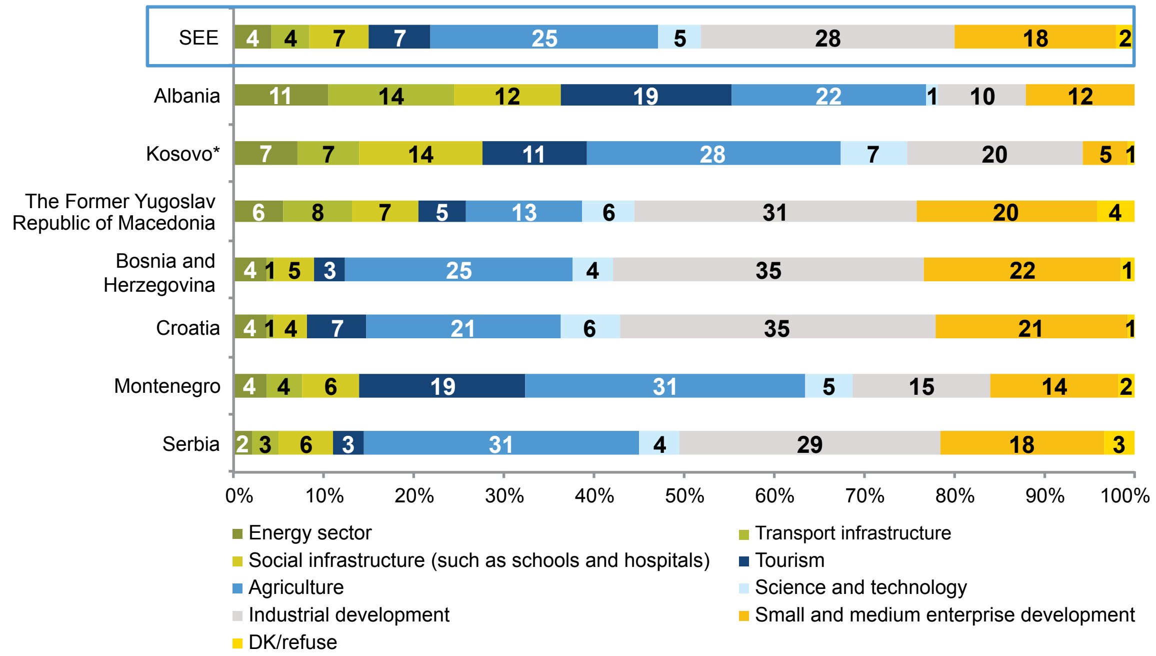


In the SEE region, citizens believe improvement of the roads would have the highest impact on the quality of people's everyday life (77%) (see Figure 47).

In whole region dominates a desire for road improvements.

The biggest difference is obtained in Croatia where are significantly more people who think that improvement of railroads would have the highest impact on their lives (25%). This is understandable because the majority of Croatians are satisfied with their roads. Besides Croatia, even 20% of population from Kosovo* are also for railroad improvements.

Figure 48: When it comes to social and employment issues, in your opinion, in which of the following areas should your government invest its resources as a priority?



When we are observing the whole SEE region, the agriculture (25%) and industrial development (28%) are the two most often mentioned priorities for investments (see Figure 48).

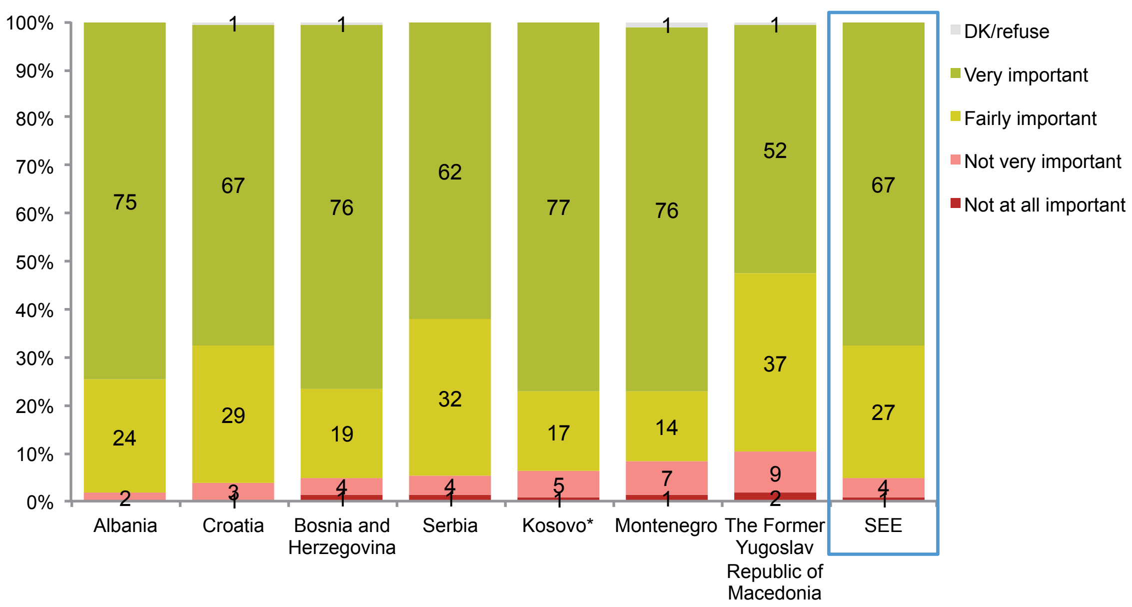
However, the results are different in specified economies.

In Croatia, Bosnia and Herzegovina and The Former Yugoslav Republic of Macedonia are most of those who think that priority investment is industrial development, while in Serbia, Montenegro and Kosovo* people think that their governments should firstly invest in agriculture.

Investment in SME development has the lowest percentage in Kosovo* (5%).

Tourism is on the second position in Albania and Montenegro (after agriculture) as a priority of their economies for social and employment improvement.

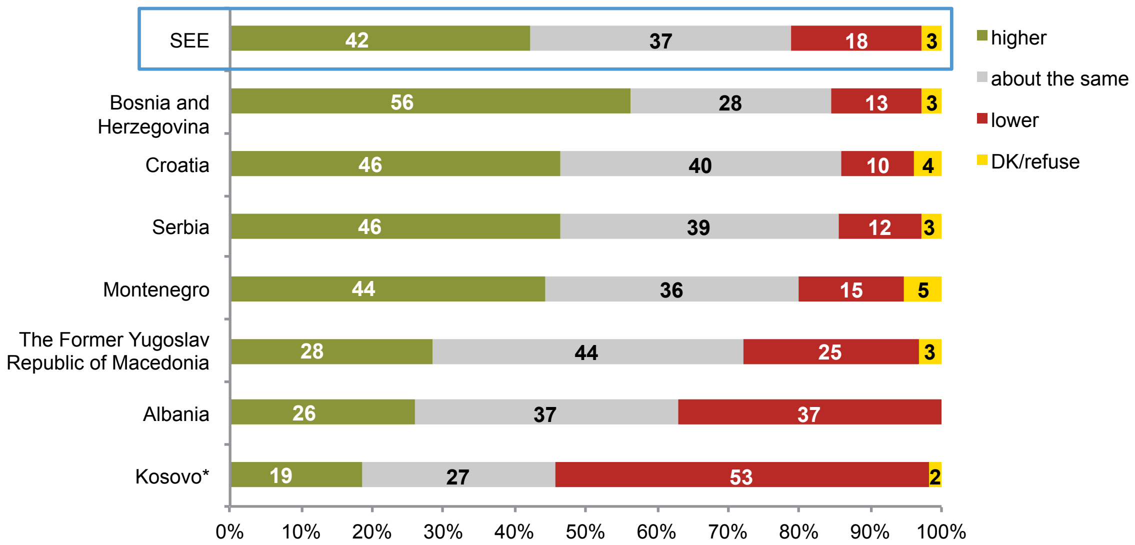
Figure 49: How important is protecting the environment to you personally?



Environment protection is important for a big majority of population in the SEE region (94%) (see Figure 49).

The lowest importance is obtained in The Former Yugoslav Republic of Macedonia where 11% of population think that is not important.

Figure 50: Do you expect higher, about the same or lower pollution in your county in the next 5 to 10 years?

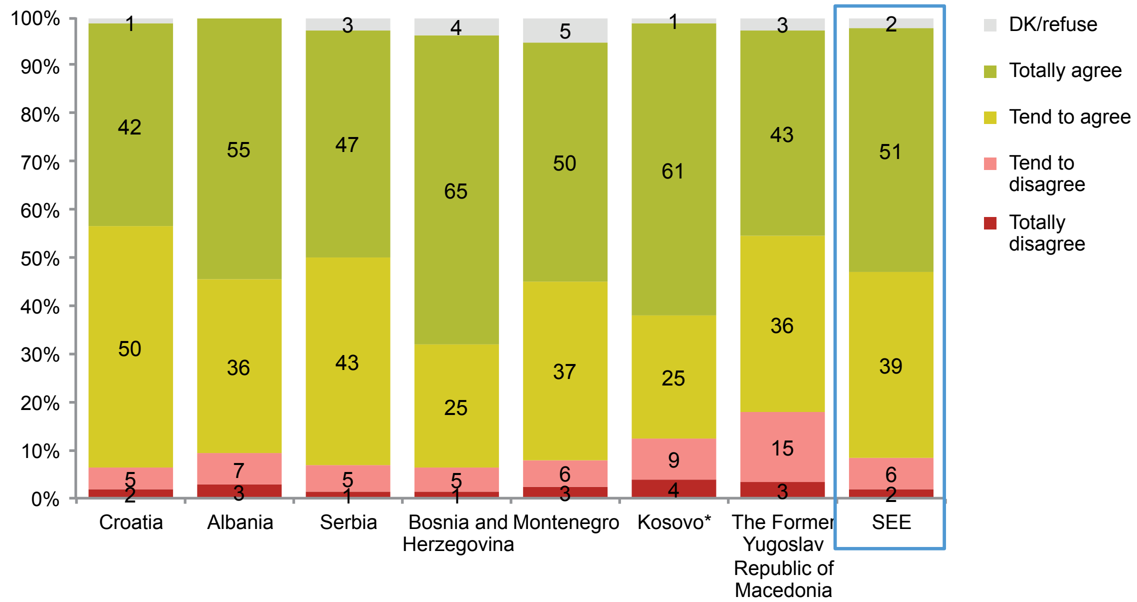


Approximately there is the same number of people in the SEE region who think that pollution in the next 5 to 10 years will be higher (42%) and those who think that pollution will be the same (37%). The lowest percentage expects lower pollution (18%) (see Figure 50).

In Bosnia and Herzegovina there are significantly more people than in the rest of the region who expect higher pollution (56%).

On the other hand, in Kosovo* there are significantly more of those who expect lower pollution.

Figure 51: Agreement with the statement: Government needs to enforce stricter laws and regulations to protect the environment?



A big majority in the SEE region (90%) agree with the statement that government needs to enforce stricter laws and regulations to protect the environment (see Figure 51).

In the SEE region, 72% of the population are ready to buy environmentally friendly products even if they cost a little bit more (see Figure 52).

The lowest percentage of those who are ready to buy mentioned products is in The Former Yugoslav Republic of Macedonia (57%) and the highest number is in Montenegro (83%).

Figure 52: Agreement with the statement: I am ready to buy environmentally friendly products even if they cost a little bit more?

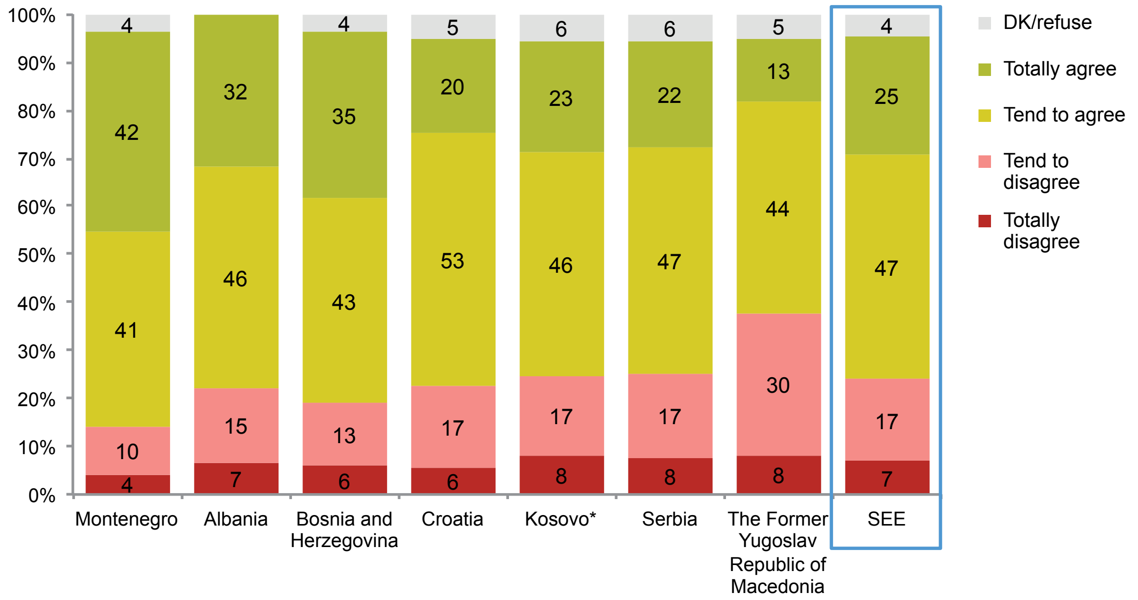
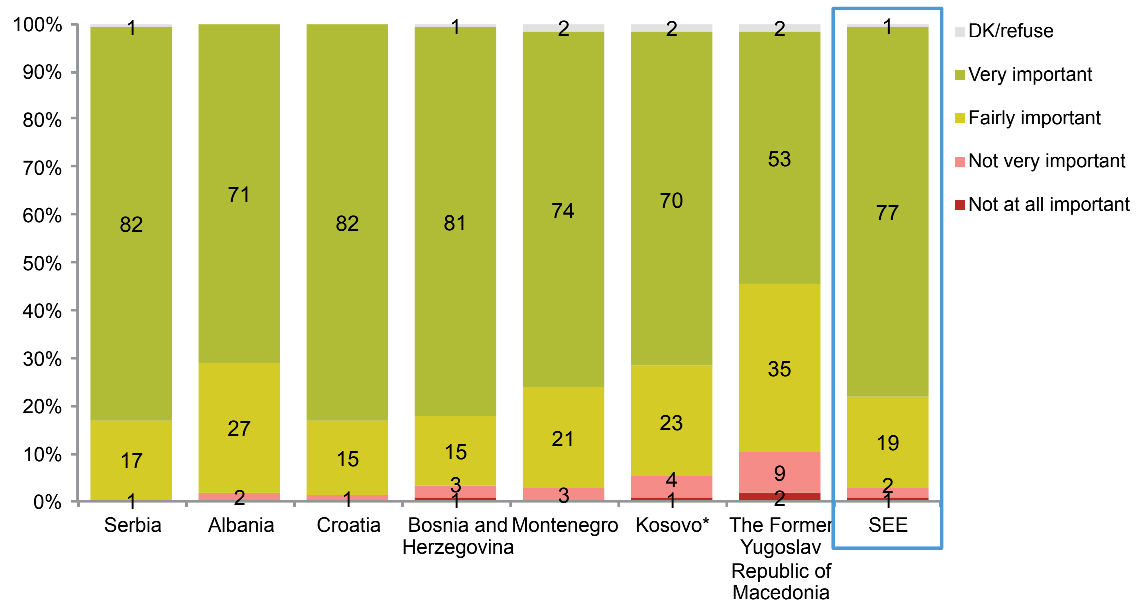


Figure 53: Do you consider personally that agriculture and rural development is important for future of your economy?



Even 96% of the SEE population think that agriculture and rural development is important for the future of their economies. Among them, 77% estimated this issue as very important (see Figure 53).

The lowest number of those who share that opinion is from The Former Yugoslav Republic of Macedonia where 88% consider agriculture and rural development important for the future of their economy.

Roads, Trains, Environment

Infrastructure is heavily biased towards roads and away from railways. That is reflected in most of the answers on the significance and development of transportation. That also accounts for the relatively low intensity of the use of public transportation, though there are problems inherent to its organisation that also contribute to this.

It is reported that there is a moderate satisfaction with the quality of roads, though this is contradicted by the rather high risk of accidents (see Figure 46). That of course also says something about the quality of driving and of the regulation and its enforcement. But, compared to other European regions, the quality of roads is much poorer in SEE.

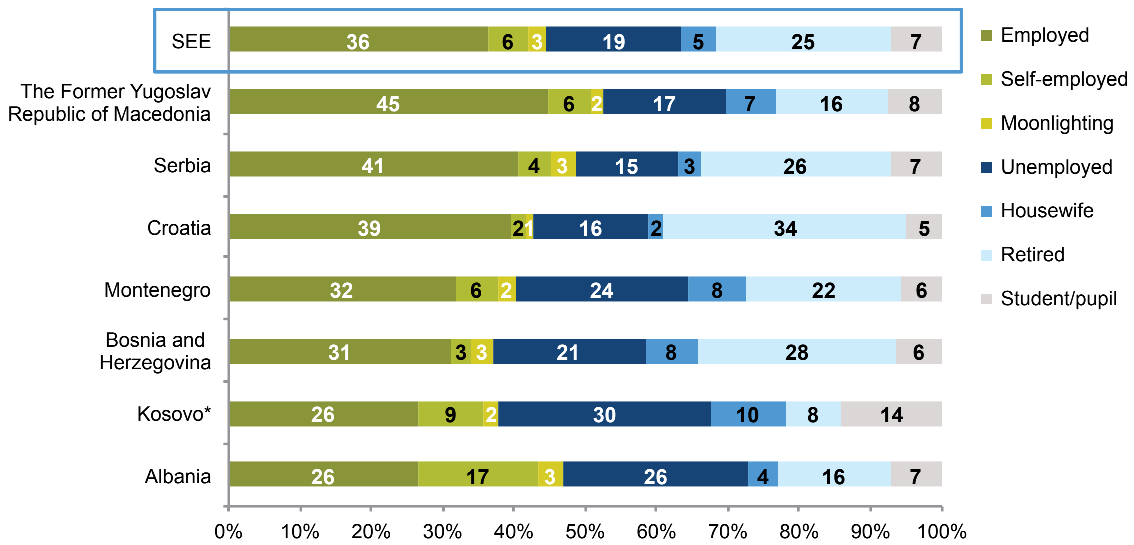
There is, in some economies, a low use of transportation of any kind, particularly where there is a sizeable number of population living in rural areas. Generally, rural areas are not all that well connected with the urban ones and also between themselves.

When it comes to comparative advantages, there is preference for investments in agriculture, industry, and small and medium size enterprises. Science and technology do not feature all that much, which is in accordance with the low level of innovation in the region. In some economies, there is a misperception about the comparative advantages in agriculture, Serbia being an exception (see Figure 48).

The overall state of the environment is not very good, which explains perhaps the generally favourable attitudes towards environmentally friendly policies. This is in contrast with the somewhat low investment in and care for decreasing the various types of pollution and with the low investment in prevention against floods and other climatic shocks.

INCLUSIVE GROWTH – EMPLOYMENT AND INCLUSION

Figure 54: What is your current working status?



In the SEE region, 42% of the population are employed (employed or self-employed), 19% are unemployed and 25% are retired (see Figure 54).

In The Former Yugoslav Republic of Macedonia there is the highest number of employed people – 45%, in Albania and Kosovo* there is the highest number of unemployed people (Kosovo* - 30% and Albania – 26%).

The highest number of self-employed people is in Albania – 17%.

Croatia has the highest number of retired people – 34% while Kosovo* has the highest number of students/pupils – 14%.

Most of the employed people (employed, self-employed and moonlighting) are confident in their ability to keep their jobs in the coming 12 months (64%) (see Figure 55).

Among people from Albania (53%) and Kosovo* (48%) is the highest number of those who are not confident in their ability to keep present jobs.

On the other hand, among people from Montenegro is the highest number of those who are confident in keeping present jobs (76%).

Figure 55. How confident would you say you are in your ability to keep your job in the coming 12 months? (employed people)

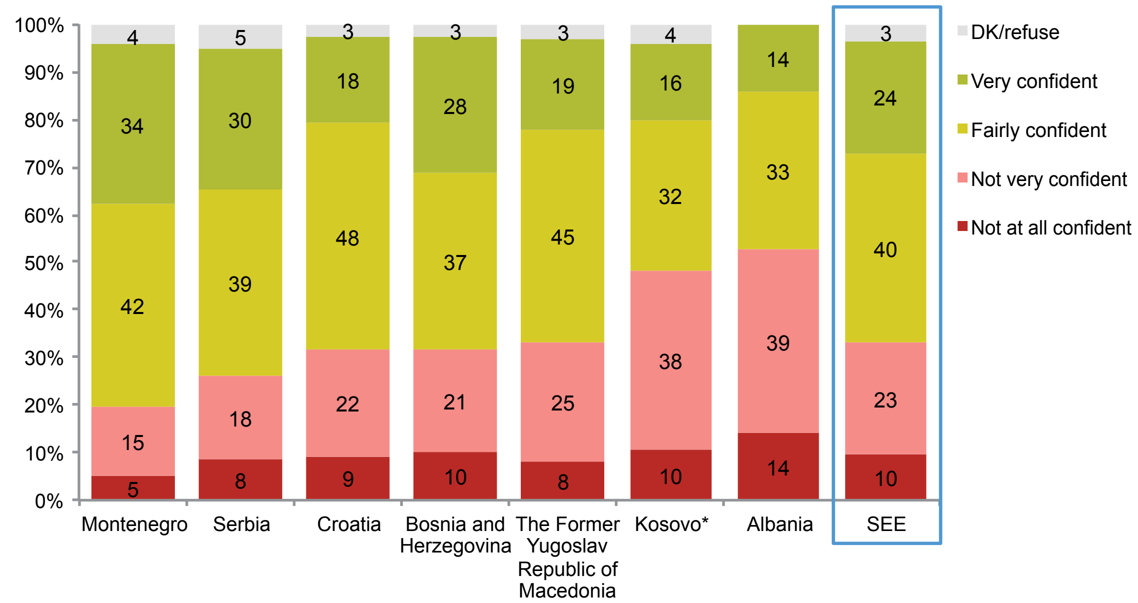
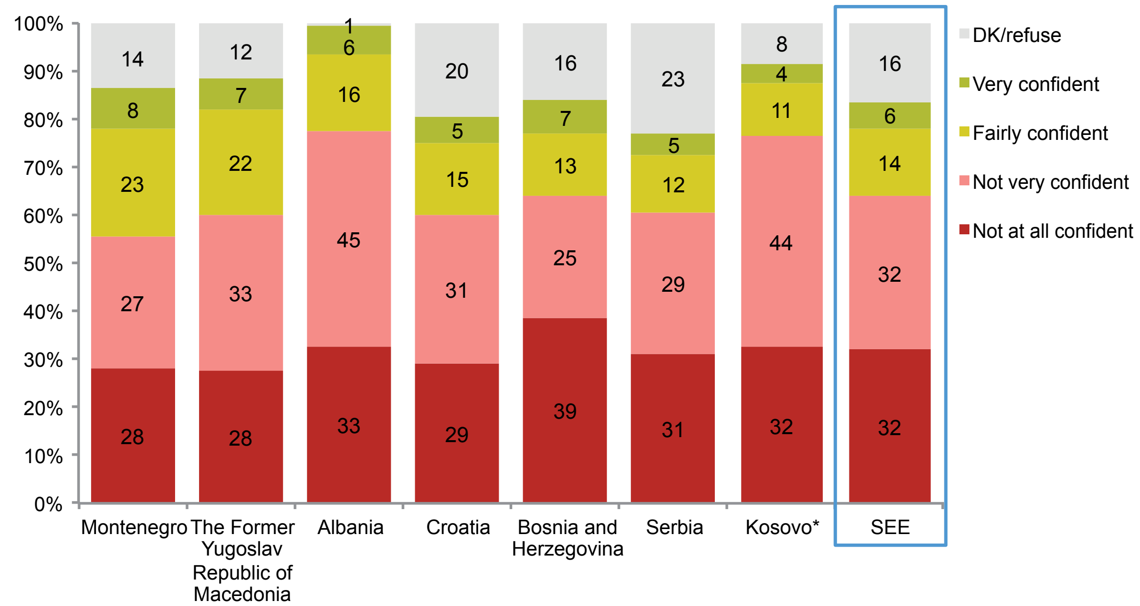


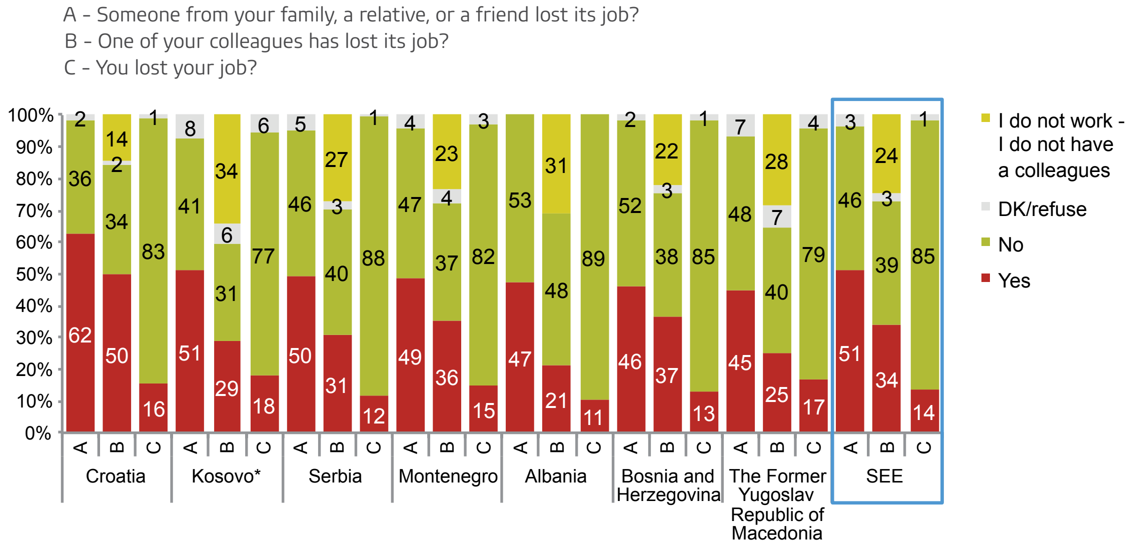
Figure 56. How confident would you say you are in having a job in two years' time? (all respondents, regardless are they looking for job at this moment or not)



When we asked all respondents about having jobs in two years' time, a very low percentage of them are confident in this estimation – only 20% (see Figure 56).

The highest number of people who are confident in having jobs in two years' time is from Montenegro – 31%, and from The Former Yugoslav Republic of Macedonia (29%), the lowest number is from Kosovo* - 15%.

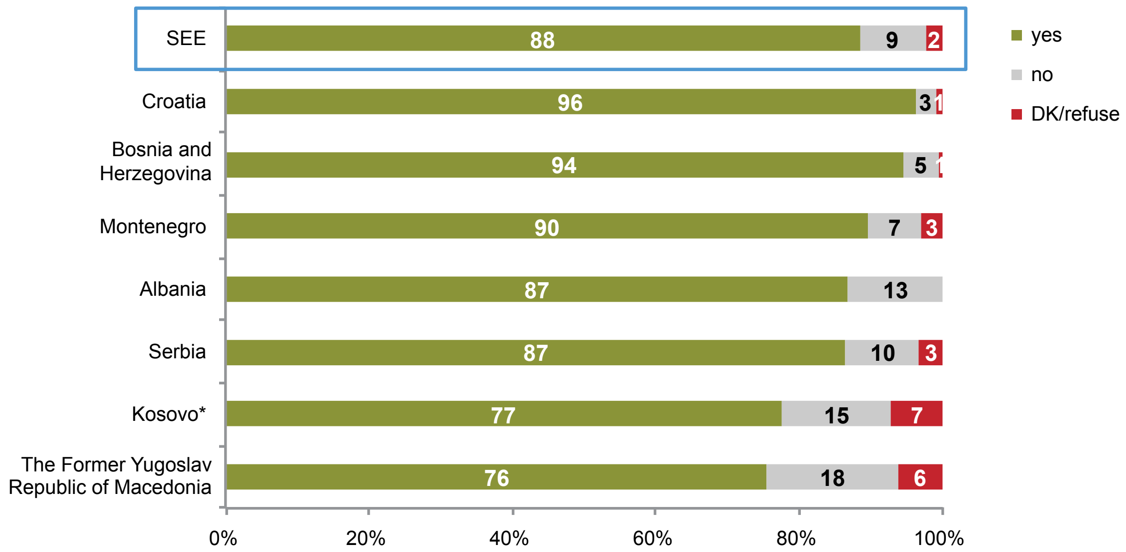
Figure 57: Please tell me whether each of the following situations has happened to you, as a result of the economic crisis in the past 3 years?



On the SEE level a half of the population know someone from their family, relatives or friends who have lost their jobs. For one third (34%) someone of their colleagues have lost their jobs, while 14% of the respondents lost their own jobs (see Figure 57).

Among Croatians there is the highest number of people who know someone who has lost his/her job (62%) and those whose colleagues have lost their jobs (50%).

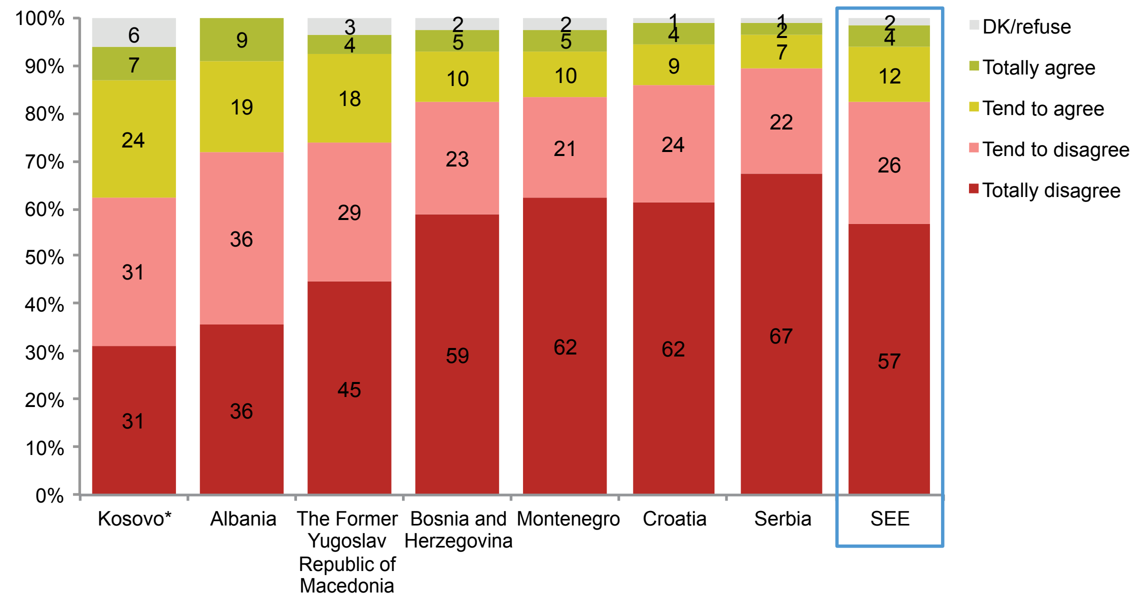
Figure 58: Do you think that the gap between the rich and poor is increasing in your economy?



In the SEE region, a big majority (88%) think that the gap between poor and rich is increasing (see Figure 58).

The highest number of people who share the mentioned opinion is from Croatia (96%) and from Bosnia and Herzegovina (94%), while the lowest number is from The Former Yugoslav Republic of Macedonia (76%) and Kosovo* (77%).

Figure 59 (a): Agreement with the statement: Some people look down on you because of your income or job situation.



The big majority on the SEE level do not agree with the fact that some people look down on them because of their income (83%) (see Figure 59a).

The highest number of those who think they are excluded from some people because of their income is from Kosovo* (31%) and the lowest number is from Serbia (9%).

On the SEE level, 40% of population feel the risk for themselves of falling into poverty (see Figure 59b).

The highest number of people who feel the risk of falling into poverty is from Albania (48%) and the lowest number is from Bosnia and Herzegovina (33%) and Montenegro (34%).

Figure 59 (b): Agreement with the statement: I feel that there is a risk for me that I could fall into poverty

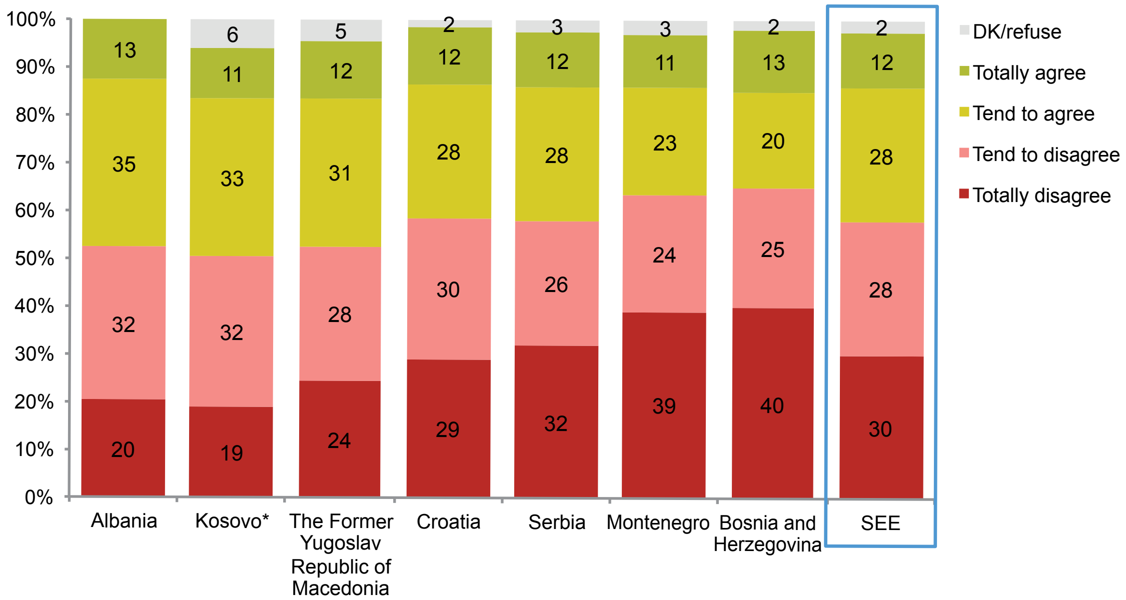
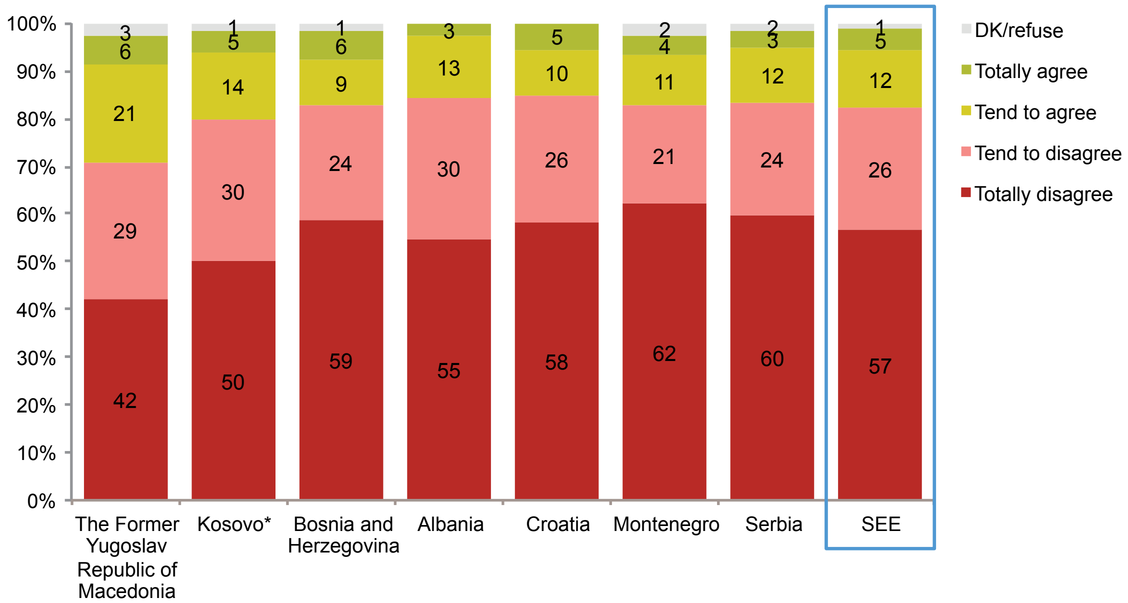


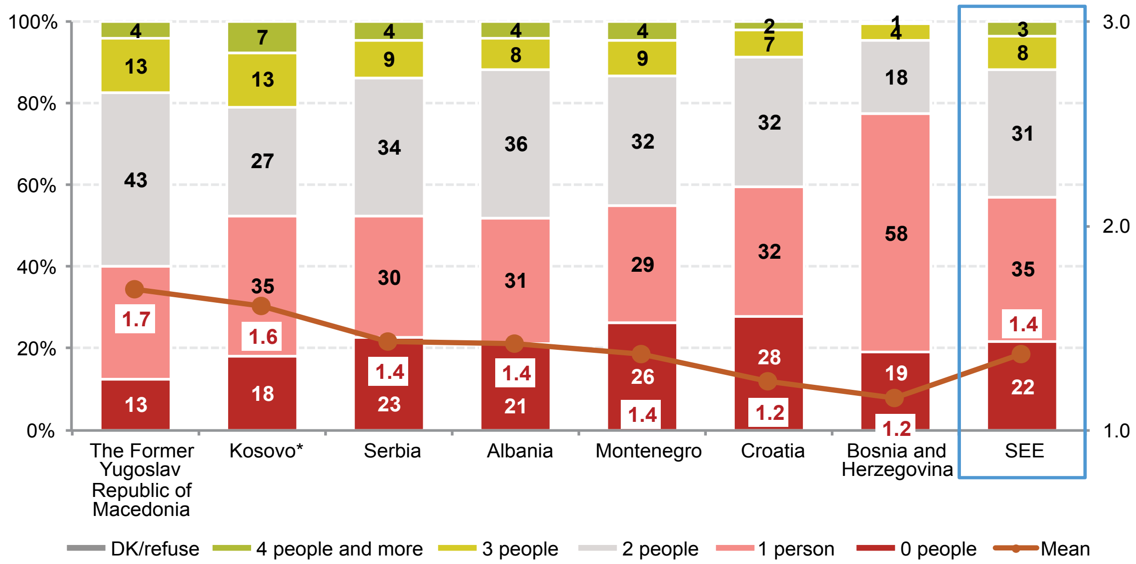
Figure 59 (c): Agreement with the statement: You feel left out of society



Only 17% of the SEE population feel left out of society (see Figure 59c).

The highest number of those who feel excluded from society are from The Former Yugoslav Republic of Macedonia (27%).

Figure 60: How many people in your family who are able to work are employed? (People who are able to work are those who are 15 and older who are not in regular education and do not have any other obstacle for working such as disability)



In the SEE region, there are 1,4 persons per family who are able to work are employed (see Figure 60).

The highest number of employed people per family are in The Former Yugoslav Republic of Macedonia – 1,7 and the lowest number is in Bosnia and Herzegovina and Croatia – 1,2.

Bosnia and Herzegovina is a place where 58% of families have only one employed person.

In Croatia there are 28% of families without any employed member.

In the SEE region, 1,1 persons per family who are able to work are unemployed (see Figure 61).

The highest number of unemployed persons per family are in Kosovo*– 2,5 and the lowest number is in Croatia (0,7) and Serbia (0,8).

In Croatia there are 56% of families without any unemployed persons, while in Kosovo* we have only 14% families without any unemployed persons.

Among households in the SEE region which have at least one unemployed person, the highest number of them think that lack of jobs (63%) and not knowing the right people are main obstacles from getting good jobs (see Figure 62).

Lack of jobs as an obstacle to get a job dominate among people in Albania (82%), Kosovo* (75%) and Croatia (73%).

The lowest percentage of those who think that age discrimination is an obstacle to get a job are from Kosovo* (9%), while the highest number is from The Former Yugoslav Republic of Macedonia (38%).

Approximately the same number of people in all economies think that insufficient work experience is an obstacle to get a job.

Inadequate education as a main obstacle in the highest percentage is perceived among people from Albania and Kosovo* (26%) and in the lowest percentage among people from Croatia (11%) and Serbia (12%).

Figure 61. How many people in your family who are able to work are unemployed? (People who are able to work are those who are 15 and older who are not in regular education and do not have any other obstacle for working such as disability)

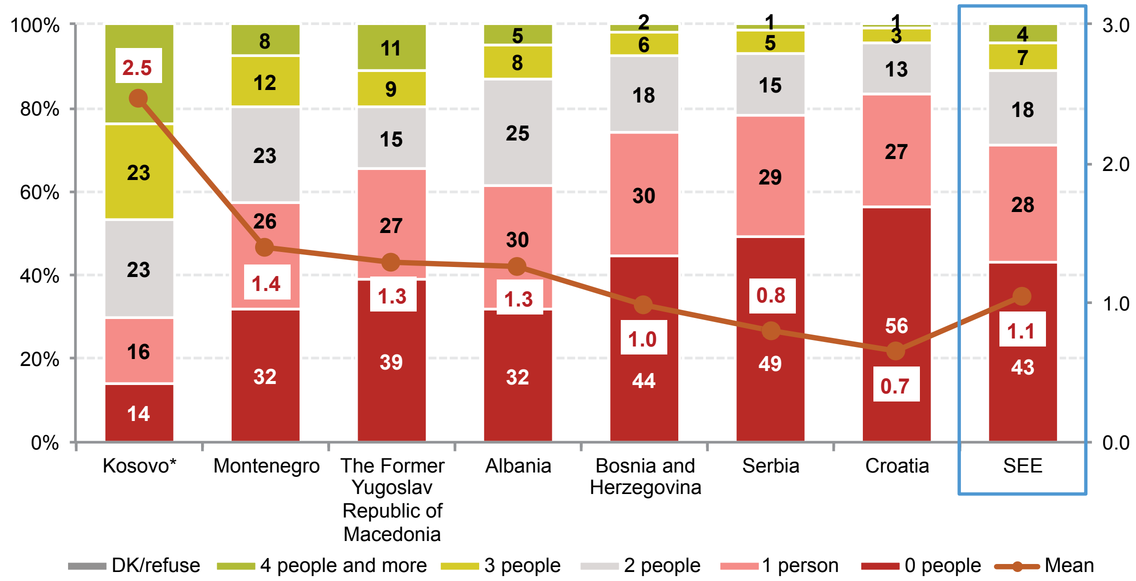
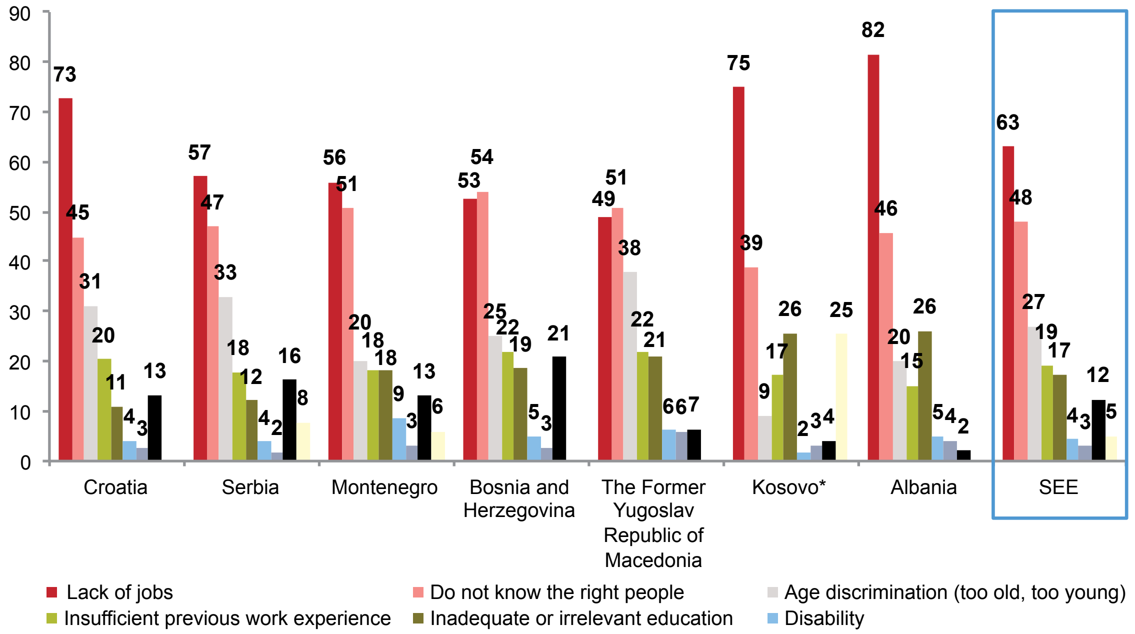


Figure 62: What are the two main obstacles to those in your household who do not work, to get a good job? (Households with at least one unemployed person)



Outsiders and Insiders

The answers are generally in accordance with the statistical data on employment, unemployment and inactivity. In one respect, there is a significant difference: the numbers for self-employed are too low. In most economies, these are the people who are informally employed and their share in the population and in the labour force tends to be much higher than reported here. It is, however, probably true that these numbers are exaggerated in the press and in some of the studies on the share of informal economy in the region.

The region has low employment rates, high unemployment rates, and high inactivity rates. For the latter, as reported here, the share of pensioners, especially in Croatia, Serbia, and Bosnia and Herzegovina is very high. Unemployment rates are also quite worrisome, especially because they are persistent, for years or even decades now (see Figure 54).

With that in mind, it is interesting that people are relatively confident that they will keep their job in the short run, though not necessarily in the medium term (two years) (see Figures 55 and 56). Similarly, unemployment seems to happen more to other people and other members of the family. In any case, the number of family members that are employed, out of those employable, is very low (see Figure 60).

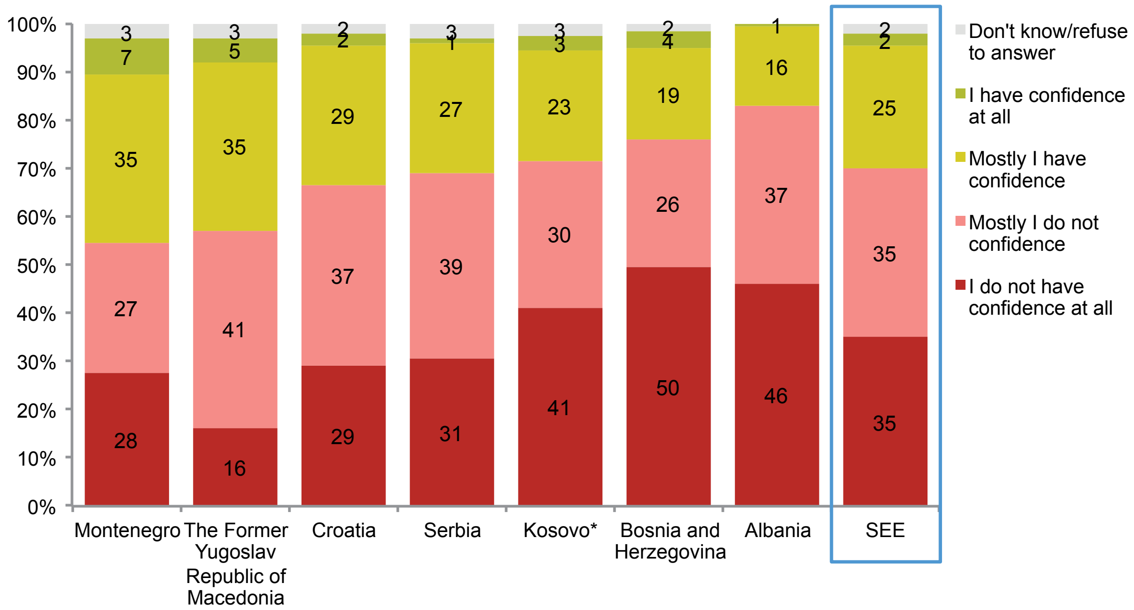
When it comes to inclusion, or exclusion, the answers are rather positive, though they are not consistent with the perception that the right connection, or rather a lack of one, is the reason to have or not have a job. There is some stigma attached to the lack of employment and to low income in Albania and Kosovo* (see Figure 59).

The perception of rising inequality is also very strong, though the statistical and other data do not support that, at least not to that extent. By most measures, this region has moderate levels of inequality, certainly compared to most other developing economies. It is a common phenomenon that income differences are exaggerated. Especially if the threat of poverty is not negligible, as it certainly is not in this region (see Figure 58).

By most measures, this region has moderate levels of inequality, certainly compared to most other developing countries. This is a common phenomenon that income differences are exaggerated. Here it may also reflect a socially widespread (in)equality criteria inherited from the socialist times.

GOVERNANCE FOR GROWTH – SATISFACTION WITH PUBLIC SERVICES AND ATTITUDES ON CORRUPTION

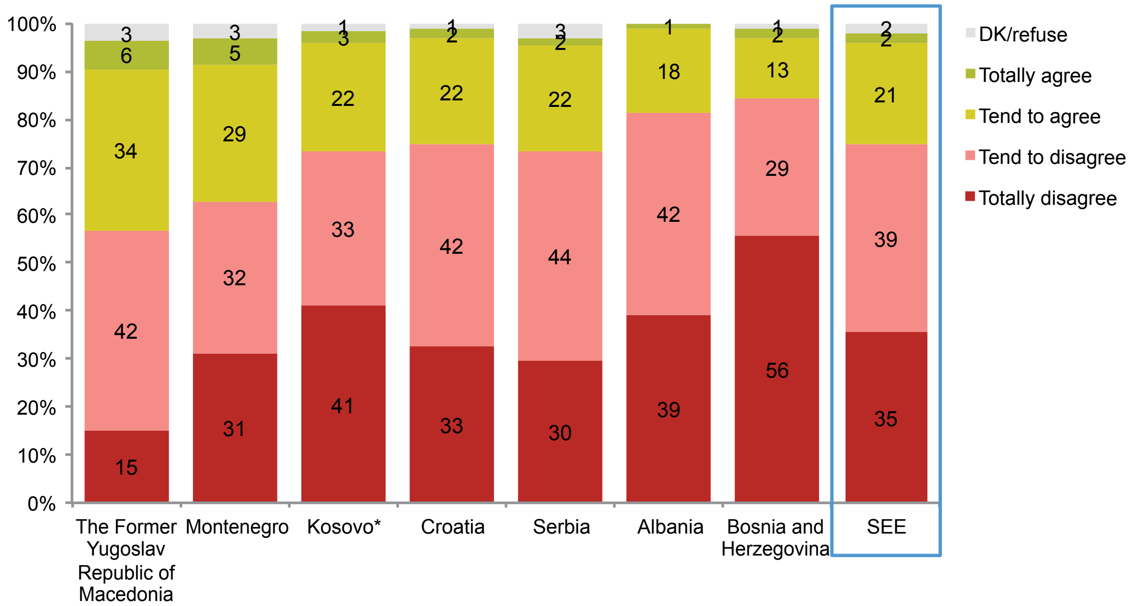
Figure 63: Do you have confidence in courts and the judiciary?



27% of the SEE population have confidence in courts and judiciary in their places of living (see Figure 63).

Among people from Montenegro there is the highest number of people who have confidence (42%), while in Albania only 17% have confidence in courts and judiciary.

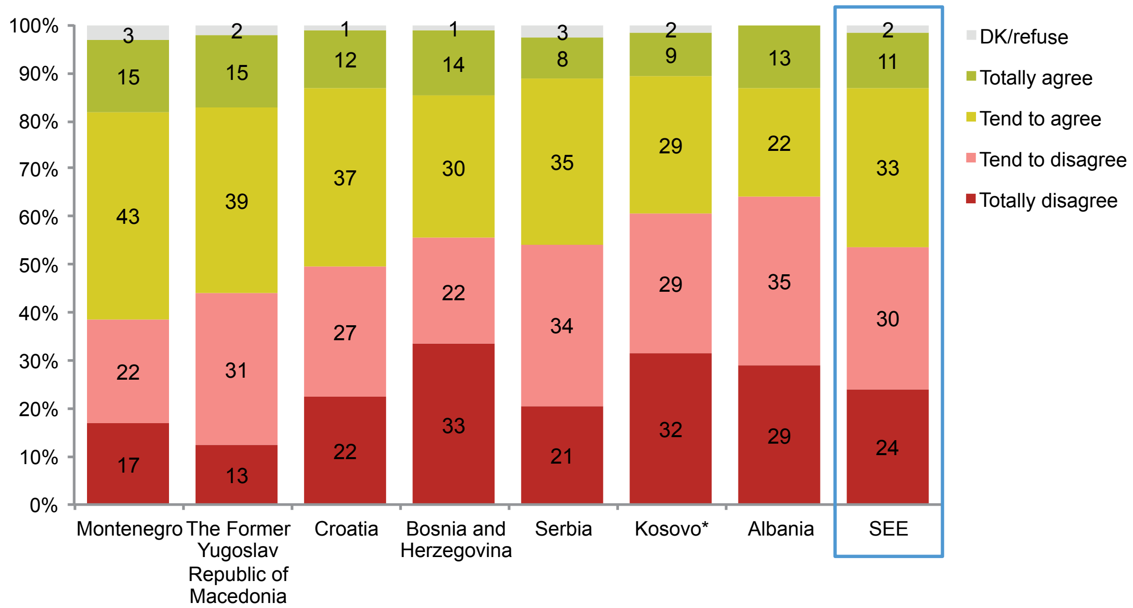
Figure 64: Do you agree that the law is applied and enforced effectively?



23% of the SEE population think the law is applied and enforced effectively (see Figure 64).

The highest number of people who share that opinion are from The Former Yugoslav Republic of Macedonia (40%), and the lowest number people with the same opinion are from Bosnia and Herzegovina (15%).

Figure 65: Do you agree that all your citizens can go to court to defend their rights?



Regardless of the two previous results about courts and law, there is still 44% of the SEE population who think that all their citizens can go to court to defend their rights (see Figure 65).

In Montenegro even 58% of the population share the mentioned opinion.

The highest suspicion about the same right for everybody when it comes to courts is present in Albania (35% agree with this statement).

26% of population in the SEE region think that government acts are in accordance with the law (see Figure 66).

In the region, except The Former Yugoslav Republic of Macedonia, more than a half of the population do not agree with this statement.

Among people from Bosnia and Herzegovina there is the highest number of people who think that the government acts are not in accordance with the law (84%).

Figure 66: Do you agree that the government acts are in accordance with the law?

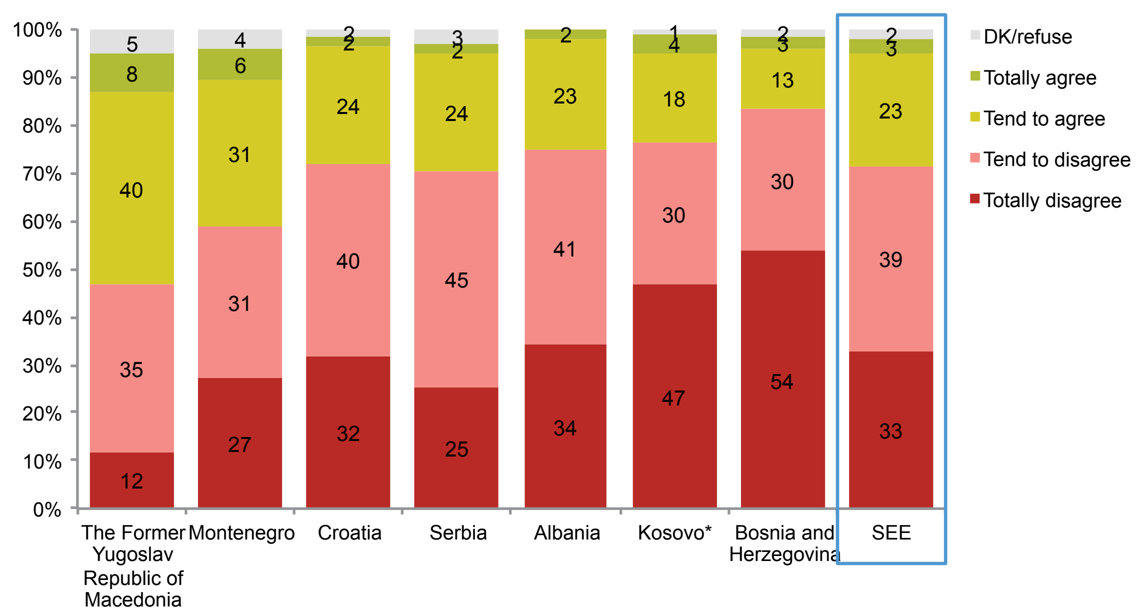
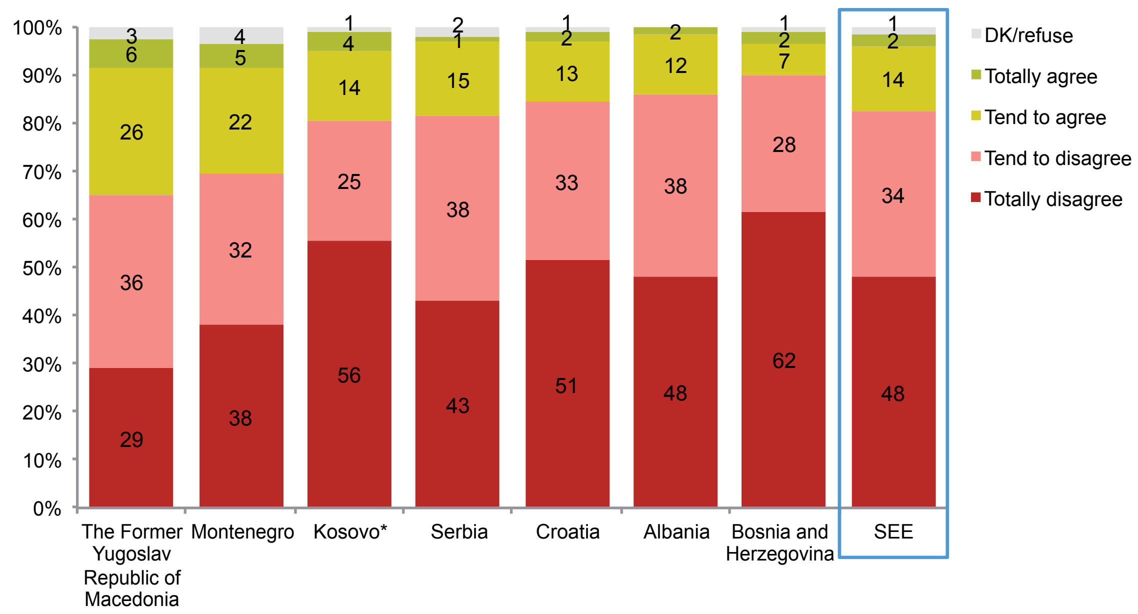


Figure 67: Do you agree that the law is applied to everyone equally?

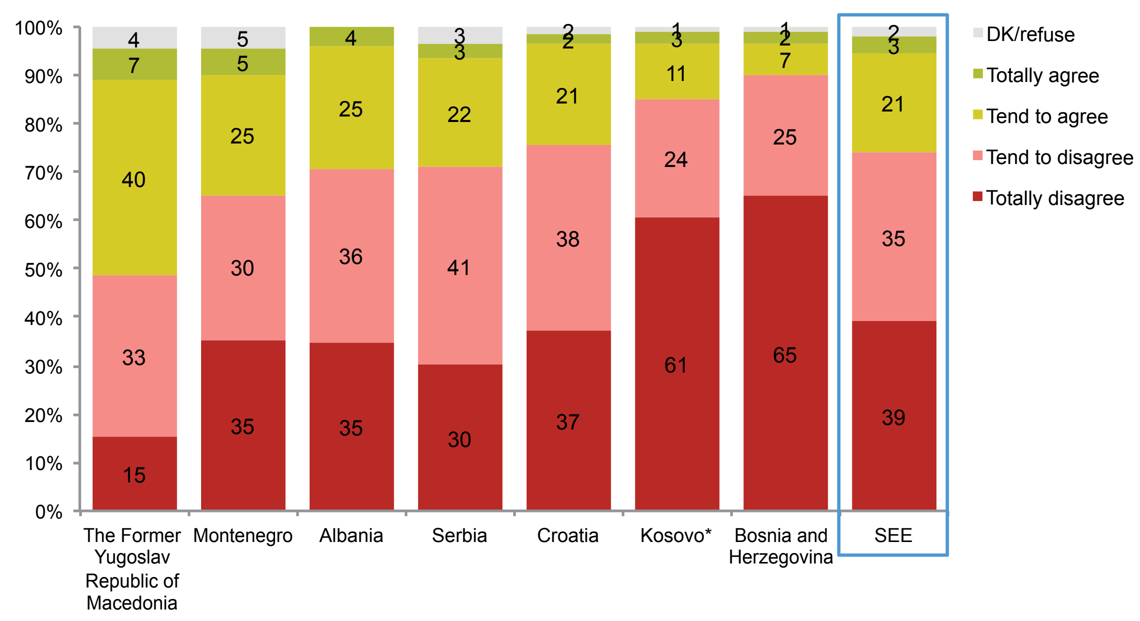


Only 16% of the SEE population think that the law is applied equally to everyone (see Figure 67).

The highest number of people who think that the law is not equal for everyone is among the Bosnia and Herzegovina population (90%).

In the region more than 60% of people think that the law is not equal for everyone. In The Former Yugoslav Republic of Macedonia there is the lowest number of those who share the mentioned opinion (65%).

Figure 68: Do you agree that the government fights effectively against corruption?



If we are observing results on the SEE level, we can see that only 24% of the population think that their governments fight effectively against corruption (see Figure 68).

Only in The Former Yugoslav Republic of Macedonia there are the same number of people who do not agree (48%) and those who agree (47%) with this statement.

In other parts of the region more than 65% believe that their governments do not fight effectively against corruption.

In Bosnia and Herzegovina there are even 90% of population who share that opinion.

35% of population of the SEE think that the administrative procedures in the public institutions are efficient (see Figure 69).

In three economies: Kosovo*, The Former Yugoslav Republic of Macedonia and Montenegro there are more people who think that the administrative procedures in public institutions are efficient than those who have opposite opinion.

The highest number of those who consider their public institutions inefficient is in Serbia (70%) and in Bosnia and Herzegovina (69%).

Figure 69: Do you agree that the administrative procedures in the public institutions are efficient?

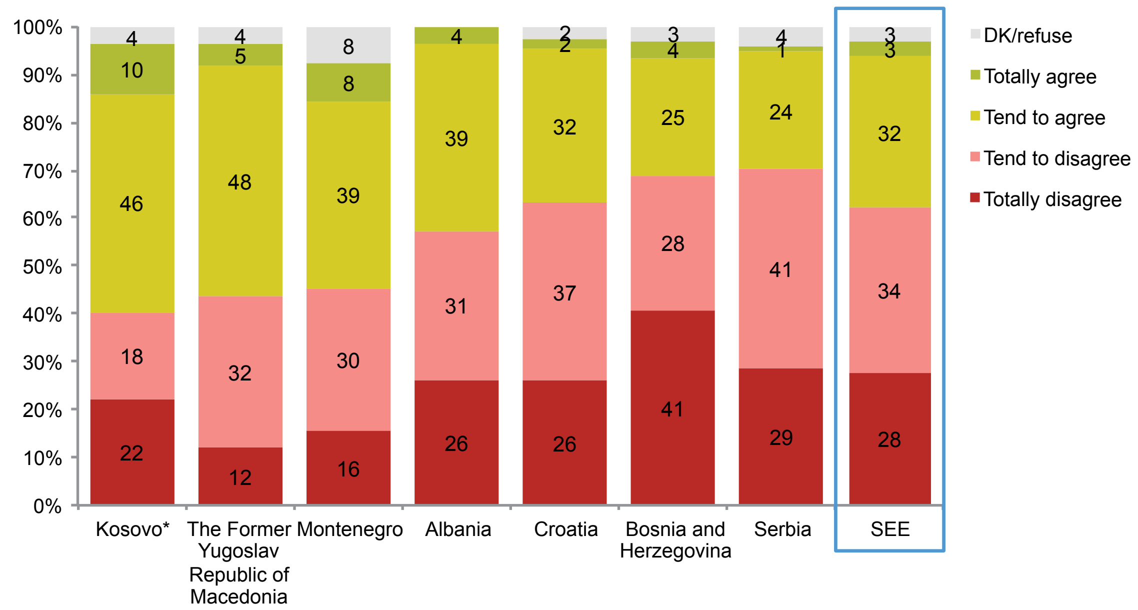
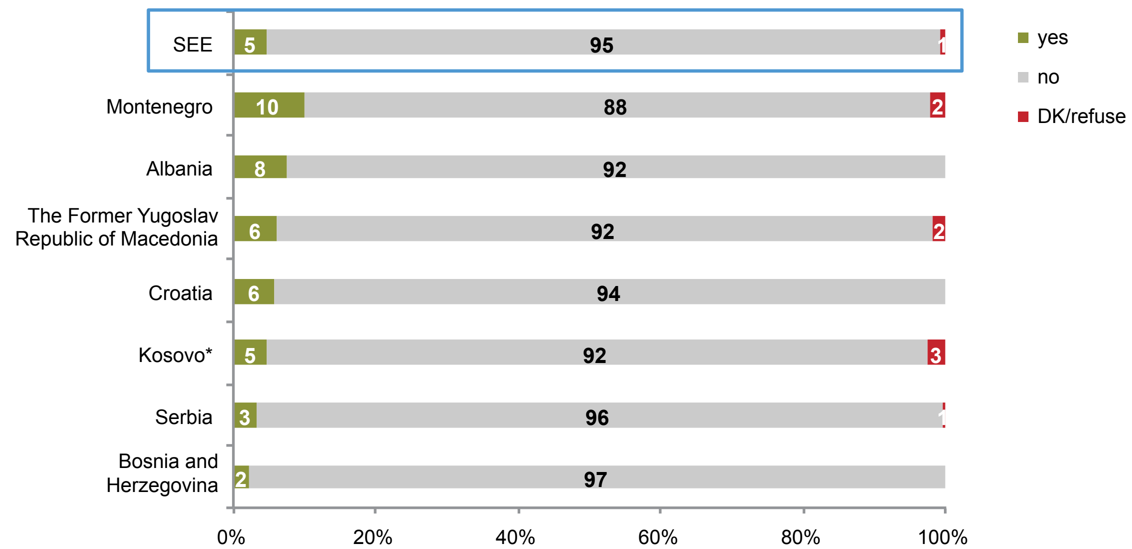


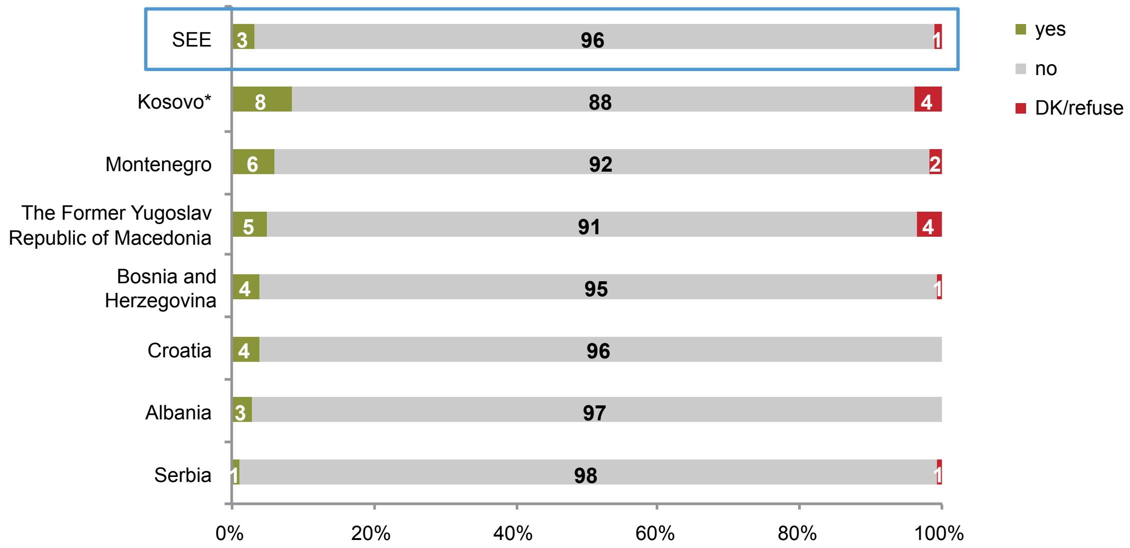
Figure 70: Have you ever used any government services by electronic means (like e-government)?



A big majority of people in the SEE region do not use government services by electronic means (95%) (see Figure 70).

The highest percentage of people who use them are in Montenegro (10%) and the lowest number of those who use them is in Bosnia and Herzegovina (2%).

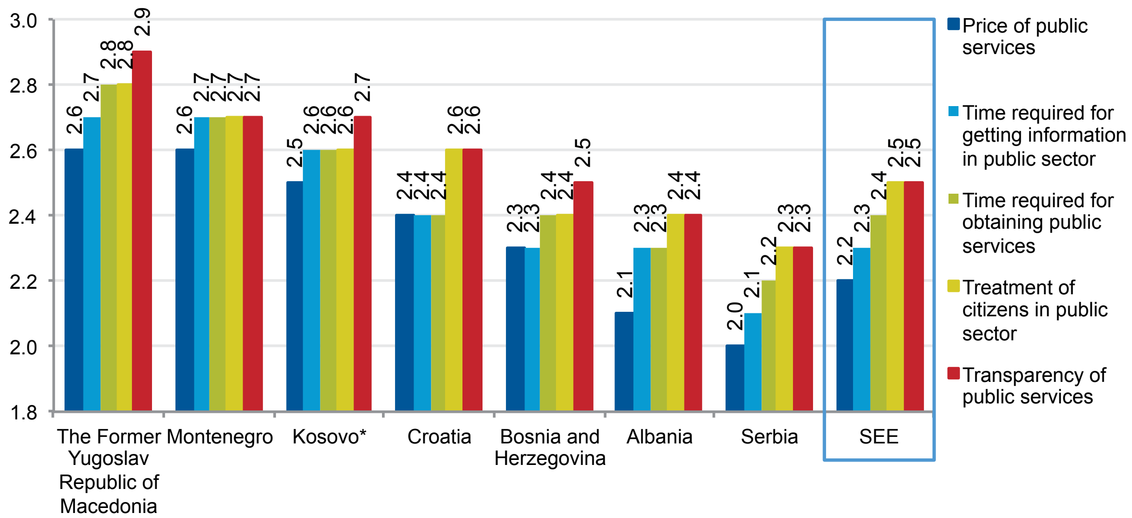
Figure 71: Have you ever been involved in the consultation process when the government prepares legislation or any decision, such as through public debate, by contributing comments via the internet, or some other means?



A big majority of the SEE population (96%) have never been involved in the consultation process when the government prepared legislation or any decisions (see Figure 71).

The highest number of those who have been involved is from Kosovo* (8%) and the lowest number is from Serbia (1%).

Figure 72: How would you grade the following issues: (1-5 scale where 1 means very poor and 5 excellent)

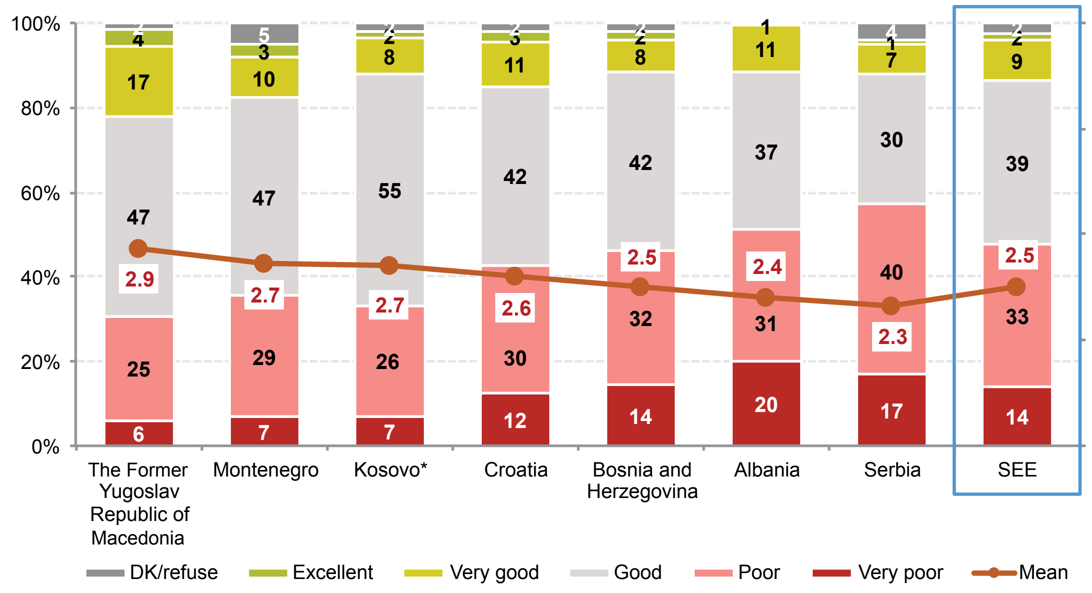


Out of five issues in public sector, transparency and treatment of citizens were estimated with the highest mark (2,5) and the lowest mark was given to prices of public services (2,2) (see Figure 72).

In the region the five issues have the same range: the price of the public services has the worst results and transparency and treatment the best. The rest of the three issues are between the two mentioned.

The biggest difference between marks are in The Former Yugoslav Republic of Macedonia, where people were giving the highest marks (between 2,6 and 2,9), and Serbia, where five observed issues about public services got the lowest marks (between 2,0 and 2,3).

Figure 73 (a): How would you grade the transparency of public services (school, police, health system, judiciary, public transport etc). (1-5 scale where 1 means very poor and 5 excellent)



Transparency of public services was estimated with the highest mark by people from The Former Yugoslav Republic of Macedonia – 2,9 and with the lowest mark by people from Serbia – 2,3. (see Figure 73a).

Time required for getting information in public sector was estimated with the highest mark by people from The Former Yugoslav Republic of Macedonia and from Kosovo*– 2,7 and with the lowest mark by people from Serbia – 2,1 (see Figure 73b).

Figure 73 (b): How would you grade the time required for getting information in public sector (data which possess bodies of public authority such as documents, registers, record etc). (1-5 scale where 1 means very poor and 5 excellent)

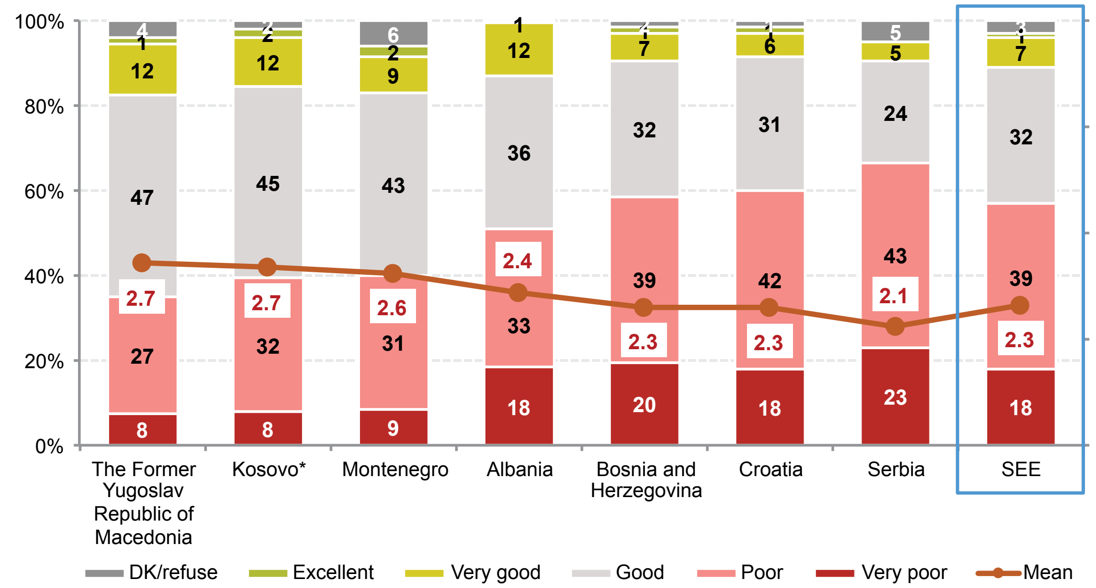
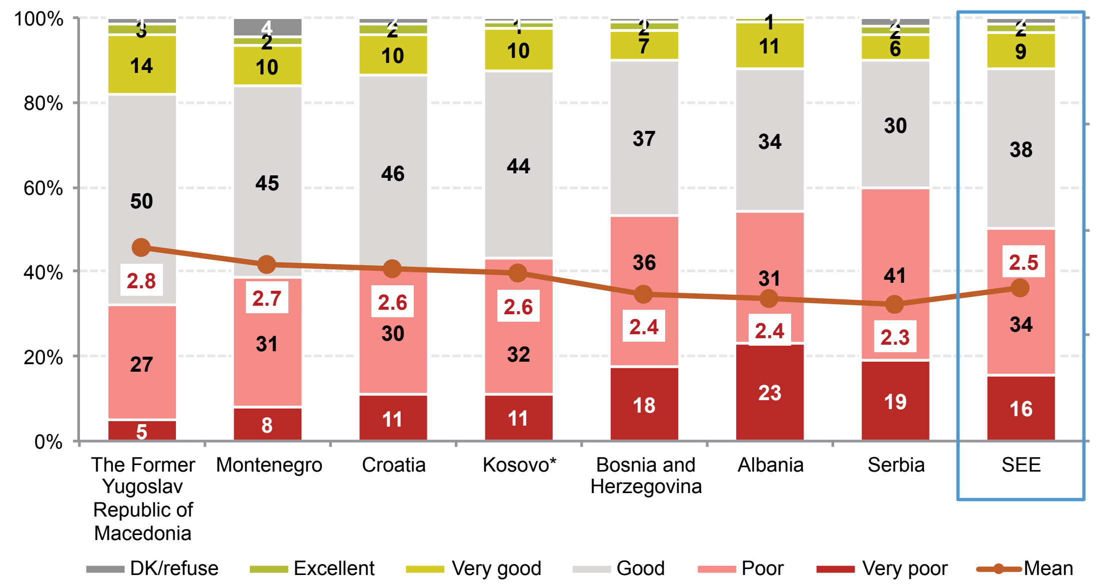
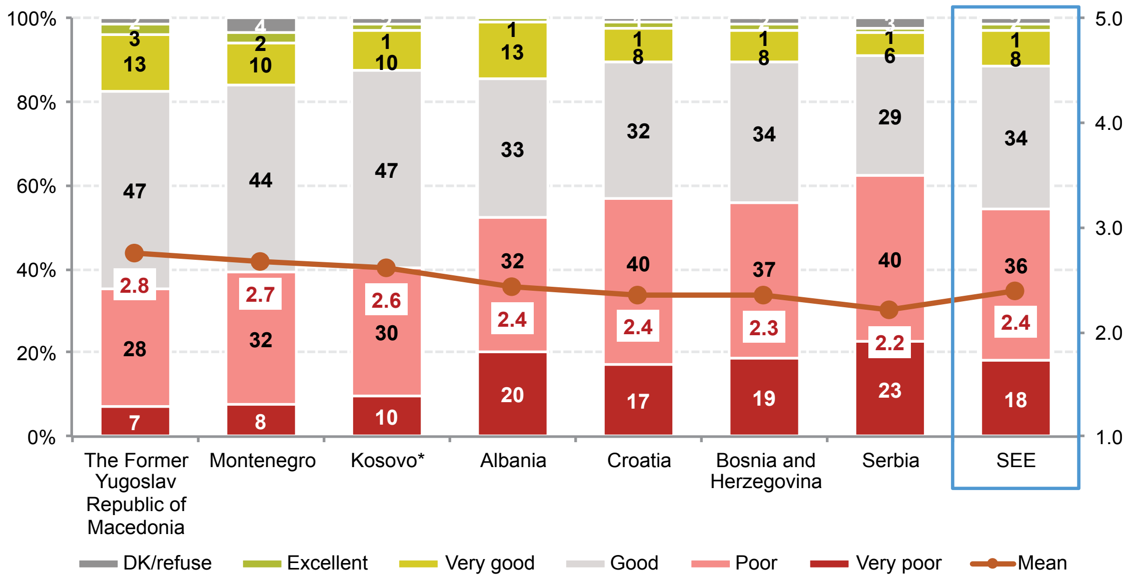


Figure 73 (c): How would you grade the treatment of citizens in public sector (police, health system, judiciary, township etc). (1-5 scale where 1 means very poor and 5 excellent)



Treatment of citizens in public sector was estimated with the highest mark by people from The Former Yugoslav Republic of Macedonia - 2,8 and with the lowest mark by people from Serbia – 2,3. (see Figure 73c).

Figure 73 (d): How would you grade time required for obtaining public services (police, health system, judiciary, township etc). (1-5 scale where 1 means very poor and 5 excellent)



Time required for obtaining public services was estimated with the highest mark by people from The Former Yugoslav Republic of Macedonia – 2,8 and with the lowest mark by people from Serbia – 2,2. (see Figure 73d).

Price of public services was estimated with the highest mark by people from The Former Yugoslav Republic of Macedonia and from Kosovo*– 2,6 and with the lowest mark by people from Serbia – 2,0 (see Figure 73e).

Figure 73 (e): How would you grade the price of public services (e.g. issuance of personal documents, judiciary costs etc). (1-5 scale where 1 means very poor and 5 excellent)

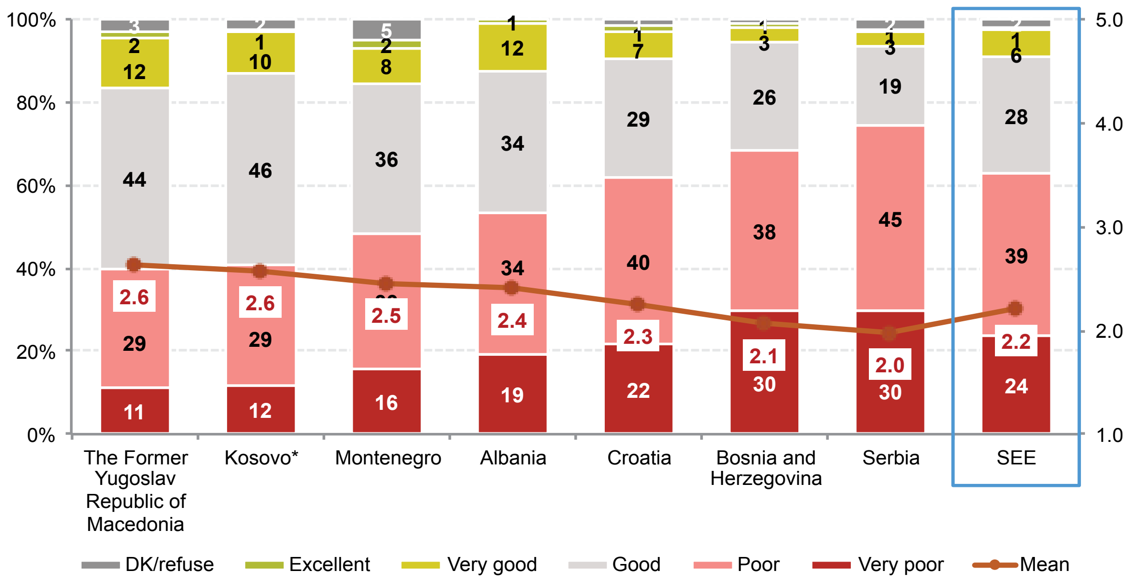
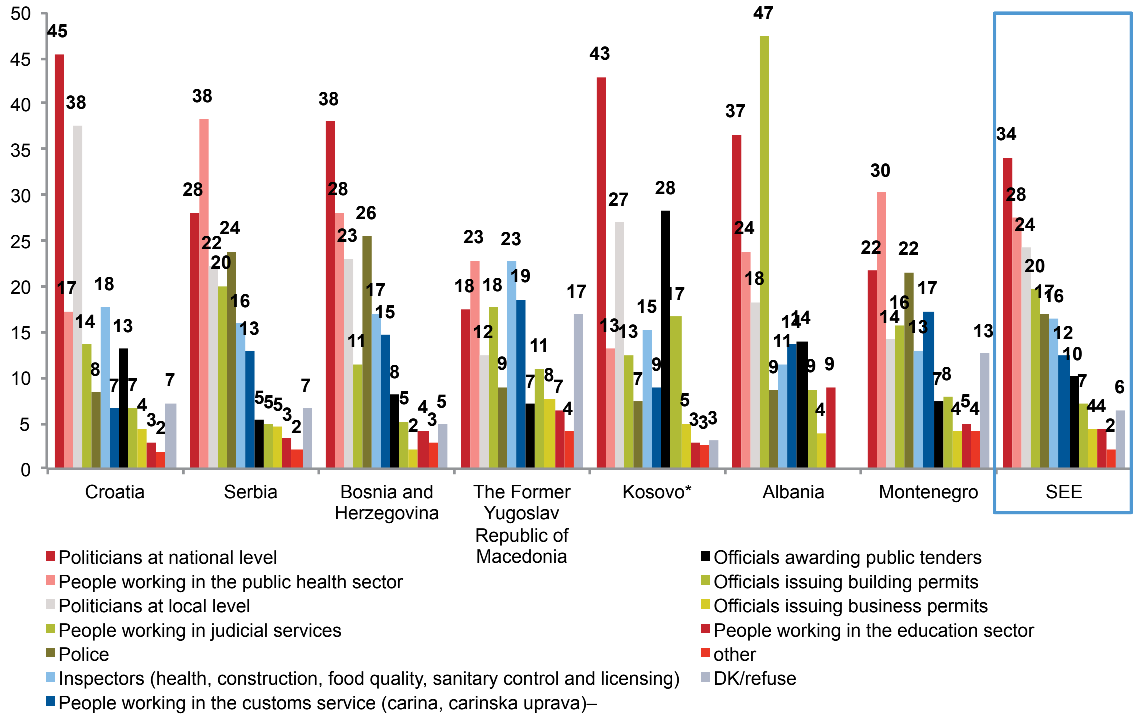


Figure 74: Do you think that the giving and taking of bribes, and the abuse of positions of power for personal gain, are widespread among any of the following? (Max. two answers)



People in the SEE region think that among politicians on the national level (34%), on the local level (28%) and among people working in the public health sector, giving and taking bribe and the abuse of positions of power for personal gain are widespread the most (see Figure 74).

However, we can also observe differences across the region regarding this problem. Croatia is different from others because they perceive politicians – on the national and local level as those who give and take bribes the most often and who use their positions for personal gain.

On the other hand, people in Serbia and Montenegro think that taking and giving bribes are spread the most among people working in the public health sector. Albania stands out because of the fact that the highest number of people thinks that bribe is spread the most among people working in judicial services. More than in other parts of the region, people from Kosovo* perceive that taking and giving bribes is spread among officials awarding public tenders. Among population of the The Former Yugoslav Republic of Macedonia there is the lowest number of people who blame politicians for giving and taking bribes, but, on the other hand, they more than others blame inspectors for bribes.

Among people from Serbia, Bosnia and Herzegovina and Montenegro there is the highest number of those who think that among police bribe is spread the most as well as usage of position for the personal gain.

The overall satisfaction with the rule of law, the effectiveness, and the impartiality of the governance structures is rather low. As in most other sections of this survey, there are few if any opinions or evaluations that are above average. However, when asked directly, the respondents express an opinion that governance is bad, rather than good.

On the questions regarding the rule of law, the opinion is somewhat better in Montenegro, The Former Yugoslav Republic of Macedonia, and Croatia, which are most advanced in the process of EU integration. Still, it is interesting that the first two, being EU candidates, fare better than the latter one, a member state. This may be connected to the economic deterioration in Croatia, while Montenegro, and especially The Former Yugoslav Republic of Macedonia, have done better in the last few years (see Figures 63-66).

A similar distribution of results was seen in the questions related to corruption (see Figure 68). The Former Yugoslav Republic of Macedonia comes out as less corrupt than Serbia and Croatia, and certainly Kosovo* and Bosnia and Herzegovina. Kosovo*, however, seems to have more efficient public institutions, which does not square with the other results. This may be due to how fast decisions are made rather than how good these decisions are. This, again, is a rather common occurrence in some developing economies.

On the issue of transparency and accessibility, (see Figures 73a and 73b). The Former Yugoslav Republic of Macedonia, Montenegro and Kosovo* score better than Croatia or Serbia, the latter being the worst overall performer. This is consistent with political stability and with the more intense involvement of international actors, the EU and other multilateral ones. Obviously, only one of these is not enough, as the cases of Croatia or Bosnia and Herzegovina have shown.

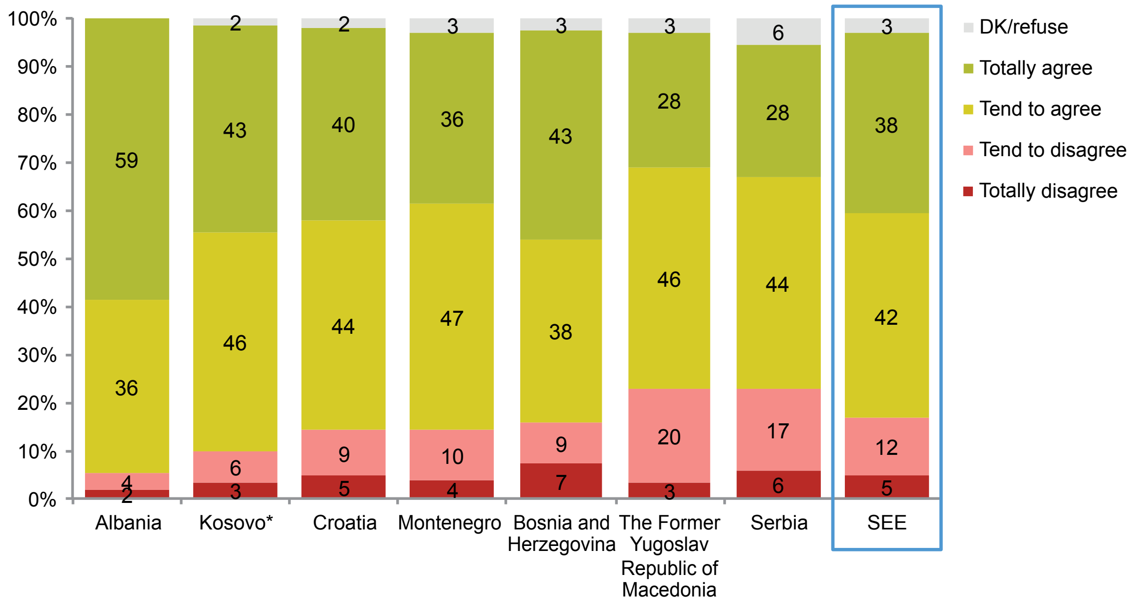
E-governance is very new, as is responsiveness, and public participation in the adoption of legislation is very low or non-existent. It comes down, almost exclusively, to elections (see Figure 70). This is clear also from the other data that we have on the influence of the public and the civil sector, including the professional organisations and the NGO's, on the Government's decision making, especially at the central level.

As for corruption, politicians come out on top (especially in Croatia), but there is a perception of high corruption in the judiciary (Albania), in healthcare (Serbia, Montenegro), in the police (Montenegro, Bosnia and Herzegovina, Serbia). In The Former Yugoslav Republic of Macedonia, the healthcare sector and customs inspection stand out. All that is in accordance with the information we have from other sources (see Figure 74).

It is important to stress that the majority of the SEE population believes that the government is not acting according to the law, that law is not applied and enforced effectively and equally to everyone. Also, politicians at the national level top the corruption rank in SEE. Taken together with the finding that 70% of the SEE population do not have confidence in courts and judiciary, this suggest that good governance potential in the region is at a very low level, which constitutes an important barrier for pushing economic growth and development.

Appendix

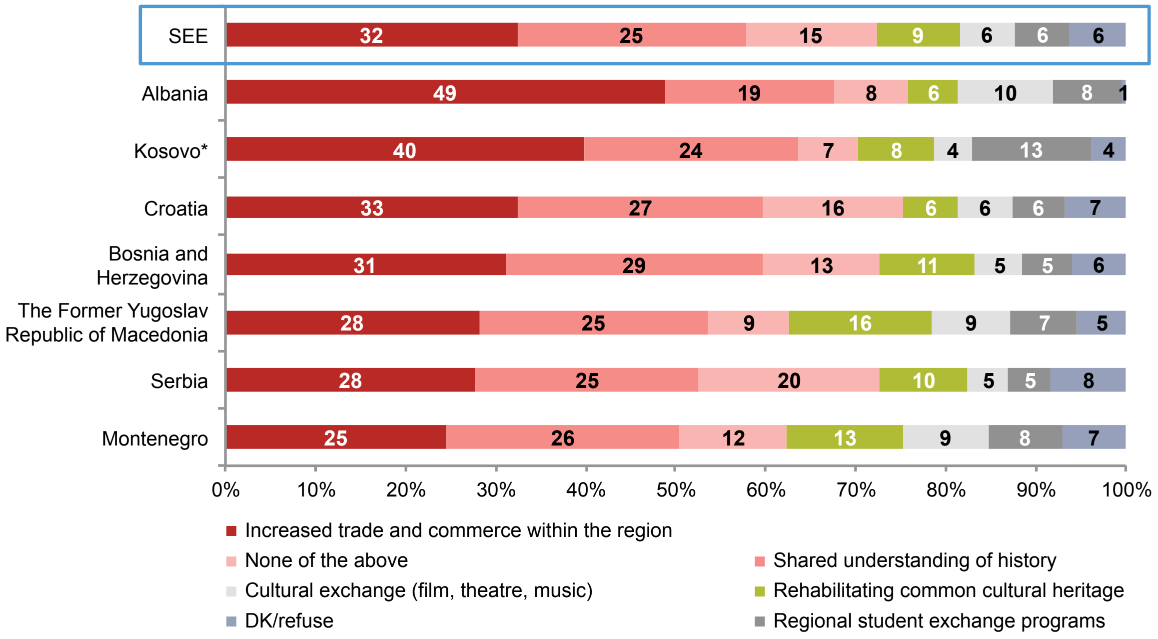
Figure 75: Would you agree with the statement that a cultural heritage (cultural-history monuments), is a motivation for tourists to visit your city?



For the big majority of the SEE population (80%), a cultural heritage is a motivation for tourists to visit their cities (see Figure 75).

The highest number of people who share that opinion is from Albania (95%) and the lowest number is from Serbia (72%).

Figure 76: Which of these can best contribute to reconciliation in SEE region?



The most people in the SEE region (32%) have opinion that increasing trade and commerce within the region can contribute to their reconciliation the best (see Figure 76). At second place is a shared understanding of history (25%).

In Albania, almost a half of the population think that increased trade and commerce can best contribute to reconciliation in the region, while in Montenegro we have only 25% people who share that opinion.

Rehabilitating common cultural heritage as contribution to reconciliation in region is perceived the best in The Former Yugoslav Republic of Macedonia (16%) and regional exchange student program is perceived the best in Kosovo* (13%).

The majority (61%) of the SEE population would like to have both types of tourists: those from the region and those from other parts of the world, while 27% would prefer tourist from other parts of the world (see Figure 77).

Among people from Bosnia and Herzegovina (13%) and Montenegro (10%) there is the highest number of those who prefer tourists from the region.

Among people from Bosnia and Herzegovina (32%), Croatia (30%) and Kosovo* (30%) there is the highest number of those who prefer tourists from other parts of the world.

Figure 77: Which tourists would you like to have more, those from the SEE region or from other parts of world?

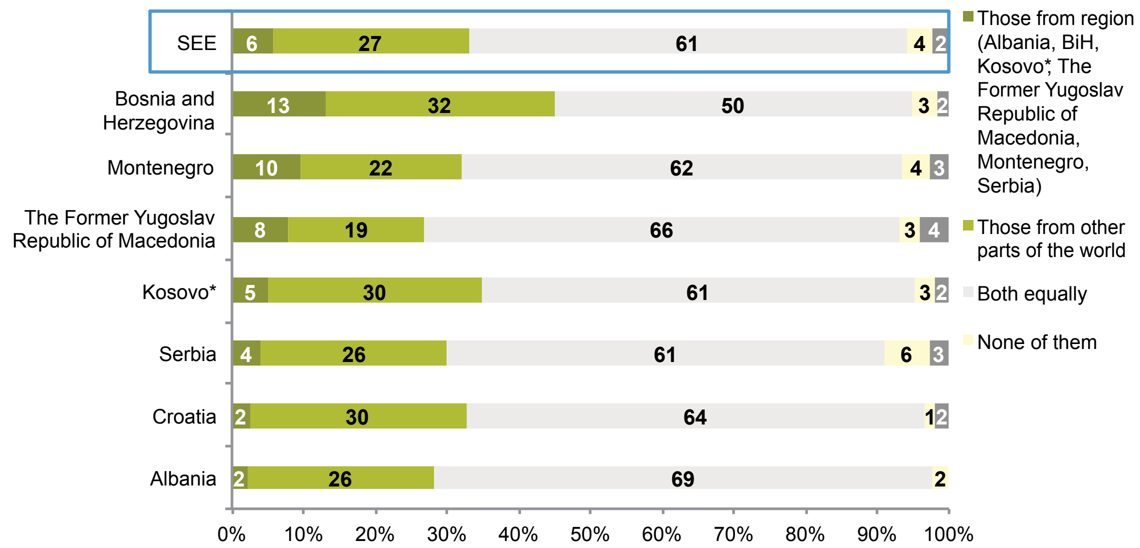
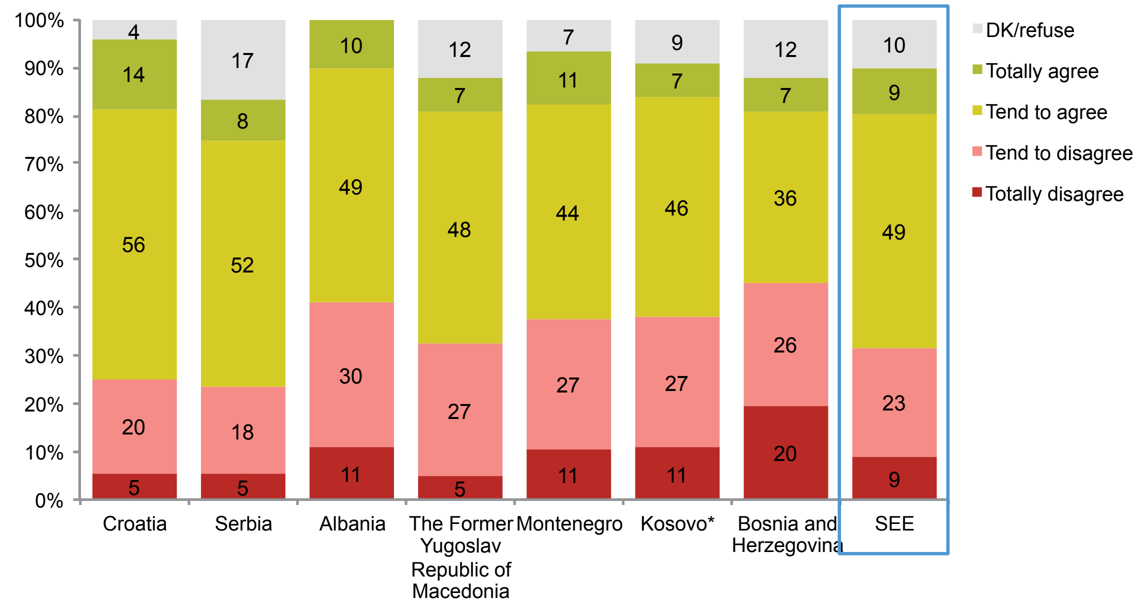


Figure 78: Would you agree that tourism workers in your economy are well qualified?



58% of the SEE population think that tourism workers in their economies are well qualified, while 32% do not share that opinion (see Figure 78).

The highest number of people who think that their tourism workers are well qualified is from Croatia (70%), and the lowest number of those who share the mentioned opinion is from Bosnia and Herzegovina (43%).

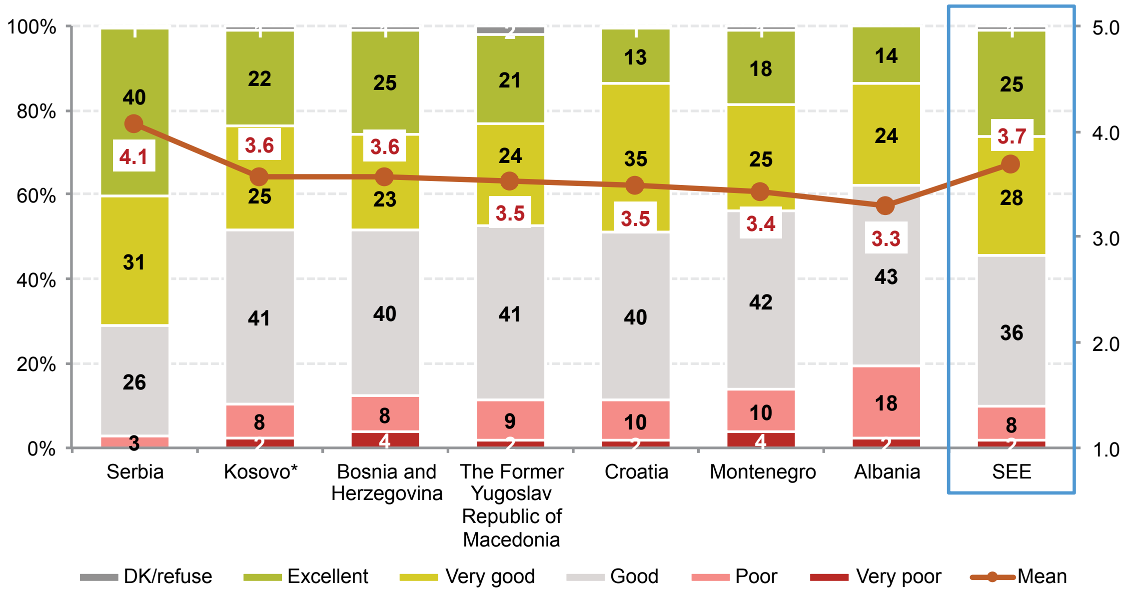
People from the SEE region estimated people's hospitality services in their economies as very good (mean is 3,7) (see Figure 79).

The highest mark for people's hospitality services was given by people in Serbia (mean is 4,1) and the lowest by people in Albania (mean is 3,3).

In Serbia even 71% of population estimated people's hospitality with very good or excellent.

In the rest of the region (except Serbia and Albania) approximately 45% estimated people's hospitality as excellent or very good.

Figure 79: How do you assess level of people's hospitality services in your place of living? (1 to 5 scale)



CONCLUSIONS AND RECOMMENDATIONS

The answers in this survey are largely in accordance with what is known from statistical data and research. The region has gone through a prolonged period of economic decline and, in addition, the post-2009 crisis has been deep and challenging. Thus, a rather negative assessment of the state of affairs and subdued expectations for the future are consistent with the experience and the forecasts. This adds to the relevance of the sentiment indices produced here.

From the regional and the European point of view, there is broad support for further integrative processes. That underlines the need for closer regional cooperation and for the acceleration of EU integration. There is a dose of scepticism about the feasibility of both processes due to the still quite elevated political risks and uncertainties. However, a recognition exists that there is no better way to get access to the most important public goods – security (and stability), justice (and legitimacy), and above all welfare.

Trade and financial integration of the region have strong support. That testifies to the success of CEFTA even though intra-regional trade imbalances are large and persistent. In addition, despite the remaining protectionist beliefs, cross-border financing and investments are looked at favourably. Migration and mobility are a bit different, with out-of-the-region migration being preferred to intra-regional mobility. This may change if the liberalization of services trade is enhanced and implemented.

Education and skill acquisition in general is seen as the key to labour market success. Hard work and professional experience is also highly valued. By contrast, connections with insiders and luck remain also quite important, which is an indication that there are remaining deficiencies in the regulation of the labour markets.

In the area of sustainable growth, there is strong path-dependency which favours roads over other means of transportation.

This is to the detriment of investments in railways, where the region is most deficient. There is support for investment in energy production, which, together with the rather elevated awareness of the need to care for the environment, should suggest the need to invest more in renewable energy.

The feeling of exclusion is not strong, which contrasts with the labour market data. Also, social stigma of being unemployed does not seem to be strong, with some exceptions. However, the strong emphases of investing in social connections in order to secure a job or carrier is the evidence that the inclusiveness of the labour markets is rather limited.

There are major deficiencies in governance for growth. The lack of an efficient rule of law, prevalence of corrupt practices, low transparency and responsiveness, together with the lack of efficiency and practically non-existent e-governance suggest that governance is more of a burden than a support for growth and development. This is also consistent with what is known from other surveys and research.

Policy recommendations are generally straightforward. The SEE 2020 Strategy contains a detailed account of what is to be done and the survey broadly supports it. Overall pro-growth policies, which are elaborated in the SEE 2020 Strategy are long overdue and can be summarised for the respective pillars in the following way:

- The acceleration of regional and EU integration is the main instrument of the pro-growth strategy, nationally and regionally, which includes enhanced trade and investment liberalisation and cooperation (within CEFTA and the Stabilisation and Association Process of the EU).
- The labour market, i.e. low employment, is the crucial problem and the source of most of the other economic and social problems. Therefore active labour market policies should be a priority, especially since skill acquisition and better market intermediation have been recognised as the key to employment and carrier development.
- Investment in infrastructure is needed, with railways and renewable energy topping the list.
- Significant improvement in the sector of small and medium size enterprises is needed – primarily in the area of innovation and export orientation.
- Much more inclusive labour markets are needed because of the persistent lower participation of unskilled workers, women, the long-term unemployed, and minorities by most characteristics.
- A major decrease in corruption and crime and major improvements in the rule of law, increased transparency, responsiveness, efficiency, and e-governance are needed for governance to be supportive of growth and development in all the economies and throughout the region.

METHODOLOGY

Methodology used in Public Opinion Survey is CAPI (Computer-Assisted Personal Interviewing). The survey was conducted via personal household interviews carried out by trained interviewers from GfK..

Some adjustments and preparations were necessary for the successful implementation of the survey:

QUESTIONNAIRE

The questionnaire was provided by the RCC. It contained 74 questions as well as eight demographic questions (regarding region, size of the settlement, gender, age, education, nationality, marital status, and social status of the respondent). The questionnaire was originally written in English. It was subsequently translated into seven local languages, with the exception of Kosovo*, where both Albanian and Serbian versions of the questionnaire were used, and The Former Yugoslav Republic of Macedonia, where questionnaire in two different languages was also used. The RCC reviewed and approved the translations of the questionnaire.

Since the CAPI methodology was used in the research, all questionnaires were converted to a digital form and installed on interviewers' laptops. The programmes were reviewed by a competent person in each economy.

INTERVIEWERS

The survey was conducted by GfK in all economies, except Montenegro where De Facto Consultancy was hired as a sub-contractor. All interviewers were given written instructions containing general description of the questionnaire, of the method of selecting addresses for the interviews and of the respondent selection method. In addition to the written instructions, all interviewers were trained to understand research goals and interviewing methods (a random route and last birthday method). Moreover, project coordinators examined the entire digital questionnaire jointly with the interviewers and emphasised some important elements (especially the need to read individual answers where one or more answers were possible, etc).. Since a random route method was chosen for the research, all GfK interviewers were given the initial addresses for sampling points, and later on they started to use a random route method.

SAMPLE

Public Opinion Survey was conducted among N=1000 respondents in each economy, aged 18+ with the total of 7000 respondents for the entire SEE region.
The respondents were persons:

- aged 18 or older who reside in private households;

- whose usual place of residence is in the territory of the economies included in the survey;
- who speak the national language(s) well enough to respond to the questionnaire.

A stratified two-stage clustered design sample with random route for the selection of addresses and respondents (last birthday method) was used in the survey. The described sample was used as most similar to probability sample which would be too costly. The sampling selection process is random in the following stages: the selection of the sampling points, the selection of addresses, the selection of households and the selection of individuals aged 18 and older.

Only Primary sampling units (PSU – counties/regions) and Secondary sampling units (SSU – size of settlements) were defined in advance, as quotas. In order to create the sample design we used the most recent available statistical data for each economy. The sample structure by region and size of settlement for each economy is presented in Table 6 and Table 7.

Stratification/selection procedure:
In order to obtain the same structure of the population, firstly the sample was stratified according to the region or county (depending on economy). At the beginning of the sampling procedure, the number of persons to be interviewed in each PSU (region or county) was defined according to census data and the share of the region in the total population.

The number of respondents was calculated based on the number of inhabitants in each size of settlements for individual region/county, while the number of sampling points was defined based on the obtained number of respondents (for each region/county and in each size of settlement). The maximum number of respondents per one sampling point was 15.

After defining their number, the sampling points were chosen randomly according to the last census data. Households in each sampling point were chosen by a random walk method. In a selected household the respondent was the person whose birthday came latest (last birthday method).

Table 5: Growth rates

	Population 18+:
Serbia	5.923.734
Croatia	3.485.881
Bosnia and Herzegovina	3.107.754
Albania	2.060.324
The Former Yugoslav Republic of Macedonia	1.497.014
Kosovo*	1.147.289
Montenegro	474.655

The Table-5 shows the total 18+ population for each economy. Weighted results were presented for the SEE region based on the described data.

Table 6.: Sample structure by region:

	REGION	%
Croatia	Zagreb and surroundings	26
	North Croatia	17
	Slavonia	17
	Lika, Kordun, Banovina	8
	Istra, Primorje, Gorski Kotar	12
	Dalmatia	20
Albania	Berat	5
	Diber	4
	Durrës	10
	Elbasan	10
	Fier	11
	Gjirokaster	3
	Korča	8
	Kukës	3
	Lezhë	5
	Shkodër	7
	Tirana	27
	Vlore	6

	REGION	%
Bosnia and Herzegovina	Federacija Bosnia and Herzegovina	65
	Republika Srpska	31
	Brčko Distrikt	4
Kosovo*	Ferizaj	1
	Gnjilane	11
	Peje	13
	Mitrovica	16
	Prizren	16
	Gjakove	12
	Prishtina	23
The Former Yugoslav Republic of Macedonia	Vardar	8
	East	10
	Southwest	11
	Southeast	9
	Pelagonia	11
	Polog	15
	Northeast	8
	Skopje	29
Serbia	Beograd	23
	Istočna Srbija	22
	Zapadna Srbija	28
	Vojvodina	27
Montenegro	North region	29
	Central region	47
	South region	24

Table 7: Sample structure by size of settlement:

	SETTLEMENT SIZE	%
Croatia	Up to 2.000 inhabitants	39
	From 2.001 to 10.000 inhabitants	16
	From 10.001 to 100.000 inh.	22
	Over 100.001 inhabitants	23
Albania	From 2.001 to 10.000 inhabitants	32
	From 10.001 to 50.000 inhabitants	40
	From 50.001 to 100.000 inhabitants	27
Bosnia and Herzegovina	Up to 5.000 inhabitants	44
	From 5.001 to 19.999 inhabitants	13
	From 20.000 to 49.999 inh.	15
	From 50.000 to 99.999 inh.	10
	Over 100.001 inhabitants	18
Kosovo*	Up to 2.000 inhabitants	40
	From 2.001 to 5.000 inhabitants	18
	From 5.001 to 10.000 inh.	10
	Over 10.001 inhabitants	32
The Former Yugoslav Republic of Macedonia	Up to 2.000 inhabitants	25
	From 2.001 to 5.000 inhabitants	14
	From 5.001 to 10.000 inh.	8
	Over 10.001 inhabitants	53
Serbia	Urban area	59
	Non urban area	41
Montenegro	Urban area	63
	Rural area	37

Figure 80: Sample structure by gender:

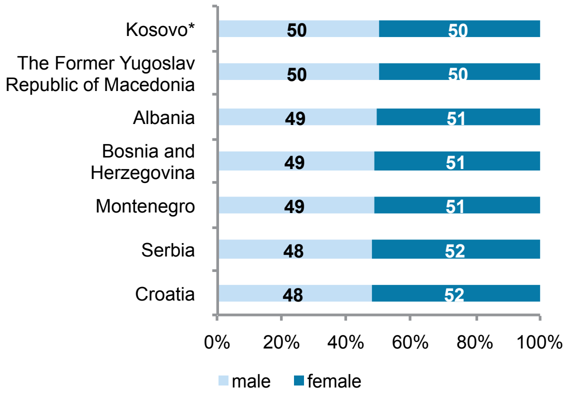


Figure 81: Sample structure by age:

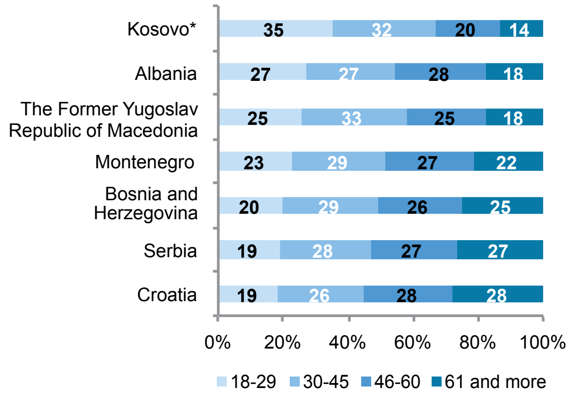


Figure 82: Sample structure by education:

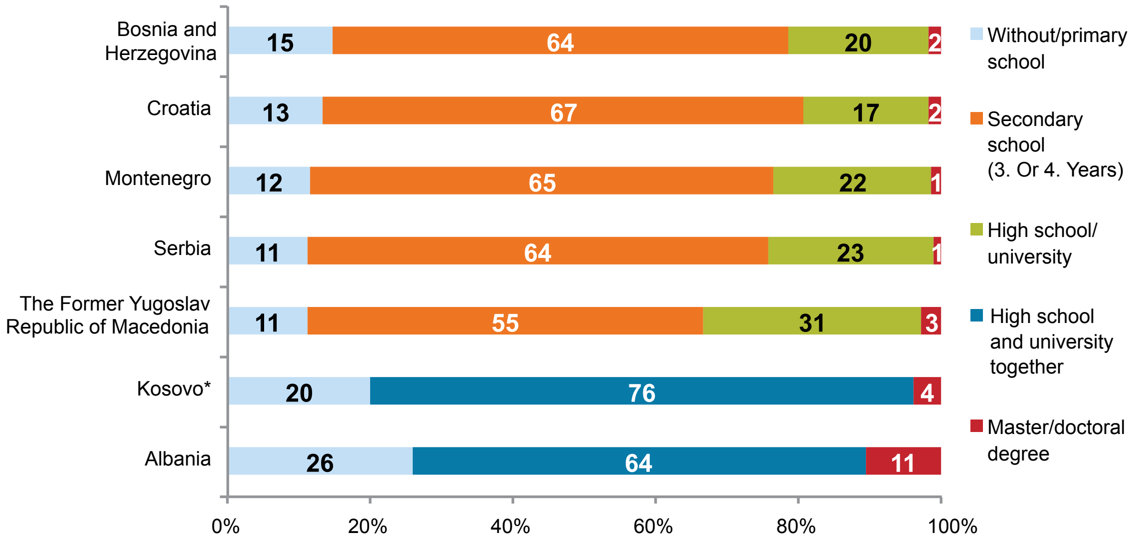


Figure 83: Sample structure by marital status:

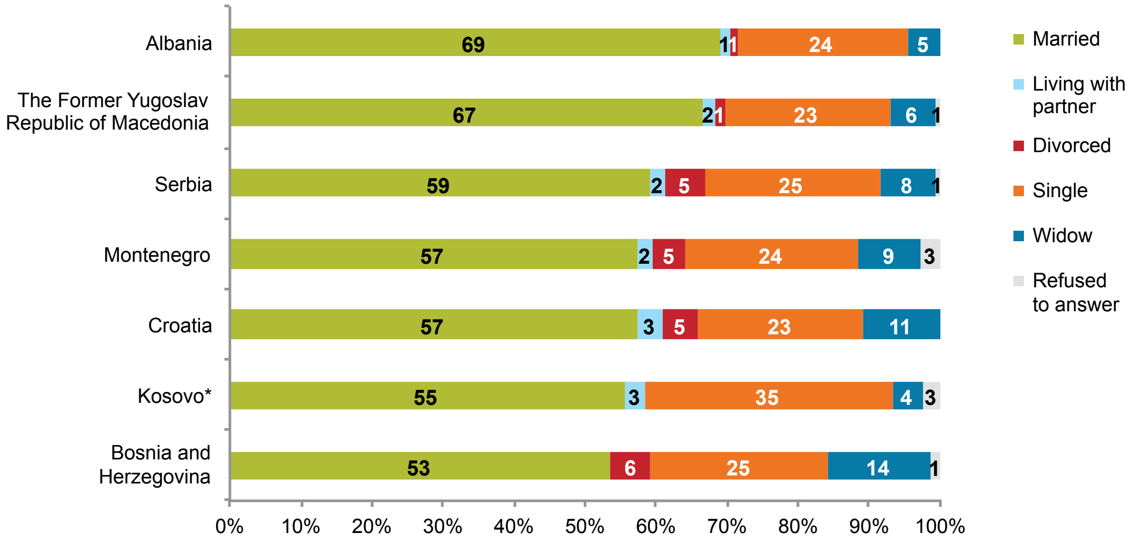
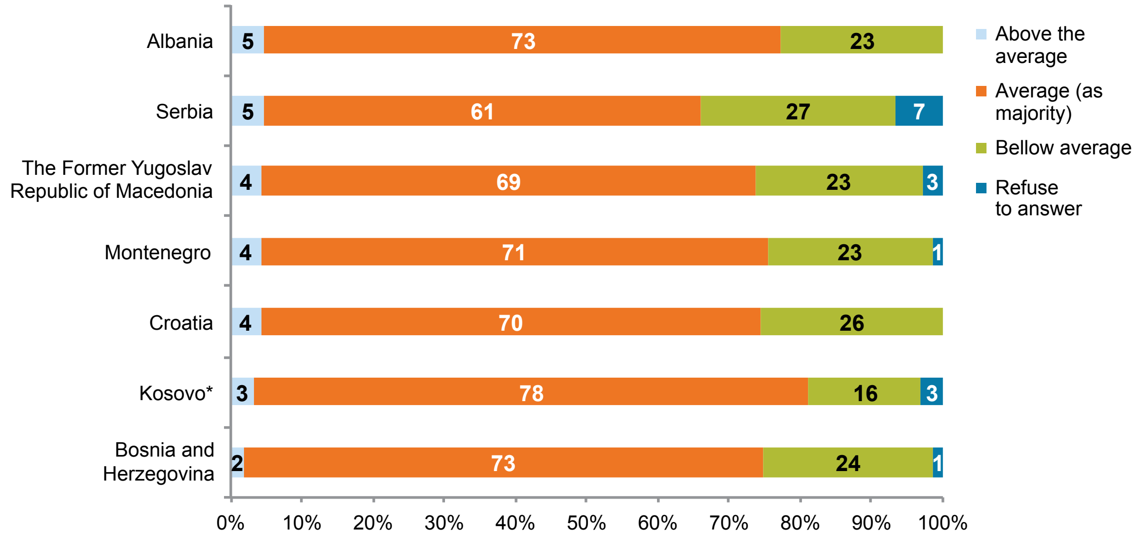


Figure 84: Sample structure by social status (self estimation):



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