

Consultations with the Poor

National Synthesis Report

Bosnia and Herzegovina

The findings, interpretations, and conclusions expressed here are those of the authors and do not necessarily represent the views of the World Bank, its Board of Executive Directors, or the governments they represent.

Preface

This study is part of a global research effort entitled *Consultations with the Poor*, designed to inform the *World Development Report 2000/1 on Poverty and Development*. The research involved poor people in twenty-three countries around the world. The effort also included two comprehensive reviews of Participatory Poverty Assessments completed in recent years by the World Bank and other agencies. Deepa Narayan, Principal Social Development Specialist in the World Bank's Poverty Group, initiated and led the research effort.

The global *Consultations with the Poor* is unique in two respects. It is the first large scale comparative research effort using participatory methods to focus on the voices of the poor. It is also the first time that the World Development Report is drawing on participatory research in a systematic fashion. Much has been learned in this process about how to conduct Participatory Poverty Assessments on a major scale across countries so that they have policy relevance. Findings from the country studies are already being used at the national level, and the methodology developed by the study team is already being adopted by many others.

We want to congratulate the network of 23 country research teams who mobilized at such short notice and completed the studies within six months. We also want to thank Deepa Narayan and her team: Patti Petesch, Consultant, provided overall coordination; Meera Kaul Shah, Consultant, provided methodological guidance; Ulrike Erhardt provided administrative assistance; and the Institute of Development Studies, University of Sussex provided advisory support. More than a hundred colleagues within the World Bank also contributed greatly by identifying and supporting the local research teams. Anis Dani and Nora Dudwick helped to adapt the study methodology and provide guidance to the research teams from Eastern Europe and Central Asia.

The study would not have been possible without the generous financial support of the U.K. Department for International Development (DFID), numerous departments within the World Bank, the Swedish International Development Agency, John D. & Catherine T. MacArthur Foundation and several NGOs.

The completion of these studies in a way is just the beginning. We must now ensure that the findings lead to follow-up action to make a difference in the lives of the poor.

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Acknowledgements

The research and the final report is the product of a collaboration between Prism Research, headed by Dino Djipa and Mirsada Muzur, and Paula Franklin Lytle, a Washington-based Bosnia specialist. We would like to thank the field team in Bosnia and Herzegovina who worked under conditions of increasing uncertainty and threat during the NATO bombing of neighboring Yugoslavia: Fuad Hegic, Elma Pasic, Dado Babic, Maida Koso, Marko Romc, Sanja Djermanovic. Special acknowledgement should be made of the contribution of Vesna Bodirogic (subteam leader in Republika Srpska) who worked only with the aid of note-takers, Miloš Karišik and Mladen Vidovic, and who accomplished the research in that entity when international aid workers had left under threats of attack. Two of our notetakers, young men, were strongly affected by the process, Miloš crying silently while taking notes during one discussion group, and Dado having nightmares and tension headaches after fieldwork. They persevered with their work, but this was a difficult and moving experience for them. The research team would also like to thank Sarah Forster at the resident mission and Anis Dani in Washington for making possible their collaboration and for the support during the process. Deepa Narayan, Patti Petesch, Meera Kaul Shah and Ulla Erhardt were essential to the success of our element of the overall project, and we are grateful to them for their work.

1. Executive Summary

The war that devastated Bosnia and Herzegovina (BiH) between 1992- 1995 has drastically lowered the material standard of living for the population. The collapse of the economy has limited employment options for much of the population, and the aftereffects of the war include population displacement and destroyed infrastructure.

The Consultations with the Poor study in BiH balanced site selection to include participants from the major nationalities, Bosniac (Muslim), Croat and Serb. Participants for groups were recruited to insure that the perspectives of refugees, displaced persons and returnees were also represented in the discussions. Discussion groups were held at nine sites, six in the Federation and three in Republika Srpska. Sites were distributed among urban area, towns, and villages.

For participants in the Consultations with the Poor study, the reference point for personal well-being is their status before the war. Many refer to some measure of personal and financial security or stability and describe their standard of living as a comfortable one or as “a normal life.” Most of the participants considered middle-class status as no longer existing and divided the population into the “haves” and the “have-nots.” People also commented that individuals who had managed with social support in the past were now at the very margins of existence. At the same time, some have prospered during the war (particularly due to a thriving parallel economy), triggering resentment from those who are struggling to survive.

Employment and/or regular income constitutes a crucial element of defining well-being for nearly all participants, both in terms of material standards and self-respect. At sites formerly dominated by industry, well-being was defined primarily in terms of employment. For people in the sites in which many people had been displaced or had been refugees [Vareš, Bratunac, Tombak, Capljina], security of housing or a place to live also constituted an important dimension of a “good life.” These concerns were echoed by some of our special groups which consisted of displaced persons.

The major causal factor for poverty identified by the participants was the war. A few modified this to include “shutting down or destruction of industry,” but these causes were seen as derived from the war. In establishing time-lines, some participants noted the elections of 1990 and the emergence of nationalist parties as a key point in the past ten years. All other causes of poverty (unemployment, bad economy) were seen related to the war in some way.

Effects of poverty included unemployment as well, and this factor was stressed by nearly every group. Yet employment in its common form of informal work is not perceived as preserving people from poverty. Working “on the black” (in informal or unregistered employment) or receiving small or irregular pay were seen as causes of poverty at every site. Uncertainty of income not only creates poverty, but leads more general insecurity according to people’s analysis. Another source of poor standard of living which was repeatedly emphasized was the complete loss of all household possessions as well as

damage and/or destruction to the housing itself or lack of access to one's property. At almost all of the sites, some people mentioned the failure of the state as factor in the growth of poverty. While the war was the primary cause, many considered the state as guilty for not taking care of its citizens.

In Sarajevo, both the Roma groups, the group of refugee women, and pensioners stressed hunger as an impact of poverty. Pensioners in Zenica and Sarajevo explicitly mentioned hunger. In general, sites in which there had been refugees and among the special groups that included refugees, hunger had been a greater problem. Even those in villages, often perceived as having a more secure food source, saw hunger as a principal impact. Women also tended to emphasize the effects of poverty on family dynamics. At all of the sites, people mentioned poor health as an effect of poverty. Psychological ill-health was mentioned at every site by one or more groups, but the site which placed the greatest emphasis on these results was Vareš. Some older participants, both male and female, connected the psychological effects of stress with specific physical manifestations, such as high blood pressure and heart trouble.

For many of our participants, security is defined in terms of security of income. Many described delays in receiving pensions and/or salary. Participants at all sites described the insecurity of "being on the waiting list (na cekanju)." This is a procedure adopted in many enterprises in which employees are not fired, but rather placed in an indefinite suspension of work from which they theoretically may be rehired. In practice, however, few are ever called to resume work. People are skeptical of the possibility of returning to work, but they remain on the list in order to maintain eligibility for health benefits.

Housing security is a principal issue for many of our participants, both those who have been displaced and those whose housing was socially-owned. In Bosnia-Herzegovina, private house ownership was permitted, and many own their homes. However, people also had rights to an apartment through the enterprise or firm in which they were employed. Some of these firms are no longer operating, and the apartments have been transferred to the municipality. People are uncertain of their continued tenancy rights to their apartments, now that they are no longer employed by that enterprise. Some are afraid that the apartments will be "privatized" or sold and that they will not be able to afford them. This issue is more of a problem in towns such as Zenica and Vareš where socially-owned housing provided by a specific enterprise predominated. It is also a concern among many participants in Mostar and Sarajevo as well.

An additional dimension of insecurity is added at some of the sites because refugee issues. At sites with refugee camps or collective centers (Bratunac and Capljina), many of our participants are uncertain of where and how they will ever return to a "normal life." Those who are living in collective centers or refugee camps have the fewest opportunities for restoring their lives to some semblance of normality.

Individuals who had improved their status over the past ten years could only be found for interviews at a few sites. Those individuals who have prospered during the war tend to be

reluctant to discuss openly their status, being well aware of the common attitudes about “war-profiteering.” From examples described by participants and observed by the team, many have benefited through activities which are of dubious legality. It was difficult to identify paths for mobility for a time period in which most of the population was suffering severe hardships. A principal opportunity for mobility described by many, but to which they felt they had no access, was ownership of private property. Participants in all of the sites described those who were able to buy cafés or small shops as those who are able to prosper. Although some of groups of youth considered many people as having benefited economically without education, there was still a strong value placed on education as a means of mobility.

Coping strategies were difficult for many of our participants to articulate. Many feel overwhelmed by the day-to-day struggle for basic needs. The majority of group participants mentioned money and items sent from relatives abroad. Many said that they do not know what they would have done without this form of support, and it seems to be a key element of many families’ coping strategies. The most dominant form of making ends meet was menial labor and/or informal labor. This strategy was described in a range of activities from construction work to child care to cleaning houses. The consensus in many groups was that greater opportunities exist for obtaining casual labor in the urban areas than in villages or small towns.

Many of the youth as well as the younger people identified emigration as a possible coping strategy. Others do not plan to emigrate permanently, but only wish to work abroad for a while and send money back to their families. Many of the older participants, not planning to emigrate themselves, remarked on this exodus as a serious concern for the future of the country.

Borrowing is a coping strategy for those participants who feel they will be able to pay the debt back in the short-term future. Cutting expenses to the bare minimum is common among all groups, but places particular burdens of budgeting on women and pensioners. Several participants also described extended families living together as a means for mutual assistance.

In ranking their problems, the concerns of participants echoed their definitions of ill-being and their analysis of its causes. Several groups, when asked to compare the situation ten years ago with now, asserted strongly that before the war, these problems did not exist. As stressed above, most of our participants identified unemployment as their main problem. Connected with unemployment is relatively low wages. Many of those working, either formally or informally, expressed dismay at how little purchasing power their wages have.

Resolution of housing problems was ranked high by many of the urban groups, generally as second or third in the list. This reflects the concern over competing claims to housing as well as fears about the impact of enterprise collapse on socially-owned apartments. In the rural sites, housing was not considered as pressing an issue, with the exception of the participants in the collective center at Bratunac. As with employment, many participants

considered housing problems a new concern, one that has emerged since the war and in the past ten years. Health issues were ranked as a third or fourth priority for most participants, with the exception of pensioners who ranked it higher. The elderly also tended to mention affording health care and medicines as a separate concern. For young people, the lack of opportunities for unemployment and long-term prospects for their future careers were a serious concern. People referred to the “absence of an exit from the crisis” and a “loss of prospects and perspective.”

Several groups mentioned refugee problems as one that simply did not exist in the past. The subsequent discussions took on different forms. One theme is that people who have come to a particular area (Vareš, Zenica, Mostar) from elsewhere do not understand the people there or fit in with the population. [These comments would not be about the differences between nationalities, but rather remarks about urban or town dwellers as contrasted with those from the village.] Another common theme was the loss of old neighbors who had moved elsewhere and may not return. Finally, the stress of an influx of new residents on the town was also described as a problem.

Formal institutions (with a few exceptions) were given negative assessments by nearly all participants. The situation in Bosnia and Herzegovina is complicated by the breakdown of previous state institutions and the presence of international organizations. Many of our participants remarked on the ability of certain people to manipulate this situation and benefit financially from it. Other referred only on their lack of reliance on formal institutions. People stressed that informal institutions, such as the family, friends and neighbors, were the places where they turned for support. Furthermore, due to state dominance over associational life during the previous regime, non-state formal institutions are only beginning to be established. Participants in Sekovici were not even familiar with the concept of formal institutions which were not governmental in nature.

The institution mentioned most frequently by groups at all sites was the municipality (opština). People described the municipality as providing documentation, forms for applications and claims, some material help, pensions and invalid assistance. They described all as eligible to access the services of the municipality, although Tombak participants added that most frequently it was the wealthy who received help. The primary role of the municipality for many participants seemed to be its function of providing documentation.

When discussing access to the municipality, various comments emerged in describing eligibility and accessibility that displayed some of attitudes towards that institution more generally. Although most participants said that you need to apply to receive any help, a number of the groups at several sites added that political connections (veze, stele) were necessary. In Capljina, people said that all residents had access, but to get them to do anything you needed to have money or connections. When describing what was necessary to receive services from the municipality, participants in Vareš said that you had to beg them to do you a favor. In Sarajevo, people said you don't have any access to those at the top. In Tombak, the officials were described as corrupt. This observation was not confined to urban areas, but was echoed in the village of Polje bijela when

participants stated that only people with good connections had any access and added that if you received something it was only with difficulty. The participants in the collective center at Glogova expressed extreme scepticism and hostility to formal institutions, having experienced a “parade” of organizations who visited and promised improvements to the living standards at the camp. The lack of action on these promises has left a lingering mistrust. A common theme about access to many institutions was the lack of transparency. People commented in many cases that in order to receive benefits from a certain institution you needed to be “on the list,” but they were not certain as to how one was placed on this list or who was eligible. Another repeated phrase was the necessity in “being persistent” in order to obtain any support.

Questions of access were also interpreted by some participants as depending on nationality. Issues of national conflict or tension arose in the group discussions *primarily* on the question of access to institutions. Many groups considered themselves as not receiving benefits from institutions which were given to another nationality. In Vareš, some of the Croats considered that there had been discrimination on the part of the municipality against Croats in connection with housing problems. Other participants in Vareš and in Mostar said that only Croats received help from Caritas, while others disagreed with this assessment. In group discussions at both of these sites, some participants were adamant that the other nationality were receiving benefits solely due to their nationality.

The institutions which were mostly trusted by people overall are the informal institutions of the neighborhood, friends, and the family. In Sarajevo, participants put much greater emphasis on the role of neighbors, while in Zenica, friends seemed to be a source of help for more. This contrasts with some of the findings from Vareš in which people mentioned avoiding their friends and becoming isolated because of the decline in the standard of living. In Zenica, people made similar observations about the decline of social life, but nevertheless, relied more on their friends.

The lowest level of trust for formal institutions was in the neighborhood council and the municipality among participants would rank or score institutions. Asking about trust in formal institutions often produced strong negative reactions. Participants sharply criticized the state’s inaction in rebuilding the economy. This belief is not confined to those participants who were working under state socialism, but is also shared by many of the younger participants.

Finally, the war created stresses on gender roles in two nearly opposite directions. In the more urban areas, in which younger women had frequently been employed outside the home, the war tended to mean the loss of that employment and a focus on the domestic role. Woman also tended to take on greater responsibilities for the household with men away in combat. In that respect, traditional gender roles have been seriously challenged by the war and resulting decline in standard of living. At the same time, many participants asserted the continuance of “traditional” relations between man and women, while describing a reality that seemed to diverge. Many of the statements on male and

female roles seemed to be normative in nature and were modified by comments such as “that’s the way it’s always been and how it should be.”

2. Background

In early 1992, after the secessions of Slovenia and Croatia from Yugoslavia, the republic of Bosnia and Herzegovina faced a difficult dilemma. Like those republics, BiH could declare independence from what was left of Yugoslavia and, by this action, risk war from its own Serbs, backed by Belgrade. The other alternative was to remain in a rump Yugoslavia dominated by Serbia. A referendum was held in March, and the result was a vote in favor of independence. On March 3rd, Bosnia and Herzegovina declared itself an independent nation. The European Community recognized Bosnia and Herzegovina on April 6, 1992, followed the next day by the United States. The violent clashes between Bosniacs (Muslims) versus Bosnian Serb and Yugoslav National Army forces immediately escalated to full scale confrontation and the outbreak of war. The siege of Sarajevo began in April 1992 and lasted until the signing of the Dayton Peace Agreement in December 1995. From April 1993 to the fall of 1994, the Muslim-Croat conflict added a new dimension, causing as many deaths and displaced people as the Serbo-Bosnian war.¹

Three and a half years of war left over 200,000 people dead, 800,000 refugees abroad, and over a million displaced persons, out of a 1991 population of 4.4 million. Over three years after the end of the war, 375,000 refugees abroad still lack durable solutions, about half of them in Croatia and the Federal Republic of Yugoslavia; more than 860,000 Bosnians remain internally displaced; and in place of what once was a multiethnic country there are now ethnically cleansed enclaves throughout Bosnia and Herzegovina.²

Under the Dayton Accords which ended the war, B i H was divided into two entities, the Federation and Republika Srpska (RS). The Federation is primarily comprised of Bosniacs and Croats, and Serbs constitute the majority of RS. The two entities are not consistently integrated, politically or legally. While the institutional structure of Bosnia as a republic in the socialist Yugoslav state has collapsed, the new framework still being developed. As the new state becomes established, it faces major economic and political challenges.

Economic reconstruction is complicated by several factors. Bosnia has suffered the effects of a devastating war, but the economic crisis prior to breakup of the Yugoslav state also had a severe impact. In the late 80s, Bosnia was faced with hyper-inflation.

¹ For historical references on the last years of Yugoslavia, see W. Zimmerman, *Origins of a Catastrophe*, Random House, New York, 1996; L.Silber and A. Little, *Yugoslavia: Death of a Nation*, Penguin Book, 1996. Specifically on Bosnia, see R.J. Donia and J.V.A. Fine, Jr., *Bosnia and Herzegovina: A Tradition Betrayed*, Columbia University Press, New York, 1994; D. Rieff, *Slaughterhouse, Bosnia and the Failure of the West*, Touchstone, New York, 1995. *Unfinished Peace*, Report of the International Commission on the Balkans, Aspen Institute Berlin and Carnegie Endowment of International Peace, 1996, is a useful source of information concerning the various peace plans. This first section also draws heavily on the background information in the Social Assessment of Bosnia and Herzegovina, World Bank, May 1999.

² Reconstruction and Return Task Force (RRTF), "An Action Plan in Support of the Return of Refugees and Displaced Persons in Bosnia Herzegovina," March 1998, the UNHCR Statistics Package, January 5, 1999, and the RRTF 1999 Action Plan.

Annual inflation rose to 340% in 1988³ and reached over 2,000% by 1989, destroying people's savings and drastically reducing the purchasing power of salaries. Although the Markovic reforms of 1990 reduced inflation, this was only temporary. By March 1991, inflation had risen again, to 127%. The effect on the populace of this crisis was considerable. An estimated two-thirds of the labor force earned below the amount necessary for daily needs, and personal indebtedness grew as people borrowed to meet their basic expenses.⁴

Privatization efforts were initiated in 1990 to help Bosnia out of economic crisis. However, these reforms were not completed before the outbreak of war. During the war, industrial plants and equipment were looted and/or destroyed. Industrial production dropped to 5-10% of its pre-war level, while unemployment was estimated to be 90% at the end of the war.⁵ Agricultural resources also suffered severely, with 70% of farm equipment and 60% of livestock destroyed. Landmines rendered approximately 15% of farmland inaccessible. Production of staple crops (wheat, maize, potato) fell to 60-70% of their pre-war levels by 1995.⁶

Today Bosnia faces the strains of post-war reconstruction combined with the transition to a market economy. Privatization and economic reform have been a major focus of donor support in post-war Bosnia. However, progress has been slow and much remains to be done to establish a market economy. The legacies of a socialist system still persist, including inefficient state enterprises and the absence of legal infrastructure for market activities. The decline in economic standards caused by the war has been paralleled by a decline of the economy which was dominated by the public sector, leading to further unemployment or under-employment. New investments are slow and jobs extremely scarce.

The estimated unemployment rate is 59%. Many settlements in Bosnia and Herzegovina consisted of small and medium towns in which families combined an industrial job with farming for a second income. Closure of these industries forces households to rely more on subsistence agriculture. Agriculture as a form of productive activity and as a source of income has been disrupted. Many involved in agriculture are using the products for their own use primarily, but significant national variation exists with Serbs more likely to be engaged in production for the market. Households increasingly rely on pensions and/or temporary work for household income.

It has been estimated that at the end of the war, 50 % of the housing stock was damaged and 6 % destroyed in the Federation, while in Republika Srpska, 24% was damaged and 5% destroyed. Throughout the war there was no maintenance of the housing stock,

³ D. Plestina, *Regional Development in Communist Yugoslavia: Success, Failures and Consequences*, Boulder, 1992, p. 133.

⁴ D. Plestina, *Regional Development in Communist Yugoslavia: Success, Failures and Consequences*, Boulder, 1992, p.133.

⁵ Bosnia and Herzegovina, *The Priority Reconstruction Program: Achievements and 1998 Needs*. Prepared by the European Commission and the Europe and Central Asia Region of the World Bank, April 1998, p. 43 and 49

⁶ *Ibid*, p. 39.

making the situation even worse.⁷ Under the Reconstruction Program, donor support has targeted housing reconstruction, and much progress has been made. As of December 1998, donors had committed US\$ 451 million for emergency repairs. An estimated 60,000 private houses or public apartment units have been either repaired or have received repair assistance through donor financing. At an estimated four residents per unit, this has benefited nearly 250,000 people. However, resolution of competing claims to housing has not occurred systematically. Among displaced persons and refugees surveyed in the Social Assessment, 25% reported that their private house is now used by people unknown to them.

2.1 Methodology and Process

The study was carried out by Prism Research (Mirsada Muzur and Dino Djipa) in partnership with Paula Franklin Lytle. Building on the work of the recent Social Assessment, the study sought to establish how a range of citizens understand of poverty. Using the process guide and methodology developed by the World Bank, this research sought to obtain the insights of people through a lightly structured method. In our site selection, we also sought to determine the perceived impact of Bank programs in reconstruction. In addition, many NGOs and international organizations have been active in post-war Bosnia, and we elicited participants' responses on the impact of these programs.

The process of carrying out fieldwork was complicated by the NATO attacks against neighboring Yugoslavia. The country team leader was not able to travel to the Serbian entity of Bosnia and Herzegovina (due to embassy prohibitions on travel), and the research was carried out by one subteam leader alone. For many of our participants, the neighboring war raised the specter of renewed warring in Bosnia and Herzegovina, and our group discussions reflected these fears.

Recruitment for groups was accomplished through a variety of methods. In Mostar, we recruited youth through a center where one person worked and elderly women through some neighbors of one of our researchers. We also used existing networks which Prism has established over the course of conducting other projects, using people who had done survey research for us. For example, one of our note-takers was from one of selected sites and established some initial contacts. Finally, for one site (Konjic- Polje bijela), Kendra Gregson from the Resident Mission recommended someone who worked from an NGO based there, and this person gave us names of people to contact.

Timing of research was further complicated by the occurrence of three major religious holidays during the month in which research was conducted. Bajram, Catholic Easter and Orthodox Easter all took place during March and April, and this affected our access to group participants as well as the availability of research team members. Also, since research began before spring had commenced, icy conditions were still present on

⁷ See Bosnia and Herzegovina, *The Priority Reconstruction Program: Achievements and 1998 Needs*. Prepared by the European Commission and the Europe and Central Asia Region of the World Bank, April 1998, p. 1.

Bosnia's mountain roads. One of the subteam leaders, Vesna Bodiropi , was involved in a serious accident when her car skidded on a icy road and plunged into an adjoining stream. She was not injured, but the car was not salvageable.

Field work was conducted on the following dates:

Sarajevo- 24 March- 2 April, Vareš- 5-7 April, Zenica- 4-6 April, Polje bijela- 10-13 April, Mostar- 25-30 March, Capljina- 5- 12 April, Tombak- 29 March- 4 April, Sekovici- 4-7 April, and Glogova- 13-16 April.

2.2 Site Selection

Site selection in Bosnia and Herzegovina (B i H) was determined by two main factors, the need to balance rural and urban sites and the need to provide national distribution. In choosing rural and urban sites, we sought also to include medium-sized towns (typical of the region) in which a specific industry (now closed or at reduced capacity) had dominated the area and employment options. These sites were selected to focus on coping strategies that have developed with the loss of enterprise-based service. We also wanted to have refugees represented among our participants, either through the choice of sites or through special groups. The team selected three sites in RS, and six in the Federation.. Finally, acting on recommendations from the Resident Mission, we included sites in which World Bank programs had been enacted. At each site, participants in our eighth or special group were recruited to reflect certain characteristics. The following were the sites in the Federation:

Sarajevo- Sarajevo is the capital of Bosnia and Herzegovina and the most populous city. We held discussion groups in four sites scattered around the city. The city was the scene of heavy fighting during the war, and the inter-entity boundary line (between the Federation and Republika Srpska) is to the one side of it. Our special group there were refugee women from Srebrenica who are widowed or husbands disappeared during the war and who were in a collective center.

Zenica- Prior to the war, Zenica was the fourth largest city in Bosnia-Herzegovina. During the war, Zenica was not as heavily bombed as other cities, and because of this, many refugees (est. 50,000) fled to its comparative safety. Four collective centers were built in the area, but the majority were housed in schools, sports centers, etc. Our study in the city included several distinct settlements. The eighth group consisted of workers from the steel factory who were "na cekanju" [waiting to be re-employed when and if the factory started production, similar to "laid- off."]

Mostar – Mostar is a city divided between Croat and Bosniac population, and our choice of this site was a follow-up on earlier World Bank projects (Social Assessment and Pilot Cultural Heritage Project). The fighting during the war destroyed many parts of the city, and as in Sarajevo, the destruction is still readily visible. The special group there consisted of nationally mixed couples, both married and unmarried. The first (mixed) group there were middle-aged refugees.

Vareš- This town had a population of approximately 10,000 and is dominated by a 100 year-old rusting (Austro-Hungarian) steel factory and by a mine. The steel factory ceased operations in 1991, and the mines had been progressively shut down with the final closure occurring that same year. With the closure of the steelworks, the town underwent an “economic crash.” Prior to the war, the center of the town was primarily Croat, while the municipality was divided equally between Croat and Bosniacs with approximately 16% Serb minority as well. Our special group there were Croat returnees.

Capljina- The town is located 30 km from the city of Mostar. Agriculture dominates the local economy, and it is known for fruit and tobacco. Before the war, between 8-9 thousand people lived there, approximately 52% Croat, 40% Muslim and 8% Serb. Following the war, the population is now majority Croat, of which 60% are domiciled population and 40% are refugees. Our special group was comprised of refugees from central Bosnia who were placed in the refugee camp Tasovici.

Konjic (Polje bijela)- The selection of this site was based on the recommendation of the Resident Mission due to the presence of a micro-credit lending program. The village is located outside a town highly affected by war. It is Bosniac majority, but ethnically mixed return has occurred to the area. The special group were people who had received donations to rebuild their houses. Our mixed group there also included refugees and displaced persons.

The following were the sites in RS:

Sekovici- Tisca and Zeljeznik- Tisca and Zeljeznik are rural locations in the municipality of Sekovici in eastern RS. Tisca consists of approximately 130 households in a village without a health clinic, PTT line or police station. The population lives in individual houses with substantial farmsteads and orchards. People were not displaced during the war, but many young men from here were killed while serving in the army. Zeljeznik consists of about 100 households, also living on private land with gardens, orchards and fields. People did not leave here during the war, and there were no refugees or displaced persons. Our special group were women whose husbands had been killed during the war.

Tombak Bijelina municipality consists of an urban area (Bijelina) surrounded by villages. Before the war, primarily Bosniacs lived within the city and the surrounding area was mixed Serb and Bosniac. Now the area is mainly Serb. Within the city, one of the best known and oldest settlements is Tombak, juxtaposed to two better-off areas. Before the war, it was a gypsy settlement, but almost all the current population are displaced persons from the Federation. The special group here consisted of men who are war invalids and are unemployed.

Bratunac-Glogova Bratunac is a municipality on the boundary with Montenegro, and three kilometers outside of the town is Glogova. Located there is a collective center (camp) for Serb refugees and displaced persons. The camp is comprised of approximately

100 small prefabricated buildings. Until November 1998, the camp was without water and electricity. Most of the families are from central Bosnia and left there in 1993. Among them are good number of highly educated people, including men who were employed in military industry.

We had originally included Memici, an ethnically mixed (Serb and Bosniac) village on the border between RS and Federation. However, the proximity of the SFOR base to the site raised issues of security after the NATO airstrikes began, and we substituted another site.

The tables below display the distribution of discussion groups and interviews.

Table 2.1: Number of Discussion Groups at the Study Sites

Site	Men	Women	Youth	Subtotal	Elderly	Mixed-age or gender	Subtotal	Total
Rural								
Glogova	2	2	1	5	1	2	3	8
Sekovici	2	3	1	6	1	1	2	8
Polje bijela	2	2	1	5	1	2	3	8
Urban								
Sarajevo	2	3	1	6	1	1	2	8
Mostar	2	2	1	5	1	2	3	8
Zenica	3	2	1	6	1	1	2	8
Tombak	3	2	1	6	1	1	2	8
Vareš	2	2	1	5	1	2	3	8
Capljina	2	2	1	5	1	2	3	8
TOTAL	20	20	9	49	9	14	23	72

Table 2.2: Number of individual case studies at the study sites

Site	Male	Female	Total	Youth	Elderly	Subtotal	Total
Rural							
Glogova	2	4	6	1	1	2	6
Sekovici	3	3	6	1		1	6
Polje bijela	3	1	4		1	1	4
Urban							
Sarajevo	2	2	4		1	1	4
Mostar	3*	3	6		1	1	6
Zenica	3	3*	6				6
Tombak	3*	3*	6	2	1	3	6
Vareš	4	2	6	2	1	3	6
Capljina	3	3	6				6
TOTAL	26	24	50	6	5	11	50

* Includes one person whose situation has improved.

3. Well-being

Definition

For nearly all the participants in the study, well-being is defined in terms of pre-war standards. People in all areas of the country, urban and rural, consistently referred to the period prior to the war as one in which they were comfortable and had few economic worries. Many individuals described in explicit detail how they had lived prior to the war, and this previous standard of living was called “a normal life” by many of the participants. In several groups, people emphasized that they had lived comfortably, but not extravagantly.⁸ Security and/or stability was a dominant theme in their discussions of pre-war living standards.

Although our teams introduced the subject of defining a good life without specific reference to economic standards, the conversations quickly turned to material conditions and uncertainty of income. In all the groups held in Capljina, participants turned the question to that of money and the lack of it as a cause for poor quality of life. At all sites people referred to the stability and predictability of their pre-war standard of living. Repeatedly, groups identified the middle-class as having vanished or shrunk considerably due to the war. One aspect of middle-class life to which many referred was having a good pay and regular pay.

A common theme was the difficulty of simply “getting by” in the current situation. One of the pensioners in Sarajevo made the following statement: “Može se uživati, živjeti, životariti i životinjariti.” (“You can enjoy, live, exist or live like an animal.” Note that these all build on the Bosnian word for life- život) He then added that he himself as a pensioner was at the third level, i.e., existing. A definition offered by one participant in Mostar was that “living well” meant having enough to pay the bills (electricity, water, telephone, etc.) and to be able to buy food.

The well-off were defined in several sites as those who have money, a good car, the opportunities to travel, have expensive possessions (gold jewelry, imported clothes and furniture were mentioned), eat out in restaurants, and own private property in some form. Many of our groups found it easy to list these characteristics and spoke freely, although with considerable heat. Frequently mentioned were owners of cafés and restaurants and people with good political connections. Terms used for the well-off included the neutral word “dobrostojeći” [translated here as well-off- literally “good standing”], but other language carried specific connotations. A wealth of terms emerged in the groups: hadzije [people who are wealthy enough to afford to make the pilgrimage to Mecca], bogatuni [slightly less than filthy rich], those who live like “grofovi” [like lords], guzanje [fat asses], privatnici [those who own private businesses or have gained through privatization of state businesses], mogućni [those that are able], babini sinovi [grandmothers’ sons-

⁸ The pre-breakup Yugoslav state borrowed heavily from international lenders and pursued a number of economic policies which had the result of producing a higher living standard and more consumer goods than was the case in other state socialist economies. Although Bosnia was a less developed republic, people would have been accustomed to a middle-class standard.

spoiled] budze [bourgeois], politicari and funkcioneri [politicians and functionaries]. A few groups included people who worked for international organizations and/or had control over humanitarian aid distribution, implying misdirection of goods or funds.

For many, “war-profiteers” or “mafiosi” define the new standard of well-being. The term war-profiteer is often used to describe anyone who has grown well-off over the course of the war, not just from war-related industries or activities, and mafiosi is frequently used for anyone engaging in criminal activities of varying degrees of organization. War-profiteers are often described as uneducated and/or uncultured, but have “lots of money.” Groups in Mostar and Zenica both emphasized this point.

Rural participants tended to simplify the overall picture of the well-off, focusing on money and were less likely to describe many of the other attributes that were mentioned by participants in urban areas or areas on the periphery of a city. In the villages of Tisca and Zeljeznik, the category of well-off was defined simply as those who, from their pay and work on the land, have enough means to live. People in Polje bijela outside of Konjic consistently saw their village as divided into the haves and the have-nots, an assessment that was echoed in Vareš, a town with a collapsed economy. For people in the sites in which many people had been displaced or had been refugees [Vareš, Bratunac, Tombak Capljina], security of housing or a place to live constituted an important dimension of a “good life.” These concerns were echoed by some of our special groups which consisted of displaced persons.

In Zenica and Vareš, both industrial areas, several groups began by insisting that there were only two categories now: the rich and the poor. After some close questioning, some of these participants began to differentiate more, but others held to their original characterization. This differentiation was also made by some groups in terms of “the haves” and “the have-nots”. Other groups divided people into “the able” (mogucni) and “those who are unable” (nemogucni), a relatively new usage which surprised some of our interviewers when it recurred. When questioned about those terms, people explained with reference to coping and to being able to live something approximating a normal life.

Poverty was defined by many of our participants using the term itself (siromašni) or as misery [bijeda] or to be at risk and vulnerable [ugroženje]. Participants also explicitly introduced the concept of class (using the term klasa or stale).⁹ Participants at two of the sites in Republika Srpska also used the term “goli život” (literally, “naked life” or the bare essentials.) In several of the sites, people stated that there was a lower class and then a lowest class. Repeatedly, people identified the lower class as having grown dramatically as a result of the war. Lower-class status was defined in terms of having only one or having an uncertain income by participants in several sites. In many of the sites, the pensioners defined lower-class status as being on pension, in other words, that simply being on pension meant one did not have sufficient means to live “a good life.” People defined poverty as living from day-to-day, as being without work or regular income.

⁹ The explicit use of class terminology is probably a legacy from the state-socialist system.

Many of our participants who differentiated between lower (or poor) and lowest class (or at risk) did not place themselves in the lowest category. For some, the difference between poverty and absolute misery of the lowest category was the availability of food. The lowest status was often referred as “socialni slucajevi” [social cases or charity cases]. These are people who would have received some degree of social support under the previous system. Participants characterized these people as marginal under the communist system and now even more impoverished. For participants in rural sites, this category was seen as having increased to include nearly one-quarter of the population. Urban or town dwellers tended to see the lowest category as having stayed at the close to the same percentage of the population or as having grown slightly. Although the perception of this group as previously existing was the most common evaluation, other participants also asserted that the lowest class (vulnerable or at risk) did not exist prior to the war or the provision of state assistance had prevented this. There were no particular patterns to these two assessments.

While most groups tended to define poverty in terms of its characteristics, a few delineated the category in terms of who belonged in it. The participants at the sites in Republika Srpska tended towards developing the categories with reference to specific groups in the population. In Tisca and Zeljeznik, the poor were defined as those individuals or households who receive humanitarian aid, people who receive social assistance, disabled veterans, the families of killed soldiers, and those who were poor before the war and did not engage in illegal work or profiteering during the war. Participants in Tombak constructed a similar list, including war invalids, refugees, the families of killed soldiers, and those without resolution to their problems of housing. In Glogova, the group was defined as the refugees in camps, the elderly without family, and those who live from humanitarian aid.

In areas which had been dominated by one industry or enterprise, Vareš and Sekovici, people tended to characterized more people as having moved into poverty as a result of the war and from unemployment due to the enterprise shutting down or at reduced capacity. In these sites as in the sites in which collective centers or camps were located, people tended to see a smaller proportion of the population as well-off (closer to 10%). In the more urban areas, such as Sarajevo, Mostar, Zenica, people were more explicit about those who had prospered and more critical as well.

Participants consistently saw the middle class as constituting more than half of the population prior to the war. At most sites, more than one group identified the middle-class as making up more than three-quarters of the population prior to the war. The characteristics of the middle-class have changed as well. Middle-class, for many, is now defined as having a roof over your head, have some form of work and not being hungry.

Agreement in the ranking of households tended to fall along the lines of age rather than gender. Younger people tended to see the changes in number of households as less dramatic than the evaluations by older people and the elderly. Older participants considered the number of poor as more than doubling.

The elderly tended to see more people as now falling in the lower status than other population groups, usually placing 70% or more of the households in their community in that category. In Zenica, the pensioners considered 85% of the population as in the lower status and in Sekovici, the elderly thought that the number of poor household had grown from 15% to 95%. Pensioners frequently placed themselves in the category of lower and lowest status. This evaluation of the difficulties of life on a pension was shared by the older women's group at some of the sites.

There is considerable variation in perceptions of the changes in the number of the well-off, although many participants seemed to indicate that those who are well-off are more visible and/or conspicuous in their wealth.

In Glogova, both younger and older men thought that number of wealthy had increased approximately 10%, although the groups differed on their evaluations of the pre-war percentages. Women, on the other hand, saw the percentage of wealthy remaining the same or decreasing. In Polje bijela outside of Konjic, all groups saw the well-off as decreasing, and the discussions indicate that certain individuals could be identified, rather than simply types or characteristics.

Causes and Impacts

War was the principal reason for poverty mentioned by participants. The next significant impact of war is unemployment which was a principal concern. Industry was destroyed totally because of the war, factories and enterprises are closed.

In establishing key events of the recent future, many participants identified elections as a crucial point. The emergence of nationalistic parties was seen both as a causal factor in timelines (although not in causal diagrams) and was assessed as a problem. Some expressed considerable cynicism about competitive elections and democracy.

Unemployment was described a reason for poverty and a result of poverty in that it is difficult to find another a job once your living standard has been affected by it. Similarly, poor pension and pay was considered both a source of a poor standard of living and an effect. Inflation was described both in terms of working the same amount of work or more for less money, and that high prices have resulted from the war. Pensions were also subject to inflation. Loss of employment was also identified by several younger groups in different sites, both male and female, as a loss of self-esteem. People discussed their inability to find a regular job as making them feel worthless to themselves and to their families. Many participants also identified privatization as a source of poverty, referring to loss of jobs and closure of enterprises.

Employment is not perceived as preserving people from poverty. Working "on the black" (in informal or unregistered employment) or receiving small or irregular pay were seen as causes of poverty at every site. Uncertainty of income not only creates poverty, but leads more general insecurity according to people's analysis. Many participants noted that jobs

which are available, such as work in a café or restaurant, do not have any benefits, security and do not pay well enough to support one's self on that alone

Another source of poor standard of living which was repeatedly emphasized was the complete loss of all household possessions as well as damage and/or destruction to the housing itself or lack of access to one's property. [Team's note: The war in Bosnia not only destroyed housing, but people were forced to abandon their houses and possessions.] Group participants in Sarajevo made distinctions between several reasons for becoming a refugee, i.e. losing one's home or access to one's home. These were: *izbjeglici* (people who fled their homes out of fear for their security), *prognanici* (people who were forced under direct physical duress to leave their homes or "escaped under from knife," *Daytonci* (people who left their homes because of political pressure after the Dayton Agreement and the resulting division into entities of the country) and *povratnici* (returnees who have returned from abroad or other parts of BiH and have found their homes pillaged and stripped of everything down to even the wiring out of the walls). [Team's note: People who have lost nearly everything but still retain their own homes, even it is just the walls, consider themselves better off than those who have no access to their homes whatsoever.] Those who were refugees in Bijelina (the urban area in which Tombak is located) described how quickly any money which they had when they arrived was spent obtaining the necessities of life. The group of refugees in Polje bijela ranked loss of possessions as having equal weight with the war itself as a cause of their poverty, assigning both of these factors a weight of 100 out of 100, and the group of younger women in Zenica also identified this as a principal cause.

At almost all of the sites, some people mentioned the failure of the state as factor in the growth of poverty. While the war was the primary cause, many considered the state as guilty for not taking care of its citizens. The younger male groups in Sarajevo and in Polje bijela both weighted inactivity by the state as contributing 40 (out of 100) to poverty, while also including the war as a major cause. The Polje bijela young men and older men in Zenica also connected the lack of activity by the government to an impact of poverty, seeing the government as being unable to resolve political questions in the current economic state. In the both Croat-dominant sites of Capljina and Mostar, the group of older men referred the absence of law (*nema zakona*) as a source of poverty, and this comment was also made by the group of youth in Mostar. In identifying recent events, many participants mentioned the emergence of nationalist parties as a key event. In Zenica, both the youth and older men identified national divisions and the relations between people as one of the causes of the economic situation.

Women tended to emphasize the effects of poverty on family dynamics. Women in Zenica and in Sarajevo considering arguing and disagreements a principal impact of poverty (occurring in the majority of households). The Sarajevo women then noted that perhaps half of the households this would escalate to physical violence, and that in one fifth of the households this would lead to a breakup of the marriage. The perceptions of these urban women was also shared by their counterparts in the village of Polje bijela who ranked disagreements as a major impact of poverty (giving it a weight of 100 out of 100). This was mentioned by more than one group at that site, with the special group

referring to “war in the house.” Interestingly, older men at, Capljina and Mostar, also mentioned “family problems” as an issue.

In Sarajevo, both the Roma groups, the group of refugee women, and pensioners stressed hunger as an impact of poverty. Pensioners in Zenica and Sarajevo explicitly mentioned hunger. In general, sites in which there had been refugees and among the special groups that included refugees, hunger had been a greater problem. Even those in villages, often perceived as having a more secure food source, saw hunger as a principal impact.

At all of the sites, people mentioned poor health as an effect of poverty. Generally, illness was assigned a weight of 50 out of 100 by groups as an impact, and this was remarkably consistent from site to site. In discussions, however, rather than scoring, the issue of health tended to be emphasized more by the elderly and both young and older women, although some men discussed this in as well. Older women in Zenica also equated ill-health with cancer. Women were also more likely to mention alcoholism as an effect, particularly the groups of older women. The group of younger men in Mostar referred to alcoholism indirectly, saying that “one drinks a lot.”

Psychological ill-health was mentioned at every site by one or more groups, but the site which placed the greatest emphasis on these results was Vareš. Some of this may be attributed to the fact that economic decline of the town preceded the war and that the town was already suffering from the principal industries closing. Half of the groups there emphasized the psychological effects of economic misery. These included problems with one’s psychological health, distancing one’s self or withdrawing from others, tensions between people, irritability, insecurity, apathy, nervousness, monotony, and dissatisfaction. Some older participants, both male and female, connected the psychological effects of stress with specific physical manifestations, such as high blood pressure and heart trouble.

In the urban sites, many participants mentioned criminal activity as a consequence of poverty. They tended to rank this as a relatively minor impact when compared with other effects, usually assigning it a weight of 20 or 30 out of 100, while other effects such as hunger or illness were weighted at 70-80. An exception to this general pattern was in Mostar and Capljina where criminal activity was mentioned prominently as a source of poor quality of life rather than as an impact.

Interviewed participants, more than those in group discussions, referred to the changed social circumstances due to the war. Many described having friends of different nationalities prior to the war. Younger men, in particular, described losing friends through death during war and also to estrangement due to the conflict.

Security

For many of our participants, security is defined in terms of security of income. Having a job for which one is paid regularly or receiving one’s pension regularly was seen as

crucial, and many express frustration with the lack of opportunities for employment. Some of the participants recalled the security of unemployment under state socialism and use that as a reference point. Several groups stressed the economic insecurity of relying on only one salary and contrasted this with the ability to do so in the past. A recurrent theme was the need to have two salaries just to make ends meet and/or to counteract delays in receiving one or another of them.

Participants at all sites described the insecurity of “being on the waiting list (na cekanju).” This is a procedure adopted in many enterprises in which employees are not fired, but rather placed in an indefinite suspension of work from which they theoretically may be rehired. In practice, however, few are ever called to resume work. People are skeptical of the possibility of returning to work, but they remain on the list in order to maintain eligibility for health benefits.

Housing security is a principal issue for many of our participants, both those who have been displaced and those whose housing was socially-owned. In Bosnia-Herzegovina, private house ownership was permitted, and many own their homes. However, people also had rights to an apartment through the enterprise or firm in which they were employed. Some of these firms are no longer operating, and the apartments have been transferred to the municipality. People are uncertain of their continued tenancy rights to their apartments, now that they are no longer employed by that enterprise. Some are afraid that the apartments will be “privatized” or sold and that they will not be able to afford them. This issue is more of a problem in towns such as Zenica and Vareš where socially-owned housing provided by a specific enterprise predominated. It is also a concern among many participants in Mostar and Sarajevo as well.

An additional dimension of insecurity is added at some of the sites because refugee issues. At sites with refugee camps or collective centers (Bratunac and Capljina), many of our participants are uncertain of where and how they will ever return to a “normal life.” Those who are living in collective centers or refugee camps have the fewest opportunities for restoring their lives to some semblance of normality.

Findings from Individual Interview

40-year old poor man, village of Polje bijela
Aden’s family house in which he lived together with his mother and brother was seriously damaged during the war. He does not have the means with which to repair it. He, his wife and children currently live in the house owned by someone of Serbian nationality. He is “burdened” by the possibility that if the owner returns that he and his family will have nowhere to live. He says what he earns is enough for food; he doesn’t “even think about clothing or furniture.” “I think that for us, it is going to be still worse in the future.”

Elsewhere, in Mostar and Vareš, people who fled their homes because of fighting have returned to find people of another nationality occupying their homes. In Vareš, this occurred due to the control over the town falling temporarily in the hands of the Croat irregular army, the HVO, and then coming under control of the Army of Bosnia and Herzegovina. These shifts in control produced successive waves of refugees. In Mostar, the city itself divided with people moving to the other side of the city in which their

nationality was a majority (East-Bosniac and West-Croat) and then finding their homes

on the other side of the river occupied by refugees. The extent to which individuals were able to hold onto some possessions during the war can make a marginal difference.

For the elderly, insecurity is tied to delay of pensions. Many pensioners described not receiving their pensions for two or more months. As a means of security with an unreliable pension, many participants described living with their adult children and signing over the pension to them when it does arrive. Pensioners who did not do this themselves were familiar with the practice among their friends and discussed this in detail.

The group of young men in Mostar ranked third “the inability to plan” as a problem, expressing in this ranking the feeling expressed in many of the other groups.

Mobility

Individuals who had improved their status over the past ten years could only be found for interviews at a few sites. Those individuals who have prospered during the war tend to be reluctant to discuss openly their status, being well aware of the common attitudes about “war-profiteering.” From examples described by participants and observed by the team, many have benefited through activities which are of dubious legality. It was difficult to identify paths for mobility for a time period in which most of the population was suffering severe hardships.

A principal opportunity for mobility described by many, but to which they felt they had no access, was ownership of private property. Participants in all of the sites described those who were able to buy cafés or small shops as those who are able to prosper. Although such activities were sometimes lumped under “war profiteering,” people described such small scale businesses as a way in which they could make money for themselves and not be dependent on the success or existence of a larger industry.

Findings from Interview

31-year old man who situation has improved, Zenica
During the war, he left Zenica and “went to Germany so they would not mobilize me” (into the army). He worked in informal employment (“on the black”) in cafés, discos and restaurants. He met his future wife, also from Zenica, there. His father-in-law had prospered through private business during the war and gave him the capital to start businesses of his own. “I began with one café and a video store, and later I even opened a boutique.” He thinks that the nature of his work has separated him from his prewar friends, because now he does not have much time. “My old circle of friends heckle me, but it doesn’t bother me, I’m OK.” He and his wife live with his in-laws in their house; he says his father-in-law has two daughters and always wanted a son. He considers the improvement in his living standard depends largely on fate, because he married a wife with a wealthy father. Still, he also says his own work has contributed to his success.

Although some of groups of youth considered many people as having benefited economically without education, there was still a strong value placed on being educated as a means of mobility. The group of young people in Mostar were very dismissive of the “uneducated” speech of some politicians and TV news personalities and criticized the extent to which such people could prosper without being “cultured and educated.” However, they also asserted that education was crucial. Similarly, a group of youth in Vareš referred to someone they knew who

was well-educated and working at a menial job, but were quick to say that this did not mean that one should not pursue higher education.

Coping Strategies

Many of our participants simply expressed an inability to cope when confronted with this question. Some hesitated and struggled to answer. In Tombak, there was a long pause in response in which the first few answers were “I don’t know” and “there is no means.” In one group, a person who had previously dominated the discussion was urged to speak with a “Go on, you know the best about everything.”

The majority of group participants mentioned money and items sent from relatives abroad. Many said that they do not know what they would have done without this form of support, and it seems to be a key element of many families’ coping strategies. Even prior

Findings from Individual Interviews
54-year old man whose situation has worsened, living in a refugee camp near Capljina
Mirko and his wife lived in their family house in Jablanica before the war. He worked in the enterprise “Granit” and also worked in his free time as a stonemason. His wife also worked in the same firm as a cook. He says that they lived well from this work and were completely satisfied with their life. “The only reason [they] were not completely happy was that they had no children.” They had to leave their home and belongings during the war due to the fighting between the Army of Bosnia and Herzegovina and the Croat irregular army, the HVO. They came to the refugee camp where “they received regular humanitarian aid in the form of food and clothing.” They now live in a shack in the form of storage or shipping container which has been converted into living quarters with scrap materials. His wife has been unable to find work, and he has been able to find only temporary, seasonal work. He has worked as an agricultural laborer and helped with haymaking. He has occasionally been able to find some construction work.

to the war, many people had relatives working as guestworkers elsewhere in Europe and sending home money. This strategy has taken on greater significance with more people leaving the country during the war.

The most dominant form of making ends meet was menial labor and/or informal labor. One younger woman in Sarajevo described washing carpets as means of making a few DM. Younger men in most of the sites described various forms of unskilled day labor, in which they show up at an area and

those who need workers come by and select the ones whom they want for a particular job. While some of the men described this practice with little emotion, others aired their sense of humiliation in the group discussion.

An example from Bratunac shows the extent to which people will act in order to maximize any possible income. Men would travel (in groups, generally) across the border to Yugoslavia, in order to receive the incrementally higher pay (2 DM more – slightly more than \$1) for daily unskilled manual labor. Other occasional work in which men engage include night watchmen or unloading trucks. In Mostar, young men complained that the owner of private businesses were illegally hiring men from Ukraine who would work for much less. Many of the participants who are skilled workers are unable to find work commensurate with their abilities.

In Tombak, younger women described various forms of housework (cleaning and ironing) as well as childcare in which they went to other parts of Bijeljina to work. This supports the comments made elsewhere about structure of opportunities. Both some of the participants from urban areas (Zenica, Sarajevo) as well as some from the more isolated town of Vareš mentioned that life in the city was better than elsewhere. They considered the opportunities to earn a living, especially working informally, as much greater. In Zenica, women mentioned taking in sewing in addition to the other activities. Still other referred to black market activity, either during the war and currently as a means of survival. People also described selling things in the marketplace. One woman described buying coffee in the black market near the inter-entity borderline, repackaging it in small bags, and selling it in the market in Zenica.

Many of the youth as well as the younger people identified emigration as a possible coping strategy. Others do not plan to emigrate permanently, but only wish to work abroad for a while and send money back to their families. Many of the older participants, not planning to emigrate themselves, remarked on this exodus as a serious concern for the future of the country. Older women and pensioners in Zenica both identified this as one of the principal impacts of a lowered standard of living, and pensioners in Mostar and Vareš noted this as a problem with significance for the future of Bosnia.

Borrowing is a coping strategy for those who are in a slightly better position. One participant explained that she will borrow money from neighbors because she knows she will be able to pay them back. She expressed her concern for those who are in such dire conditions that they can't borrow money because they know they have no chance of repaying them. Pensioners in Vareš described the practice by which small corner stores allow them to buy food on account and then pay when they receive their pensions. One of the interviewed participant described this, but then said he was reluctant to do so when he had no idea when he would eventually receive his pension.

In discussing coping strategies, several groups and interviewed participants mentioned the role of humanitarian aid support as an essential element of coping in the past. As aid organizations have shifted from emergency relief to reconstruction, much of this aid is no longer available.

Several participants described extended families living together as a means for mutual assistance. More than one pensioner described life as easier for those who live with their children and pool resources with them that "they don't need to worry. Their children do the worrying." The comments by the pensioners illustrate this strategy. In contrast, the group of younger men noted that more and more, people wanted to live by themselves in the "Western manner." Pensioners in Sarajevo, Zenica and Mostar all mentioned taking in boarders (especially students) as way of making ends meet and having someone to do the housework. One pensioner in Mostar tutored children.

Household gardens were a means of making ends meet by a group of middle-aged women in Sarajevo. Even though they live in apartments, they have small plots of land adjoining their buildings which they cultivate for food. The pensioners mentioned these as well, but said that these require too much effort and that it was cheaper to buy food in

the marketplace. In Zenica, people observed that they had planted vegetable gardens during the war around their house and in the parks, but that now they were allowed only to cultivate in their own garden because the municipality had forbidden this in the parks.

Cutting expenses to the bare minimum is common among all groups, but places particular burdens of budgeting on women and pensioners. Pensioners keep themselves carefully informed about the prices in the marketplace, making sure that they are not spending too much for produce or other items. Included in this strategy is only paying the bills that are absolutely necessary and juggling several bills over a period time. Some pensioners described only paying the electricity bill when they were in danger of having it cut off.

Younger people, especially young women, were more likely to be working in cafés or restaurants. Both groups of younger men and older women considered younger women as having better opportunities for securing this type of work. In Mostar, the youth group and younger people were explicit about the insecurity of this type of work, its lack of benefits, and the lack of any future in service positions.

Prostitution had only been mentioned by a few groups as a result of poverty, but one younger woman in a group in Tombak expressed that she would chose this as a means of avoiding poverty “if only she was prettier.” In the urban areas of Zenica and in Sarajevo, people mentioned scrounging for something of value in the trash or petty theft in the market. One participant from Mostar stated that “people sit around the house and suffer. I would steal, but I am afraid that I would get caught.”

4. Priorities and Problems

At every site and with nearly every group, unemployment was ranked as the main problem. This priority was also expressed in other terms such as: being without money, the economy, loss of work or the lack of functioning industry. Most of the participants also stated that unemployment was **not** a problem ten years ago or was only a minor problem. A connected overriding theme was general lack of security in the present, compared to ten years ago. Certain patterns emerge in the ranking of employment as a concern. Men tend to rank this problem higher than women, and younger people rank it higher than older. These differences are only slight ones, however, and are usually a matter of assigning lack of employment a “one” versus a “two.”

Many of the participants in Zenica and, to a lesser degree in Vareš, expressed the hope that industries would be restarted or revitalized. More generally, participants tended to identify the need for the economy to be rebuilt or for the state to stimulate the economy in some fashion.

Connected with unemployment is relatively low wages. Many of those working, either formally or informally, expressed dismay at how little purchasing power their wages have. The hyperinflation that preceded the war eroded savings for many, and prices have climbed significantly again since the war ended. Some participants also stated that they do not receive their wages regularly as well.

Resolution of housing problems was ranked high by many of the urban groups, generally as second or third in the list. This reflects the concern over competing claims to housing as well as fears about the impact of enterprise collapse on socially-owned apartments. In the rural sites, housing was not considered as pressing an issue, with the exception of the participants in the collective center at Bratunac. As with employment, many participants considered housing problems a new concern.

Health issues were ranked as a third or fourth priority for most participants, with the exception of pensioners who ranked it higher. The elderly also tended to mention affording health care and medicines as a separate concern. They also emphasized that this was an issue about which they had not worried ten years previously. In Vareš, participants in four of the groups considered the regularizing of health services as a high priority, reflecting extended travel now necessary to receive health care, due to an administrative change.

Pensioners in most of the sites mentioned the unreliability of pension delivery or the smallness of the pension as key concerns. Many had not received their pension in more than two or three months. Older men and women in Mostar also ranked low pensions as key concern, placing fourth and fifth respectively. Pensioners and young women in Zenica both ranked small pensions as a concern, second and seventh respectively.

Many of the participants in Mostar mentioned a decline in or crisis of morals as a priority, and three of the groups there ranked criminal activity as either their second or third highest concern. Drug use and alcoholism were ranked as problems by both young men and by youth in both Zenica and Mostar, but these concerns were ranked relatively low (5th, 6th or lower) when the groups prioritized problems. At both sites, each group described these problems in similar terms, as derived from the lack of other opportunities and from a general breakdown in society during the war..

For young people, the lack of opportunities for unemployment and long-term prospects for their future careers were a serious concern. People referred to the “absence of an exit from the crisis” and a “loss of prospects and perspective.” Education, including access to it, was ranked highly by most of the groups of youth as well as by women, both younger and older. Many young people have had their schooling interrupted by the war and find themselves much older than their classmates if they return to complete their education. The high ranking of education as an issue by many women may reflect their concerns for the opportunities for their children. In group discussions, several women stressed the need for education for their children as a means for the society to overcome the present crisis. Younger women in Mostar also ranked fear for their children as their second highest concern.

Political stability and national tensions manifested themselves as concerns in several ways. In Mostar, both the youth and the elderly considered the lack of the state and the poor functioning of the government as their second major concern. In Zenica, people worried about the closing of the borders. In Vareš, the group of older men stressed that “all the nationalities lived well, and we didn’t have these problems” in the past, and the younger men cited lack of tolerance between nationalities as a current problem which did not exist in the past. The attacks by NATO on neighboring Yugoslavia were also reflected in the concerns of some groups in Republika Srpska. People expressed worries about state instability and the possible return of war.

At specific sites, some priorities were identified with respect to infrastructure. In Sarajevo, the elderly wanted the restoration of a local minibuss line which had previously served their neighborhood. They and older women both identified street lighting as an area that needed improvement, noting that the rise in crime made this even more pressing. In the village of Tisca, the lack of PTT service (no telephone) was a priority for three of the groups. Young women in Polje bijela simply identified infrastructure as a concern, and when pressed, the group stated that there needed to be general improvements. Their ranking was also reflected by the youth and the elderly in that village identifying infrastructure as a problem which needed improvement in the past and continues to need it now.

Several groups, when asked to compare the situation ten years ago with now, asserted strongly that before the war, these problems did not exist. When pressed in discussion about this point, they tended to be very firm. This was the case with the special group in Zenica, a group of workers from the closed steel factory who are “waiting.” [This status means technically that they are on a waiting list to be re-employed if the factory reopens.

It is similar to being laid off .] They were very adamant that there were not any significant problems ten years ago. Their analysis was reflected in many of the evaluations made of specific problems ten years ago and now. Repeatedly, when comparing the weight of a specific problem now with its weight in the present, groups would assign a small number (0 or 10) to the problem in the past, and then assign a number such as 80 or 95 to its current weight. This pattern held true with discussions of unemployment, schooling or education, health care issues and those of psychological impact (uncertainty and irritability).

Several groups mentioned refugee problems as one that simply did not exist in the past. The subsequent discussions took on different forms. One theme is that people who have come to a particular area (Vareš, Zenica, Mostar) from elsewhere do not understand the people there or fit in with the population. [These comments would not be about the differences between nationalities, but rather remarks about urban or town dwellers as contrasted with those from the village.] Another common theme was the loss of old neighbors who had moved elsewhere and may not return. Finally, the stress of an influx of new residents on the town was also described as a problem.

Many participants referred to the absence of problems between nationalities in the pre-war period as compared to current tensions and mistrust. These references were often made casually or in passing while discussing other topics. Several interviewed participants also noted that they had friends and neighbors of different nationalities prior to the war. Some of the younger men who had been involved in the conflict also discussed loss of friends, either to death during the war, or afterwards, due to estrangement because they served on opposite sides.

Findings from Individual Interviews

31 year-old man, Mostar

He was born in Mostar and has lived all his life there. He described in great detail with specific dates the development of the war. He noted that during the first part of the war (“against the aggressors from Serbia and Montenegro”) he was fighting regularly, but was able to visit his mother and sister. They were hiding with neighbors in the basement, because of the heavy attacks on the city. In the initial phase of fighting, several of his good friends were killed. “The unit in which I fought was comprised of people of all nationalities, in general, those from Mostar. In the beginning, we were called the Mostar battalion, but later we came under the wing of the Army of BiH.” He was injured at different points.

He marks the second phase of the war as beginning on May 9, 1993 with direct conflict between Croats and Bosniacs. “It was 7 in the morning, and the soldiers from the HVO [the Croat irregular army] came for me (the building was in the part of the city under their supervision) . Despite the fact that I am Croat, they physically mistreated me, and then they tied me up and dragged me off to the Stadium, where around 10,000 people were. I was worried for my mother and sister , because they were in our old apartment which is located right in the center of the city where the worst battles were.”

He was imprisoned and beaten again. In the prison, they slept with approximately 100 people in a small room. He was later transferred to another prison and feared that the move was for the purpose of killing them. He planned to escape, but a peace agreement between the Croats and Muslims occurred first. He was eventually and set about locating his family who had survived.

On July 6, 1993, he “lost my best wartime friend who had gone through all the fighting in Herzegovina with me. A sniper shot him in the head. After several hours, my best friend from childhood tried to pull him away, but the same sniper killed him too.” The following day, he lost his other best wartime friend. “We were together and 120 mm mortar shell fell right at our feet. He was about 1.5 meters away from me, and he was blown to pieces. I remember this, but afterwards they carried me to the hospital, doctors around me. When I opened my eyes again, a doctor told me I had been in a coma for five days.” He was severely wounded and suffered reactions from some drugs he received. [interpreter’s note: From his description he appears to have become addicted to painkillers and had undergo a detoxification withdraw from them.] He underwent physical therapy to rebuild his strength.

His wife is Bosniac, and they have two children.

Although people did not mention it specifically when asked to rank problems and priorities, many people referred to working at low-skilled labor as an issue in their lives. People who were skilled artisans, well-educated or professionals have taken on menial labor in the absence of other options.

5. Institutional Analysis

Formal institutions (with a few exceptions) were given negative assessments by nearly all participants. The situation in Bosnia and Herzegovina is complicated by the breakdown of previous state institutions and the presence of international organizations. Many of our participants remarked on the ability of certain people to manipulate this situation and benefit financially from it. Other referred only on their lack of reliance on formal institutions. People stressed that informal institutions, such as the family, friends and neighbors, were the places where they turned for support. Furthermore, due to state dominance over associational life during the previous regime, non-state formal institutions are only beginning to be established. Participants in Sekovici were not even familiar with the concept of formal institutions which were not governmental in nature.

The institution mentioned most frequently by groups at all sites was the municipality (opština). People described the municipality as providing documentation, forms for applications and claims, some material help, pensions and invalid assistance. They described all as eligible to access the services of the municipality, although Tombak participants added that most frequently it was the wealthy who received help. The primary role of the municipality for many participants seemed to be its function of providing documentation.

When discussing access to the municipality, various comments emerged in describing eligibility and accessibility that displayed some of attitudes towards that institution more generally. Although most participants said that you need to apply to receive any help, a number of the groups at several sites added that political connections (veze, stele) were necessary. In Capljina, people said that all residents had access, but to get them to do anything you needed to have money or connections. When describing what was necessary to receive services from the municipality, participants in Vareš said that you had to beg them to do you a favor. In Sarajevo, people said you don't have any access to those at the top. In Tombak, the officials were described as corrupt. This observation was not confined to urban areas, but was echoed in the village of Polje bijela when participants stated that only people with good connections had any access and added that if you received something it was only with difficulty. The participants in the collective center at Glogova expressed extreme skepticism and hostility to formal institutions, having experienced a "parade" of organizations who visited and promised improvements to the living standards at the camp. The lack of action on these promises has left a lingering mistrust.

The neighborhood council was the next most commonly mentioned formal institution, with eligibility determined by who lived within a specific area. Their role was described distributing humanitarian aid and giving one-time help. As with the municipality, connections were seen by many as essential to being "on their list" of eligible recipients.

Although the Centers for Social Work have received the most formal analysis in terms of their roles in supporting the poor¹⁰, they were mentioned specifically by name in Capljina. These centers give advice and help to those who are “most at risk or most vulnerable.” Participants considered their help as providing as insufficient for those who needed it. A similar institution, the Bureau for Social Help was seen by participants in Vareš as covering a similar function, but was not as negatively evaluated. Elsewhere, participants referred to the “Social” or the “Social offices” as the organizations which provided assistance to the worse-off and helped those pensioners over 65 or with low pensions.¹¹

Pensioners have recourse to the home for the elderly in Mostar, but only if their pension is sufficient. In Vareš, a pensioners’ association exists which provides social activities, information and “moral support.” You had to be a member in order to avail yourself of these services. Ruhama provides pensioners over the age of 65 with food assistance in Zenica.

A variety of international humanitarian organization have operated in Bosnia and Herzegovina, and many of the participants were precise about the different measures of support received from them. With the exception of one site, foreign humanitarian aid organizations generally received more positive valuations than domestic ones. In Glogova, at the collective center, participants expressed much more distrust and anger towards international humanitarian organizations than at other sites. Their experiences with lack of action in a number of areas has left them skeptical of all agencies.

In general, however, the Red Cross, Caritas, CARE, and UNCHR were seen as important institutions and ones to whom application only was necessary in order to receive help. The Red Cross runs soup kitchens in Sarajevo, Mostar, and Zenica, provides some help with medicines in Capljina, and distributed sugar, flour and oil in Tisca and clothing in Polje bijela. Caritas distributes food, clothing, household goods, and medicines, but many noted that support from Caritas was only during the war. Caritas received very positive ranking from participants in different parts of the country, some stating that the organization had saved them from hunger.

A few organizations have also supplied building materials for repairing war damage: including THW, UMCOR, the Danish Council and an unnamed Italian organization. One of the interviewed participants in Polje bijela, an older man, described receiving some building materials to repair his destroyed house, but that the materials received

¹⁰ Independent Bureau for Humanitarian Issues, *Social Protection System and Policy Transition in the Republika Srpska*, Banja Luka, September 1998. Independent Bureau for Humanitarian Issues, *Social Protection System and Policy Transition in the Federation of Bosnia-Herzegovina*, Sarajevo, September 1998.

¹¹ Several participants made the point that certain institutions only help pensioners over 65 years-old. In the 1990-91 economic restructuring of Yugoslavia, the number of pensioners sharply increased, as individuals sought the relative security of a pension over the possible job loss. This pattern, coupled with other factors, has led to unsustainable pension burden in the successor states. The establishment of age requirements on certain benefits has been one means of addressing this problem. See *Bosnia and Herzegovina: From Recovery to Sustainable Growth*. World Bank Country Study, 1997. (pages 76-77)

were insufficient to complete the repairs on the roof. Despite the work he did on the house, it has subsequently suffered rain damage from his inability to complete the roof work. A younger Romani woman in Sarajevo was hopeful that they would be among those in their settlement to receive prefabricated houses that had been promised by an Italian company.

The village outside of Konjic, Polje bijela, was chosen as a site due to the presence of a World Bank microcredit lending program. The participants in our groups were aware of this program and named the World Bank in the course of their institutional analysis. They had not been informed that the research team was participating in a World Bank project. They described the activities of the World Bank as providing credit, cows and mechanized cultivators and noted that eligibility was determined by the Bank's criteria.

At different sites, some participants discussed institutions which they themselves had not used, but they knew had helped people who were displaced or refugees. A few participants perceived foreign humanitarian organizations as helping primarily refugees. Despite the generally greater degree of trust in these foreign organizations, several participants recounted stories of how humanitarian aid had been misdirected. In Mostar, the domestic humanitarian aid organizations were specifically distinguished from the foreign ones on the question of eligibility, and participants stated that only those with connections were able to get help from the domestic organizations.

The judicial system or courts were mentioned only by participants in half of our sites, all of the rural ones as well as Vareš (which is a town). With the exception of the Serbian sites, police and the military received only a few mentions (a significant point given how recently the country was at war.) In Mostar, however, one group waxed indignant about the variety of police in the city, observing that with all the types of police ("IPTF, SFOR, "our Croatian police, their Bosniac, the Federal..."), there was still not security.¹²

Sports clubs and organizations were listed at two of the Serbian sites, described by participants as being an important form of socializing for those who were members. Serb participants also listed the Posta or PTT as an institution, and while this is also present in the Federation, participants there did not list it. Local radio and television stations were also only discussed as institutions at the RS sites.

Some participants in both entities also listed the union as a source of support, noting that it had done so in the past, but was no longer able to provide help. Others said that the union provided support for the "big" workers, those who were well-connected, and did not help those who were not part of a definite circle. Enterprises were only mentioned at a few of the sites, generally in terms of contrasting their past role with the current situation. There seemed to be little expectation among participants that enterprises would be the locus for services in the future.

¹² The deputy minister for Internal Affairs, Josip Leutar, was assassinated by a car bomb in Sarajevo during the fieldwork. He was from Mostar, and his death arose as a topic in some of our groups.

Registration with the Bureau for employment was described primarily by male participants. The ostensible reason unemployed men register at the Bureau is to be informed of possible employment, but most were dismissive of its efficacy in securing them. The reason for continuing to register is that registration established eligibility for a form of health insurance. However, one must pay for the health insurance which is difficult, given that those obtaining are, by definition, unemployed.

Many participant emphasized the burden of now having to pay for health insurance or health care. Local clinics were described as providing only minimal health care in many cases. Pensioners and older women were critical of the care provided and fearful of the implications of serious illness.

In at least one case, the local school has become a center for community activities and become an institution that is spoken of approvingly by participants. The director of the primary school in Vareš has organized entertainment and sports competition at the school. It appears that through the energy of this individual, the school has filled some of the gaps left by the absence of other institutions. People working at the school also referred to relying on their colleagues and to a sense of community there. Elsewhere, a common theme in discussions of schools was the expenses associated with school attendance and the fear that lack of money for books and other needs would prevent children from being able to attend school. Kindergartens were mentioned by participants in Mostar, with emphasis on the necessity to pay now (as contrasted to the child care provision through enterprises in the past.)

A common theme about access to many institutions was the lack of transparency. People commented in many cases that in order to receive benefits from a certain institution you needed to be “on the list,” but they were not certain as to how one was placed on this list or who was eligible. The most common analysis of institutions with respect to transparency was the need to have “connections” in order to have access. Many participants expressed lack of trust in access without special efforts. Another repeated phrase was the necessity in “being persistent” in order to obtain any support. In Mostar, some participants considered that those returnees (people who had spent the war abroad, usually in Western Europe) were more likely to obtain benefits from international organizations, because “they knew foreign languages.”

Some national divisions were apparent in terms of support from institutions. Some of these relate to religiously based organizations. The Saudi and Kuwait Commissions provide support for Bosniac families of šehidi (a term meaning fallen soldier that carries connotations of religious merit.) Merhamet is another Islamic organization that provides some humanitarian support for Bosniacs. In Polje bijela, Merhamet provided flour, oil and baby food.

Several Catholic relief organizations focus their attentions on providing help for their co-religionists, although several participants commented that Catholic Relief Services was notable for providing help to everyone. The Catholic organizations included: the Bread of St. Ante (providing food and medicines), Society of the Sisters of Mother Theresa and

the Catholic church itself. Napredak (a Croatian cultural society) organizes cultural entertainment and education. HVIDRA was mentioned only at the Croat-dominant sites of Capljina and Mostar West as an organization which helps former members of the Croat irregular army, the HVO. Some Catholic and Muslim participants criticized the tendency of religious organizations to focus on the rebuilding of churches and mosques when people were still going hungry.

Some specific institutions exist to address the needs of war veterans and of survivor families of those killed in the war. At Tombak in the RS, these organizations were emphasized in the discussions. Participants specified three organizations, differentiating between the responsibilities. These were the society for disabled war veterans, the society for the families of fallen soldiers and the veterans' society. In Mostar and Capljina, the Association of widows and parents of killed soldiers provides legal assistance and collects donations for those at risk.

When asked to rank institutions in terms of importance, participants often had strong reactions to the questions. In Vareš, only one group, the youth, would rank institutions, and participants expressed anger about the breakdown of formal institutions. The groups of older men and women refused to evaluate institutions along the other dimensions as well.

The institutions which were mostly trusted by people overall are the informal institutions of the neighborhood, friends, and the family. In Sarajevo, participants put much greater emphasis on the role of neighbors, while in Zenica, friends seemed to be a source of help for more. This contrasts with some of the findings from Vareš in which people mentioned avoiding their friends and becoming isolated because of the decline in the standard of living. In Zenica, people made similar observations about the decline of social life, but nevertheless, relied more on their friends. At most sites in which people would score institutions, these informal institutions received scores over 50 and often 100 (out of 100) on trust.

The corner stores (*granapi*) in Vareš were mentioned as an informal institution whose assistance constituted one coping strategy. These owners of these small stores would allow people to buy food on account and pay them back over time. Vareš participants also mentioned colleagues from work as a source of financial support, advice, and moral support.

Questions of access were also interpreted by some participants as depending on nationality. Issues of national conflict or tension arose in the group discussions primarily on the question of access to institutions. Many groups considered themselves as not receiving benefits from institutions which were given to another nationality. In Vareš, some of the Croats considered that there had been discrimination on the part of the municipality against Croats in connection with housing problems. Other participants in Vareš and in Mostar said that only Croats received help from Caritas, while others disagreed with this assessment. In group discussions at both of these sites, some participants were adamant that the other nationality were receiving benefits solely due to

their nationality. In Mostar, one of the groups insisted that “all the donations in BiH, the Muslims take it all. Those who are closer to fire, are able to warm themselves.”

The lowest level of trust was in the neighborhood council and the municipality among many of the participants would rank or score institutions. Asking about trust in formal institutions often produced strong reactions. In one group in Zenica, the response was “institutions, what kind of institutions while there is no state, there’s no one nowhere, people cannot turn to institutions {and expect anything}.” In all the groups in Zenica, people observed that formal institutions worked better and were more effective prior to the war. In Tisca, people noted that formal institutions did not have any resources with which to help, and while they ranked several institutions as important, their comments added that these institutions were ineffective.

Expectations are high that the state should develop the economy and create jobs. Participants sharply criticized the state’s inaction in rebuilding the economy. This belief is not confined to those participants who were working under state socialism, but is also

shared by many of the younger participants. One participant, a young man in Mostar and a war veteran, stated this belief in terms that were echoed by others. “The government of Bosnia and Herzegovina must give every person the possibility to work.” One of our younger (28 year-old) woman interviewees stated, “I finished business school in Capljina, and I have never found work. Nowadays those who own private businesses only hire their own. There is no more state work.”

Findings from Interview

Younger man, Mostar

I still don’t believe in the veracity of elections, but I always vote. It is necessary to work for democracy. And it is necessary to make accountable those who even today create chaos so that they will get richer. We will need a protectorate for the next 10 years, but honest people from the west who will show me and others who to work and how to get ahead. Our basic problem is nationalist parties, those who worry only what your name is and do not see the value. They are responsible for the chaos, because that is how they can become richer through [taking advantage of] the vast majority of people. The government must consist of people who can strengthen the country economically, establish factories and the economy. And then we can progress even in culture, such as music in which I am interested.

The absence of elements of the previous state’s infrastructure also make it difficult for certain coping strategies to develop further. Marketing and distribution channels of state socialism no longer exist, and substitutes have not yet emerged everywhere. An interviewed participant (64 year-old man) in the village of Polje bijela has two cows and a goat, but expressed his preference for getting rid of the cows. “There’s nowhere to sell my production. We just throw out the milk. There is no dairy store (to buy the milk) anywhere nearby. I tried selling it in the marketplace, but no one would buy it and I had to give it away. It doesn’t pay to keep cows. One goat is enough for my family.”

Specific institutional issues

The electricity company (electrodistribucija) was mentioned as an institution only at the Republika Srpska sites. A possible reason for this difference is the recent decision in the

RS to try to collect past due amounts for electricity provided during the war and the raising of the electricity rates. Participants there stressed the need to have enough money to pay for electricity as a concern.

In Vareš, there was substantial criticism of Vareš being placed in the Zenica-Doboj canton rather than in the Sarajevo canton. People saw Vareš as being disadvantaged by this administrative arrangement in terms of inconvenience of health care and lack of uniformity between cantons. The pensioners also could not understand why pensions have become the responsibility of cantons when the entire republic used to pay into one pension fund. They see this cantonal responsibility as having a negative effect on their pensions and were highly critical of the perceived irregularities of treatment.

Findings from the Pensioners Discussion Group- Vareš

“I will tell you how we live. Here is one example. I have a pension of 148 DM, and one document needed to purchase the apartment (socially owned on which pre-war tenancy rights are held) costs 50-60 DM, while in the Sarajevo canton pensioners are not charged for these.”

“The municipality of Vareš has always had a lower average income than the rest of B&H. It is hard to accept that the average pension in the Sarajevo canton is 300 DM, while in the Zenica-Doboj canton it is much lower. Our city was a heavy industry city, and we always suffered because of this. So this is again us suffering the way towns with heavy industry have.”

“We are embittered, and especially about the fact that the level of pensions is different. For example, pensioners in Sarajevo get their pensions much sooner than we do. The Zenica-Doboj canton is the worst in relation to pensioners. If there is a unitary pension-invalidity fund, then why is there a difference between us and pensioners in Sarajevo?”

“Why have they done this (pensions) through the cantons? The state should be responsible and should deal with these problems. Cantons are a state within a state. Everything is being poured into the Sarajevo canton, and the rest of the cantons can suffer.”

“We are always seeing on the news how in the Sarajevo canton aid is being distributed to pensioners, but there is nothing for us in Vareš, and yet it is same pension-invalidity fund.”

“The thing that hits us most is the issue of healthcare, why do we have to go to Zenica for all slightly more serious treatment or examinations and not to Sarajevo the way we did before?”

“And then when we go to Zenica for an examination, we are always late because it is so far away. Because we now belong to the Zenica-Doboj canton we are forced to go there for treatment and it takes two and a half hours from Vareš to Zenica, and the bus ticket is more expensive than to Sarajevo. I can say to you that this is pure sadism, and this is really the last straw of all that we are put through.”

6. Gender Relations

The war created stresses on gender roles in two nearly opposite directions. In the more urban areas, in which younger women had frequently been employed outside the home, the war tended to mean the loss of that employment and a focus on the domestic role. Woman also tended to take on greater responsibilities for the household with men away

Findings from Interview

Younger woman, Mostar

Her husband was killed during the war while she was pregnant with their second child. She receives help from the army, “they take care of their widows,” and her brother in Germany sends her money. She has her work around the house, “one must cook and clean and take care of the children.” “But luckily, I have my brother and plenty of relatives who come running if it’s necessary, since we are kin.” “I don’t think about looking for work, women need to be in the house with the children.”

in combat. In that respect, traditional gender roles have been seriously challenged by the war and resulting decline in standard of living. At the same time, many participants asserted the continuance of “traditional” relations between man and women, while describing a reality that seemed to diverge. Many of the statements on male and female roles seemed to be normative in nature and were modified by comments such as “that’s the way it’s always been and how it should be.”

Men and women have different expectations of the changing economic circumstances with the growth of small businesses and the service industry, in the place of heavy industry. Younger and older men at the urban sites commented that younger women were more likely to find work because of the proliferation of service industries which hire women (waitressing and shop assistant.) Younger women tended to agree with this assessment, but note that this work has no security or benefits. In Zenica, some of the younger men also added that men and women are not treated equally, but should be.

One effect of decreased household resources seems to be the increased role of women as managers of what little does exist. In Vareš, one man, when asked about how they make ends meet, replied, “Ask my wife.” Another stated that, “In my household, my wife is the economist.” In the village of Polje bijela, all the groups agreed that women carry the main responsibility for the household and that this burden is greater when they have less income.

At several sites, the stresses of managing under very limited resources were described as causing conflict within the family, with women often receiving the brunt of the conflict. In discussions in Sarajevo and in Mostar, violence in the family was explicitly linked to alcoholism, particularly on the part of demobilized soldiers. Several participants, both male and female, commented on the frustrations felt by men who had unsuccessfully sought regular employment.

7. Conclusions and Observations

The combined pressures of post-communist economic transition with wartime devastation has placed many people on the margins of economic existence. Their current privations contrast sharply with a relatively comfortable pre-war “normal life.” Few of our participants described patterns of generational poverty. Rather, many had enjoyed relative economic security which has vanished in the past ten years. At the same time, some individuals have visibly prospered over the course of the war. These “war profiteers” are seen as a source of people’s misery as many consider them as gaining at the expense of others.

Participants consistently identified unemployment as their principal concern, followed closely by health care. People at all sites described searching for any kind of work and relying on occasional, informal labor. Many expressed strong desires for regular employment with some benefits. Lacking employment opportunities in the country, many younger people seek to emigrate either temporarily or permanently.

Pensioners live closest to the economic margin. Because of their age, they generally cannot resort to strategies of pursuing menial labor. Few, if any, receive their pensions regularly, and the pension amount is inadequate due to the rise in the cost of living. The new costs of paying for health care and medicines has also added to their economic burden.

Refugees constitute the other seriously disadvantaged group. The loss of home and/or possessions poses an insurmountable economic obstacle for family recovery. Those who have found temporary housing often face the risk of losing it as people return to their previous residences. Many rely on support, both financial and material, from family outside the country.

Housing issues remain a serious concern for many of our participants. In addition to the uncertainty experienced by refugees and displaced persons living in housing previously occupied by others, the system of “socially owned housing” no longer functions as it did under the previous regime. People who had housing rights to an apartment through their employment at a firm are unsure of what their status will be in the future. With many enterprises no longer working or destroyed, people fear that they will be evicted or have to buy their apartments on short notice. The cycle of hyperinflation that preceded the war, combined with the war itself, have eradicated personal savings, and many people do not have the resources to purchase their housing. Finally, although housing repair has taken place with the support of international donors, much wartime damage still remains.

Institutional breakdown has produced widespread distrust of formal institutions. People are cynical about the extent to which they can expect support from formal institutions. Participants attributed much of the functioning and services provided by formal institutions to political and personal connections (veze). They perceive themselves as having little access without these connections.

There has been widespread support from international humanitarian organizations, but many participants are well aware that this support is limited to wartime and immediate post-war reconstruction. In most cases this support has been discontinued, and people do not have any expectations for it to continue. Many participants described forms of crisis fatigue. They wish to return to some form of “normal life” without extraordinary interventions necessary simply to guarantee survival.

8. Policy Implications

- Lack of employment remains the major obstacle preventing many participants from escaping war-imposed poverty. Reconstruction plans should focus attention on stimulating small-scale enterprises. Micro-credit programs, in particular, have been effective. Obstacles for small businesses to convert casual employees into regular employees with benefits should be examined systematically to determine what state measure can provide incentives.
- Pension delivery is unreliable, and many elderly also lack access to health care. The pension system is flawed, but efforts to reduce the overall pension burden must take into account the marginal existence of much of the elderly, particularly those without family.
- Many refugees and displaced persons continue to live in collective centers or camps in substandard conditions. Housing security is a primary concern for these people as well as an issue for many others. While much has been accomplished in repairing destroyed housing, the legal issues of establishing housing rights need to be addressed in a systematic way which addresses the range of unresolved housing issues.
- Post-socialist health care fails to provide for the basic needs of many people, especially the unemployed. Payment for services is a burden on those people who have few resources.
- Institutional reform needs to address the lack of confidence expressed by people towards formal institutions. Much effort has been focused on post-war reconstruction, but the element of post-socialist transformation also needs to be addressed. Transparency in state institutions and civic education which includes questions of citizen access are two starting points.