

Transformation of ownership - privatization in Gjakova municipality

Period 1990 - 1999

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Abstract

Many difficulties accumulated over the years, which socialism as a socio-economic formation produced, precipitated uproars and political and economic shocks in several countries of the Eastern Bloc in the beginning of 80s. Poland was the breaking ground and subsequently, the waves of uproar, through Kosovo, reached the country formerly called Yugoslavia. There was no stopping to this turmoil, and in due time, it encompassed all the countries of Eastern Europe and even farther, generating its first concrete impact on collapsing the socialism as a socio-economic formation in the beginning of 90s. It also engulfed USSR (Russia), as the genesis, the place where socialism sprung. It was obvious that some changes in the eastern bloc countries were needed as the socialist economy deteriorated to the extent that it brought nations to the brink of mere existence, losing all its former glamour. The analysis of that time of the issue at hand point out, *inter alia*, the issue of **undefined ownership**, as the property back then was either state owned or socially owned (in former Yugoslavia), and it was not private property like in capitalist countries where the economy was intensively blooming.

Against this background, there was some organizational transformation in the economy of Gjakova municipality at that time, which preceded the **proper ownership transformation - the privatization**.

This paper shall shed light into:

- What actually happened in the economy of Gjakova municipality during these ten years;
- The way how the capital transformed pursuant to law; and

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- Assessment of the results achieved under those Kosovo business conditions.

As per data obtained from the enterprises in Gjakova municipality, this topic concerns a certain period of time, which insofar, nobody has actually tackled, analyzed nor evaluated from this perspective. On the other hand, this is a widely controversial issue discussed for years, before and after the Kosovo war, by the economic and political community of Kosovo.

As the period of ten years, 1990 - 1999 represents the end of the Former State of Yugoslavia and the Beginning of the Establishment of new States from Its federal constituent elements, this document has special importance.

Foreword

Many difficulties accumulated over the years, which socialism as a socio-economic formation produced, precipitated uproars and political and economic shocks in several countries of the Eastern Bloc in the beginning of 80s. Poland was the breaking ground, because of the plight and grave economic condition. The waves of uproar, through Kosovo, reached the country formerly called Yugoslavia, because of economical and political problems, too. There was no stopping to this turmoil, and in due time and without disruption, it encompassed all the countries of Eastern Europe and even farther, generating its first concrete impact on collapsing the socialism as a socio-economic formation in the beginning of 90s. It also engulfed USSR (Russia), as the genesis, the place where socialism sprung.

It was obvious that some changes in the east bloc countries were needed as the socialist economy deteriorated to the extent that it brought nations to the brink of mere existence, losing all its former glamour. The analysis of that time of the issue at hand point out, *inter alia*, the issue of **undefined ownership**, as the property back then was either state owned or socially owned (in former Yugoslavia), and it was not private property like in capitalist countries where the economy was intensively blooming.

Under these circumstances, a Croat, Ante Marković (16.03.1989 – 20.12.1991)¹, was appointed as the Prime Minister of the Central Yugoslav Federative Government. This was the first time that a professional, with a successful economic background was appointed to this position, and not a politician, as it used to happen. He immediately began **the well-known transformation of ownership** under the famous and meaningful slogan “Building a new socialism”. According to my opinion, exactly at this point in time and with this approach for stabilizing the economic situation in former Yugoslavia, the inception of the destruction of former Yugoslavia by the part of the Republic of Serbia commenced. Serbia was openly disinterested for the property transformation process and for shifting to a new socio-economic formation, to capitalism, which was clearly a regional tendency at that time.

What really happened with the economy of Gjakova municipality at that time?

Below are the reasons why this studied period was chosen for this scientific paper:

- For the first time during 1990s the activities for a proper and legal transformation of property, from socially owned to private, began;
- The “Odysseys” of Gjakova economic enterprises started in 1990, encountering many various difficulties for full ten years with the abolisher of Kosovo autonomy, until the Kosovo war broke on 24.03.1999; and
- How the leadership of that time managed the business development of enterprises in the municipality, and what were the implemented alternatives.

Disintegration of Yugoslavia in fact started with the constitution amendments of 1988. Serbia also modified its constitution with the pretext of creating the pre-requisites for legitimizing the actions that followed for abolishing Kosovo autonomy. And on 26.06.1990,

¹ His tenure as Prime Minister.

unilaterally and anti-constitutionally, Serbia approved the law for authorizing republican bodies to act in Kosovo in extraordinary situation². As Serbia considered the situation of Kosovo at time grave and extraordinary, Serbia **suspended Kosovo autonomy on 07.07.1990** and disbanded Kosovo parliament and its legitimate government. These actions, *de facto* and *de jure*, triggered the disintegration of the country called Yugoslavia.

After suspending Kosovo autonomy, the Republic of Serbia would install – on a daily basis – forced measures in Kosovo enterprises. The records of that time show that these measures meant the dismissal of Albanian employees exclusively, starting from directors all the way down to ordinary workers. Then, the leadership appointed to these enterprises, which were of Serb background, would ruthlessly destroy all that the Kosovo-Albanian cadre had built. The property would be stolen unscrupulously and in broad daylight and the immovable property would be sold without due consideration to legal process. The Serbs benefited from these “fuzzy” circumstances and their servants, too, and alas, it happened to be that some of these servants were Albanians! There are numerous cases Kosovo wide while there are only four in Gjakova, where after the initial “forced measures”, the enterprises would integrate into bigger companies in Serbia. Below are the enterprises in Gjakova municipality that underwent forced measures:

- Agriculture Industry Company “Ereniku” (at five joint stock companies within);
- Construction Material Enterprise “IMN”;
- Tire Enterprise “Elast”;
- Bread Factory “Mulliri” in Gjakova;
- Bus Station “Kosovatrans”; and
- Hotel “Pashtriku”.³

² Official Gazette of Socialist Republic of Serbia, nr. 30/90.

³ Data for the measures installed in these enterprises are reliable, as they are acquired from the interviews with former directors of these enterprises at that time, and from the documentation from the archives of these enterprises.

When we analyze the number of enterprises transformed by law in the Gjakova municipality (over 40 such enterprises, and when compared with the four enterprises which suffered forced measures imposed by the Serbian occupation), we can conclude that the transformation of ownership, from socially owned to joint stock companies, done by enterprises in Gjakova municipality, produced considerable results in those circumstances because it hindered, disabled or prolonged the installment of forced measures by the Serb occupier.

The transformation of socially owned to state owned property that the Republic of Serbia was carrying out forcefully in Kosovo, was an action unheard of (*sui generis*), of unlawful appropriation or nationalization of Kosovo resources. It should be noted that the concept of socially owned property was prevalent only in Yugoslavia, and not in other socialist countries.

It was a reign of true anarchy at that time in Kosovo and the war was just around the corner...! This was a very well known situation not only for Kosovars as locals, but for the region and the international community, too.

Against this background, there was some organizational transformation in the economy of Gjakova municipality at that time, which preceded the **proper ownership transformation – the privatization**, as follows:

- ◆ Transformation from Joint Work Organization into Socially Owned Enterprise and
- ◆ Transformation from Limited Liability Company into Joint Stock Company.

The ruling occupiers that Serbia installed in Kosovo (after abolishing Kosovo autonomy) were violent and they enjoyed open support from the police, judiciary and Serbian army, and massively expelled Albanians employed in Kosovo enterprises. Among countless cases that occurred in Gjakova, there are two glaring examples of drastic private property rights infringement.

Gorenje Electro-Motor Enterprise Sh.a. in Gjakova, received the decision 1971/92 on 15.05.1995 from the Serbian Republican Agency⁴ for equity assessment. The decision annulled the ownership transformation that the enterprise underwent legally at the court of that time. The enterprise appealed this unlawful decision reached by the unlawful structures in Kosovo pursuant to the legal regulation and its status as a Joint Stock Company at the Supreme Court of Serbia. The latter was the only remedy at that time. To everyone's surprise, the Supreme Court of Serbia at that time, with its decision U.nr. 921/96 dated 28.05.1997⁵, ruled that the transformation was legal and that the decision of the Serbian Republican Agency for equity assessment was invalid.

The second case concerns AIC Ereniku (containing five enterprises). The Assembly of Republic of Serbia, on its session held on 21.06.1991, introduced summary measures, known as forced measures, in AIC Ereniku and appointed the temporary overseeing body. The latter then addresses Gjakova Economic County Court with a request for registering the summary measures in the Court's register. However, the said Court refused, via its decision nr. 233/91, dated 05.07.1999, under the justification that it is a Joint Stock Company, and not socially owned enterprise. The Assembly of Republic of Serbia promptly reacts with another decision reached on 29.07.1991, and corrected the previous decision by noting that it concerns the Joint Stock Companies attached to AIC Ereniku, and not the socially owned enterprise.⁶

Understanding the transformation as a process

For most of the professionals of that time, the process of ownership transformation was, as far as its implementation in practice was

⁴ Decision nr. 1971/92 dated 15.05.1995 of the Serbian Republican Agency on capital assessment.

⁵ Serbia Supreme Court ruling U.nr. 921/96 dated 28.05.1997. Both documents can be found in the archive of Gorenje Elektromotori YSC in Gjakova.

⁶ All three quoted documents in AIC Ereniku case (two decisions and one ruling) are preserved in the archive of this decision.

concerned, a new and incomprehensive phenomenon. This kind of transformation was commented in two dimensions at that time: economic and political. In this regard, the Republic of Serbia, which was the most outspoken state in former Yugoslavia, dreaded that this type of property transformation process chosen by the Prime Minister of former Yugoslavia as the new country perspective was not conducive for Serbia. It claimed that it would lead to Serbia losing all its powers over its own state owned property and over the property of former Yugoslavia.

In these extreme circumstances and with the presence of many threatening elements for the order and safety in former Yugoslavia, Gjakova economy was the first one which with courage, resolve, utmost professionalism and vision approached this process with conviction and lack of hesitation, as this process was the only way out from forced measures and the future of economy depended on its realization. The privatization was also going on in other former Yugoslav republics, in Slovenia, Croatia, Bosnia and Herzegovina, etc.

It is noteworthy that some individuals and institutions displayed strong resistance against this new reality, as they did not want to lose the power they had had with decades. Furthermore, the new structure that came after the destruction and collapse of socialist regime did not accept the transformation of ownership neither, either because they did not know the process or because of their interest in continuing with the policies of old structures but under the camouflage of new, thus causing confusion among public opinion of Kosovo.

The leading economic structure in Gjakova municipality⁷ saw in this process (the process which implied major changes in the times to come) the following highly important reason “*taking charge over the*

⁷ Explanation: who was at that time the “leading structures of economy in Gjakova municipality?” The directors of big enterprises, strongly backstopped by their professional staff, by the entire working class of that time, and naturally, by the municipal leadership, initially legally and then after the forced Serbian measures against Kosovo, the leadership operating in illegality. At that time, the economy of Gjakova municipality had over 20,000 employees.

ownership argument and preparing for the actions that the Serbian government would undertake". This happened indeed! Let us recall the forced measures that the Serbian occupier applied under the pretext of protecting socially owned property from misuse and destruction. It was revealed later on that those measures were fatal as the enterprises that suffered them were *de facto* destroyed.

Hence, the enterprises in Gjakova municipality prepared – through this privatization – to set off very well planned and coordinated forced measures that the state of Serbia use to apply in Kosovo at that time.

How the capital transformed in practice pursuant to the law Law on enterprises

During the ten year studied period (1990-1999), former Yugoslavia was undergoing severe challenges. Serbia was claiming that there are Serbs in all the republics and provinces and based on this fact, Serbia considered that Yugoslavia was basically Serbia. There were other republics and provinces on the other hand, some more outspoken, claiming equality of all federal units or otherwise, each should opt for its own independence. The Republics of Montenegro, Bosnia and Herzegovina and Macedonia, as well as the Province of Vojvodina, were more refrained and less loud because the influence of Serbia in these units was strong. In these circumstances, the Croat Ante Marković (16.03.1989 – 20.12.1991) came as the Prime Minister of Yugoslav Federation. Mr. Marković pushed forward the new socialist order called "new socialism", initiating and developing the required legal basis for a proper property transformation, which I will explain next.

After reviewing the law appertaining to this study, **I have established that the opportunity** for ownership and organizational transformation of socially owned property was put in place with the enactment of the Law on Enterprises⁸. The Croat A. Marković assumed the position of Prime Minister of former Yugoslavia only on

⁸ Official Gazette of SFRY, nr. 77/88, 40/89, 46/90 and 61/90.

16.03.1989. This infers that even before A. Marković came in power and despite all the sabotage by the Republic of Serbia, there were laws announcing major changes, which would actually happen later on, enacted. However, this falls under the domain of a proper political analysis.

Kosovo was occupied by the Republic of Serbia from 05.07.1990 – when its autonomy was *de facto* abolished forcefully by the Republic of Serbia – until 24.03.1999, when the international forces began their air striking campaign against Serbia. During this period, Kosovo was unable to approve laws as it was a decade of total and absolute occupation. This fact sufficiently depicts the circumstances, under which the enterprises in Gjakova municipality underwent the process of equity transformation. This is also the main aim of this paper – to provide a realistic overview over the activities of economic and political structures of Gjakova municipality at that time. These structures were mobilized, coordinated and resolved to actively respond to the increasing Serb occupier's repression in Kosovo, namely in Gjakova municipality. Kosovo at that time was in complete information darkness and every activity, regardless how small, which managed to mobilize masses of Albanians for an organized response, was of great importance and with great effect for the future of Kosovo.

Let us go back to the economic aspect of the problem. The laws that directly or indirectly enabled the organizational and ownership transformation and privatization, are:

- Law on Enterprises (SFRY Official Gazette, nr. 77/88, 40/89, 46/90 and 61/90);
- Law on accountancy (SFRY Official Gazette, nr. 64/89, 29/90);
- Law on Securities (SFRY Official Gazette, nr. 64/89, 29/90);
- Law on socially owned capital (SFRY Official Gazette, nr. 84/89, 46/90);
- Law on payment of personal income, funds for joint direct consumption and funds for employee meals (SFRY Official Gazette, nr. 37/90 and 84/90).

For an accurate and professional capital transformation evaluation – the topic of this paper – it is noteworthy that the international community took over the temporary administration of Kosovo since June 1999, after the Kosovo war, respectively UNMIK, considered these law applicable (non-discriminatory)⁹.

The solution that the law on enterprises¹⁰ sought to give (according to the authors) was a result of many analysis and professional consultations with renowned world experts and with international monetary institutions that were willing to support the law. According to their authors, the purpose of all these laws on transformation of capital was:

- To change essentially the organization of the enterprises by changing the ownership status, i.e. setting the bearer of the property;
- Increase the capital (de-capitalization) of the enterprises;
- Stimulate the workers of the enterprises;
- Include the employees who were shareholders in the enterprise governance;
- Increase the economic efficiency, and so on.

This was the reason and the main argument that encouraged the leading structures of the economy of that time to implement the law at hand. The law at hand had no obligatory character and it could be applied only by the enterprises that meet the pre-requisites noted below:

- Have a successful running business;
- Their business should have a very positive official balance; and
- Should have the will and the interest for a true ownership transformation, from socially owned to privately owned, to Joint Stock Company.

⁹ UNMIK Regulation nr. 1999/24 and 2000/59.

¹⁰ Law on Enterprises (Official Gazette of SFRY, nr. 77/88, 40/89, 46/90 and 61/90).

Yet again, these transformation laws of socially owned capital had some basic principles on which they relied. In my opinion, there were two main principles among others:

Enterprises had full autonomy to decide about their future on the transformation process; and

- There was a visible tendency for favoring workers, through material incentives for purchasing stocks and governing the enterprises.

There are several interesting factors related to the law that need acknowledging. Below are some of the main ones:

- There existed a very difficult economic and very complicated political condition of that time at the federative level, which precipitated the need for approval of this law.
- The state aimed to make the enterprises independent, so that they do not depend on the budgetary aid;
- Increase the engagement of the employees for the future, and for choosing and overseeing their business;
- The aim that the federation strives to achieve through this law seen from a political perspective;
- How Kosovo (Kosovo at that had a very specific and threatened position in the Yugoslav Federation) and its economy awaited this law;
- Implementation of this law in Kosovo and possible results to be achieved;
- Approach of the Serbian government toward this law;
- The consequences that the former Yugoslavia suffered after the approval and implementation of the law; and
- Many other factors less relevant.

Knowledge and professional assessment of these factors is highly important, as it serves not only to understand the content of the law, economic and political situation of that time, the form of the ownership transformation, the position of Kosovo in the federation, but also for taking sustainable decisions today, as the Kosovo economy must decide about the best path for paving the road towards the future.

Ownership transformation of socially owned, limited liability companies to joint stock companies

In order to illustrate and better clarify the topic under discussion, I shall present the legal transformation procedure that was applied in over 40 socially owned enterprises or limited liability companies in Gjakova municipality, which had very good business results and good material standing.

Pursuant to article 2 of Law of financial business¹¹, to Law on payment of personal income, funds for joint direct consumption and funds for employee meals¹², and article 2 of the law on securities¹³, socially owned economic enterprises, respectively the limited liability companies in Gjakova reached the following:

- 1. Decision on emitting internal shares as per law on personal income; and**
- 2. Decision of emitting internal shares as per law on socially owned capital.**

These legal acts have clarified in details the procedures of ownership transformation, as well as the development of new enterprises with an ownership status defined as Joint Stock Company. Below is the list of the most core explanations contained in these legal acts:

- ◆ Shares are securities emitted in accordance with the relevant law;
- ◆ Shares were expressed in the currency valid for that time - dinar;
- ◆ Shares were in the name of the holder;
- ◆ Sale and purchase of shares among the JSC shareholders was allowed;
- ◆ Transfer of shares was allowed with endorsement;
- ◆ Transfer of shares was allowed on the name of the holder with handover;

¹¹ F.Z. SFRY nr. 10,26,35,58 and 79/89

¹² (O.G. SFRY nr. 37/90), article nr. 1, 1a and 2 on Law on Socially Owned Capital (O.G. nr. 84/89 and 46/90)

¹³ (O.G SFRY nr. 64/89, 29/90)

- ◆ Shares were registered in the financial sector in a special registry.

Sale of shares in accordance with the two afore-mentioned legal bases harmonized as it went along, and irregular sales or sales outside of legal procedures were not allowed. This was overseen by the Financial Sector, namely the responsible Committee, General Director and the enterprise's Shareholders Assembly.

The material researched for this paper leads to the conclusion that the majority of the socially owned enterprises in Gjakova municipality at that time achieved to transform over 70% of the socially owned capital into private owned. However, there are some enterprises that achieved 100% of capital transformation, from socially owned into privately owned – shareholders.

The ownership transformation procedure ran under strict surveillance measures by the former Social Accounting Services, a financial institution with remarkable legal powers for financial monitoring of all the capital and financial transactions in former Yugoslavia. The shares of the Joint Stock Companies, emitted in accordance with the law, looked as follows:

A Specimen of an internal share – as per law on payment of personal income

The data that this internal share should contain)

<p>" X " YSC. Gjakova</p> <p style="text-align: center;">SERIES No. A A 00001234</p> <p style="text-align: center;">INTERNAL SHARE In the value of 100,00 din. (one hundred dinars) On the name of</p> <p style="text-align: center;">_____</p> <p>Internal share is given for the payment of pure personal income in accordance with the article 4 f law of payment of personal income. Official Gazette of SFRY, nr. 37 / 90 and decision of Worker's Council, nr.....dated.....</p> <p>There are 1000 shares from this series issued, in the total amount of 100 000 din.</p> <p>Dividend is paid in accordance with the law and contract.</p> <p>Gjakova..... Main Director</p>	<p>" X " JSC Gjakova</p> <p>COUPON No. 1 Dividend payment for Internal share, nr. of series: A A 00001234</p> <p>Main Director</p>
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A Specimen of an internal share - as per law on socially owned capital

The data that this internal share should contain)

<p>" X " JSC Gjakova</p> <p style="text-align: center;">SERIJA No. A B 00001234</p> <p style="text-align: center;">INTERNAL SHARE In the value of 100,00 din. (one hundred dinars) On the name of</p> <p style="text-align: center;">_____</p> <p>There are 1000 shares from this series issued, in the total amount of 100 000 din.</p> <p>Dividend is paid in accordance with the law and contract.</p> <p>Gjakova Main Director</p>	<p>" X " JSC Gjakova COUPON No. 1</p> <p>Dividend payment for Internal share, nr. of series: A B 00001234</p> <p>Main Director</p>
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Registration and functioning of the Joint Stock Companies

When the socially owned enterprises would appear in from the Economic Court for registering as Joint Stock Companies, as per the relevant law, they should:

- Have the decision of the Worker's Council (as the highest decision making body of the enterprise – Limited Liability Company) regarding the transformation of capital; and
- Have sold, respectively transformed the allowed minimum of 10% of business fund as per their official balance.

Otherwise, the Economic Court, authorized for registration of businesses, respectively, economic enterprises, disallowed their registration as Joint Stock Companies.

Then, at the end of the calendar year during which the sale of shares began, the enterprise would undergo an examination, a verification as to what extent it has transformed – which could be established from the enterprises balance sheet.

There was another regulation regulating the right within the Joint Stock Company - among the shareholders – to decide, to govern. This regulation was the Work Regulation of Governing Bodies.

Pursuant to the law, the Joint Stock Company has the following governing, decision making bodies:

- Shareholders' Assembly;
- Steering Committee; and
- General Director.

The law on transformation foresaw their obligations and their rights in the course of duty, and functioning and work regulation of these bodies – all in details. However, during the application and implementation, there were some slight variations in Gjakova economic enterprises, which had no substantial impact, but assisted in adapting to its physical, numerical, economical-financial and organizational size.

The results achieved in the Kosovo business circumstances

The Kosovo economy in general, and consequently Gjakova economy, went through great ordeals during Serbian occupation. To be more precise, they were on a daily basis at the brink of sheer business survival. There were threats of incarceration and life threatening hazards, too, for the managers of the enterprises.

From the vast material I was able to collect regarding the work of the leading economic structures in Gjakova municipality, it is clear that their main aims were:

- Above all, they did not want that the economy of Gjakova municipality remains without any alternative for responding to the repressive measures that the Serb occupier continuously exercised;
- Preservation of factories from the Serb occupier, as a wealth earned and built through decades with the work of employees;
- Inhibiting the installment of forced measures and retaining their jobs as a prudent approach considering the situation Kosovo was undergoing;
- Disallowing the Serb occupying forces to further impoverish and subdue the population;
- Conveying a message to the international community about the drastic and forceful state measures that the Serb occupier is taking against the private property of Kosovo citizens;
- By maintaining factories functional, it was possible and of great interest for the citizens to coordinate and mobilize in counteracting the Serb occupier;
- Functioning factories were deemed as very important for Kosovo in those circumstances, allowing people to move for getting supplies of raw material, selling ready products, as the Serb occupier of that time had limit the freedom of movement and was controlling it strictly; On the other hand, the ability to move would enable informing the public of former Yugoslav Federation and the International Community about what was actually happening in Kosovo;

- It is worth mention that the leadership of Gjakova municipality during this period tried to incite other municipalities to adopt this approach for a coordinated counter-action against the Serb occupier;
- Lastly, the activities of the Gjakova municipal leading structures were coordinated closely with the leading national structures.

As the occupying powers were arbitrary and had no regard for federative laws, or of A. Marković's law, continuing to install forced measures in enterprises without legal procedures, one portion of the Joint Stock Companies took the next step to prevent the installment of these measures. The next step was to relocate the Headquarters of the enterprise outside of Kosovo, either in the Republic of Slovenia or Croatia. For doing this, the enterprise deregistered from Gjakova Economic Court and registered outside of Kosovo, where Serbia had no legal basis to apply forced measures. This step was fruitful as it prevented the occupier's move in several cases. Clearly and laconically said, the primary interests of the Gjakova municipal leading economic and political structures at that time was an organized response to the actions of Serb occupier. On the other hand, these structures were of the opinion that the transformation of ownership was the right thing to do for the future of the country. In this regard, the facts indicate that a large portion of the desired aims was achieved.¹⁴

¹⁴ All this data can be clearly seen in the minutes of the meetings at time, in the numerous correspondences of the responsible people in enterprise with the leaders of that, as well as from conversations with their alive and many contemporaries, who are very active currently in Gjakova. The Coordination Council functioned at that time in Gjakova municipality. This Council was in charge of daily management of the situation imposed by the Serb occupier. In this regard, this body was very authoritative in protection of enterprise's rights in Gjakova municipality, through organizing, coordinating and steering appropriate activities.

According to the documents that I managed to obtain, the main enterprises in Gjakova municipality which managed, according to the relevant law, to register as Joint Stock Company, are:

1. Holding Company "Emin Duraku" with seven enterprises within as special entities;
2. Holding Company "Jatex" with six enterprises within as special entities;
3. Agriculture Industry Company "Ereniku" with five enterprises within as special entities;
4. Holding Company "Metaliku" with four enterprises within as special entities;
5. Holding Company "Dukagjini" with three enterprises in itself as separate entities;
6. Electro-Motor Factory "Gorenje Elektromotori";
7. Construction Material Industry "IMN";
8. Trading Enterprise "Agimi";
9. Electro-Motor Servicing Enterprise "Elektroservisi";
10. Wood industry "Modeli";
11. Holding Company "Deva";
12. Hotel "Pashtriku";
13. Bread Enterprise "Mulliri";
14. Transport Company "Kosovatransi";
15. Projecting Enterprise "Ening";
16. Meat Processing Enterprise "Mishi";
17. Enterprise "Ngrohtorja e qytetit";
18. Agriculture Cooperative "Bec";
19. Vehicle Servicing Enterprise "Kompresor";
20. Tire Processing Enterprise "Elasti";
21. Others.

The documents of over 40 enterprises registered in Gjakova Economic Court (this court had jurisdiction for the entire Dukagjini valley) as Joint Stock Companies were obtained.

These enterprises counted in total over 20,000 employees, altogether.

Conclusion

There is no assessment indicating that any of the ownership transformation process – from state owned to private, carried both in Western and Eastern countries – was perfect. However, there are some evaluations that one was better, respectively successful than the other and with less negative consequences. The logical conclusion deduced is that the ownership transformation process in accordance with the law of A. Marković was perfect neither, despite the fact that there were many internationally known experts involved in developing this law. However, for Kosovo this law **was a concrete step forward toward privatization**, which was highly discussed by the Kosovars and welcomed and demanded by the entire economy.

These enterprises faced many great and various hardships during Kosovo post-war period (from 1999 onward), for which a separate study would be in order.

Bibliography

- The key persons that were the bearers, responsible as leadership and very active during the 1990-1999 ownership transformation contacted and interviewed: Ali Buza, Fehmi Nallbani, Shaban Deva, Gazmend Tuzi, Bajram Morina, Shukri Buza, Ismajl Boshnjaku, Mahmut Rizavnolli, Abdyrrahmon Hafizademi, Avni Bytyqi, Ismet Zhaveli, Blerim Këpuska, Sherafidin Rogova, others.
- Core documents secured from the archives of the prominent enterprises transformed. These documents provide an overview and argument the ownership transformation in details. Of course, archives of those enterprises that managed to preserve their documents as there are many enterprises that were unable to do so because of huge changes in their status they underwent after the Kosovo war, from 1999 and onward!
- The Electro-Motor Gorenje Joint Stock Company (as a leading enterprise of that time) allowed me access to all its archive

which counts thousands of pages, conducive for analyzing the entire situation and the determining factors of the time.

- Paper published by the Prishtina Economic Institute, 2005 – The Socio-Economic status of the Joint Stock Companies in Kosovo, particularly of Gjakova.
- Official Gazette of Socialist Republic of Serbia, nr. 30/90.
- Official Gazette of RSFJ, nr. 77/88, 10, 26, 35, 40, 58,64, 79/89, 46/90 and 29, 61/90.
- UNMIK Regulation nr. 1999/24 and 2000/59.
- Law on Enterprises (Official Gazette of SFRY, nr. 77/88, 40/89, 46/90 and 61/90).
- O.G. SFRY nr. 37/90), article nr. 1, 1a and 2 on Law on Socially Owned Capital (O.G. nr. 84/89 and 46/90)
- The author of the paper was at that time one of the professional activists in implementing the privatization of the enterprises in Gjakova municipality in accordance with the law.